



Section – A

- I. Answer any EIGHT of the following questions each carrying one mark: 8 × 1 = 8**
1. How do you treat the Life membership fees?
 2. Which is the suitable method for Calculation of Interest on drawings, when fixed amount is withdrawn every month at a uniform date?
 3. Accumulated profit is transferred to all partners capital Account including new partners:-**True / False.**
 4. Share gained is calculated by deducting _____ share from the new share.
 5. Profit on forfeiture of shares is transferred to _____ Account.
 6. Loss on issue of debentures is treated as:
a) Intangible asset b) Current assets c) Both Intangible & Current Asset d) Miscellaneous Expenditure
 7. Give an example for non-current asset?
 8. An Annual report is issued by a company to its
a) Directors b) Auditors c) Shareholders d) none of the above
 9. Expand EBIT.
 10. What are operating activities?

Section – B

- II. Answer any FIVE of the following questions each carrying two marks: 5 × 2 = 10**
11. State any two books of accounts maintained by Not-for-profit organisation?
 12. What is Partnership Deed?
 13. Give Journal entry for decrease in the value of Creditor at the time of admission of a partners
 14. What is Realisation Account?
 15. State any two methods of issue of Shares.
 16. How do you disclose the following in the Balance Sheet of a company?
a) Loose Tools b) Proposed dividend
 17. State any two objectives of Financial Statement Analysis?
 18. State any two uses of Cash flow statement?

Section – C

- III. Answer any FOUR questions each carrying six marks: 4 × 6 = 24**
19. Amar is a partner in a firm. He withdrew the following amounts during the year ended March 31, 2018.

Particular	Amount (Rs.)
May 01, 2017	12,000
July 31, 2017	6,000
September 30, 2017	9,000
November 30, 2017	12,000
January 01, 2018	8,000
March 31, 2018	7,000

Interest on drawings is charged at 9% p.a. calculate interest on drawings.

20. Shubha & Vibha are partners in a firm sharing profits in the ratio 5:3. They admit Nibha, as a new partner for 1/7th share in the profit. The new profit sharing ratio will be 4:2:1. Calculate the sacrificing ratio of Shubha & Vibha.
21. Sushanth, Nishanth & Prasanth are partners in a business sharing Profit & Losses in the ratio 2:2:1 respectively Their Balance Sheet as on March 31, 2017 was as follows.

Balance Sheet as on March 31, 2017

Liabilities	Amount (Rs.)	Assets	Amount (Rs.)
Sundry Creditors	1,00,000	Cash at Bank	20,000
		Stock	30,000
Capital Accounts:-	2,00,000	Sundry Debtors	80,000
Sushanth 60,000		Investments	70,000
Nishanth 1,00,000		Furniture	35,000

Prasanth	40,000		Buildings	1,15,000
Reserve Fund	50,000			
Total	3,50,000		Total	3,50,000

Mr. Prasanth died on 30th September 2017, The partnership deed provides the following.

- The deceased partner will be entitled to his share of profit up to the date of death calculate on basis of previous year's profit.
- He will be entitled to his share of goodwill of the firm calculated on the basis of 3 years purchase of average of last 4 years profit. The profits for the last four financial years are given below:
for 2013-14 Rs.80,000 for 2014-15 Rs.50,000 for 2015-16 Rs.40,000 & for 2016-17 Rs.30,000.

The drawings of the deceased partner up to the date of death amounted to Rs.10,000.

Interest on Capital is to be 12% per-annum, show Mr. Prasanth's Capital Account.

22. Excel Co. Ltd., issued 10,000 6% debenture of Rs.100 each at a premium of 10% payable Rs.20 on application, Rs.40 on allotment (including premium) Rs.50 on first & final call. All the debentures were subscribed & the money duly received. Pass the Journal entries upto the first & final call money due.
23. Show the following items in the Balance Sheet of Amba Ltd as on March 31, 2018

Particular	Amount (Rs.)
8% Debentures	10,00,000
Equity Share Capital	50,00,000
Securities Premium	20,000
Preliminary Expenses	40,000
Statement of Profit & Loss (Credit)	1,50,000
Discount on issue of 8% debentures (Amount to be written in next 4 years approx.)	40,000
Loose Tools	20,000
Bank Balance	60,000
Cash in hand	38,000

24. Compute Debt – Equity Ratio & Proprietary ratio from the following

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
Paid up share capital	5,00,000	Current Assets	4,00,000
Net Sales	10,00,000	13% debentures	2,00,000
Current Liabilities	2,80,000	Cost of goods sold	6,00,000
Average Inventory	1,50,000		

25. From the following particulars, Calculate Cash flow from Investing Activities.

Particulars	Purchased Rs.	Sold Rs.
Plant	4,40,000	50,000
Investments	1,80,000	1,00,000
Goodwill	2,00,000	----
Patents	----	1,00,000

Interest received on debentures held as investment Rs.60,000. Dividend received on shares held as investment Rs.10,000. A plot of land had been purchased for investment purpose & was let out for commercial use & rent received Rs.30,000.

26. Following is the Balance Sheet & Receipts & payments account of Bangalore Sports Club for the year ending 31/3/2013

Balance Sheet as on 31/3/2012

Liabilities	Amount (Rs.)	Assets	Amount (Rs.)
Capital fund	2,87,000	Furniture	36,000
Prize fund	5,000	Sports materials	1,40,000
O/s Salary	5,000	Investments	80,000

		Outstanding Subscriptions	15,000
		Prepaid taxes	2,000
		Outstanding Interest	4,000
		Cash in hand	20,000
Total	2,97,000	Total	2,97,000

Receipts & Payments A/c for the year ending 31/3/2013

Receipts	Amount (Rs.)	Payments	Amount (Rs.)
To balance b/d	20,000	By Salary: 2011-12 5,000 2012-13 60,000 2013-14 15,000	80,000
To Subscriptions: 2011-12 15,000 2012-13 1,45,000 2013-14 20,000	1,80,000	By Rent & Taxes	12,000
To prize fund donations	30,000	By News Paper & Periodicals	6,000
To Proceeds from entertainment	40,000	By Prize distributed	15,000
To Sports fees	90,000	By Sports Expenses	85,000
To Interest on Investment	4,000	By Electricity Charges	9,000
To Interest from Bank	2,000	By Printing & Stationery	3,000
To Sale of old news paper	1,000	By Entertainment Expenses	25,000
To Sale of furniture (B.V (16,000))	10,000	By Furniture 1/7/13	1,20,000
To Entrance fees	3,000	By Balance C/d Cash 5,000 Bank 70,000	75,000
To Legacies	50,000		
Total	4,30,000	Total	4,30,000

Additional Information:

1. Subscription outstanding as at 31/3/13 Rs.10,000
2. Interest on Investments outstanding as at 31/3/13 Rs.8,000
3. Taxes prepaid Rs.3,000 & O/S Rent Rs.4,000 as at 31/3/2013
4. Depreciate furniture by Rs.8,000 & sports materials by Rs.40,000

Prepare Income & Expenditure account & Balance Sheet as on 31/3/2014

27. Amar, Anil & Aneesh are partners sharing Profit & losses in the ratio of 2:2:1 on 31.3.2014. Their Balance Sheet as under

Liabilities	Amount (Rs.)	Assets	Amount (Rs.)
Capitals: Amar 45,000 Anil 35,000 Aneesh 20,000	1,00,000	Bank	15,200
Sundry Creditors	17,000	Furniture	8,000
Bills Payable	13,000	Plant	36,000
Outstanding Expenses	1,200	Sundry Debtors	24,000
Profit & Loss A/c	20,000	Stock	22,000
		Bills	6,000

		Receivable	
		Buildings	40,000
Total	1,51,200	Total	1,51,200

Amar retires from business due to illness & the following adjustments are to be made:

- 1) Goodwill of the firm is valued at 30,000 Amar's share of Goodwill is to be created & written off without opening the goodwill A/c.
- 2) Furniture and plant to be depreciated by 10% each.
- 3) Buildings appreciated by 20% and stock valued at Rs.24,000.
- 4) Maintain provision for Bad debts at 5% on debtors.
- 5) An item of Rs.600 included in creditors, not likely to be claimed & hence should be written off.
- 6) Settlement made to the retiring partner through bank overdraft.

Prepare:

- a) Revaluation A/c
- b) Capital A/c's of partners
- c) Balance sheet of the continuing partners.

28. Veena, Meena & Reena are partners sharing profits & losses in the ratio of 2:2:1 They agreed to dissolve their firm on 31/3/2014 on which date the Balance sheet was as follows:

Liabilities	Amount (Rs.)	Assets	Amount (Rs.)
Creditors	40,000	Cash in hand	10,000
Bills Payable	10,000	Bills Receivable	10,000
Suma's Loan	20,000	Stock	30,000
Meena's Loan	10,000	Debtors 45,000 Less: PBD 5,000	40,000
Capital:- Veena 60,000 Meena 40,000 Reena 30,000	1,30,000	Motor Car	20,000
Reserve fund	15,000	Investments	10,000
		Furniture	20,000
		Machinery	20,000
		Buildings	50,000
		P/L A/c	15,000
Total	2,25,000	Total	2,25,000

29. Wipro Company Ltd, issued 20,000 equity shares Rs.100 each. The amount was payable as follows:
on application Rs.20 per share, on allotment Rs.30 per share, on First & Final call Rs.50 per share. Application were received for 25,000 shares excess application money refunded on 5,000 shares and 20,000 shares were allotted on which the money duly received except the first & final call on 500 shares held by Adarsh. The Directors forfeited these shares and then re-issued to Sandeep at 7 per share as fully paid-up.
Pass the necessary journal entries.

30. RMZ Company limited issued 2,000, 12% debentures of Rs.100 each on April 01,2016 at premium of 10% and redeemable at par. Give Journal entries relating to the issue of debentures and debenture interest assuming that. Interest was paid annually on 31st March 2017 and 31st March 2018 for two years and tax deducted at source is 20%.

31. From the following information prepare comparative Statement of Profit & Loss for the year ending 31st March 2013 and 31st March, 2014 of Ritu Co., Ltd.

Particulars	31/3/2014	31/3/2015
Revenue from operations	5,00,000	4,00,000

Other Incomes	20,000	10,000
Employee benefit expenses	60,000	40,000
Cost of materials consumed	3,00,000	2,00,000
Other Expenses	40,000	30,000
Income Tax	30%	30%

32. From the following information calculate:

1. Inventory Turnover Ratio
2. Trade Receivable Turnover Ratio
3. Trade payable Turnover Ratio
4. Earnings per share
5. Book value per share
6. Dividend pay out ratio

Particulars	Amount (Rs.)
Inventory	1,00,000
70,000 Equity share of Rs.10 each	7,00,000
Cost of Revenue from operation	5,00,000
Net Purchases	4,00,000
Net Profit before tax	3,51,000
13% Debentures	3,00,000
Net Profit after tax but before dividend	1,75,000
Trade Receivable	50,000
Trade Payables	75,000
Dividend declared @15%	

Section E

V. Answer any TWO questions each question carries five marks: 2 × 5 = 10

33. Write two partners Current Accounts under fixed capital system with 5 imaginary figures
34. Give the disclosure requirements pertaining to share capital in notes to Accounts of Balance Sheet of a Company with imaginary figures.
35. Prepare common size statement of profit & Loss with 5 imaginary figures.
