

Reg. No. : .....

Code No. 2050

Name : .....

**Second Year – JUNE 2016  
SAY / IMPROVEMENT**

Time : 2 Hours  
Cool-off time : 15 Minutes

Part – III

**ACCOUNTANCY WITH COMPUTERIZED ACCOUNTING**

Maximum : 60 Scores

**General Instructions to Candidates :**

- There is a 'cool-off time' of 15 minutes in addition to the writing time of 2 hrs.
- You are not allowed to write your answers nor to discuss anything with others during the 'cool-off time'.
- Use the 'cool-off time' to get familiar with questions and to plan your answers.
- Read questions carefully before answering.
- All questions are compulsory and only internal choice is allowed.
- When you select a question, all the sub-questions must be answered from the same question itself.
- Calculations, figures and graphs should be shown in the answer sheet itself.
- Malayalam version of the questions is also provided.
- Give equations wherever necessary.
- Electronic devices except non-programmable calculators are not allowed in the Examination Hall.

**നിർദ്ദേശങ്ങൾ :**

- നിർദ്ദിഷ്ട സമയത്തിന് പുറമെ 15 മിനിറ്റ് 'കൂൾ ഓഫ് ടൈം' ഉണ്ടായിരിക്കും. ഈ സമയത്ത് ചോദ്യങ്ങൾക്ക് ഉത്തരം എഴുതാനോ, മറ്റുള്ളവരുമായി ആശയവിനിമയം നടത്താനോ പാടില്ല.
- ഉത്തരങ്ങൾ എഴുതുന്നതിന് മുമ്പ് ചോദ്യങ്ങൾ ശ്രദ്ധാപൂർവ്വം വായിക്കണം.
- എല്ലാ ചോദ്യങ്ങൾക്കും ഉത്തരം എഴുതണം.
- ഒരു ചോദ്യനമ്പർ ഉത്തരമെഴുതാൻ തെരഞ്ഞെടുത്തു കഴിഞ്ഞാൽ ഉപചോദ്യങ്ങളും അതേ ചോദ്യനമ്പറിൽ നിന്ന് തന്നെ തെരഞ്ഞെടുക്കേണ്ടതാണ്.
- കണക്ക് കുട്ടലുകൾ, ചിത്രങ്ങൾ, ഗ്രാഫുകൾ എന്നിവ ഉത്തരപേപ്പറിൽ തന്നെ ഉണ്ടായിരിക്കണം.
- ചോദ്യങ്ങൾ മലയാളത്തിലും നൽകിയിട്ടുണ്ട്.
- ആവശ്യമുള്ള സ്ഥലത്ത് സമവാക്യങ്ങൾ കൊടുക്കണം.
- പ്രോഗ്രാമുകൾ ചെയ്യാനാകാത്ത കാൽക്കുലേറ്ററുകൾ ഒഴികെയുള്ള ഒരു ഇലക്ട്രോണിക് ഉപകരണവും പരീക്ഷാഹാളിൽ ഉപയോഗിക്കുവാൻ പാടില്ല.

**Part – I**  
**ACCOUNTANCY**

**(Maximum Scores : 40)**

1. If partners are entitled to interest on capital as per agreement, such interest is payable

\_\_\_\_\_.

- (a) only out of bank balance
- (b) only out of capital
- (c) only out of profits
- (d) only out of sales

**(Score : 1)**

2. Any revenue expense for which a separate funds is available will be \_\_\_\_\_.

- (a) Credited to the separate fund
- (b) Debited to Income and Expenditure Account
- (c) Capitalised and shown in the balance sheet.
- (d) Debited to the separate fund

**(Score : 1)**

3. Profit or loss on revaluation at the time of retirement must be transferred to the partners

in \_\_\_\_\_.

- (a) Capital ratio
- (b) Old profit sharing ratio
- (c) Equally
- (d) Gaining ratio

**(Score : 1)**

4. Outstanding subscription of a club is its \_\_\_\_\_.

(a) liability (b) asset

(c) asset or liability (d) bad debts

(Score : 1)

5. General Reserve of ₹ 24,000 and Profit and Loss Account (Debit balance) of ₹ 6,000 appearing in the Balance Sheet of partner's P and Q on the admission of R is to be adjusted. Give the journal entries assuming that P and Q are equal partners. (Scores : 2)

6. On dissolution of a partnership in what order must the proceeds of the realization of assets be applied ? (Scores : 2)

7. A, B and C were in partnership, sharing profits equally. 'C' agreed to retire from the partnership on 30<sup>th</sup> June, 2007. His share of profits to the date of retirement has to be calculated on the basis of the average profits of the preceding three accounting years. The books showed the profits of the last five accounting years (ending on 31<sup>st</sup> March) as follows :

2002 – 03 = ₹ 12,650

2003-04 = ₹ 15,400

2004-05 = ₹ 9,900

2005-06 = ₹ 8,800

2006-07 = ₹ 11,000

Calculate C's share of profit.

(Scores : 3)

8. K, L, M, N and O are in partnership sharing profits and losses as  $\frac{6}{25}$ ,  $\frac{8}{25}$ ,  $\frac{4}{25}$ ,  $\frac{2}{25}$  and  $\frac{5}{25}$  respectively. 'K' retires and others continue to share with their ratios immediately before the retirement of K. Calculate the new profit sharing ratio. (Scores : 3)
9. In the case of a not-for-profit organization, capital fund represents its excess of \_\_\_\_\_ over \_\_\_\_\_. The excess of income over expenditure is called \_\_\_\_\_ and the closing balance of Receipts and Payments account represents \_\_\_\_\_. Fill in the above blanks with appropriate word(s). (Scores : 3)
10. Prasanth and Janish are partners. They do not have any partnership agreement. What should be done in the following cases ?
- (i) Prasanth spends twice the time that Janish devotes to business. Prasanth claims that he should get a salary of ₹ 3,000 per month for his extra time spent.
- (ii) Prasanth wants to introduce his son Shenoi as a partner. Janish objects to it.
- (Scores : 4)
11. The Evergreen Club was founded on January 1, 2008, with 100 members; the annual subscription per member being ₹ 250. By the end of that year two (2) members had not paid their subscriptions but nine (9) had paid for a year in advance. Ascertain the amount of subscriptions to be credited to Income and Expenditure account for the year ended December 31, 2008, by preparing a subscriptions account. (Scores : 5)



12. What journal entries would you pass for the following transactions on the dissolution of the firm of partners X and Y ?

- (i) Dissolution expenses ₹ 800 were paid by 'Y'.
- (ii) An unrecorded asset realized ₹ 3,000.
- (iii) Stock ₹ 5,000 already transferred to realization account was taken over by 'X'.
- (iv) Creditors already transferred to realization account were paid ₹ 4,000.
- (v) Loss on realization ₹ 3,000 was distributed among the partners X and Y in their profit sharing ratio 3 : 2.

(Scores : 6)

13. (a) Dany, Johny and Shony are in partnership, sharing profits in the proportion of 4 : 3 : 3 respectively. The partnership agreement states that the goodwill of the firm shall be equal to three times of the average profits of the four years to the date of change. No goodwill account is to be maintained in the books. Profits of the firm have been :

2001	–	12,000
2002	–	9,000
2003	–	15,000
2004	–	16,000

Glady was admitted in to the partnership on 1-1-2005 and the new profit sharing ratios were : Dany  $\frac{3}{10}$ , Johny  $\frac{3}{10}$ , Shony  $\frac{2}{10}$  and Glady  $\frac{2}{10}$ . Glady brought in to the partnership a Capital of ₹ 30,000. The Capital account balances of the old partners on 1-1-2005, were :

Dany ₹ 40,000

Johny ₹ 40,000

Shony ₹ 30,000

You are required to show the Capital accounts of the partners after the admission of Glady.

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(b) A and B sharing profits and losses in the ratio of 3 : 2, admit 'C' as a partner who is asked to contribute ₹ 30,000 as capital for  $\frac{1}{4}$  share in the future profits of the firm. A and B have capitals of ₹ 60,000 and ₹ 25,000 respectively, after making all adjustments. It is agreed that capital contribution of each partner will be in the profit sharing ratio taking 'C's contribution as basis. Any excess or deficit should be adjusted in cash. Calculate the amounts to be brought in by, or to be paid off to A and B. Also give journal entries for the above adjustments.

(Scores : 8)