

**BOARD QUESTION PAPER : MARCH 2015**

Time: 3 Hours

Max. Marks: 80

- Q. 1. Attempt any THREE of the following sub-questions:** [15]
- (A) Answer the following questions in 'one' sentence each:** (5)
- (1) What is 'liability of partners'?
 - (2) What is meant by 'capital fund'?
 - (3) What is 'gain ratio'?
 - (4) What do you mean by 'issue of shares at premium'?
 - (5) What are 'noting charges'?
- (B) Write a word/term/phrase which can substitute each of the following statements:** (5)
- (1) Excess of income over expenditure of a 'not for profit' concern.
 - (2) Debit balance of revaluation account.
 - (3) The debentures which are convertible into shares.
 - (4) A person who draws a bill of exchange.
 - (5) An asset which can be converted into cash immediately.
- (C) Select the most appropriate alternative from those given below and rewrite the statements:** (5)
- (1) Dissolution expenses are credited to _____.
(A) Realisation Account (B) Cash/Bank Account
(C) Partner's capital Account (D) Partner's Loan Account
 - (2) Pre-paid expenses are shown on the _____ side of balance sheet.
(A) assets (B) liability
(C) debit (D) cash
 - (3) A bill is drawn on 23rd Sept, 2013 at 4 months would be payable on _____.
(A) 24th Jan, 2014 (B) 25th Jan, 2014
(C) 26th Jan, 2014 (D) 25th Jan, 2013
 - (4) Capital balance is ascertained by preparing _____.
(A) Statement of Affairs (B) Cash Account
(C) Drawing Account (D) Debtor's Account
 - (5) From financial statement analysis the creditors are interested to know _____.
(A) liquidity (B) profit
(C) share (D) share capital
- (D) State whether the following statements are True or False:** (5)
- (1) Balance sheet is a nominal account.
 - (2) Drawee can transfer the ownership of a bill.
 - (3) Debit balance of insolvent partner's capital account is known as 'capital deficiency'.
 - (4) A bill drawn in India and payable in Japan is a foreign bill.
 - (5) Under single entry system it is not possible to prepare trial balance.



- (E) Prepare a specimen of a Bill of Exchange from the following information: (5)**
- (1) Drawer – Shri Mahesh Patil,
Plot No. 25, “Ganesh Nivas”
Mahesh Nagar, Koregaon.
 - (2) Drawee – Shri Vijay Jadhav,
“Saket” M.G. Road,
Pune – 11.
 - (3) Payee – Shri Sanjay Bornare,
Vaijapur.
 - (4) Period of bill – 60 days
 - (5) Date of bill – 16th Mar, 2013
 - (6) Amount of bill – ₹ 15,000
 - (7) Date of acceptance – 20th Mar, 2013

Q. 2. Mr. Anil keeps his books by single entry method. Following are the details of his business: [8]

| Particulars | 01.04.2012 Amount (₹) | 31.03.2013 Amount (₹) |
|---------------------|-----------------------------|-----------------------------|
| Cash in Hand | 10,000 | 16,000 |
| Cash at Bank | 20,000 | 36,000 |
| Stock | 16,000 | 24,000 |
| Furniture | 18,000 | 18,000 |
| Plant and Machinery | 60,000 | 90,000 |
| Creditors | 15,000 | 18,000 |
| Debtors | 24,000 | 30,000 |

During the year Mr. Anil has withdrawn ₹ 10,000 for his private purpose and bought goods of ₹ 2,000 for household use.

On 1st Oct, 2012, he sold his household furniture for ₹ 2,000 and deposited the same amount in the business bank account.

Provide depreciation on machinery @ 10% p.a. (assuming additions were made on 1st Oct, 2012) and on furniture @ 5%.

Prepare:

- (a) Opening Statement of Affairs. (b) Closing Statement of Affairs.
- (c) Statement of Profit or Loss for the year ended 31st Mar, 2013.

OR

- (A) What are the components of current ratio? (4)
- (B) State the objectives of financial statements from the view point of a business concern. (4)

Q. 3. Akash and Suraj are partners in a firm sharing profits and losses in the ratio 3 : 2. Their balance sheet as on 31st Mar, 2013 was as follows : [10]

Balance Sheet as on 31st Mar, 2013

| Liabilities | Amount (₹) | Assets | Amount (₹) |
|-----------------------|-----------------|---------------------|-----------------|
| Capital A/c's: | | Furniture | 2,100 |
| Akash | 50,000 | Stock | 28,700 |
| Suraj | 50,000 | Land and Building | 35,000 |
| General Reserve | 10,000 | Plant and Machinery | 49,000 |
| Sundry Creditors | 60,000 | Sundry Debtors | 63,000 |
| Bills Payable | 17,000 | Cash | 9,200 |
| | 1,87,000 | | 1,87,000 |



They agreed to admit Sanjay in their partnership on 1st Apr, 2013, on the following terms:

- (1) Sanjay should bring ₹ 1,500, as his share of goodwill in the firm, and ₹ 2,000 as his capital.
- (2) Reserve for doubtful debts is to be provided @ 5% on debtors.
- (3) Land and building be depreciated at 10% p.a.
- (4) Plant and machinery to be depreciated @ 5% and stock to be depreciated @ 10% p.a.
- (5) The new profit sharing ratio will be 2 : 1 : 1.

Prepare:

- (a) Revaluation Account.
- (b) Partner's Capital Accounts.
- (c) New Balance Sheet of the firm.

OR

Given below is the balance sheet of Vaishali, Madhuri and Shobha, who were sharing profits and losses in the ratio of 3 : 3 : 2.

Balance Sheet as on 31st Mar, 2012

| Liabilities | Amount (₹) | Assets | Amount (₹) |
|-----------------------|-----------------|-----------|-----------------|
| Creditors | 34,800 | Cash | 21,600 |
| Bills Payable | 8,800 | Machinery | 34,800 |
| Capital A/c's: | | Debtors | 50,000 |
| <i>Vaishali</i> | 48,000 | Stock | 25,200 |
| <i>Madhuri</i> | 52,000 | Furniture | 16,000 |
| <i>Shobha</i> | 36,000 | Buildings | 48,000 |
| Reserve Fund | 16,000 | | |
| | 1,95,600 | | 1,95,600 |

On 1st Apr, 2012 Shobha retired from the firm on the following terms :

- (1) Assets be revalued as under: Stock ₹ 24,000, Machinery ₹ 32,000, Furniture ₹ 16,800.
- (2) R.D.D. be maintained at 4% on debtors.
- (3) An item of ₹ 400 from creditors is no longer a liability and hence should be properly adjusted.
- (4) The amount due to Shobha be transferred to her loan account.

Pass necessary Journal Entries in the books of the firm.

Q. 4. Ramesh sold goods to Ganesh on credit for ₹ 20,000. Ganesh accepted a bill of ₹ 20,000 for 3 months, drawn by Ramesh on the same date. [10]

On the due date Ganesh dishonoured his acceptance. Then Ganesh approached Ramesh and requested for renewal of the bill.

Ramesh agreed on the condition that Ganesh should pay ₹ 10,000 in cash and accept a new bill for 2 months for the balance amount plus interest ₹ 200.

The new bill was drawn by Ramesh and accepted by Ganesh.

However one month before the due date Ganesh retired his acceptance by paying ₹ 9,900.

Pass necessary Journal Entries in the books of Ramesh.



Q.5. Mr. Aaba and Mr. Baba are equal partners whose Balance Sheet as on 31st Mar, 2012 was as under: [10]

Balance Sheet as on 31st Mar, 2012

| Liabilities | Amount (₹) | Assets | Amount (₹) |
|-----------------------|---------------|---------------------|---------------|
| Sundry Creditors | 16,000 | Cash in Hand | 500 |
| Capital A/c's: | | Stock | 4,500 |
| <i>Aaba</i> | 2,000 | Debtors | 4,000 |
| <i>Baba</i> | 2,000 | Plant and Machinery | 5,000 |
| | | Furniture | 2,000 |
| | | Land and Building | 4,000 |
| | 20,000 | | 20,000 |

Due to weak financial position of the partners the firm is dissolved. Aaba and Baba are not able to contribute anything from their private estate, hence they are declared insolvent.

The assets are realised as follows:

Stock ₹ 3,000, Plant and Machinery ₹ 3,000, Furniture ₹ 1,000, Land and Building ₹ 2,000 and Debtors ₹ 1,000 only.

Realisation expenses amounted to ₹ 500.

You are required to prepare necessary Ledger Accounts to close the books of the firm.

OR

Joshi – Patil Ltd. issued 2,000, 10% debentures of ₹ 100 each, payable ₹ 20 on application and the balance on allotment.

Company received applications for 2,500 debentures, out of which applications for 2,000 were allotted fully and remaining applications were rejected and the money refunded.

Journalise the above transactions, assuming that all the sums were received.

Q. 6. Following is the Balance Sheet and Receipts and Payments Account of Sevagiri Hospital, Satara. [12]

Prepare Income and Expenditure account for the year ended on 31st Mar, 2013 and Balance Sheet as on that date:

Balance Sheet as on 1st Apr, 2012

| Liabilities | Amount (₹) | Assets | Amount (₹) |
|----------------------|------------------|--------------------------|------------------|
| Capital Fund | 10,00,000 | Cash in Hand | 6,000 |
| Outstanding Salaries | 22,000 | Cash at Bank | 30,000 |
| Medical Bill Unpaid | 6,000 | Land and Building | 8,00,000 |
| | | Furniture | 70,000 |
| | | Equipments | 1,20,000 |
| | | Outstanding Subscription | 2,000 |
| | 10,28,000 | | 10,28,000 |



Receipts and Payments Account for the year ending 31.03.2013

| Dr. | | | Cr. | |
|--|----------|-----------------|---|-----------------|
| | Receipts | Amount (₹) | Payments | Amount (₹) |
| To Balance b/d | | | By Salaries (including of previous year) | 1,10,000 |
| <i>Cash in Hand</i> | | 6,000 | By Medicines | 48,000 |
| <i>Cash at Bank</i> | | 30,000 | By Equipment Purchased | 20,000 |
| To Subscription | | 1,30,000 | By Taxes | 3,000 |
| (includes 2,000 received for previous year) | | | By General Expenses | 8,600 |
| To Sale of old Furniture (book value ₹ 30,000) | | 20,000 | By Balance c/d | |
| To Donations (revenue) | | 44,000 | <i>Cash in Hand</i> | 15,400 |
| To Life Member-ship Fees | | 25,000 | <i>Cash at Bank</i> | 50,000 |
| | | 2,55,000 | | 2,55,000 |

Consider the following adjustments:

- (1) Outstanding subscription ₹ 15,000.
- (2) Capitalise the amount of life membership fees.
- (3) Pre-paid taxes ₹ 500.
- (4) Outstanding salary ₹ 12,000.
- (5) Write off depreciation ₹ 20,000 from land and building and ₹ 30,000 from equipments.
- (6) Outstanding medicine bill as on 01.04.2012 is still due.

Q.7. From the following Trial Balance of M/s Sanjay and Keshav, you are required to prepare Trading and Profit and Loss account, for the year ended 31st Mar, 2013 and Balance Sheet as on that date after taking into account the following additional information:

[15]

Trial Balance as on 31st Mar, 2013

| Debit Balances | Amount (₹) | Credit Balances | Amount (₹) |
|----------------------|------------------|-------------------|------------------|
| Opening Stock | 1,80,000 | Sales | 5,25,000 |
| Bills Receivable | 80,000 | Rent | 22,000 |
| Purchases | 2,40,000 | Bills Payable | 78,000 |
| Bad Debts | 20,000 | Sundry Creditors | 1,00,000 |
| Salary and Wages | 24,000 | Capital Account's | |
| Discount | 9,000 | <i>Sanjay</i> | 5,00,000 |
| Carriage Inward | 12,000 | <i>Keshav</i> | 3,00,000 |
| Travelling Expenses | 13,000 | | |
| Cash in Hand | 38,000 | | |
| Furniture | 2,80,000 | | |
| Insurance | 12,000 | | |
| Land and Building | 4,00,000 | | |
| Postage and Telegram | 7,000 | | |
| Sundry Debtors | 2,10,000 | | |
| Total: | 15,25,000 | | 15,25,000 |

Additional information:

- (1) Insurance paid in advance ₹ 3,000.
- (2) Depreciation provided on furniture at 10%.
- (3) Salary and wages outstanding ₹ 6,000.
- (4) Rent received in advance ₹ 5,000.
- (5) Closing stock as on 31.03.2013 ₹ 2,00,000.