

**BOARD QUESTION PAPER : JULY 2016**

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 Trial Balance?
 - (2) What shows credit balance of revaluation account?
 - (3) What are 'convertible debentures'?
 - (4) Who is 'Payee'?
 - (5) What is 'single entry system'?
- (B) Write a word/term/phrase which can substitute each of the following statements:** (5)
- (1) The accounts which are prepared at the end of each financial year.
 - (2) The fees paid by a person who wants to become a life member of the concern, for his whole life.
 - (3) The acknowledgement of debt under common seal of company.
 - (4) Payment of the bill before its due date.
 - (5) Critical evaluation of financial statement to measure profitability.
- (C) Select the most appropriate alternative from those given below and rewrite the statements:** (5)
- (1) All indirect expenses are debited to _____ account.
(A) Trading (B) Capital
(C) Profit and Loss (D) Current
 - (2) Share of profit of a deceased partner till the date of death is _____.
(A) debited to profit and loss adjustment account
(B) credited to profit and loss adjustment account
(C) debited to profit and loss suspense account
(D) credited to profit and loss suspense account
 - (3) If any asset is taken over by a partner from the firm, his capital account will be _____.
(A) credited (B) debited
(C) added (D) none of these
 - (4) There are _____ parties to the Bill of Exchange.
(A) two (B) three
(C) four (D) five
 - (5) Further capital introduced during the year is _____ from closing capital in order to find out the correct profit.
(A) added (B) deducted
(C) divided (D) ignored
- (D) State whether the following statements are True or False:** (5)
- (1) All receipts are the items of revenue income.
 - (2) At the time of dissolution, loan from partner will be transferred to realisation account.



- (3) A Bill of Exchange is a negotiable instrument.
- (4) Acceptance without making any change in the terms of bill is called general acceptance.
- (5) Ratio analysis is useful for inter-firm comparison.

(E) Prepare a specimen of a Bill of Exchange from the following information: **(5)**
 Shri Arjun Patil, 104, Shivaji Nagar, Ambajogai draws a two months bill on Shri Tukaram Magdum, Daulat Road, Halkarni, Kolhapur payable to Shri Ranveer Patil, Mondha, Parali Vaijanath on 23rd August 2013 for ₹ 7,550.
 Shri Tukaram Magdum accepted it on 26th August, 2013 for ₹ 7,500 only.

Q. 2. Mrs. Shailaja keeps her books under single entry system and gives the following information. **[8]**

Particulars	01.04.2012 Amount (₹)	31.03.2013 Amount (₹)
Investments	-	12,000
Bank overdraft	-	10,000
Bills payable	5,000	8,000
Creditors	26,500	31,500
Furniture	9,000	19,000
Debtors	35,000	50,000
Stock	15,000	19,000
Bank balance	18,000	28,000

Additional information:

- (1) Mrs. Shailaja withdrew ₹ 4,000 for her personal use. She received ₹ 15,000 from her father as gift, which she brought into the business.
- (2) Additional furniture was purchased on 01.10.2012. Depreciate furniture by 10% p.a.
- (3) Write off ₹ 1,000 as bad debt and provide 5% R.D.D. on debtors.

Prepare:

- (1) Opening and closing statements of affairs and
- (2) Statement of profit or loss for the year ended 31.03.2013.

OR

- (A) Explain the limitations of analysis of financial statements. **(4)**
- (B) Explain the operating activities on cash flow. **(4)**

Q. 3. Following is the Balance Sheet of Harish and Girish. **[10]**

Balance Sheet as on 31st Mar, 2013

Liabilities	Amount ₹	Assets	Amount ₹	Amount ₹
Creditors	38,000	Cash in hand		37,000
Bills payable	46,000	Stock		21,000
Profit and Loss account	16,000	Debtors	46,000	
Capital A/c's		<i>Less : R.D.D.</i>	6,000	40,000
Harish	1,00,000	Equipments		12,000
Girish	1,40,000	Furniture		25,000
		Plant		85,000
		Building		1,20,000
	3,40,000			3,40,000

They admitted Shirish on 1st April, 2013 on following conditions:

- (1) For his $\frac{1}{3}$ share in future profit, Shirish brings ₹2,00,000 as his capital.



- (2) It is decided to raise goodwill by ₹ 90,000 and write it off fully after Shirish's admission.
- (3) Equipments and plant to be depreciated by 20% and 10% respectively and building to be appreciated by 15%.
- (4) Bills payable were retired for ₹ 35,000.
- (5) All debtors are considered good.
- (6) Furniture of the book value ₹ 12,000 was taken over by Harish at 40% of the book value.

Prepare:

- (1) Revaluation account.
- (2) Partner's capital account.
- (3) Balance Sheet of new firm.

OR

Anita, Sunita and Kavita were partners sharing profits and losses in the ratio 3:3:2. Their Balance Sheet as on 31st March 2013 is as below:

Balance Sheet as on 31st Mar, 2013

Liabilities	Amount (₹)	Assets	Amount (₹)
Capital Accounts		Building	10,000
<i>Anita</i>	11,000	Machinery	10,700
<i>Sunita</i>	15,000	Furniture	10,000
<i>Kavita</i>	8,000	Debtors	5,000
Creditors	10,900	Stock	6,600
Reserve fund	4,000	Cash	6,600
	48,900		48,900

On 1st April, 2013, Mrs. Kavita retired from the firm on the following terms:

- (1) Goodwill of the firm is to be valued at ₹ 4,000, however, only Kavita's share in it is to be raised in the books and written off immediately.
- (2) Assets to be revalued as under:
Stock ₹ 6,300; Machinery ₹ 10,000; Furniture ₹ 10,200.
- (3) R.D.D. to be maintained at 10% on debtors.
- (4) ₹ 100 to be written off from creditors.
- (5) The amount payable to Mrs. Kavita is to be transferred to her loan account.

Prepare :

- (1) Profit and loss adjustment account.
- (2) Partner's capital account, and
- (3) Balance Sheet of new firm as on 01.04.2013.

Q.4. Journalise the following transactions in the books of Jaydeep.

[10]

- (A) Arvind renews his acceptance of Jaydeep of ₹ 7,000 with interest ₹ 500 for two months.
- (B) Bank informed Jaydeep that Mahadev's acceptance of ₹ 4,000 which was discounted and dishonoured. Bank charged noting charges ₹ 80.
- (C) Hanumant informed Jaydeep that Kazi's acceptance for ₹ 7,000 endorsed to Hanumant has been dishonoured, noting charges ₹ 85.



- (D) Datta honoured his acceptance of ₹4,900, which was sent to bank for collection. Bank debited ₹ 100 for bank charges.
- (E) Radhika retired her acceptance to Jaydeep of ₹ 9,000 by paying ₹ 8,700.

Q. 5. Rahul, Rohit and Ramesh were partners in a firm sharing profits and losses in the ratio of 2:2:1 respectively. The Balance Sheet as on 31.03.2013 was as follows: [10]

Balance Sheet as on 31st Mar, 2013

Liabilities	Amount (₹)	Assets	Amount (₹)
Sundry Creditors	20,000	Cash at Bank	8,000
Bills payable	5,000	Debtors	16,000
General Reserve	6,000	Less: R.D.D.	-1,000
Rahul's loan account	16,000	Stock	20,000
Capital Accounts		Plant and Machinery	30,000
<i>Rahul</i>	25,000	Furniture	6,000
<i>Rohit</i>	10,000	Ramesh's capital account	3,000
	82,000		82,000

The firm was dissolved on the above date:

- Assets realised as follows:
Debtors ₹ 9,000, Plant and Machinery ₹ 26,000, Stock ₹ 14,000, and Furniture ₹ 3,000.
- The creditors were paid ₹ 18,000, in full settlement and the bills payable were paid in full.
- The realisation expenses amounted to ₹ 3,000.
- Ramesh became insolvent and was able to bring in only ₹ 1,800 from his private estate.

Prepare:

- Realisation account
- Partner's capital account and
- Bank account.

OR

Mahakali Co. Ltd. Chandrapur issued 1,000, 12% debentures of ₹ 100 each, payable ₹ 20 on application and the balance on allotment.

Applications were received for 1,500 debentures, out of which, applications for 900 were allotted fully, applications for 400 were allotted 100 debentures and remaining were rejected.

All dues received.

Journalise the transactions and also show Balance Sheet.

Q. 6. Following is the receipts and payments account of Chamber of Commerce, Chandgad for the year ending 31.03.2013 and some additional information. You are required to prepare the Income and Expenditure Account for the year ending 31.03.2013 and Balance Sheet as on that date. [12]

Receipts and Payments Account for the year ending 31.03.2013

Receipts	Amount (₹)	Payments	Amount (₹)
To Balance b/d (Cash at Bank)	11,960	By Printing and Stationery	6,950
		By Repairs	2,100



To Subscriptions (including ₹ 2,500 For 2011-2012)	36,500	By Rent	8,500
To Sale of Furniture (Book value ₹18,000)	12,000	By Books	20,000
To Donations	27,000	By Travelling Expenses	2,000
To Admission fees (Revenue)	5,050	By Investments	40,000
		By Insurance	1,700
		By Balance c/d (Cash at Bank)	11,260
	92,510		92,510

Additional information :

(1)

Particulars	01.04.2012 Amount (₹)	31.03.2013 Amount (₹)
Outstanding Subscriptions	3,000	5,000
Furniture	32,000	?
Building fund	1,45,000	?
Capital fund	1,51,960	?
Investments	2,50,000	?

(2) Neglect depreciation on the part of furniture sold during the year, but depreciate the remaining furniture by ₹1,000.

(3) Donation is received for building fund.

Q. 7. Dhiraj and Suraj are partners sharing profits and losses in the ratio of 2:1. From the following Trial Balance and adjustments, prepare Trading and Profit and Loss account for the year ended 31st March, 2013 and balance sheet as on that date:

[15]

Trial Balance as on 31.03.2013

Particulars	Amount (₹)	Payments	Amount (₹)
Opening Stock	32,000	Sales	1,93,500
Purchases	64,000	Sundry Creditors	16,500
Plant and Machinery	30,000	Return Outward	2,500
Furniture	18,500	Capital Account's	
Carriage	1,500	<i>Dhiraj</i>	90,000
Wages	30,000	<i>Suraj</i>	50,000
Bills Receivable	5,000		
Sundry Debtors	32,000		
Conveyance	4,000		
Salaries	10,500		
Cash in hand	14,750		
Land and Building	83,500		
Bad debts	1,750		
Patents	25,000		
	3,52,500		3,52,500

Adjustments :

- (1) Closing stock: Cost price ₹ 25,000 and market price ₹ 30,000.
- (2) An amount of ₹ 3,500 spent for repairs to building is debited to building account.
- (3) Depreciate plant and machinery and building at 5% p.a.
- (4) Included in wages in advance given to workers ₹ 3,000.
- (5) Provide ₹ 1,500 for bad and doubtful debts on debtors.