

Series OSR

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Code No.

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Roll No.

- Please check that this question paper contains **24** printed pages.
- Code number given on the right hand side of the question paper should be written on the title page of the answer-book by the candidate.
- Please check that this question paper contains **25** questions.
- Please write down the Serial Number of the question before attempting it.**
- 15 minutes time has been allotted to read this question paper. The question paper will be distributed at 10.15 a.m. From 10.15 a.m. to 10.30 a.m., the students will read the question paper only and will not write any answer on the answer-book during this period.

### ACCOUNTANCY

*Time allowed : 3 hours*

*Maximum Marks : 80*

#### **General Instructions :**

- (i) *This question paper contains three parts A, B and C.*

- (ii) Part A is **compulsory** for all candidates.
- (iii) Candidates can attempt only **one** part of the remaining parts B and C.
- (iv) All parts of the questions should be attempted at one place.

## PART A

### (Accounting for Partnership Firms and Companies)

1. X, Y and Z were partners sharing profits in the ratio of  $\frac{1}{2}$ ,  $\frac{3}{10}$  and  $\frac{1}{5}$ . X retired from the firm. Calculate the gaining ratio of the remaining partners. 1
2. State the rights acquired by a newly admitted partner. 1
3. Distinguish between 'Dissolution of partnership' and 'Dissolution of partnership firm' on the basis of Court's intervention. 1
4. Give the meaning of 'Reconstitution of a partnership firm'. 1
5. D Ltd. invited applications for issuing 10,00,000 equity shares of ₹ 10 each. The public applied for 8,55,000 shares. Can the company proceed for the allotment of shares? Give reason in support of your answer. 1
6. A Ltd. forfeited 100 equity shares of ₹ 10 each issued at a premium of 20% for the non-payment of final call of ₹ 5 including premium. State the maximum amount of discount at which these shares can be re-issued. 1
7. What is meant by issue of debentures as collateral security? 1
8. Hemant and Nishant were partners in a firm sharing profits in the ratio of 3 : 2. Their capitals were ₹ 1,60,000 and ₹ 1,00,000 respectively. 3  
They admitted Somesh on 1<sup>st</sup> April, 2013 as a new partner for  $\frac{1}{5}$  share in the future profits. Somesh brought ₹ 1,20,000 as his capital. Calculate the value of goodwill of the firm and record necessary journal entries for the above transactions on Somesh's admission.
9. Tata Ltd. issued 5,000, 10% Debentures of ₹ 100 each on 1<sup>st</sup> April, 2012. The issue was fully subscribed. According to the terms of issue, interest on debentures is payable half-yearly on 30<sup>th</sup> September and 31<sup>st</sup> March and tax deducted at source is

10%. Pass the necessary journal entries related to the debenture interest for the half-yearly ending on 31<sup>st</sup> March, 2013 and transfer of interest on debentures to Statement of Profit and Loss. 3

10. Pass necessary journal entries in the following cases : 3

- (i) Sunrise Ltd. converted 500, 9% debentures of ₹ 100 each issued at a discount of 10% into equity shares of ₹ 100 each issued at a premium of 25%.
- (ii) Britannia Ltd. redeemed 3,000, 12% debentures of ₹ 100 each which were issued at a discount of ₹ 10 per debenture by converting them into equity shares of ₹ 100 each, ₹ 90 paid up.

11. Singh and Gupta decided to start a partnership firm to manufacture low cost jute bags as plastic bags were creating many environmental problems. They contributed capitals of ₹ 1,00,000 and ₹ 50,000 on 1<sup>st</sup> April, 2012 for this. Singh expressed his willingness to admit Shakti as a partner without capital, who is specially abled but a very creative and intelligent friend of his. Gupta agreed to this. The terms of partnership were as follows :

- (i) Singh, Gupta and Shakti will share profits in the ratio of 2 : 2 : 1.
- (ii) Interest on capital will be provided @ 6% p.a.

Due to shortage of capital, Singh contributed ₹ 25,000 on 30<sup>th</sup> September, 2012 and Gupta contributed ₹ 10,000 on 1<sup>st</sup> January, 2013 as additional capital. The profit of the firm for the year ended 31<sup>st</sup> March, 2013 was ₹ 1,68,900.

- (a) Identify any two values which the firm wants to communicate to the society.
- (b) Prepare Profit and Loss Appropriation Account for the year ending 31<sup>st</sup> March, 2013. 4

12. Monika, Sonika and Mansha were partners in a firm the ratio of 2 : 2 : 1 respectively. On 31<sup>st</sup> March, 2013 their Balance Sheet was as under :

**Balance Sheet as on 31<sup>st</sup> March, 2013**

Liabilities	Amount	Assets	Amount
	<		<
Capitals :		Fixed Assets	3,60,000
Monika    1,80,000		Stock	60,000
Sonika    1,50,000		Debtors	1,20,000
Mansha    90,000	4,20,000	Cash	2,70,000
Reserve Fund	1,50,000		
Creditors	2,40,000		
	8,10,000		8,10,000

Sonika died on 30<sup>th</sup> June, 2013. It was agreed between her executors and the remaining partners that

- (a) Goodwill of the firm be valued at 3 years' purchase of average profits for the last four years. The average profits were < 2,00,000.
- (b) Interest on capital be provided at 12% p.a.
- (c) Her share in the profits upto the date of death will be calculated on the basis of average profits for the last four years.

Prepare Sonika's Capital Account as on 30<sup>th</sup> June, 2013.

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13. On 1<sup>st</sup> April, 2012, Vishwas Ltd. was formed with an authorised capital of <10,00,000 divided into 1,00,000 equity shares of < 10 each. The company issued prospectus inviting applications for 90,000 equity shares. The company received applications for 85,000 equity shares. During the first year, < 8 per share were called. Ram holding 1,000 shares and Shyam holding 2,000 shares did not pay the first call of < 2 per share Shyam's shares were forfeited after the first call and later on 1,500 of the forfeited shares were re-issued at < 6 per share, < 8 called up.

Show the following :

(a) Share Capital in the Balance Sheet of the company as per revised Schedule VI Part I of the Companies Act, 1956.

(b) Also prepare 'Notes to Accounts' for the same.

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14. Pass necessary journal entries for the following transactions in the books of Gopal Ltd. :

(i) Purchased furniture for ₹ 2,50,000 from M/s Furniture Mart. The payment to M/s Furniture Mart was made by issuing equity shares of ₹ 10 each at a premium of 25%.

(ii) Purchased a running Business from Aman Ltd. For a sum of ₹ 15,00,000. The payment of ₹ 12,00,000 was made by issue of fully paid equity shares of ₹ 10 each and balance by a bank draft. The assets and liabilities consisted of the following :

Plant ₹ 3,50,000; Stock ₹ 4,50,000; Land and Building ₹ 6,00,000; Sundry Creditors ₹ 1,00,000.

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15. Seema, Tanuja and Tripti were partners in a firm trading in garments. They were sharing profits in the ratio of 5 : 3 : 2. Their capitals on 1<sup>st</sup> April, 2012 were ₹ 3,00,000, ₹ 4,00,000 and ₹ 8,00,000 respectively. After the flood in Uttarakhand, all partners decided to help the flood victims personally. For this Seema withdrew ₹ 20,000 from the firm on 15<sup>th</sup> September, 2012. Tanuja instead of withdrawing cash from the firm took garments amounting to ₹ 24,000 from the firm and distributed those to the flood victims. On the other hand, Tripti withdrew ₹ 2,00,000 from her capital on 1<sup>st</sup> January, 2013 and provided a mobile medical van in the flood affected area.

The partnership deed provides for charging interest on drawings @ 6% p.a. After the final accounts were prepared it was discovered that interest on drawings had not been charged. Give the necessary adjusting journal entry and show the working notes clearly.

Also state any two values which the partners wanted to communicate to the society.

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16. Hanif and Jubed were partners in a firm sharing profits their capitals. On 31<sup>st</sup> March, 2013 their Balance Sheet was as follows:

**Balance Sheet of Hanif and Jubed as on 31<sup>st</sup> March, 2013**

Liabilities	Amount	Assets	Amount
	<		<
Creditors	1,50,000	Bank	2,00,000
Workmen's Compensation Fund	3,00,000	Debtors	3,40,000
General Reserve	75,000	Stock	1,50,000
Hanif's Current Account	25,000	Furniture	4,60,000
Capitals :		Machinery	8,20,000
Hanif           10,00,000		Jubed's Current	
Jubed           5,00,000	15,00,000	Account	80,000
	20,50,000		20,50,000

On the above date the firm was dissolved.

- (i) Debtors were realised at a discount of 5%. 50% of the stock was taken over by Hanif at 10% less than the book value. Remaining stock was sold for < 65,000.
- (ii) Furniture was taken over by Jubed for < 1,35,000. Machinery was sold as scrap for < 74,000.
- (iii) Creditors were paid in full.
- (iv) Expenses on realisation < 8,000 were paid by Hanif.

Prepare Realisation Account.

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17. X Ltd. invited applications for issuing 75,000 equity at a premium of < 5 per share. The amount was payable as follows :

On application and allotment – < 9 per share (including premium) On first and final call –

the balance amount Applications for 3,00,000 shares were received. Applications for 2,00,000 shares were rejected and money refunded. Shares were allotted on pro-rata basis to the remaining applicants. The first and final call was made. The amount was duly received except on 1,500 shares applied by Ravi. His shares were forfeited. The forfeited shares were re-issued at a discount of <4 per share. Pass necessary journal entries for the above transactions in the books of X Ltd.

OR

Y Ltd. invited applications for issuing 80,000 equity shares of < 10 each at a discount of 10%. The amount was payable as follows :

On application and allotment – < 6 per share On first and final call – the balance amount. Applications for 2,00,000 shares were received. Applications for 40,000 shares were rejected and money refunded. Shares were allotted on pro-rata basis to the remaining applicants. The first and final call was made. All money was received except on 1,600 shares applied by Rohan. His shares were forfeited. The forfeited shares were re-issued at the maximum discount permissible under the law.

Pass necessary journal entries for the above transactions in the books of Y Ltd.

18. Shikhar and Rohit were partners in a firm sharing 7 : 3. On 1<sup>st</sup> April, 2013 they admitted Kavi as a new partner for 1/4 share in profits of the firm. Kavi brought < 4,30,000 as his capital and < 25,000 for his share of goodwill premium. The Balance Sheet of Shikhar and Rohit as on 1<sup>st</sup> April 2013 was as follows :

**Balance Sheet of Shikhar and Rohit as on 1<sup>st</sup> April, 2013**

Liabilities	Amount	Assets	Amount
	<		<
Capitals :		Land and Building	3,50,000
Shikhar   8,00,000		Machinery	4,50,000
		Debtors           2,20,000	
Rohit <u>3,50,000</u>	11,50,000	Less provision   20,000	2,00,000

General Reserve	1,00,000	Stock	3,50,000
Workmen's		Cash	1,50,000
Compensation Fund	1,00,000		
Creditors	1,50,000		
	15,00,000		15,00,000

It was agreed that

- (i) the value of Land and Building will be appreciated by 20%.
- (ii) the value of Machinery will be depreciated by 10%.
- (iii) the liabilities of Workmen's Compensation Fund was determined at <50,000.
- (iv) capitals of Shikhar and Rohit will be adjusted on the basis of Kavi's capital and actual cash to be brought in or to be paid off as the case may be. Prepare Revaluation Account, Partners' Capital Accounts and the Balance Sheet of the new firm.

OR

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L, M and N were partners in a firm sharing profits in On 1<sup>st</sup> April, 2013 their Balance Sheet was as follows :



**Balance Sheet of L, M and N as on 1<sup>st</sup> April, 2013**

Liabilities	Amount	Assets	Amount
	<		<
Capitals :		Land	8,00,000
L      6,00,000		Building	6,00,000
M      4,80,000		Furniture	2,40,000
N <u>4,80,000</u>	15,60,000	Debtors      4,00,000	
General Reserve	4,40,000	Less provision   20,000	3,80,000
Workmen's		Stock	4,40,000
Compensation Fund	3,60,000	Cash	1,40,000
Creditors	2,40,000		
	26,00,000		26,00,000

On the above date N retired The following were agreed :

- (i) Goodwill of the firm was valued at < 6,00,000.
- (ii) Land was to be appreciated by 40% and Building was to be depreciated by < 1,00,000.
- (iii) Furniture was to be depreciated by < 30,000.
- (iv) The liabilities for Workmen's Compensation Fund was determined at < 1,60,000.
- (v) Amount payable to N was transferred to his loan account.
- (vi) Capitals of L and M were to be adjusted in their new profit sharing ratio and for this purpose current accounts of the partners will be opened.

Prepare Revaluation Account, Partners' Capital Accounts and the Balance Sheet of the new firm.

## PART B

### (Financial Statements Analysis)

19. What is meant by 'Cash Flow Statement' ? 1
20. Why is separate disclosure of cash flow from investing activities important while preparing Cash Flow Statement ? 1
21. State any one objective of financial statements analysis. 1
22. Under which sub-headings will the following items be placed in the Balance Sheet of a company as per revised Schedule VI Part I of the Companies Act 1956: 3
- (i) Capital Reserves
  - (ii) Bonds
  - (iii) Loans repayable on demand
  - (iv) Vehicles
  - (v) Goodwill
  - (vi) Loose tools
23. From the following Statement of Profit and Loss of Fenox Ltd. for the year ended 31<sup>st</sup> March, 2013, prepare a Comparative Statement of Profit and Loss :4

Particulars	Note	2012 – 13	2011 – 12
	No.	<	<
Revenue from operations		8,00,000	6,00,000
Other Incomes		1,00,000	50,000
Expenses		5,00,000	4,00,000

Rate of income tax was 40%.

24. 4
- (a) The quick ratio of a company is 1.5 : 1. State with reason which of the following

transactions would (i) increase; (ii) decrease or (iii) not change the ratio :

- (1) Paid rent < 3,000 in advance.
- (2) Trade receivables included a debtor Shri Ashok who paid his entire amount due < 9,700.

(b) From the following information compute 'Proprietary Ratio' :

	<	
Long Term Borrowings	2,00,000	
Long Term Provisions	1,00,000	
Current Liabilities	50,000	
Non-Current Assets	3,60,000	
Current Assets	90,000	

25. Prepare a Cash Flow Statement on the basis of the Balance Sheet of Simco Ltd. as at 31.3.2013 and 31.3.2012 :

Balance Sheet of Simco Ltd. as at 31.3.2013 and 31.3.2012 :

	Note No.	31.3.2013 <	31.3.2012 <
<b>I – Equity and Liabilities :</b>			
<b>1. Shareholder's Funds :</b>			
(a) Share Capital		2,00,000	1,50,000
(b) Reserves and Surplus		90,000	75,000
<b>2. Non-Current Liabilities :</b>			
Long Term Borrowings		87,500	87,500

3.	<b>Current Liabilities :</b>		
	Trade Payables	10,000	76,000
	<b>Total</b>	<b>3,87,500</b>	<b>3,88,500</b>

## II – Assets :

1.	<b>Non-Current Assets :</b>		
	<b>(a) Fixed Assets :</b>		
	(i) Tangible Assets	1,87,500	1,40,000
	<b>(b) Non-Current Investments</b>	<b>1,05,500</b>	<b>1,02,500</b>
2.	<b>Current Assets :</b>		
	(a) Current Investments (Marketable)	12,500	33,500
	(b) Inventories	4,000	5,500
	(c) Trade Receivables	9,500	23,000
	(d) Cash and Cash Equivalents	68,500	84,000
	<b>Total</b>	<b>3,87,500</b>	<b>3,88,500</b>

### Notes to Accounts

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#### Note 1

Particulars	2013	2012
	<	<
<b>Reserves and Surplus</b>		
Surplus (Balance in Statement of Profit & Loss)	90,000	75,000

## PART C

### (Computerized Accounting)

19. What is meant by 'data' as a component of Computerized Accounting System ? 1
20. What is relational database ? 1
21. What is requirement analysis ? 1
22. Explain any two advantages and one limitation of Computerized Accounting System. 3
23. What is meant by data validation ? Give two examples when cell will give error if the values are not meeting the conditions. 4
24. Differentiate between 'Desktop database' and 'Server database' on any four basis. 4
25. Calculate the formulae from the following information on Excel for computing the amounts of : 6
- (a) Travelling Allowance, Basic Pay upto < 18,000 at 10% and above it at 15%.
- (b) Loan Payable, Basic Pay upto < 18,000 at 20% and 25% above that.
- (c) Net Salary, adding Travelling Allowance and deducting Loan Payable from Basic Pay.