



**Section – A**

- I. Answer any EIGHT of the following questions each carrying one mark: 8 × 1 = 8**
1. What is motive of Not for profit organisation?
  2. State any one feature of partnership.
  3. \_\_\_\_\_ accounts is debited for the increase in the value of an asset.
  4. In the absence of any information regarding the acquisition of share in the profit of the retiring / deceased partner by the remaining partners, it is assumed that they will acquire his / her share:-  
**a) Old Profit Sharing Ratio b) New Profit Sharing Ratio c) Equal Ratio d) None of the above**
  5. Forfeiture of share is cancellation of the rights of shareholders:-**True or False.**
  6. Premium on issue of debenture is a \_\_\_\_\_
  7. Give an example of 'other income'.
  8. Comparative statement are also known as:-  
**a) Dynamic Analysis b) Horizontal Analysis c) Vertical Analysis d) External Analysis**
  9. Expand EPS
  10. What is cash flow statement?

**Section – B**

- II. Answer any FIVE of the following questions each carrying two marks: 5 × 2 = 10**
11. What is 'subscription' in case of not-profit organisation?
  12. State any two features of partnership?
  13. Goodwill of the firm is valued at two years purchase of the average profit of last four years the total profits for last four years is Rs.40,000. Calculate goodwill of the firm.
  14. Give the journal entry for sale of assets on dissolution of a firm.
  15. What do you mean by over subscriptions?
  16. Give the meaning of financial statements?
  17. Give the formula for percentage change in comparative statements
  18. Give two examples for cash outflows from operating activities?

**Section – C**

- III. Answer any FOUR questions, each carrying six marks: 4 × 6 = 24**
19. X and Y are partners commenced Partnership business on 1.1.2016 sharing profits and losses in 3:2 ratio with capitals of Rs.1,00,000 and 80,000 respectively. They earned profits of Rs.25,000 for the year before allowing:  
**a) Interest on capitals @10% p.a.**  
**b) Interest on drawing: X Rs.1,000 and Y Rs.800**  
**c) Commission payable to X Rs.2,000**  
**d) Salary payable to Y Rs.3,000**  
Prepare P and L Appropriate A/c for the year ending 31.12.2016.
  20. Ankit, Suchit and Chandru are partners in a firm sharing profits and Losses in the ratio of 4:3:2. Ankit retires from the firm. Suchit and Chandru agreed to share in the ratio of 5:3 in Future. Calculate gain ratio of Suchit and Chandru.
  21. Raju, Ravi and Roopa are partners sharing profit and losses in the ratio of 4:3:3. Their capital balances on 01.04.2017 stood Rs.1,00,000, Rs.80,000 and Rs.50,000 respectively. Raju died on 01.10.2017. The partnership deed provides the following.  
**a) Interest on capital at 12% p.a.**  
**b) He had withdrawn 5,000 up to the date of death**  
**c) Raju's share of goodwill Rs.5,000**  
**d) His share of profit up to the date of death on the basis of previous year profit. Previous years profit Rs.20,000. Prepare Raju's Executor's A/c.**
  22. Gopal Ltd issued 3,000, 6% debentures of Rs.100 each payable. Rs.20 on application, Rs.30 on allotment and the balance on first and final call – all the debentures were duly taken up and the money was duly received by the company. Pass the journal entries in the books of the Company.

23. From the following balances, prepare statement of Profit & Loss for the year ending 31<sup>st</sup> March 2018 as per schedule III of companies Act, 2013.

Particular	Amount (Rs.)
Sales	10,00,000
Cash Purchases	2,00,000
Credit Purchases	4,00,000
Purchases returns	20,000
Power and Fuel	30,000
Consumption of Stores	50,000
Interest on Bank Loan	30,000
Tax	30%

24. From the following, calculate Current Ratio and Quick Ratio

Particulars	Amount (Rs.)
Current Assets	2,40,000
Stock	1,20,000
Current Liabilities	60,000

25. From the following Calculate cash flows from financing activities:

Particulars	2014	2015
Equity Share Capital	28,00,000	35,00,000
Bank Loan	12,50,000	7,50,000

#### Section – D

- IV Answer any FOUR questions each carrying twelve marks:

4 x

12 = 48

26. Following are the Balance Receipt & Payment Account of Golden Sports Club, Bangalore.  
Balance Sheet as on 31/3/2017

Liabilities	Amount (Rs.)	Assets	Amount (Rs.)
Outstanding Salary	7,000	Cash in Land	15,500
Pre-received Subscription	4,000	Sports Materials	35,000
Capital Fund	1,50,500	Furniture	21,000
		Land & Building	90,000
<b>Total</b>	<b>1,61,500</b>	<b>Total</b>	<b>1,61,500</b>

Receipt & Payments A/c for the year ending 31/3/2018

Dr.		Cr.	
Receipts	Amount (Rs)	Payments	Amount (Rs)
To Balance b/d	15,500	By Salary	25,000
To Subscription	52,000	By Sports material (1/10/17)	18,000
To Entrance fees	6,000	By Investments	15,000
To Sale of old newspaper	3,000	By Postage	400
To Sports fees	9,500	By Electricity Charges	1,600
		By Up-Keep of glands	6,500
		By Balance b/d	19,500
<b>Total</b>	<b>86,000</b>	<b>Total</b>	<b>86,000</b>

**Adjustments:-**

1. Outstanding Subscriptions for 2018 Rs.1000.

2. Outstanding salary as on 31-3-2018 Rs.5,000
3. Half of the Entrance fees to be capitalized.
4. Depreciate sports materials @20% per annum

**Prepare:-**Income &Expenditure account for year ending 31/03/2018 and Balance Sheet as on that date

27. Gouri and Ganesh are partners in a firm sharing profit equally, following is their Balance Sheet as on 31.03.2017

Balance Sheet as on 31/03/2017

Liabilities	Amount (Rs.)	Assets	Amount (Rs.)
Creditors	20,000	Cash in hand	7,000
Bills Payable	4,000	Stock	25,000
General Reserve	6,000	Building	40,000
<b>Capitals:-</b>		Debtors <b>17,000</b>	
Gouri	80,000	Less:- PDD <b>1,500</b>	15,500
Ganesh	40,000	Furniture	14,500
		Patents	30,000
		Plant & Machinery	18,000
<b>Total</b>	<b>1,50,000</b>	<b>Total</b>	<b>1,50,000</b>

On 01/04/2011, Shiva is admitted into partnership on the following terms:

- a) Shiva should bring Rs.25,000 as capital.
- b) Goodwill of the firm is raised at Rs.16,000
- c) Stock is to be increased by 8%.
- d) Provision for doubtful debts is increased to Rs.2,600.
- e) Capital accounts of partners are to be adjusted in their new profit sharing ratio of 3:2:1 based on shiva's capital (Adjustments to be made in cash).

**Prepare:-**Revaluation A/c, ii) Partners Capital A/c iii) Balance Sheet of the new firm.

28. Appu, Abhi, and Akash were partners in a firm sharing profit and losses in the ratio 2:1:1.

Their Balance Sheet on the date of dissolution was as follows:

Liabilities	Amount (Rs.)	Assets	Amount (Rs.)
Creditors	20,000	Bank	8,000
Loan from Appu	5,000	Debtors	20,000
Loan from Akshay	2,000	Stock	25,000
P&L A/c	6,000	Furniture	10,000
<b>Capital:-</b>		Machinery	15,000
Appu 20,000			
Abhi 15,000			
Akash 10,000	45,000		
<b>Total</b>	<b>78,000</b>	<b>Total</b>	<b>78,000</b>

The following information is available:

- a) The assets were realized as follows, debtors realized at 10% less and stock realized 10% more than the book value.
- b) Furniture was taken over by Appu at an agreed value of Rs.8,000.
- c) Machinery was taken over by Abhi at Rs.12,000
- d) Creditors were paid off at a discount of 5%
- e) Cost of dissolution amount to Rs.500

**Prepare:-**

- 1) Realisation A/c
- 2) Partners Capital A/c
- 3) Bank A/c

29. ABC Company Ltd, issued 20,000 equity shares of Rs.10 each. The amount payable is as follows  
 On Application Rs.2  
 On Allotment Rs.3  
 On First and on Final Call Rs.5

All shares were subscribed and the money duly received except the first and final call on 500 shares held: by Mr. A. The directors forfeited these shares and then these forfeited shares were re-issued to Mr. B at Rs.7 per shares fully paid-up. Pass the necessary journal entries.

30. Give the journal entries for the following cases

- Issue of Rs.2,00,000, 10% debenture of Rs.100 at par and redeemable at premium of 5%
- Issue of Rs.2,00,000, 10% debenture of Rs.100 at discount of 5% but redeemable at par
- Issue of Rs.2,00,000, 10% debenture of Rs.100 at a premium of 5% and redeemable at par
- Issue of Rs.2,00,000, 10% debenture of Rs.100 at a premium of 5% and redeemable at premium of 5%

31. From the following information, prepare common size position statement (Balance Sheet)

Particular	31/03/2017	31/03/2018
Share Capital	4,00,000	5,00,000
General Reserve	50,000	60,000
Secured Loan	15,000	20,000
Current Liabilities	50,000	70,000
Buildings	2,00,000	2,50,000
Machinery	1,50,000	2,00,000
Stock	1,00,000	1,10,000
Trade Receivable	65,000	90,000

32. From the following particulars calculate:

- Net Assets Turnover Ratio
- Fixed Assets Turnover Ratio
- Working Capital Turnovers Ratio
- Operating Profit Ratio
- Return on Capital Employed Ratio
- Earning per share

Particulars	Amount (Rs.)
Revenue from operation	15,00,000
Net fixed assets	50,00,000
Working Capital	10,00,000
Operating Profit	5,00,000
Profit after interest and Tax	3,00,000
Interest and Tax expenses	2,00,000
Dividend paid to preference share	1,00,000
Capital Employed	40,00,000
Equity share Capital of Rs.10 each	1,00,000

**Section E**  
**(Practical Oriented Questions)**

V. Answer any TWO questions each question carries five marks:

**2 × 5 = 10**

- Write two Partners Capital Accounts under Fluctuating capital system with 5 imaginary figures.
- Prepare a statement of Profit and Loss of a Company in vertical form with imaginary figures of 5 main heads only.
- Write the pro-forma of Cash Flows from Operating Activation under direct Method.

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