

Subject : Financial Accounting - I

Day : Wednesday
Date : 06/04/2016

S.D.E. 
29035

Time : 11.00 AM TO 02.00 PM
Max Marks : 80 Total Pages : 3

N.B.:

- 1) All questions are **COMPULSORY**.
- 2) Figures to the right indicate **FULL** marks.
- 3) Answers to both the sections should be written in **SAME** answer book.
- 4) Use of **CALCULATOR** is allowed.

SECTION-I

- Q.1** Sohan, Mohan and Rohan were partners sharing profits and losses in the ratio of 3:3:2 respectively. On 1st April, 2013 their firm was dissolved. Their Balance Sheet as on that date was as follows: **(16)**

Balance Sheet as on 1st April, 2013

Liabilities	Rs	Assets	Rs.
Sundry Creditors	2,00,000	Land	2,00,000
Mohan's Loan Account	40,000	Building	2,00,000
Partners' Capital Accounts:		Machinery	1,20,000
Sohan	2,40,000	Stock	1,50,000
Mohan	1,50,000	Debtors	50,000
Rohan	90,000		
	7,20,0000		7,20,000

The assets were realised gradually as follows:

Sr.	Date	Gross Amount	Expenses	Net Amount
1	15 th April, 2013	1,10,000	10,000	1,00,000
2	20 th May, 2013	2,30,000	30,000	2,00,000
3	25 th June, 2013	1,02,000	6,000	96,000
4	30 th July, 2013	1,30,000	18,000	1,12,000
5	10 th August, 2013	1,20,000	20,000	1,00,000

You are required to prepare:

- i) Statement of Surplus Capital
- ii) Statements showing Monthly Piecemeal Distribution of Cash by using Surplus Capital Method.

OR

- Q.1** Anjali Ltd. leased a colliery on 1st April, 2009 from M/s. Deepali at a minimum rent of Rs. 2,50,000 per annum at a royalty of Rs. 2 per ton with a right to recover shortworking in the next two years. **(16)**

The output for the first five years of the lease was as follows:

Year	Production in Tonnes
2009- 10	50,000
2010-11	1,20,000
2011-12	1,50,000
2012-13	1,10,000
2013-14	1,50,000

You are required to show:

- i) Royalty Account
- ii) Shortworking Account
- iii) Landlord Account in the books of Anjali Ltd.

P.T.O.

- Q.2** Following is the summary of cash transactions of Ameya Club for the year (16)
ended 31st March, 2014.

Receipts	Rs	Payments	Rs.
To Balance b/d	20,000	By Rent	60,000
To Subscriptions	6,00,000	By Advertisement	26,000
To Donations	50,000	By Furniture	80,000
to Legacy	15,000	By Salary	1,42,000
To Sale of Land	40,000	By Tournament Expenses	1,10,000
To Miscellaneous Income	10,000	By Miscellaneous Expenses	20,000
		By Investments	2,50,000
		By Maintenance of Ground	40,000
		By Balance c/d	17,000
	7,35,000		7,35,000

Other Information:

- Membership subscription outstanding for the last year amounts to Rs. 30,000 and for current year Rs. 60,000.
- Advertisement bills unpaid for last year were Rs. 5,000 and for current year were Rs. 7,000.
- Salary outstanding for last year was Rs. 10,000 and for current year was Rs. 15,000.
- Accrued income for current year on investment was Rs. 12,000.
- Charge 10% depreciation on furniture.
- Capital Fund as on 1st April 2013 was Rs. 85,000.

You are required to prepare Income and Expenditure Account for the year ended 31st March, 2014 and Balance Sheet as on that date.

OR

- Q.2** Write short notes on the following: (16)
- Order of Payment in Piecemeal Distribution
 - Shortworkings
 - Consumers' Co-operative Society
 - Income and Expenditure Account

SECTION-II

- Q.3** On 1st March, 2011 Sheela purchased a machine from Munni on Hire (16)
Purchase basis. The particulars are as follows:
- Cash Price: Rs. 10,00,000
 - Amount to be paid on signing the contract Rs. 4,00,000
 - Balance to be paid in three (yearly) installments of Rs. 2,00,000 each plus interest.
 - Interest to be charged on outstanding balance at 5% p.a.
 - Depreciation at 10% p.a. on Written Down Value Method.
- You are required to show:
- Machine Account,
 - Munni's Account and
 - Interest Account in the books of Sheela.

- Q.4** The respective Balance Sheets of A and B and C and D at the date of (16)
amalgamation were as follows:

Balance Sheets as on 31st March, 2013

Liabilities	A & B	C & D	Assets	A & B	C & D
Sundry Creditors	2,15,000	2,10,000	Cash at Bank	30,000	10,000
Capitals			Sundry Debtors	2,00,000	2,45,000
A	2,50,000	-	Stock	3,00,000	2,00,000
B	1,50,000	-	Investments	80,000	-
C	-	1,90,000	Office Furniture	5,000	-
D	-	1,10,000	Trade Fixtures	-	10,000
Reserve	-	1,15,000	Leasehold Premises	-	1,20,000
			Goodwill	-	40,000
	6,15,000	6,25,000		6,15,000	6,25,000

It was agreed that the Balance Sheet of A and B should be adjusted as follows before amalgamation:

- That Rs. 4,000 be reserved for doubtful debts.
- That stock and furniture be depreciated by 10%.
- That investments be taken over at Rs. 1,00,000.
- That Rs. 3,000 be reserved for Discount on Creditors.
- That Goodwill be valued at Rs. 40,000.

The following adjustments were agreed upon in the Balance Sheet of C and D.

- That Debtors, Stock and Trade fixtures be taken over at book figures.
- That the Leasehold Premises and Goodwill be valued at Rs. 1,80,000 and 60,000 respectively.

Close the books of both the firms and show the Balance Sheet in the books of new firm M/s ABCD.

OR

- Q.4** What is 'Amalgamation of Partnership Firms'? What may be the reasons for (16)
amalgamation of firms?

- Q.5 a)** On 1st April, 2013 Surendra of Pune, consigned goods of Rs. 1,10,000 to (08)
Narendra of Kolkata at a proforma invoice value of Rs. 1, 50,000. Surendra
paid Rs. 4,000 for freight and insurance, Narendra paid Rs. 10,000 for
carriage and other expenses.
Narendra sent a bank draft of Rs. 20,000 to Surendra as an advance.
Narendra sold all the goods for Rs. 1,60,000.
Narendra was entitled to a commission of 5% on sale proceeds.
Narendra remitted the balance to Surendra after deducting his commission and
expenses:

You are required to show:

- Consignment Account
- Narendra's Account in the books of Surendra.

- b)** On 1st April, 2010 a lease is purchased by M/s. Modern Traders for a period (08)
of four years on payment of Rs. 3,00,000.
It is proposed to depreciate the lease by the annuity method charging interest
at 5% per annum. As per Annuity Table the amount necessary to write off
Re. 1 in four years with interest at 5% per annum is Rs. 0.282012. M/s.
Modern Traders closes books of accounts on 31st March every year.
Show the Lease Account for four years.

OR

- Q.5** Write short notes on the following: (16)
- Proforma Invoice
 - Del Credere Commission
 - Features of Hire Purchase System
 - Depreciation Fund Method

* * * *