1304177

M – 2020

Register Number :

Subject Code : **30 (NS)**

ACCOUNTANCY

(Kannada and English Versions)

Time : 3 Hours 15 Minutes] [Total No. of questions : 35] [Max. Marks : 100

(English Version)

Instructions : 1. *All the sub questions of Section – A should be answered continuously at one place.*

2. *Provide working notes wherever necessary.*

3. *15 minutes extra has been allotted for candidates to read the questions.*

4. *Figures in the right hand margin indicate full marks.*

SECTION – A

Answer **any eight** questions. Each question carries **1** mark : **(8 × 1 = 8)**

1) Donations for specific purposes are always capitalized. State True/False.

2) The liability of a partner for acts of the firm is ————.

3) A, B and C are partners in a firm. If 'D' is admitted as a new partner
   a) old firm is dissolved
   b) old firm and old partnership is dissolved
   c) old partnership is re-constituted
   d) None of the above

4) X, Y and Z are partners sharing profits in the ratio of 5 : 3 : 2. If 'Z' retires, the new profit sharing ratio between X and Y will be ————.

5) When can shares be forfeited?

6) Can the company purchase its own debentures in open market.

7) Give an example for current asset.

8) The most commonly used tools for financial analysis are :
   a) Horizontal analysis b) Vertical analysis
   c) Ratio analysis d) All the above

9) Expand EPS.

10) What is cash flow statement?

SECTION – B

Answer **any five** questions. Each question carries **2** marks : **(5 × 2 = 10)**

11) Write any two features of receipts and payments account.

12) State the two methods by which the capital accounts of partners are maintained.

13) What are the two main rights acquired by a newly admitted partner in the partnership firm?

14) Write the journal entry for the payment of unrecorded liabilities on the dissolution of a firm.

15) Name any two categories of share capital.

16) Mention two types of financial statements.

17) Name any two users of financial statement analysis.

18) Mention any two cash flow activities classified as per AS-3.

SECTION – C

Answer **any four** questions. Each question carries **6** marks : **(4 × 6 = 24)**

19) Radha and Raman are partners in a firm. Radha's drawings for the year 2018-19 are given as under :

₹ 5,000 on 01.04.2018

₹ 8,000 on 30.06.2018

₹ 3,000 on 01.12.2018

₹ 2,000 on 31.03.2019

Calculate interest on Radha's drawings at 10% p.a. for the year ending 31.03.2019 under product method.

20) Rashi, Raksha and Rahul are partners sharing profits in the ratio of 4 : 3 : 2. Rashi retires. Raksha and Rahul decided to share profits in future in the ratio of 5 : 3. Calculate the gaining ratio of Raksha and Rahul.

21) Arun, Varun and Tarun are partners sharing profits and losses equally. Their Balance sheet as on 31.03.2019 was as follows :

Balance sheet as on 31.03.2019

Liabilities		₹	Assets	₹
Creditors		19,000	Fixed assets	53,000
General reserve		6,000	Stock	18,000
Capitals :			Debtors	15,000
Arun	25,000		Cash in hand	14,000
Varun	25,000			
Tarun	25,000	75,000		
		1,00,000		1,00,000

Arun died on 01.08.2019. His executors claims the following.

a) Capital

b) Share of General reserve

c) Share of commission. Annual commission ₹ 7,200

d) Share of Goodwill. Goodwill of the firm ₹ 18,000

e) Share of profit upto the date of death-his share ₹ 12,000

Prepare Arun's Capital Account.

22) Hindusthan Co., Ltd., issued 20,000, 10% debentures of ₹10 each payable as follows :

₹ 2 on application

₹ 4 on allotment

₹ 4 on first and final call.

All the debentures were subscribed and the money duly received.

Pass the necessary journal entries in the books of the company.

23) From the following information, prepare statement of profit and loss for the year ended 31.03.2019 as per schedule – III of the Companies Act, 2013.

Particulars	₹
Revenue from operations	8,00,000
Other Income	50,000
Cost of materials consumed	2,00,000
Employee benefit expenses	1,00,000
Depreciation and Amortization	50,000
Tax	30%

24) Calculate Current ratio and Quick ratio from the following Information :

Particulars	₹
Inventories	50,000
Trade receivables	50,000
Advance tax	4,000
Cash and Cash equivalents	30,000
Trade payables	1,00,000
Short term borrowings (bank overdraft)	4,000

25) From the following information, calculate the cash flows from financing activities.

Particulars	31.03.2018	31.03.2019
Share capital	10,00,000	15,00,000
Debentures	2,00,000	–
Bank Loan	–	1,00,000

a) Dividend proposed and paid during the year ₹ 1,50,000

b) Dividend tax paid ₹ 15,000

SECTION – D

Answer **any four** questions. Each question carries **12** marks : (4 × 12 = 48)

26) From the following Balance Sheet and Receipt and Payment account of Unity Club, Prepare Income and Expenditure account for the year ended 31.03.2019 and the Balance sheet as on that date.

Balance Sheet as on 31.03.2018

Liabilities	₹	Assets	₹
Outstanding Rent	100	Cash in hand	2,200
Capital fund	27,600	Building	20,000
		Outstanding subscription	500
		Furniture	3,000
		Books	2,000
	27,700		27,700

Receipt and payment a/c for the year ended 31.03.2019

Dr. Cr.

Receipts	₹	Payments	₹
To Balance b/d	2,200	By Rent	6,600
To Subscriptions	32,500	By Lecturer's fee	3,900
To Life Membership fee	3,250	By Printing and Stationery	2,500
To Donation	2,500	By Books (31.03.2019)	8,400
To Profit from entertainment	7,250	By Furniture (01.10.2018)	9,900
To Interest	1,100	By Balance c/d	17,500
	48,800		48,800

Additional Information :

a) Subscription outstanding on 31.03.2019 ₹ 750

b) Rent outstanding on 31.03.2019 ₹ 500

c) Donation to be capitalized.

d) Depreciate furniture at 10% p.a. (including purchase)

e) Depreciate books at 10% p.a.

27) Sheetal and Sharath were partners in a firm sharing profits in the proportions of 3/4th and 1/4th. Their Balance sheet on 31.03.2019 was as follows :

Balance Sheet of Sheetal and Sharath as on 31.03.2019

Liabilities	₹	Assets	₹
Creditors	46,000	Cash at bank	30,000
Reserve fund	4,000	Bills receivables	4,000
Capital a/c's :		Debtors	16,000
Sheetal	30,000	Stock	20,000
Sharath	16,000	Furniture	1,000
		Land and Building	25,000
	96,000		96,000

On 01.04.2019 Renu was admitted into partnership on the following terms :

a) Renu pays ₹ 15,000 as her capital for 1/5th share and ₹ 8,000 for goodwill.

b) Half of the goodwill is to be withdrawn by Sheetal and Sharath.

c) Stock be reduced by 10%

d) 5% provision for doubtful debts be created on sundry debtors.

e) Land and Building be appreciated by 20%

f) An item of ₹ 1,800 included in creditors is not likely to be claimed and hence should be written back.

Prepare :

i) Revaluation a/c

ii) Partners capital accounts

iii) Balance Sheet of the new firm.

28) Anup and Sumit are equal partners in a firm. They decided to dissolve the partnership on 31.03.2019, when their Balance sheet was as under :

Balance Sheet of Anup and Sumit as on 31.03.2019

Liabilities		₹	Assets	₹
Creditors		30,000	Cash at bank	14,000
Loan		40,000	Sundry debtors	12,000
Reserve fund		10,000	Machinery	47,000
Capitals :			Stock	42,000
Anup	60,000		Land and Building	60,000
Sumit	60,000	1,20,000	Furniture	25,000
		2,00,000		2,00,000

The Assets were realised as follows :

Land and Building	₹ 72,000
Furniture	₹ 22,500
Stock	₹ 40,500
Machinery	₹ 48,000
Sundry debtors	₹ 10,500

The creditors were paid ₹ 25,500 in full settlement. Expenses of realisation amounted to ₹ 2,500

Prepare :

a) Realisation account.

b) Partners capital accounts.

c) Bank account.

29) Arushi Computers Ltd., issued 10,000 equity shares of ₹ 100 each, at a premium of ₹ 10 per share, payable as follows :

On application ₹ 30

On allotment ₹ 50 (including premium)

On first and final call ₹ 30

All the shares were subscribed and the money duly received except the first and final call on 500 shares. The Directors forfeited these shares and re-issued them as fully paid at ₹ 80 per share.

Pass the necessary journal entries in the books of the company.

30) Give the journal entries for issue of debentures for the following cases in the books of Alpha Company Ltd.,

a) 10,000, 12% Debentures of ₹100 each issued at par but redeemable at premium of 5%

b) 10,000, 12% debentures of ₹100 each issued at a discount of 10% but redeemable at par.

c) 10,000, 12% debentures of ₹100 each issued at a premium of 5% but redeemable at par.

d) 10,000, 12% debentures of ₹100 each issued at par, and redeemable at par.

31) From the following information, prepare comparative Balance sheet of Adeepa Company Ltd.,

Particulars	31.3.2018 ₹	31.3.2019 ₹
I. Equity and Liabilities :		
Equity share capital	5,00,000	8,00,000
Reserves and Surplus	1,50,000	2,50,000
Long term borrowings	2,00,000	1,50,000
Trade payables	1,00,000	2,00,000
Other current Liabilities	50,000	1,00,000
Total	10,00,000	15,00,000
II. Assets		
Fixed assets	3,00,000	5,00,000
Non-current investments	1,50,000	2,00,000
Inventories	2,50,000	3,50,000
Trade receivables	2,00,000	2,50,000
Cash at bank	1,00,000	2,00,000
Total	10,00,000	15,00,000

32) From the following particulars, calculate

a) Net assets turnover ratio

b) Fixed assets turnover ratio

c) Working capital turnover ratio

d) Gross profit ratio

e) Net profit ratio

f) Operating ratio

Particulars	₹
Fixed assets	16,00,000
Current assets	4,00,000
Current liabilities	2,00,000
Revenue from operations	20,00,000
Cost of revenue from operations	8,00,000
Net profit	4,00,000
Operating expenses	1,00,000

SECTION – E

(Practical Oriented Questions)

Answer **any two** questions. Each question carries **5** marks : **(2 × 5 = 10)**

33) Classify the following into capital and revenue items.

a) Legacies

b) Purchase of computer

c) Subscription

d) Honorarium

e) Purchase of stationery.

34) Prepare Executors loan account with imaginary figures showing the repayment in two annual equal instalments along with interest.

35) Write the proforma of cash flows from operating activities under direct method.