

2024
ACCOUNTANCY

Full marks: 70

Time: 3 hours

General Instructions:

- i) Approximatley 15 mintues is allotted to read the question paper and revise the answers.
- ii) The question paper contains 25 questions. All questions are compulsory.
- iii) Answer to questions carrying 2 marks should not exceed 50 words.
- iv) Answer to questions carrying 4 marks should not exceed 100 words.
- v) Answer to questions carrying 6 marks should not exceed 200 words.
- vi) Answer to questions carrying 8 marks should not exceed 300 words.
- vii) Internal choice has been provided in 6 marks and 8 marks questions.

N.B: Check that all pages of the question paper is complete as indicated on the top left side.

Choose the correct answer from the given alternatives in questions 1 to 10.

1. Partnership Deed is also called _____ . 1
 - a) Prospectus
 - b) Articles of Association
 - c) Principles of Partnership
 - d) Articles of Partnership.
2. In the absence of Partnership Deed, the interest is allowed on partner's capital @ _____ . 1
 - a) 10% per annum
 - b) 12% per annum
 - c) 6% per annum
 - d) No interest.
3. A and B were partners in the firm sharing profits or losses equally. With effect from 1st April 2019, they agreed to share profits in the ratio of 4:3. Due to change in profit sharing ratio, B's gain or sacrifice will be _____ . 1
 - a) Gain 1/14
 - b) Sacrifice 1/14
 - c) Gain 4/7
 - d) Sacrifice 3/7.
4. On firm's dissolution, which one of the following account should be prepared last? 1
 - a) Realisation A/C
 - b) Partner's Capital A/C
 - c) Cash A/C
 - d) Partner's Loan A/C.
5. Authorised capital of a company is mentioned in _____ . 1
 - a) Memorandum of Association
 - b) Articles of Association
 - c) Prospectus
 - d) Statement in lieu of Prospectus.

17. State which of the following would result inflow, outflow or no flow of cash: 2
- i) Purchase of inventory for cash.
 - ii) Sale of goods costing ` 10,000 for ` 12,000 for cash.
 - iii) Shares issued for cash.
 - iv) Cash deposited into bank.
18. Calculate the interest on drawings of Mr. Aditya @8% per annum for the year ended 31st March 2021, in each of the following alternative cases: 2+2=4
- i) If he withdrew ` 5,000 in the beginning of each quarter.
 - ii) If he withdrew ` 6,000 at the end of each quarter.
19. Write any four points of difference between firm's debts and private debts. 4
20. Explain any four features of company. 4
21. a) A Limited Company offered for subscription 10,000 equity shares of ` 10 each at a premium of ` 2 per share and 5,000, 10% Preference shares of ` 10 each at par. The amount on equity shares was payable as follows:
- On Application ` 3 per share
 - On Allotment ` 5 per share (including premium)
 - On 1st call ` 4 per share
- The amount of preference shares was payable as follows:
- On Application ` 3 per share
 - On Allotment ` 4 per share
 - On 1st call ` 3 per share
- All the shares were fully subscribed, called up and paid.
Record these transactions in the journal and cash book of the company. 6
- Or**
- b) Alpha Limited issued 5,000 shares of ` 100 each at par. The amount payable was as under:
- ` 25 on Application
 - ` 25 on Allotment
 - ` 20 on 1st call and
 - ` 30 on final call.
- The company did not make final call. X, a holder of 100 shares failed to pay allotment and 1st call money. Directors forfeited his shares.
Pass journal entries in the books of the company.
22. a) Write any six points of difference between a share and a debenture. 6
- Or**
- b) A company purchased assets of the book value of ` 9,90,000 from another company. It was agreed that the purchase consideration be paid by issuing 11% debentures of ` 100 each. Assume that the debentures have been issued (i) at par (ii) at a premium of 10% and (iii) at a discount of 10%.
Write necessary journal entries in the books of purchasing company.

23. a. Prepare Common size Balance Sheet of Vishal Paper Limited from the following information:

Particulars	31.3.2022 (₹)	31.3.2021 (₹)
Share Capital	21,00,000	21,00,000
Reserves and Surplus	9,10,000	6,00,000
Non- Current Liabilities	24,45,000	20,40,000
Current Liabilities	15,45,000	12,60,000
Non-Current Assets	43,40,000	36,00,000
Current Assets	26,60,000	24,00,000

Or

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- b. From the following information obtained from the books of Raja Limited, calculate:

- i) Trade Receivables Turnover Ratio, and
- ii) Trade Payable Turnover Ratio

Information: (₹)

Revenue from operations	15,00,000
Creditors	2,00,000
Bills Receivable	79,000
Bills Payable	87,000
Debtors	2,21,000
Purchases	11,48,000

24. a. A and B shares the profits of a business in the ratio of 5:3. They admit C into the firm for 1/4th share in the profits to be contributed equally by A and B. On the date of admission of C, the Balance Sheet of the firm was as follows:

Liabilities	₹	Assets	₹
A's Capital	3,00,000	Machinery	2,60,000
B's Capital	2,00,000	Furniture	1,60,000
Workmen's Compensation		Stock	1,20,000
Reserve	40,000	Debtors	80,000
Bank Loan	1,20,000	Bank	60,000
Creditors	20,000		
	6,80,000		6,80,000

Terms of C's admission were as follows:

- i) C will bring ₹ 3,30,000 for his share of capital and goodwill.
- ii) Goodwill of the firm has been valued at 4 years purchase of the average super profits of last three years. Average profits of the last three years are ₹ 2,20,000 while the normal profits that can be earned with the capital employed are ₹ 1,40,000.
- iii) Furniture is to be appreciated by ₹ 60,000 and the value of stock is to be reduced by ₹ 20,000.

Prepare Revaluation Account, Partner’s Capital Account and the New Balance Sheet of A, B and C.

Or

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b. A, B and C were partners in a firm sharing profits in the ratio of 5:3:2. Their Balance Sheet as at 31st March, 2020 was as follows:

Balance Sheet of A,B and C as at 31st March 2020

Liabilities		Assets	
Creditors	70,000	Bank	44,000
A’s Capital	90,000	Debtors	24,000
B’s Capital	56,000	Stock	60,000
C’s Capital	60,000	Building	1,40,000
		Profit & Loss Account	8,000
	2,76,000		2,76,000

On 1st April 2020, B retired on the following terms:

- i) Building was to be depreciated by ` 10,000.
- ii) A provision of 5% was to be made on debtors for doubtful debts.
- iii) Salary outstanding was ` 4,800.
- iv) Goodwill of the firm was valued at ` 1,40,000.
- v) B was to be paid ` 20,800 through cheque and the balance was to be paid in two equal quarterly instalments (starting from 30th June 2020) along with interest @ 10% per annum.

Prepare Revaluation Account, B’s Capital Account and B’s Loan Account till finally paid.

25. a. Prepare a Cash Flow Statement on the basis of the information given in the Balance Sheets of ABC Limited as at 31st March 2022 and 2021.

Balance Sheets of ABC Limited as at 31.03.2022 &2021

Particulars	31.3.2022	31.3.2021
I. Equity & Liabilities		
i) Shareholders’ Funds:		
a) Share Capital	70,000	60,000
b) Reserves & Surplus	44,000	8,000
ii) Non-Current Liabilities:		
a) Long-term borrowing(debentures)	50,000	50,000
iii) Current Liabilities:		
a) Trade payables	25,000	9,000
Total	1,89,000	1,27,000
II. Assets		
i) Non-Current Assets:		
a) Fixed Assets:		
-Tangible Fixed Assets	98,000	84,000
b) Non-Current Investments	16,000	6,000
ii) Current Assets:		
a) Current Investments	18,000	20,000
b) Inventories	49,000	12,000
c) Cash & Bank balances	8,000	5,000
Total	1,89,000	1,27,000

Additional information:

- i) Depreciation provided on tangible assets (Machinery) during the year ` 8,000.
- ii) Interest paid on debenture ` 5,000.

Or

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- b.** Following are the Balance Sheets of Krishtec Limited as at 31st March, 2022 and 31st March, 2021:

Balance Sheets of Krishtec Limited as at 31st March 2022 & 2021

Particulars	31.3.2022	31.3.2021
I. Equity & Liabilities		
i) Shareholders' Funds:		
a) Share Capital	12,00,000	8,00,000
b) Reserves & Surplus (Profit & Loss Balance)	3,50,000	4,00,000
ii) Non-Current Liabilities:		
Long-term borrowings	4,40,000	3,50,000
iii) Current Liabilities:		
Trade payables	60,000	50,000
Total	20,50,000	16,00,000
II. Assets		
i) Non-Current Assets:		
a) Tangible Fixed Assets	12,00,000	9,00,000
ii) Current Assets:		
a) Inventories	2,00,000	1,00,000
b) Trade Receivables	3,10,000	2,30,000
c) Cash & cash equivalents	3,40,000	3,70,000
Total	20,50,000	16,00,000

Prepare a Cash Flow Statement after taking into account the following adjustments:

- i) The company paid interest ` 36,000 on its long term borrowings.
- ii) Depreciation charged on tangible fixed assets was ` 1,20,000.

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