VC-D 13/02 | 4 SYBCOM- - SEM III ACCOUNTS-FEB 2017- 75 MARKS-2 ½ HOURS (170)

Q.I. A. State whether the following statements are True or False (any 8) **8 Marks**

i. Goodwill is an intangible asset.
ii. The Indian Partnership Act is in force since 1956.
iii. Income received in advance is a liability.
iv. Balance sheet is an account.
v. Under piecemeal distribution asset realize gradually.
vi. Maximum loss method and excess capital method both are same.
vii. AS 14 deals with amalgamation of Firm.
viii. On Amalgamation, Old firms are dissolved.
ix. Computer cannot copy or repeat the same information very fast and accurately.
x. Credit note is raised where there is purchase return to supplier.

B. Match the following pairs (any 7) **7 Marks**

	Group A		Group B
i.	Gateway of tally	a.	Book Value
ii.	Delivery Note	b.	Entry gate to the tally software
iii.	Purchase Consideration	c.	Recording goods delivered to a customer
iv.	New Firm	d.	Agreed value
v.	Government Liability	e.	Charges on assets
vi.	Secured Loan	f.	Purchasing Firm
vii.	Fixed Capital Method	g.	Preferential liability
viii.	Partnership Deed	h.	Divided among the partners
ix.	Profit of Partnership	i.	Capital Balance remains constant
x.	Realization Account	j.	Agreement among the partners

Q.2. Sonia & Rahul are partners. There final balance as on 31^{st} December, 2015 was as under: **15 Marks**

Trial Balance As On 31st December 2015

Particulars	*Dr. Rs.*	*Cr. Rs.*	*Particulars*	*Dr. Rs.*	*Cr*
Capital A/cs			Carriage Outwards	2,100	
- Sonia		90,000	Wages	36,000	
- Rahul		60,000	Insurance	2,400	
Drawing A/cs			Discount Received		
- Sonia	3,000		Postage	1,200	
- Rahul	1,500		Debtors and Creditors	1,05,600	
Stock on 1-1-2015	66,000		Furniture	36,000	
Bills Receivable	2,700		Cash in Hand	14,700	
Purchases and Sales	2,85,000	453,000	Machinery	1,20,000	
Return	9,000	3,000	Rent & Taxes	1,800	
Salaries	15,000		Printing & Stationery	600	
				7,02,600	**7,**

Adjustments:

(1) The Closing Stock on 31st December 2015 was valued at Rs. 84,000.

(2) The outstanding expenses were : (a) Wages Rs. 3,000 and (b) Salaries Rs. 1,395

(3) Goods of Rs. 3,000 were distributed as free samples.

(4) Interest on partners' capitals was to be provided at 7% p.a.

(5) Prepaid Insurance was Rs. 150.

(6) Depreciation was to be provided on furniture at 10% and on machinery at 5%.

(7) A Reserve for bad and doubtful debts was to be created at 5% of sundry debtors.

You are required to prepare a Trading and Profit & Loss A/c for the year ended 31 December 2015 and a Balance Sheet as on that date.

OR

Q.2. Following is the trial balance of PQ&R on 31st March 2016:

Debit Balance	Amt (Rs)	Credit Balacne	Amt (Rs)
Drawings:		Capital:	
P	3,000	P	30,00
Q	2,000	Q	20,00
R	1,000	R	10,00
Buildings	20,000	Creditors	31,00
Machinery	10,000	Sales	78,00
Furniture	10,000		
Stock	3,000		
Debtors	25,000		
Purchases	35,000		
Wages	3,500		
Carriage Inward	1,500		
Office Expenses	12,000		
Selling Expenses	8,000		
Cash Balance	16,000		
Bank Balance	15,000		
Advance	4,000		
	1,69,000		**1,69,00**

Additional Information:

i. On 1st October, 2015, R was admitted, who bought Rs. 10,000 as his capital and also bought Rs. 4,800 for his share of Goodwill.

ii. P & Q were sharing Profit & Losses as 3:2. After R's admission they shared profit & Losses in 2:1:1.

iii. The sales from 1st April 2015 to 30th Sept. 2015 were Rs. 46,800.

iv. The purchases from 1st April 2015 to 30th Sept. 2015 were Rs. 17,500.

v. Depreciate Building @ 5% p.a. and Machinery @ 10% p.a.

vi. Interest on Capital to be allowed @ 10% p.a.

vii. Closing stock Rs. 4,000 on 30th Sept., 2015 and Rs. 7,000 on 31st March 2016.

You are required to prepare Partnership Final Account for the year ended 31st March, 2016.

Q.3. Following is the Balance Sheet of two firms as at 31st March, 2016: **15 Marks**

Liabilities	SN& Co. Rs.	GM & Co. Rs.	Assets	SN & Co. Rs.	GM & Co. Rs.
Capital:			Premises	-	10,000
Naresh	23,000	-	Computers	20,000	-
Suresh	23,000	-	Furniture	10,000	14,000
Mahesh		36,000	Inventory	18,000	16,000
Ganesh	-	24,000	Debtors	12,000	28,000
General Reserve	-	6,000	Bank	4,000	8,000
Creditors	10,000	8,000	Cash	2,000	4,000
Bills Payable	10,000	6,000			
	66,000	80,000		66,000	80,000

It was mutually agreed to amalgamate the business from 1st April, 2016.

Terms of amalgamation were as follows:

(a) A premise was valued at Rs. 20,000 and computers at Rs. 24,000.

(b) Furniture was not taken over by new firm.

(c) A reserve of 5% is to be created on debtors.

(d) Goodwill was valued as: M/s. SN & Co. at Rs. 20,000 and that of M/s. GM & Co. at Rs. 30,000.

(e) The new firm also assumed other Assets and Liabilities of old firm at book value. Show necessary accounts in the books of old firms and the Balance Sheet of new firm M/s. GMSN & Co. after amalgamation.

OR

Q.3. The Balance Sheet of M/s. M & N and M/s. R & S as on 31-12-2015 were as follows: **15 Marks**

Liabilities	A & B Rs.	C & D Rs.	Assets	A & B Rs.	C & D Rs.
Capital:			Land	18,000	23,700
A	18,000	-	Machinery	12,600	14,400
B	18,000	-	Furniture	5,400	6,300
C	-	18,000	Debtors	10,800	15,300
D	-	18,000	Stock	14,400	16,200
Creditors	27,000	18,000	Cash	1,800	900
Loan	-	19,800	Bank	3,600	2,700
O / S Expenses	3,600	5,700			
Total	66,600	79,500	**Total**	66,600	79,500

The two firms decided to amalgamate and form into M/s. ABCD & Co. with effect from January, 2016. Partners would share profits and losses equally between themselves as th were doing prior to amalgamation and they agreed to following revaluation of assets a liabilities:

Particulars	A & B Rs.	C & D Rs.
Land	22,500	22,5
Machinery	15,000	16,0
Furniture	5,000	6,0
Debtors	10,500	15,0
Stock	14,500	17,0
Creditors	26,000	17,0
Loans	-	19,0
O /S Expenses	3,600	5,7

In addition to the above it was decided –

(1) Goodwill of A & B and C & D was valued at Rs. 17,500 and Rs. 10,000 respectively.
You are required to show –

i) The accounts in the books of M/s. A & B and M/s. C & D and
ii) The Opening Balance Sheet of the new firm M/s ABCD & Co.

Q.4. From the following Balance Sheet of M/s Film Store with Kapoor, Khan and Khanna as sharing profits and losses in the ratio of 5:3:2. Their Balance Sheet on the date of dissoluti follows:

Liabilities	**Rs.**	**Assets**	**Rs.**
Partner's Capital:		Fixed Assets	40,00
- Kapoor	19,400	Current Assets	30,00
- Khan	10,200	Cash in Hand	4,80
- Khanna	16,000		
General Reserve	9,600		
Kapoor's Loan	10,600		
Sundry Creditors	12,000		
	74,800		**74,80**

(1) Realization expenses were estimated at Rs. 2,000.
(2) the assets were realised as under:

First instalment	Rs. 30,640
Second instalment	Rs. 14,360
Third instalment	Rs. 10,000

(3) Actual realization expenses were Rs. 1,500 only.

Prepare a statement showing piecemeal distribution of cash by adopting Excess Capita Method.

OR

Q. 4. Lalita, Uma and Mamta were in partnership, sharing profits and losses in the ratio of 1 /2, respectively. Their firm was dissolved as on 31st December 2015 on which date the Balance the firm was as under:

Balance Sheet as at 31st December, 2015

Liabilities	**Rs.**	**Assets**	**Rs.**
Capitals		Cash	4,000
- Lalita	17,000	Debtors	42,000
- Uma	8,000	Stock	16,000
- Mamta	1,000		
General Reserve	6,000		

Loans	6,000		
- Lalita	4,000		
- Uma	20,000		
Creditors	**62,000**		**62,000**

It was agreed that the realization should be distributed in their due order at the end of each fortnight. The realization and expenses were as under:

Particulars	Debtors (Rs.)	Stocks (Rs.)	Expenses (Rs.)
15th January 2016	7,500	4,500	1,000
31st January 2016	10,500	500	500
15th February 2016	8,500	8,500	1,000
28th February 2016	10,500	500	400
15th March 2016	2,050	3,050	600

Stocks were completely disposed off and the remaining debtors were to be taken over by Mamta at an agreed amount of Rs. 600.

Show the Statement of distribution of cash, following Relative Capitals Method.

Q. 5. A. Explain different types of inventory vouchers involved in Tally? 8 Marks

B. What are the advantages of computerized accounting system? 7 Marks

OR

Q.5. Write short notes (any 3) 15 Marks

i. Cost Center and Cost Categories

ii. Objectives of Amalgamation of Firm

iii. Excess Capital Method

iv. Profit & Loss Appropriation account in partnership final account

v. Fixed Capital Method

All the Best