

BOARD QUESTION PAPER : MARCH 2018

Time: 3 Hours

Max. Marks: 80

Q.1. Attempt any THREE of the following sub-questions: [15]

(A) Answer the following questions in only 'one' sentence each: (5)

- (1) What is 'trial balance'?
- (2) What is 'entrance fees'?
- (3) What is 'qualified acceptance'?
- (4) When is gain ratio required to be calculated?
- (5) What is the formula for calculating gross profit ratio?

(B) Write a word/term/phrase as a substitute for each of the following statements: (5)

- (1) The assets which are not recorded in the books of accounts.
- (2) The excess of total assets over total liabilities.
- (3) The person in whose favour the bill is transferred.
- (4) The proportion in which the continuing partners are benefitted due to retirement of a partner.
- (5) The system of accounting normally suitable for a small business organization.

(C) Select the most appropriate alternative from those given below and rewrite the statements: (5)

- (1) When shares are forfeited, share capital account is ____.
(A) debited (B) credited
(C) adjusted (D) none of these
- (2) A bill is drawn on 23rd October, 2016 payable after 3 months, the due date of the bill will be ____.
(A) 25th January, 2017 (B) 26th January, 2017
(C) 24th January, 2017 (D) 25th January, 2016
- (3) The capital balances are ascertained by preparing ____.

(4) If any unrecorded liability is paid on dissolution of the firm, ____ is debited.

- (A) Cash/Bank Account (B) Realization Account
(C) Partners' Capital Account (D) Partners' Loan Account

(5) Return outwards are deducted from ____.

- (A) purchases (B) sales

(D) State whether the following statements are True or False: (5)

- (1) Closing stock is always valued at market price.
- (2) Retirement of bill means payment of the bill before due date.
- (3) Share forfeited balance is transferred to Capital Reserve Account.
- (4) Gross profit depends upon net sales.
- (5) The inland bill which is drawn and payable in the same country.

(E) Prepare a format of a Bill of Exchange from the following information: (5)

months bill on
Mr. Akash Sane, 42, 'Sagar', Bandar Road, Ratnagiri, draws a three
Mrs. Megha Kale, Vishram Baag, Sangli, for Rs. 16,500 on 1st December 2016,

which was accepted on 4th December 2016, for Rs. 15,000 only by Mrs. Megha Kale.

- Q.2.** Miss Kalpana started her business with a capital of Rs. 1,30,000 on 1st April, 2015. Her financial position on 31st March 2016 was as follows:

[8]

	Amount (Rs.)
Cash	9,120
Stock	10,250
Bills payable	12,880
Creditors	17,180
Debtors	31,000
Prepaid insurance	550
Bills receivable	29,120
Premises	85,800
Vehicles	40,200

Additional information:

- (1) Miss Kalpana brought additional capital of Rs. 20,000 on 30th September, 2015.
- (2) Interest on capital is to be allowed at 5% p.a.
- (3) She withdrew Rs. 10,000 for personal use.
- (4) Reserve for doubtful debts is to be provided at 2½ % after writing off bad debts of Rs. 1,000.
- (5) Depreciate vehicles at 10% p.a. and premises at 5% p.a.
- (6) Creditors were overvalued by Rs. 2,180.

Prepare:

- (1) Closing Statement of Affairs as on 31.03.2016.
- (2) Statement of Profit or Loss for the year ended 31.03.2016.

OR

- (A) State and explain any 'four objectives' of analysis of financial statement from a business concern's point of view. (4)
- (B) What are the different cash inflows and cash outflows of investing activities? (4)

- Q.3.** The Balance Sheet of Meena and Heena who shared the profits and losses in the ratio of 2 : 1 is as under:

[10]

Balance Sheet as on 31st March 2016

Liabilities	Amount (Rs.)	Assets	Amount (Rs.)
Capital:		Leasehold	20,000
Meena	1,34,000	property	6,600
Heena	1,20,000	Livestock	90,200
Creditors	53,800	Loose	86,800
Rent outstanding	10,000	tools	48,000
Reserve fund	7,200	Stock	2,000
		Debtors	75,400
		Less: R.D.D.	
		Bank	
	3,25,000		3,25,000

On 1st April, 2016, Seema was admitted as ¼ th partner on the following terms:

- (1) Seema should bring in Rs. 1,20,000 towards her capital.
- (2) Firm's goodwill is valued at Rs. 1,44,000 and Seema agreed to bring her share in the firm's goodwill by a cheque.

These arrangements were carried through. Before the due date, Manali was declared insolvent and only 40% of the amount due could be recovered from her private estate as final dividend. Give Journal Entries in the books of Sayali.

[10]

Q.5. Ashwin, Bhavin and Pravin carried on business. They share profits and losses in the ratio of 5 : 3 : 2 respectively. Their Balance Sheet as on 31st March, 2016 was as under:

[10]

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Balance Sheet as on 31st March, 2016

Liabilities	Amount (Rs.)	Assets	Amount (Rs.)
Sundry creditors	42,000	Plant and machinery	40,000
Bhavin's loan	10,000	Investment	16,000
Reserve fund	40,000	Stock	60,000
Capital accounts:		Debtor	36,000
<i>Ashwin</i>	40,000	<u> </u>	2,000
<i>Bhavin</i>	20,000	<i>Less: R. D. D.</i>	34,000
<i>Pravin</i>	8,000	Bank	10,000
	1,60,000		1,60,000

On the above date, the firm was dissolved and the assets realised were as under:

- (1) Investment Rs. 10,000, Stock Rs. 48,000 and Debtors Rs. 30,000.
- (2) Plant and machinery were taken over by Ashwin at book value.
- (3) Sundry creditors and Bhavin's loan were paid in full.
- (4) Realisation expenses incurred Rs. 2,000.

Prepare : (1) Realisation Account (2) Partners' Capital Account (3) Bank Account
OR

Aniket Ltd. issued 40,000 equity shares of Rs. 100 each payable

as follows : On application Rs. 20

On allotment Rs. 30

On first call Rs. 30

On second call Rs. 20

The company received applications for 50,000 equity shares.

Allotment of shares was made on pro-rata basis. Excess application money were adjusted to allotment. Share allotment and calls were made and also received, except Mr. Sanish who was holding 1000 shares failed to pay both the calls. His shares were forfeited after the second call.

Record the above transactions in the books of Aniket Ltd.

Q. 6. From the following Receipts and Payments Account of A. S. C. College of Commerce, Ramanand Nagar, for the year ending 31st March, 2016 and additional information, prepare Income and Expenditure Account for the year ending 31st March, 2016 and Balance Sheet as on that date.

[12]

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Receipts and Payments Account for the year ended on 31 March, 2016

Dr.

Cr.

Receipts	Amount (Rs.)	Payments	Amount (Rs.)
To Balance b/d		By Salaries	67,000
<i>Cash in hand</i>	7,950	By	26,200
<i>Cash at bank</i>	50,800	Electricity	41,300
To Life membership fees	20,500	By Books	45,000
To Donations	1,00,000	By Furniture	18,300
To Tuition fees	1,30,000	By	2,00,000
To Term fees	1,00,000	Stationery	
To Admission fees	40,000	By Fixed deposits	1,450
		Balance c/d	50,000
		<i>Cash</i>	
		<i>Bank</i>	
		<i>Bank</i>	
	4,49,250		4,49,250

Additional information:

(1)

Particulars	01.04.2015 Amount (Rs.)	31.03.2016 Amount (Rs.)
Furniture	40,000	75,000
Building fund	1,50,000	—
Fixed deposits	1,60,000	—
Capital fund	1,20,750	—

(2) 50% of donations are received for building fund.

(3) Life membership fees are to be capitalised.

(4) Tuition fees includes Rs. 12,000 received for the last year.

(5) Outstanding tuition fees for the current year amounted to Rs. 4,200.

Q.7. Given below is the Trial Balance of M/s. Shailesh and Nilesh as on 31st March, 2016. You are required to prepare Trading and Profit & Loss Account for the year ended 31st March, 2016 and Balance Sheet as on that date:

Trial Balance as on 31.03.2016

[15]

Debit Balances	Amount (Rs.)	Credit Balances	Amount (Rs.)
Opening stock	88,000	Capital	
Purchases	1,76,000	accounts	1,20,000
Wages	23,500	<i>Shailesh</i>	1,20,000
Salaries (10 months)	18,000	<i>Nilesh</i>	1,03,000
Office expenses	8,000	Sundry	60,000
Bank charges	2,600	creditors Bank	3,08,000
Machinery	90,000	overdraft	
Land and building	1,30,000	Sales	
Bad debts	4,000	Current accounts:	5,000
Sundry debtors	82,000	<i>Shailes</i>	4,000
Electricity charges	9,900	<i>h</i>	
Furniture	43,000	<i>Nilesh</i>	
8% Debentures			

(1.10.2015)	40,000	
Drawings:		
<i>Shailesh</i>	3,000	
<i>Nilesh</i>	2,000	
	7,20,000	7,20,000

Adjustments :

- (1) Stock on 31st March, 2016 was valued at market price of Rs. 84,000, which was 20% above its cost price.
- (2) Depreciate machinery at 10% p.a.
- (3) Create reserve for bad and doubtful debts at 5% on sundry debtors.
- (4) Provide interest on capital at 8% p.a.
- (5) Machinery includes purchase of machinery for Rs. 40,000 on 1st January, 2016.