

SECOND YEAR PUC ACCOUNTANCY (30)

MODEL QUESTION PAPER - 3

Time : 3. 15 hrs.

Max. Marks : 100

SECTION - A

I. Answer any seven questions, each carrying two marks: $7 \times 2 = 14$

1. State any two causes of depreciation.
2. What is meant by fixed capital system?
3. Give the journal entry for increase in value of assets in the case of admission of a partner.
4. How do you close the revaluation account on retirement of a partner?
5. Why is realisation account prepared?
6. What is oversubscription?
7. Write any two items which are shown in miscellaneous expenses and losses.
8. What do you mean by common size statement?
9. What is capital fund?
10. Mention any two types of information.

SECTION - B

II. Answer any four questions, each carrying five marks. $4 \times 5 = 20$

11. Deepa and Roopa are partners in a firm. Deepa withdrew ₹ 2000 at the beginning of each month and Roopa withdrew ₹ 1500 at the end of each month up to the year ending 31.3.2014. Calculate interest on their drawings at 12% p.a under average period method.
12. Rajesh, Suresh and Umesh are partners sharing profits and losses in the ratio of 4 : 3 : 2. Rajesh retires, Suresh and Umesh share the future profits equally. Calculate the gain ratio.
13. A, B and C are partners in a firm sharing profits and losses in the ratio of 2 : 2 : 1. Their Balance Sheet as on 31.3.2014 was as follows.

Liabilities	₹	Assets	₹
Creditors	26,000	Cash	12,000
Bills Payable	4,000	Bank	15,000
Capitals:		Debtors	18,000
A 40,000		Stock	21,000
B 30,000		Machinery	24,000
C 20,000	90,000	Buildings	30,000
	<u>1,20,000</u>		<u>1,20,000</u>

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'C' died on 30.9.2014. His executors were entitled to the following:

1. His capital as per the last Balance Sheet.
2. His share in the accrued profits based on previous years profit. The profits of last year amounted to Rs. 12000.
3. His share of goodwill. The firm's goodwill was valued at Rs. 40,000.
4. Interest on his capital at 8% p.a
5. Commission upto the date of death. His annual commission was Rs. 12000.

Prepare C's Executor's A/c

14. Good luck company issued 1000, 10% debentures of Rs. 100 each at a discount of 10% payable Rs. 20 on application, 20 on allotment and the balance on the first and final call. All the debentures were subscribed and the money duly received.

Pass journal entries in the books of the company upto the stage of allotment money received.

15. Calculate the Trend Percentage from the following figures of Sales, Stock and Profit of Usha Ltd. taking 2006 as the base year.

Year	Sales (Rs)	Stock (Rs)	Profit before Tax Rs.
2006	1,88,100	70,900	32,100
2007	2,34,000	78,100	43,500
2008	2,65,500	81,600	45,800
2009	3,02,100	94,400	52,700
2010	3,76,800	1,15,400	62,700

16. From the following information of a citizens club, prepare the Receipts and payments account for the year ending 31.3.2014. Cash in hand on 1.4.2013 Rs. 1000. Entrance fees received Rs. 1000, Subscriptions received Rs. 75000, Rent paid Rs. 9000, Paid for printing and stationery Rs. 5000. News papers and periodicals Rs. 5800. Electricity charges Rs. 400, Furniture purchased Rs. 10,000, Sales of old news papers Rs. 500, Life membership fees Rs. 2000.
17. Explain the simple / list database model with an example.

SECTION - C

III. Answer any four of the following questions, each questions carrying fourteen marks.

4 × 14 = 56

18. On 01.04.2010 a firm acquired a lease costing Rs. 50,000/- for a term of four years. It was proposed to depreciate it on the annuity method. Charging interest at 6% p.a with reference to the annuity table, to write off Re. 1 at 6% over a period of four years, the amount to be charged is 0.288591.
- Show the Lease Account and Interest Account for all four years.
19. Suresh and Sathish are partners sharing profits and losses in the ratio of 3 : 2. Their Balance Sheet as on 31.3.2013 was as follows.

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Liabilities	₹	Assets	₹
Creditors	42,000	Buildings	50,000
Bills payable	13,500	Plant and Machinery	20,000
General Reserve	10,000	Furniture	12,000
Capitals:		Stock	10,000
Suresh: 40,000		Debtors	18,500
Sathish: 30,000	70,000	Cash	20,000
		Profit & Loss A/c	5000
	1,35,500		1,35,500

On 1.4.2013 they admit Girish as a partner for $\frac{1}{4}$ th share on the following terms:

- (a) He brought Rs. 40,000 in cash for capital
- (b) Goodwill of the firm raised at Rs. 18,000 and retained in the business.
- (c) Appreciate Building by 20%
- (d) Depreciate plant and machinery by 10%
- (e) Bad debts Rs. 500, and create RBD at 5% on Debtors.
- (f) Outstanding salary Rs. 500
- (g) Rent paid in Advance Rs. 600

Prepare: (i) Revaluation Account (ii) All partners Capital A/c (iii) Balance Sheet as on 1.4.2013

20. Amulya, Bhavana and Chethana are partners sharing profits and losses in the ratio of 3 : 2 : 1. They agree to dissolve the firm as on 31.3.2014. On which date their Balance Sheet was as follows.

Balance Sheet as on 31.3.2014

Liabilities	₹	Assets	₹
Creditors	60,000	Cash in Bank	30,000
Bills payable	18,000	Bills Receivable	24,000
Amuly's Loan	40,000	Stock	40,000
Reserve Fund	36,000	Debtors	80,000
Capitals		Motor car	20,000
Amulya	90,000	Investments	30,000
Bhavana	60,000	Furniture	26,000
Chethana	30,000	Machinery	60,000
		P & L A/c	24,000
	3,34,000		3,34,000

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The following details are available:

1. Assets realised as follows:

Stock ₹ 44000, Debtors ₹ 80,000, Machinery ₹ 66000 and Bills Receivable ₹2000

2. Furniture is taken over by Amulya at ₹ 30,000, Bhuvana took over Investments at ₹ 40000 and Chethana took over Motor car at ₹ 14800.

3. Creditors and Bills payable are paid off at 10% less each.

4. Realisation expenses ₹10,000

Prepare: (a) Realisation A/c (b) Partners capital Accounts and (c) Bank A/c

21. Prajwal Company Limited has a nominal capital of ₹ 8,00,000 in Equity shares of ₹ 10 each of these 60,000 shares were issued to the public. The amount was payable as follows:

₹ 3 on application

₹ 2 on allotment

₹ 3 on first call

₹ 2 on final call

All the shares were subscribed and the money duly received except the final call on 2000 shares. The directors decided to forfeit these shares and reissued them at ₹ 7 per share fully paid-up.

Pass the necessary Journal entries to record the above transactions in the books of company.

22. Following are the balances of Bangalore Company Ltd. as on 31.3.2014. Prepare Final Accounts.

Debit Balances	₹	Credit Balances	₹
Good will	2,00,000	Share Capital	5,00,000
Debtors	60,000	Sales	10,00,000
Bills Receivable	43,000	Reserve fund	1,80,000
Bad debts	2000	Profit and loss A/c	40,000
Debenture Interest (up to 30.9.13)	20,000	Creditors	75,000
Stock as on 1.4.13	41,000	10% Debentures	4,00,000
Calls-in-arrears	5000	Bills payable	10,000
Premises	7,50,000	Reserve for doubtful debts (1.4.13)	1000
Machinery	1,50,000		
Furnitures	50,000		
Purchases	6,80,000		
Wages	1,25,000		
Salaries	60,000		
Interim dividend (Including corporate dividend tax)	20,000		
	22,06,000		22,06,000

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Adjustments:

1. The stocks on 31.3.2014 was valued at Rs. 80,000
 2. Depreciate Machinery and Furniture by 10%
 3. Maintain Reserve for doubtful debts 5% on debtors.
 4. The Directors proposed for the year dividend at 15% p.a.
 5. The debenture interest is unpaid for 6 months
23. Convert the following Balance Sheet in to common size Balance Sheet.

Balance Sheet as on 31.3.2012 and 31.3.2013

Liabilities	31.3.12 ₹	31.3.13 ₹	Assets	31.3.12 ₹	31.3.13 ₹
Equity share Capital	10,00,000	12,00,000	Debtors	4,50,000	3,90,000
Capital Reserve	90,000	1,85,000	Cash	2,00,000	15,000
General Reserve	5,00,000	4,50,000	Stock	3,20,000	2,50,000
Sinking Fund	90,000	1,00,000	Investment	3,00,000	2,50,000
Debentures	4,50,000	6,50,000	Building	8,00,000	14,00,000
S.Creditors	2,00,000	1,50,000	Land	1,98,000	3,45,000
Bills payable	15,000	20,000	Furniture and fittings	77,000	1,05,000
	23,45,000	27,55,000		23,45,000	27,55,000

24. From the following receipts and Payments account of Adarsha Hospital which was newly started on 01.04.2013 and the adjustments given below prepare Income and Expenditure A/c and the Balance Sheet as on 31.03.2014.

Receipts and Payments A/c for the year ending 31.3.2014

Receipts	₹	Payments	₹
To Subscriptions	60,000	By Investments & equipments	40,000
To Entrance Fees	2,000	By Furniture (1.4.2013)	10,000
To Endowment Fund	50,000	By Diet Expenses	2,500
To Donations	20,000	By Medicines purchased	5,200
To Fees from patients	2,500	By Salaries to staff	10,000
To Interest on Bank bal.	200	By Office expenses	3,800
To Miscellaneous receipts	300	By Government securities	50,000
		By Balance c/d	
		Cash Balance	3,500
		Bank Balance	10,000
	1,35,000		1,35,000

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Adjustments:

1. Donations are to be capitalised.
2. The government securities represent investment of the Endowment Fund.
3. Outstanding Subscriptions Rs. 2000.
4. Outstanding interest on government securities Rs. 7000.
5. Office expenses outstanding Rs. 200.
6. Depreciate Instruments and Equipments at 20% and Furniture at 10%.
7. Stock of Medicines as on 31.3.2014 Rs. 700.

SECTION - D

(Practical Oriented Questions)

Answer any two questions, each carrying five marks:

2 × 5 = 10

25. Prepare profit and Loss Appropriation Account of a firm with five imaginary figures.
26. Prepare Executor's Loan Account with imaginary figures, showing the repayment in two annual equal installments along with interest.
27. Classify the following into capital receipts, capital expenditure, Revenue receipts and revenue expenditure.
 - (a) Rent received
 - (b) Life membership fees
 - (c) Honorarium paid to the secretary
 - (d) Locker rent paid
 - (e) Prize amount received from a lottery.

Scheme of Valuation

SECTION - A

1. (1) Constant use (2) Passage of time (3) Obsolescence (4) Permanent fall in the market value. [any two each 1 mark]
2. It is a method of maintaining capital account. Under this method original capital invested by the partner is entered in the capital account and all other adjustments are recorded in a separate A/c called current A/c. Therefore capital of partner remains constant. Therefore this method is called fixed capital method. [2 Marks]
3. Concerned Assets A/c Dr
 To Revaluation A/c
 [being increase in the value of assets] [1 + 1 entry + Narration]
4. Revaluation account is closed by transferring the result of revaluation account to all partners capital account in their old profit sharing ratio. [2 Marks]
5. Realisation account is an account prepared at the time of dissolution of a firm to ascertain the profit or loss on the realisation of assets and payment of liabilities. [2 Marks]
6. When the public apply for more shares than those offered to them, this is said to be over subscription. [2 Marks]
7. (a) Preliminary Expenses
 (b) Discount on issue of shares or debentures
 (c) Under writing commission [Any two each one mark]
8. It is a statement in which the data in the financial statement are converted into percentages of a common base amount. Net sales figure is taken as 100% and all other items of the statements are expressed as a percentage of net sales in case of common size income statement. [2 Marks]
9. Capital fund is the difference between the assets and liabilities of non-trading organisations. It consists of capitalized receipts such as legacies, life membership fees, entrance fees, Donations for the current year and surplus amount of current year. [2 Marks]
10. (a) Strategic information
 (b) Tactical information
 (c) Operational information
 (d) Statutory information [any two, each one marks]

SECTION - B

Calculation of Interest on Deepa's drawings:**11. (1) Calculation of Average period**

$$\text{Average period} = \frac{\text{Longest O/s Period} + \text{Shortest O/s Period}}{2} = \frac{12+1}{2} = 6\frac{1}{2} \text{ months}$$

(2) Calculation of total Drawings = $2000 \times 12 = 24000$

(3) Calculation of Interest

$$\text{Interest} = \text{Total Drawings} \times \frac{\text{Average period}}{12} \times \text{Rate}$$

$$= 24000 \times \frac{6.5}{12} \times \frac{12}{100} = 1560$$

Interest on Deepa's Drawing = ₹ 1560

[2½ Marks]

Calculation of Interest on Roopa's Drawings:

1. Average period = $\frac{\text{Longest O/s Period} + \text{Shortest O/s Period}}{2}$

$$= \frac{11+0}{2} = 5\frac{1}{2} \text{ months}$$

2. Calculation of Total Drawings = $1500 \times 12 = 18000$

3. Calculation of Interest

$$\text{Interest} = \text{Total Drawings} \times \frac{\text{Average period}}{12} \times \text{Rate}$$

$$= 18,000 \times \frac{5.5}{12} \times \frac{12}{100} = 990$$

Interest on Roopa's Drawings = ₹ 990

[2½ Marks]

12. Ascertainment of the gain ratio of Suresh and Umesh

Share gained = New share – Old ratio

$$\text{Share gained by Suresh} = \frac{1}{2} - \frac{3}{9} = \frac{9-6}{18} = \frac{3}{18}$$

[5 Marks]

$$\text{Share gained by Umesh} = \frac{1}{2} - \frac{2}{9} = \frac{9-4}{18} = \frac{5}{18}$$

Gain ratio of Suresh & Umesh = 3 : 5

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13. Dr. C's Executor's A/c Cr

Particulars	₹	Particulars	₹
To Balance C/d	36,000	By C's capital A/c	20,000
		" P & L suspense A/c	1,200
		" Goodwill A/c	8,000
		" Interest on capital A/c	800
		" Commission A/c	6,000
	36,000		36,000
		By Balance b/d	36,000

14. Journal Entries in the books of Goodluck Company

Date	Particulars	Debit ₹	Credit ₹
1.	Bank A/c Dr. To 10% Debenture application A/c (Being debenture application money received)	20,000	20,000
2.	10% Debenture application A/c Dr. To 10% Debentures A/c (Being debenture application money transferred to debentures A/c)	20,000	20,000
3.	10% Debenture Allotment A/c Dr. Discount on issue of debentures A/c Dr. To 10 % Debentures A/c (Being allotment money due)	20,000 10,000	30,000
4.	Bank A/c Dr. To 10% Debenture Allotment A/c (Being allotment money received)	20,000	20,000

15. Trend Percentage (Base year 2006 = 100)

Year	Sales (₹)	Trend %	Stock (₹)	Rend %	Profit (₹)	Trend %
2006	188100	100	70900	100	32100	100
2007	234000	124	78100	110	43500	136
2008	265500	141	81600	115	45800	143
2009	302100	161	94400	133	52700	164
2010	376800	200	115400	163	62700	195

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16. Dr. Receipts payments A/c for the year ending 31.3.2014 Cr.

Receipts	₹	Payments	₹
To Balance C/d	1000	By Rent	9000
To Entrance fees	1000	By printing and stationery	5000
To Subscriptions	75000	By News paper and Journals	5800
To Sale of old news paper	500	By Electricity charges	400
To Life membership fees	2000	By Furniture	10000
		By Balance C/d	49300
	79500		79500

17. Simple / List structure Database Model:

Records are linked together by the use of a pointer is a data item in one record that identifies the storage location of another logically related record.

Example An organisation is maintaining two files of all transactions in a database. The file 'Customer' contains fields such as customer Account Number, Customer Name, Address etc. Each record in the file is identified by a field customer account number. Another file **Invoice** is used to store number of items a customer buys on different dates. A simple list structure could be used to show the unpaid invoices at any time.

SECTION - C

18. Dr. Lease A/c Cr

Date	Particulars	₹	Date	Particulars	₹
1.4.2010	To Bank A/c	50,000	31.3.2011	By Depreciation A/c	14,429.55
31.3.2011	" Interest A/c	3000	31.3.2011	" Balance c/d	38,570.45
		53,000			53,000.00
1.4.2011	To Balance b/d	38570.45	31.3.12	By Depreciation A/c	14,429.55
31.3.2012	" Interest A/c	2314.23	31.3.12	" Balance c/d	26455.13
		40884.68			40884.68
1.4.2012	To Balance b/d	26455.13	31.3.13	By Depreciation A/c	14429.55
31.3.2013	" Interest A/c	1587.31	31.3.13	" Balance c/d	13612.89
		28042.44			28042.44
1.4.13	To Balance b/d	13612.89	31.3.14	By Depreciation a/c	14429.55
31.3.14	" Interest A/c	816.66			
		14429.55			14429.55

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Dr. Interest A/c Cr

Date	Particulars	₹	Date	Particulars	₹
31.3.11	To Profit & Loss A/c	3000	31.3.11	By Lease A/c	3000
		3000			3000
31.3.12	To Profit & Loss A/c	2314.23	31.3.12	By Lease A/c	2314.23
		23.14.23			2314.23
31.3.13	To Profit & Loss A/c	1587.31	31.3.13	By Lease A/c	1587.31
		1587.31			1587.31
31.3.14	To Profit & Loss A/c	816.66	31.3.14	By Lease A/c	816.66
		816.66			816.66

19. Dr. Revaluation A/c Cr.

Particulars	₹	Particulars	₹
To Plant and Machinery	2,000	By Building	10,000
" Baddebts	500	" Rent paid in Advance	600
" RBD	900		
" O/S Salary	500		
" Partners capital A/c	6,700		
Suresh - 4020			
Satish - 2680			
	10,600		10,600

Dr. Partners' Capital A/cs. Cr.

Particulars	Suresh	Sathish	Girish	Particulars	Suresh	Sathish	Girish
	₹	₹	₹		₹	₹	₹
To Profit & Loss A/c	3000	2000	-	By Balance b/d	40,000	30,000	-
" Balance c/d	57,820	41,880	40,000	" General Reserve	6000	4000	-
				" Revaluation A/c	4020	2680	-
				" Cash A/c	-	-	40,000
				" Goodwill A/c	10800	7200	-
	60,820	43,880	40,000		60,820	43,880	40,000
				By balance b/d	57,820	41,880	40,000

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Balance sheet as on 1.4.2013

Liabilities	₹	₹	Assets	₹	₹
Creditors		42,000	Cash (20,000 + 40,000)		60,000
Bills payable		13,500	Building	50,000	
Capitals:			Add: Appreciation	10,000	60,000
Suresh:	57,820		Plant & Machinery	20,000	
Sathish:	41,880		Less: Depreciation	2,000	18,000
Girish:	40,000	1,39,700	Furniture		12,000
O/S Salary		500	Stock		10,000
			Debtors	18,500	
			Less: Bad debts	500	
				18,000	
			Less: RBD	900	17,100
			Good will		18,000
			Rent paid in advance		600
		1,95,700			1,95,700

20. Dr. Realisation A/c Cr.

Particulars	₹	₹	Particulars	₹	₹
To Bills Receivable		24,000	By Creditors		60,000
To Stock		40,000	By Bills payable		18,000
To Debtors		80,000	By Bank A/c		
To Motor Car		20,000	Stock	44,000	
To Investments		30,000	Debtor	80,000	
To Furniture		26,000	Machinery	60,000	
To Machinery		60,000	Bills Recieved	20,000	2,10,000
To Bank A/c			By Amulya's Capital. A/c		
Creditors	60,000		(Furniture took over)		30,000
Bills payable	18,000		By Bhavana's Capital A/c		
	78,000		(Investments took over)		40,000
Less: 10% Dis	7,800		By Chethana's Capital A/c		
	70,200		(Motor car took over)		14,800
Add:					
Relisation Exp.	10,000	80,200			

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To Partners capital A/c	12,600		
Amulya - 6300			
Bhuvana - 4200			
Chethana - <u>2100</u>			
	3,72,800		3,72,800

Dr. Partners Capital A/c Cr.

Particulars	Amulya	Bhavana	Chethana	Particulars	Amulya	Bhavana	Chethana
To P & L (3 : 2 : 1)	12,000	8,000	4,000	By Bold b/d	90,000	60,000	30,000
To Realisation A/c	30,000	40,000	14,800	By Res. fund	18,000	12,000	6,000
To Bank A/c	72,300	28,200	19,300	(3 : 2 : 1)			
(B/F)				By Realisation	6,300	4,200	2,100
				(profit)			
	1,14,300	76,200	38,100		1,14,300	76,200	38,100

Dr. Bank A/c Cr.

Particulars	₹	Particulars	₹
To Balance b/d	30,000	By Realisation A/c	80,200
To Realisation A/c	2,10,000	(paid liabilities & exp.)	
(Realised Assets)		By Amulya's loan	40,000
		By Partners capitals A/c	
		Amulya	72,300
		Bhavana	28,200
		Chethana	19,300
	2,40,000		2,40,000

21.

Journal Entries in the books of Prajwal Co.Ltd

Date	Particulars	LF	Dr ₹	Cr ₹
1.	Bank A/c Dr To E.S application (Being application money received on 6000 shares of ₹ 3 per share)	-	1,80,000	-
		-		1,80,000

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2.	E.S Application A/c To E.S. Capital A/c (Being application money transferred to share capital.)	Dr	1,80,000	-
			-	1,80,000
3.	E.S allotment A/c To E.S. Capital A/c (Being allotment money due on 60,000 shares at ₹ 2 per share)	Dr.	1,20,000	-
			-	1,20,000
4.	Bank A/c To E.S. Allotment A/c (Being allotment money received)	Dr.	1,20,000	-
			-	1,20,000
5.	E.S First call A/C To E.S. capital A/c (Being first call money due on 60,000 shares at ₹ 3 per share)	Dr.	1,80,000	-
			-	1,80,000
6.	Bank A/c To E.S. first call A/c (Being first call money received)	Dr.	1,80,000	-
			-	1,80,000
7.	E.S Final Call A/c To E.S. Capital A/c (Being final call money due on 60,000 shares at ₹ 2 per share)	Dr.	1,20,000	-
			-	1,20,000
8.	Bank A/c Calls in areas To E.S. final call A/c (Being final call money received on (60,000 – 2000) 58,000 shares at ₹ 2 per share)	Dr.	1,16,000	-
				1,16,000
9.	E.S capital A/c (2000 × 10) To forfeited shares A/c (2000 × 8) To E.S. final call A/c (2000 × 2) (Being forfeiture of 2000 shares for non the non-payment of final call)	Dr	20,000	-
		-	16,000	
			-	4,000

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10.	Bank A/c (2000 × 7) Dr. Forfeited shares A/c (2000 × 3) Dr. To E.S. Capital A/c (Being re-issue of 2000 forfeited shares at ₹ 7 fully paid up)	6,000	14,000 - -	- 20,000
11.	Forfeited shares A/c Dr. To Capital Reserve A/c [Being the balance in forfeited shares A/c (16000 – 6000) transferred to capital reserve account)]		10,000 -	- 10,000

Note: J.E 1, 2, 3, 4, 5, 6, 7, 8, & 11 carry 1 marks each J.E 9, & 10 carry 2 marks each.
Total 14 marks

22. Working Notes

No. 1 Cost of goods sold

Particulars	₹	₹
Opening stock of goods		41,000
Add: Purchases		6,80,000
Add: Wages		1,25,000
		8,46,000
Less: Closing stock of goods		80,000
Total		7,66,000

No. 2 Operating expenses and Losses

Particulars	₹	₹
Salaries		60,000
Bad debts Bad debts for the year	2,000	
Add closing RBD (5% on debtors)	3,000	
	5,000	
Less: Opening RBD	10,000	4,000
		64,000

No. 3 Interest on Borrowings

Particulars	₹	₹
Interest on debentures paid		20,000
Add: O/S interest on debentures for the half year		20,000
		40,000

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No. 4 Dividend and appropriations

Particulars	₹	₹
Interim dividend (Including corporate dividend tax-given)		20,000
Proposed dividend (15%) on share Capital $495000 \times 15/100$		74,250
Corporate dividend tax on proposed dividend ($74250 \times 16.2225\%$)		12,045
Total		1,06,295

No. 5 Share capital

Particulars	₹	₹
Called up share capital		5,00,000
Less: Call in arrears		5,000
		4,95,000

No. 6 Reserve and surplus

Particulars	₹	₹
Reserve fund		1,80,000
Surplus		43,705
Total		2,23,705

No. 7 Secured loan

Particulars	₹	₹
10% Debentures		4,00,000
Add: O/S interest on debentures for half year		20,000
		4,20,000

No. 8 Fixed Assets

Particulars	Goodwill	Premises	Machinery	Furniture	Total
Gross blocks	2,00,000	7,50,000	1,50,000	50,000	11,50,000
Less: Depreciation	-	-	1,50,000	5,000	20,000
Net Block	2,00,000	7,50,000	1,35,000	45,000	11,30,000

PUE

No. 9 Current Assets Loans and Advances

Particulars	₹	₹
Debtors	60,000	
Less: RBD	3000	57,000
Bills Receivable		43,000
Closing stock		80,000
Total		1,80,000

No. 10 Current liability and provisions

Particulars	₹	₹
Creditors		75,000
Bills payable		10,000
Proposed dividend		74,250
Provision for corporate dividend tax		12,045
		1,71,295

No. 11 Miscellaneous expenses

Particulars	₹	₹
Nil	Nil	Nil

Income statement of Bangalore co. ltd for the year end 31.3.14

Particulars	Note no.	₹
Revenue from sales		1,00,000
Less: Cost of goods sold	1	7,66,000
Gross profit		2,34,000
Less: Cash Operating expenses and Losses	2	64,000
Profit before Interest, tax, depreciation (EBITDA)		1,70,000
Less: Depreciation (EBIT)	8	20,000
		1,50,000
Less: Interest on Borrowing,	3	40,000
Add: Non-operating Income (EBIT)		1,110,000
Less: Non-operating expenses		-
Less: Dividend and Appropriations	4	1,06,295
Retained earning		3,705
Add: Opening Balance of P & LA/c		40,000
Surplus transfer to balance sheet		43,705

PUE

Position Statement of Bangalore Co. Ltd as on 31.3. 14

Liabilities / Source of fund	Note No.	₹
Share holders fund		
Share capital	5	4,95,000
Reserve and surplus	6	2,23,705
Non current liabilities		
Secured loans	7	4,20,000
Unsecured loans		-
Total		11,38,705
Assets / Application fund		
	Note No.	₹
Fixed Assets	8	11,30,000
Investments	-	-
Current assets loans and advances 1,80,000	9	
Less: Current liability and provisions 171295	10	8,705
Miscellaneous expenses	11	-
Total		11,38,705

Working Notes 5 marks + Income statement 5 marks + Position statement 4 Marks = 14 Mark

23. Common size Balance Sheet as on 31.3.2012 and 31.3.2013

Particulars	31.3.2012		31.3.2013	
	₹	%	₹	%
Assets:				
Fixed Assets:				
Building	8,00,000	34.12	14,00,000	50.82
Land	1,98,000	8.44	3,45,000	12.5
Furniture and fittings	77,000	3.28	1,05,000	3.81
Total fixed assets (A)	10,75,000	45.84	18,50,000	67.15
Current assets:				
Debtors	4,50,000	19.19	3,90,000	14.16
Cash	2,00,000	8.53	15,000	0.55
Stock	3,20,000	13.64	2,50,000	9.07
Total current Asset (B)	9,70,000	41.36	6,55,000	23.78
Investment (C)	3,00,000	12.8	2,50,000	9.07
Total Assets (A + B + C)	23,45,000	100	27,55,000	100

PUE

Share capital and Reserve				
Equity share capital	10,00,000	42.64	12,00,000	43.56
Capital reserve	90,000	3.84	1,85,000	6.72
General reserve	5,00,000	21.32	4,50,000	16.33
Sinking fund	90,000	3.84	1,00,000	3.63
Share holder fund	16,80,000	71.64	19,35,000	70.24
Long term debt :				
Debenture	4,50,000	19.19	6,50,000	23.59
current liability				
S. Creditors	2,00,000	8.53	1,50,000	5.44
Bills payable	150,000	0.64	20,000	0.73
Total liabilities	23,45,000	100	27,55,000	100

3 + 3 + 1 + 4 + 3 = 14 Marks

24.

Adarsha Hospital

Income and Expenditure A/c for the year ending 31.03.2013

Expenditure		₹	Income		₹
To Salaries of staff		10,000	By Subscriptions	60,000	
To Office expenses	3,800		Add Outstanding	2,000	62,000
Add Out standing	200	4,000	By Entrance fees		2,000
To diet expenses		2,500	By Fees from patients		2,500
To Medicines	5,200		By Interest on bank balance		200
Less closing stock	700	4,500	By Interest on government securities O/S		7,000
To Depreciation on furniture			By Miscellaneous receipts		300
$\left(10,000 \times \frac{10}{100}\right)$		1,000			
To Depreciation on equipments					
$\left(40,000 \times \frac{20}{100}\right)$		8,000			
To excess of income over expenditure		44,000			
		74,000			74,000

PUE

Balance Sheet as on 31.03.2013

Liabilities	₹	Assets	₹
Capital Fund		Furniture 10,000	
Donations 20,000		Less Depreciation <u>1000</u>	9,000
Excess of income over expenditure <u>44,000</u>	64,000	Instruments & Equi. 40,000	
Endowment fund 50,000		Less: Depreciation <u>8,000</u>	32,000
Outstanding Office expenses 200		Investment in Govt. securities	50,000
		Stock of medicins	700
		Outstanding subscriptions	2,000
		Outstanding Interest on government securities	7,000
		Cash in hand	3,500
		Cash at Bank	10,000
	<u>1,14,200</u>		<u>1,14,200</u>

SECTION - D

25. Dr. Profit and Loss appropriation A/c for the year ended 31.3.2014 Cr

Particulars	₹	Particulars	₹
To Salary to X's A/c	5,000	By Profit & Loss A/c	30,000
To Commission to Y's A/c	4,000	By Interest on Drawings	
To Interest on Capita A/c		X 2,000	
X 10,000		Y <u>1000</u>	3,000
Y <u>5,000</u>	15,000		
To Partners capital A/c (Net profit transferred)			
X 6,000			
Y <u>3,000</u>	9,000		
	<u>33,000</u>		<u>33,000</u>

PUE

26. Dr.	M's Executor's A/c		Cr.	
Date	Particulars	₹	Particulars	₹
31.3.2013	To Bank A/c (20,000 + 400)	24,000	1.4.2012 By Balance b/d 31.3.2013 By Interest A/c	40,000 4,000
31.3.2013	To Balance C/d	20,000	$\left(40,000 \times \frac{10}{100} \right)$	
		44,000		44,000
31.3.2014	To Bank A/c (20,000 + 2000)	22,000	1.4.2013 By balance b/d 31.3.2014 By Interest A/c	20,000 2,000
		22,000		22,000

27. (a) Revenue Receipt
 (b) Capital Receipt
 (c) Revenue Receipt
 (d) Revenue Receipt
 (e) Capital Receipt

(One mark each)

* * * *