

Day & Date	Part	Subject Name	Time	Code	Max. Marks
Tuesday 14/11/2017	II Repeater	D.C. Accountancy	11.00 AM To 02.00 PM	4207	100

Note: 1) Question No.1 is Compulsory.
2) Attempt any Five out of Question No.2 to 8

Q.1 The following balances have been extracted from the books of Rising Engineers Ltd. for the year ended 31st March 2017.

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Particulars	₹	Particulars	₹
Stock as on 1.4.16	6,65,000	Equity share	
Discount & Rebates	30,000	Capital (2,00,000 shares of ₹10 each)	20,00,000
Carriage Inwards	57,500	4% Debentures	5,00,000
Patterns	3,75,000	Bank Overdraft	7,57,000
Rates, taxes & Insurance	55,000	Sundry creditors (for goods)	2,40,500
Furniture & Fixture	1,50,000	Sales	36,17,000
Materials Purchased	12,32,500	Rent (Cr)	30,000
Wages	13,05,000	Transfer fees	6,500
Coal & Coke	63,000	Profit & Loss A/c (cr)	67,000
Freehold land	12,50,000		
Plant & Machinery	7,50,000		
Engineering tools	1,50,000		
Goodwill	3,75,000		
Sundry debtors	2,66,000		
Bills Receivable	1,34,500		
Advertisement	15,000		
Commission & Brokerage	67,500		
Business Exp	56,000		
Repairs	46,500		
Bad debts	25,500		
Bank Balance	20,000		
Cash in hand	8,000		
Debenture Interest (for six months)	10,000		
Interest Charged by Bank	91,000		
Preliminary expenses	10,000		
Calls in arrears	10,000		
	72,18,000		72,18,000

- The stock valued at cost as on 31st March 2017 was 7,08,000.
- Outstanding liabilities for wages ₹25000 and business expenses ₹25,000.
- Dividend declared on paid up capital @10% p.a.
- Charge depreciation:
Plant & Machinery @ 5% p.a.
Engineering tools @ 20% p.a.

- Patterns @ 10% p.a.
Furniture & fixtures @ 10 % p.a.
- e) Provide 2% on Debtors as doubtful Debts after writing off ₹21,500 as Bad debt.
- f) Write off preliminary expenses ₹5000.
- g) Provide ₹240,000 for income tax.

You are required to prepare the Profit & Loss A/c for the year ended 31st March 2017. & Balance sheet as on that date.

Q.2 In the books of Rainbow Ltd.

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Trial balance as on 31st March 2016.

Particulars	Debit / ₹	Credit / ₹
Prepaid expenses	1,00,000	
Land & Building	80,00,000	
Cash	3,86,000	
Deposits (Given)	6,20,000	
Stock	27,28,000	
Bills Receivable	2,26,000	
Income received	10,000	
Debtors	54,00,000	
Creditors		40,57,500
General Reserve		10,00,000
Provision for doubtful debts		1,50,000
Provision for discount on debtors		20,000
Depreciation Fund		15,60,000
10% Unsecured Loans		10,00,000
5% Debentures		15,00,000
Outstanding expenses		520,000
Preliminary expenses	20,000	
Plant & Machinery (cost)	70,00,000	
Equity share capital	-	80,00,000
9% preference share capital	-	20,00,000
Proposed Dividend		8,62,500
Profit & loss A/c (Cr balance)		22,00,000
Marketable investments	2,00,000	
Bank overdraft		10,10,000
Provision for taxation		16,40,000
Bills Payable		1,80,000
Furniture & Fittings	10,10,000	
	2,57,00,000	2,57,00,000

Prepare the vertical Balance sheet from the above details.

Q.3 The Accounts books of Mr. Kishore are maintained on single Entry basis. The following balances appear on 31st December 2015 & 31st December 2016.

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Particulars	31.12.15	31.12.2016	Particulars	31.12.15	31.12.16
Capital	15,92,000	21,22,000	Land & Building	15,00,000	20,00,000
Creditors	41,000	65,000	Premises	40,000	40,000
Bills payable	18,000	15,000	Furniture	10,000	10,000
			Stock	65,000	90,000
			Debtors	24,000	27,000
			Cash / Bank	12,000	35,000
	1651,000	22,02,000		16,51,000	22,02,000

Mr. Kishore introduced additional capital during the year of ₹40,000. He with draw evenly throughout the year ₹4,000 p.m. Depreciation on furniture is charged @ 5% p.a. & Premises @ 10% p.a. Maintain 2.5% reserve for Doubtful Debts. You are required to calculate net profit for the year ended 31.12.2016.

Q.4 The following is the Balance sheet of Abhuday Ltd as on 31st March 2016.

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Balance sheet as on 31.03.2016

Liabilities	Amt/₹	Assets	Amt/₹
Share Capital		Fixed Assets	10,00,000
5000, 12% Redeemable		Stock	5,00,000
Preference share of	500,000	Debtor	50,000
₹100 each			
5000 equity share		Cash	50,000
Capital of ₹100 each	5,00,000	Investments	14,00,000
5% Debentures	6,00,000		
Securities premium	1,00,000		
General Reserve	2,00,000		
Profit & Loss A/c	1,00,000		
Current Liabilities	10,00,000		
	30,00,000		30,00,000

The company decided to redeem preference share at 10% premium. The redemption was carried by issue of 3000 equity shares of ₹100 each at 5% premium. The balance necessary was utilized out of divisible profit reserve. The shortfall in cash account was met by sale of investment of ₹200,000 at par. Pass necessary Journal entries in the books of company & balance sheet after redemption.

Q.5 Akshay Ltd was incorporated on 1st April 2016 to acquire the running business of M/s Shah & Brothers with effect from 1st January 2016.

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The profit & Loss A/c for the year ended 31st December 2016 was as follows.

To Salaries	64,000		
To Selling expenses	49,000	By Gross Profit	
To Rent	12,000	b/d	700,000
To Insurance	48,000	By Share	
To Debenture		Transfer fees	10,000
Interest	5,000	By Interest	4,000
To Directors Fees	14,000	Received	
To Depreciation	96,000		
To Bad Debts	17,000		
To Interest on Purchase	45,000		
consideration			
To Preliminary Expenses	20,000		
To Net Profit c/d	3,44,000		
	<u>7,14,000</u>		<u>7,14,000</u>

Additional Information:

- Sales in the post period were double the sale of pre period.
- Bad debts of ₹5000 relate to pre-period.
- Interest received on 2nd December 2016.
- The purchase consideration was ₹24,00,000 settled on 31st may 2016

Prepare, pre & post incorporation statement for the year ended 31st December 2016.

Q.6 In the books of Ram Balaram, read the following ledger Account Cash Account. **16**

Date	Particulars	Amt/₹	Date	Particulars	Amt/₹
1.1.16	To Balance b/d	25,000	2.1.16	By Purchase	14,000
4.1.16	To Sales	30,000	10.1.16	By Wages	2,000
6.1.16	To Debtors	10,000	15.1.16	By Rent	12,000
15.1.16	To Bills Receivable	20,000	20.1.16	By Drawing	15,000
			23.1.16	By Office Expenses	10,000
17.1.16	To Bank	12,000			
19.1.16	To Sales	24,000	25.1.16	By Bank	26,000
24.1.16	To Furniture	16,000	29.1.16	By Bills Payable	18,000
			31.1.16	By Bal c/d	40,000
		137,000			137,000

Q.7 Bharat Petroleum Ltd. Issued 50,000 equity shares of ₹10 each at par, payable as follows: **16**

On Application	₹2 per Share
On Allotment	₹3 per share
On first call	₹3 per share
On final call	₹2 per share

Applications were received for 52,000 shares. Allotment was made to 50,000 shares & balance was refunded.

All the money was duly received except on 450 shares of Mr. Pankaj, who did not pay anything after allotment. These shares were forfeited & reissued at ₹8/- per share in open market.

Pass necessary journal entries in the books of the company.

Q.8 Write any four of the following: **16**

- Types of Share
- State the provision of redemption of preference shares
- Current liabilities
- Importance of reading of ledger Account
- Limitations of single entry system of book keeping.