

**F.Y.B.COM. SEM – I (2018 CBCS COURSE) : SUMMER - 2019**

**SUBJECT : FINANCIAL ACCOUNTING – I**

Day : Wednesday  
Date : 10/04/2019

Time : 11.00 A.M. TO 02.00 PM  
Max. Marks : 60

**S-2019-0279**

**N. B. :**

- 1) All questions are **COMPULSORY**.
- 2) Figures to the right indicate **FULL** marks.
- 3) Use of non-programmable calculator is **ALLOWED**.

**Q. 1** What is Financial Accounting? State nature and scope of Financial Accounting. (12)

**OR**

- a) What are Benefits of Accounting Standards? (06)
- b) Write note on Accounting Standard – II. (06)

**Q. 2** Ramesh, Mahesh and Adesh were partners sharing profit and losses in the ratio of 2:1:1 respectively. They decided to dissolve their firm on 31<sup>st</sup> March, 2018. On which date its balance sheet was as follows: (12)

Balance Sheet as on 31<sup>st</sup> March, 2018

| Liabilities        | ₹               | Assets              | ₹               |
|--------------------|-----------------|---------------------|-----------------|
| Capital Accounts : |                 | Cash                | 5,000           |
| Ramesh             | 1,00,000        | Debtors             | 90,000          |
| Mahesh             | 55,000          | Stock               | 85,000          |
| Adesh              | 25,000          | Plant and Machinery | 65,000          |
| General Reserve    | 20,000          | Land and Building   | 1,55,000        |
| Income Tax         | 5,000           |                     |                 |
| Creditors          | 1,17,000        |                     |                 |
| Bills Payable      | 78,000          |                     |                 |
| <b>Total</b>       | <b>4,00,000</b> | <b>Total</b>        | <b>4,00,000</b> |

i) The assets were realized as follows:

| Sr. No. | Date                         | Assets received ₹ |
|---------|------------------------------|-------------------|
| 1       | 30 <sup>th</sup> April, 2018 | 15,000            |
| 2       | 31 <sup>st</sup> May, 2018   | 2,11,000          |
| 3       | 30 <sup>th</sup> June, 2018  | 82,000            |
| 4       | 31 <sup>st</sup> July, 2018  | 58,000            |
|         |                              |                   |

It was agreed that cash should be distributed as and when realized.

ii) Realization Expenses amounted to ₹ 3,000/-

You are required to prepare:

- a) Statement of showing surplus capital
- b) Statement showing distribution of cash

**P. T. O.**

- Q.3** Raju and Sanju were partners sharing profits and losses in the ratio of 3:2 (12) respectively. They decided to dissolve the partnership firm on 31<sup>st</sup> March, 2018 when their balance sheet was as under:

Balance Sheet as on 31<sup>st</sup> March, 2018

| Liabilities        | ₹             | Assets              | ₹             |
|--------------------|---------------|---------------------|---------------|
| Sundry Creditors   | 11,450        | Stock               | 12,150        |
| Reserve            | 2,500         | Plant and Machinery | 12,000        |
| Capital Accounts : |               | Lease               | 5,000         |
| Raju               | 20,000        | Furniture           | 2,500         |
| Sanju              | 15,000        | Sundry Debtors      | 14,800        |
|                    |               | Cash at Bank        | 2,500         |
| <b>Total</b>       | <b>48,950</b> | <b>Total</b>        | <b>48,950</b> |

- i) The lease was sold for ₹ 5,360/-, Furniture for ₹ 3,000/- and Stock for ₹ 7,6500.  
ii) Debtors realized only ₹ 12,250/- whereas plant realized ₹ 12,100/-  
iii) Creditors were paid ₹ 11,000/- in full settlement.  
iv) Expenses of realization amounted to ₹ 500/-

You are required to prepare :

- a) Realization A/c  
b) Partner's Capital A/c  
c) Bank A/c

- Q.4** Rupali and Deepali were equal partners. Their Balance sheet as on 31<sup>st</sup> March, (12) 2018 was as under:

Balance Sheet as on 31<sup>st</sup> March, 2018

| Liabilities      | ₹               | Assets        | ₹               |
|------------------|-----------------|---------------|-----------------|
| Sundry Creditors | 50,000          | Cash at Bank  | 20,000          |
| Capital :        |                 | Stock in hand | 60,000          |
| Rupali           | 80,000          | Debtors       | 50,000          |
| Deepali          | 60,000          | Furniture     | 10,000          |
|                  |                 | Investment    | 20,000          |
|                  |                 | Machinery     | 30,000          |
| <b>Total</b>     | <b>1,90,000</b> | <b>Total</b>  | <b>1,90,000</b> |

- i) The partners decided to sell the firm's business to Bright Moon Company Ltd. The assets are transferred to the new company at the following values:

|           |          |
|-----------|----------|
| Stock     | ₹ 84,000 |
| Debtors   | ₹ 40,000 |
| Furniture | ₹ 30,000 |
| Machinery | ₹ 40,000 |

- ii) Liabilities were taken at book value.  
iii) Investments are not taken over by new firm it is distributed between partners.  
iv) The company issues 1000 shares of ₹ 100/- each and balance in cash as purchase consideration.  
v) Realization expenses amounted to ₹ 1,000/-

You are required to prepare :

- a) Realization A/c
- b) Partners' Capital A/c
- c) Bank A/c

Also show working of Purchase consideration.

**Q.5** Write short notes on **ANY THREE** of the following: **(12)**

- a) Methods of purchase consideration
- b) Piecemeal distribution of cash
- c) Accounting Standard – II
- d) Limitations of Financial accounting
- e) Dissolution of Partnership Firm

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