

F.Y.B.COM. SEM – I (2014 Course) : WINTER - 2018

SUBJECT : FINANCIAL ACCOUNTING – I

Day : Wednesday

Date : 10/10/2018

Time : 12.00 NOON TO 02.00 PM

Max. Marks : 40

W-2018-0323

N.B:

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

Q.1 A, B and C were partners sharing Profits and Losses in the ratio of 3:3:2 (10) respectively on 31st March 2017 their firm was dissolved. Their Balance Sheet as on 31st March 2017 was as follows:

Balance Sheet as on 31st March 2017

Liabilities	₹	Assets	₹
Partners Capital:		Land and Building	40,000
A	48,000	Plant and Machinery	30,000
B	30,000	Stock	70,000
C	18,000	Debtors	4,000
B's Loan	8,000		
Sundry Creditors	40,000		
	1,44,000		1,44,000

The Assets were realized gradually as follows:

Date	Amount
April 2017	20,000
May 2017	30,000
June 2017	30,000
July 2017	24,000
August 2017	24,600

Realisation Expenses amounted to ₹ 3,000.

Prepare:

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

Q.2 Kiran and Prakash were partners sharing Profit and Losses in the proportion (10) of 3:2 respectively. They dissolve their partnership firm on 31st March 2017 when their financial position was as under.

Balance Sheet as on 31st March 2017

Liabilities	₹	Assets	₹
Sundry Creditors	15,000	Cash in Hand	3,000
Kiran's wife's Loan	12,000	Debtors	60,000
Profit and Loss Account	18,000	Stock	1,35,000
Capital Account:		Machinery	45,000
Kiran	1,38,000	Furniture	30,000
Prakash	90,000		
	2,73,000		2,73,000

P.T.O.

The assets were realized as under:

- 1) Goodwill ₹ 15,000, Stock ₹ 1,20,000 and Debtors ₹ 54,000
- 2) Machinery was taken over by Prakash at ₹ 40,000 and furniture by Kiran at Book Value.
- 3) Kiran agree to discharge his wife's loan.
- 4) The creditors were paid at a rebate of ₹ 3,000.
- 5) The expenses of dissolution amounted to ₹ 6,000.

You are required to prepare :

- 1) Realisation Account 2) Partners Capital Account 3) Cash Account in the books of Kiran and Prakash.

- Q.3** Suraj and Dhiraj sharing profits and losses equally. They decided to convert (10) their business into a limited company named SSM Ltd. on 31st March 2017 when their Balance Sheet was as under:

Balance Sheet as on 31st March 2017

Liabilities	₹	Assets	₹
Capital Account		Land and Building	80,000
Suraj	1,02,000	Plant and Machinery	60,000
Dhiraj	78,000	Furniture	10,000
Bills Payable	10,000	Debtors	56,000
Creditors	50,000	Stock	20,000
		Bank	14,000
	2,40,000		2,40,000

- 1) SSM Ltd. agreed to take over all assets including Bank and Liabilities at the value stated below:

	₹		₹
Land and Building	84,000	Debtors	54,320
Plant	50,000	Creditors	49,000
Furniture	8,680,	Bills Payable	10,000
Stock	16,000		

- 2) The company issued 12,600 equity shares of ₹ 10 each at ₹ 12 per share and balance of purchase price is paid in cash.

You are required to prepare :

- 1) Statement of purchase consideration.
- 2) Realisation Account
- 3) Bank Account
- 4) Partners capital account in the books of Suraj and Dhiraj.

- Q.4** Write short notes on any **TWO** of the following: (10)

- a) Need of conversion of partnership firm
- b) Piecemeal distribution of cash
- c) Reasons for dissolution of partnership firm
- d) Surplus capital method.

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