

**BOOK-KEEPING AND ACCOUNTANCY 2019**

Time : 3 Hours]

[(M.M.: 100

**Instructions :**

- (i) All questions are compulsory.
- (ii) Question Nos. 1 to 5 are objective type questions which contain choose the correct alternative, answer in one word, fill up the blanks, match the columns, true or false. Each question carries 1 mark.
- (iii) Question Nos. 6 to 10 are very short answer type questions. Each question carries 2 marks. Word limit 30 words.
- (iv) Question Nos. 11 to 14 are short answer type questions. Each question carries 3 marks. Word limit 75 words.
- (v) Question Nos. 15 to 21 are long answer type questions. Each question carries 4 marks. Word limit 120 words.
- (vi) Question Nos. 22 to 26 are very long answer type questions. Each question carries 5 marks. Word limit 150 words.
- (vii) There is no bound of words limit in numerical questions.

Q.1. Choose the correct option : 1x5=5

(a). Non-profit organisations prepare-

- (i) Income and expenditure A/c                      (ii) Profit and Loss A/C
- (iii) Trading A/C    (iv) Manufacturing A/C

(b) Preparation of partnership deed is-

- (i) Compulsory (ii) Optional (iii) Partly compulsory (iv) Un-necessary

(c) Undistributed profits and reserves are transferred to-

- (i) Cash A/C                                      (ii) Bank A/C
- (iii) Partner's capital A/C (iv) Profit and Loss A/C

(d) Interest on calls in arrears is charged according to table 'A' is -

- (i) 6% annum (ii) 10% annum (iii) 8% annum (iv) 5% annum

(e) The following is not a tool of analysis of financial statement-

- (i) Trial Balance (ii) Comparative statement (iii) Ratio Analysis
- (iv) Common size statement

Q.2. Write True/False. 1x5=5

- (i) Income and Expenditure A/c is a Personal Account.
- (ii) The Partnership Act 1932 is applicable in partnership firm.
- (iii) Goodwill is an intangible asset.
- (iv) On dissolution of a firm, an amount realised from the unrecorded assets is shown in Realisation A/c.
- (v) A private company does not issue the prospectus.

Q.3. Fill in the blanks. 1x5=5

- (i) The closing balance of receipt and payment account represents.....
- (ii) The partnership originates with .....
- (iii) ..... of a partnership is a change in relationship among the partners.
- (iv) After dissolution of the firm, partners can transact their own .....
- (v) Company is an ..... created by law.

Q.4. Answer in one word / sentence : 1x5=5

- (i) Is it necessary to assess value of goodwill at the change in profit sharing ratio?
- (ii) Is dissolution of firm necessary on dissolution of partnership?
- (iii) The persons by whom is a company established are called?
- (iv) Where total cost is equivalent to total sales?
- (v) What type of activity of cash flow is receipt of cash from customers?

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Q.5. Match the column. 1x5=5

- | "A"                      |   | "B"                   |
|--------------------------|---|-----------------------|
| (i) Normal profit        | - | Compensation          |
| (ii) Sacrificing partner | - | Super profit          |
| (iii) Reserved capital   | - | Current liability     |
| (iv) Proprietary fund    | - | Winding up of company |
| (v) Creditors            | - | Proprietary ratio     |

Q.6. What do you mean by Income and Expenditure Account. 2

(Or) Write the computation of opening capital fund.

Q.7. What is sacrificing ratio? 2

(Or) Explain the meaning of gaining ratio.

Q.8 Write any two objectives of Accounting Ratios. 2

(Or) What do you understand by the longterm loans?

Q.9. Write the meaning of analysis of Financial Statements. 2

(Or) Write the advantages or uses of Accounting Ratios. (any two)

Q.10 Write the limitations of Accounting Ratios. (any two) 2

(Or) Explain types or classification of Ratios.

Q.11. Write any three rules applicable in the absence of partnership deed. 3

(Or) What are the rights of a partner?

Q.12. Write the methods of dissolution of a firm. (any three) 3

(Or) A and B were partners in a firm sharing Profit and Loss in the ratio of 3:1. Their Balance Sheet on 31st March, 2018 stood as under:

**Balance Sheet as on 31-03-2018**

| <b>Liabilities</b> | <b>Amount (Rs.)</b> | <b>Assets</b> | <b>Amount (Rs.)</b> |
|--------------------|---------------------|---------------|---------------------|
| Creditors          | 45,000              | Debtors       | 20,000              |
| A's Loan           | 20,000              | Sundry Assets | 70,000              |
| Capital A/c:       |                     |               |                     |
| A: 10,000          |                     |               |                     |
| B: 15,000          | 25,000              |               |                     |
|                    | 90,000              |               | 90,000              |

They decided to dissolve the firm on the date. Debtors realised Rs. 15,000 and sundry assets realised Rs. 60,000. Prepare Realisation Account.

Q.13. Write the differences between firm dissolution and partnership dissolution. 3

(Or) Write the differences between Revaluation Account and Realisation Account. (any three)



Q.14. Distinguish between preference shares and equity shares. (any three) 3

(Or) Y Limited issued 15,000 shares of Rs. 10 each to the public. The whole amount due was received in the lump. Pass necessary journal entries in the book of the company.

Q.15. Write any four characteristics of partnership. 4

(Or) Distinguish between Fixed Capital Account and Fluctuating Capital Account. (any four)

Q.16. X, Y and Z are partners sharing profits in the ratio of  $\frac{4}{8} : \frac{3}{8} : \frac{1}{8}$  Now the partners agreed to share future profits in the ratio  $\frac{5}{12} : \frac{4}{12} : \frac{3}{12}$  Calculate each partner's gain and sacrificing due to change in ratio.

(Or) Write any four characteristics of goodwill.

Q.17. Capital of a business firm is Rs. 8,00,000. Average profit of the firm is Rs. 90,000. Normal return in such business is expected at  $7\frac{1}{2}\%$ . Find the value of Goodwill on the basis of capitalised value of super profit. 4

(Or) What are the causes of composition of Goodwill? (any four)

Q.18. Write the characteristics of equity shares. (any four) . 4

(Or) Write the objects of Prospectus. (any four)

Q.19. Write types of preference share. 4

(Or) Write the methods of redemption of Debentures.

Q.20. Write the characteristics or features of debentures. (any four) 4

(Or) Sonal was holding 50 equity share at Rs. 20 each of Bittu Ltd. issued at 10% premium. She paid Rs. 6 on application, Rs. 6 on allotment, but could not pay the first call Rs. 5 and final call Rs. 5. Her shares were forfeited. Make journal entry for forfeiture of shares.

Q.21. Write the objectives of Financial Statement. (any four) 4

(Or) Liquid Quick Ratio=1:1

Current Assets = Rs. 1,00,000

Current Liabilities = Rs 50,000

Find out the value of stock.



Q.22. Write the books of Accounts kept by non profit organisations. 5

(Or) Explain the Receipts and Payments Account is not a mirror of economic status of an institution. <http://www.mpboardonline.com>

Q.23. The average net profit of a firm is Rs. 84,000 per annum. Capital invested is Rs. 5,00,000. The rate of return in such business is 12%. Partners are paid Rs. 12,000 for remuneration. Calculate the value of goodwill by capitalisation of super profit method.

(Or) Write the differences between sacrificing ratio and gaining ratio.

Q.24. Write the procedure of Forfeiture of shares. 5

(Or) A Ltd. purchased the assets of Rs. 9,00,000 from B Ltd. The purchase consideration was payable in fully paid equity shares of Rs. 100 each. Show the necessary Journal Entries in each of the following cases in the book of A Ltd, if issue of shares are :

(i) At par (ii) At a premium of 25%

Q.25. Write the utilities or importance of Financial Statements. 5

(Or) Write names of 5 Tangible Assets and 5 Intangible assets written in the sub-heading of Fixed Assets of Balance Sheet of a company under Schedule-III.

Q.26 Write any five differences between cash flow statement and fund flow statement.

(Or) Write any five objects and importance of preparing cash flow statement.

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