S. B. B. Alias APPASAHEB JEDHE ARTS, COMMERCE & SCIENCE COLLEGE, PUNE 02.
TERM END EXAM - 2017 - 2018
SUBJECT :- FINANCIAL ACCOUNTING

F.Y. B.Com.

Time - 2 hrs.
Marks - 60

Q.1 A) State true or false. (any three) 3

1) Profit on realisation is transfer to partners capital account in their capital ratio.
2) On piecement distribution assets are sold and liabilities are paid in pieces.
3) In case of insolvency of partners, his deficiency is born by the solvent partner in their profit sharing ratio.
4) Decrease in assets is debited to Revaluation account.

B) Fill in the blanks. (any three) 3

1) Assets not taken over are transferred to .... A/C.
   i) Partners Capital   ii) Cash   iii) New Company
2) Credit balance on Revaluation Account shows ....
   i) Loss   ii) Profit   iii) no profit no loss
3) First of all .... expenses are paid.
   i) internal   ii) Partner Loan   iii) Realization
4) Computer accounting has .... approach.
   i) subjective   ii) scientific   iii emotional

C) Write short notes. (any three) 12

1) Features of computerized accounting.
2) Purchase Consideration.
3) Objective of Amalgamation.
4) Explain the steps of maximum loss method.

Q.2 Following is the Balance Sheet of A, B and C who share profit and losses in the ratio of 3:3:2. 12

Balance Sheet as on 31st December 2010

Liabilities	Rs.	Assets	Rs.
Partners Capital		Land	20,000
A	24,000	Building	20,000
B	15,000	Machinery	12,000
C	9,000	Stock	15,000
B's Loan	4,000	Debtors	5,000
Creditors	20,000		
Total	**72,000**	**Total**	**72,000**

P.T.O.

The Assets are realized gradually as follows :

Date	Gross Amount	Expenses
15th Jan. 2011	11,000	1,000
20th Jan. 2011	23,000	3,000
25th Jan. 2011	10,200	600
30th Jan. 2011	13,000	1,800
10th Feb. 2011	12,000	2,000

Prepare a statement showing piecemeal distribution of Cash as per Surplus Capital Method.

Q.3 **The following were the Balance Sheet as on 31st March 2016 of two firm of M/s A & B and M/s C & D.** 18

Balance Sheet as on 31st March 2011

Liabilities	A & B	C & D	Assets	A & B	C & D
Credited	60,000	30,000	Land	40,000	10,000
Bills Payable	20,000	16,000	Furniture	6,000	10,000
Capital A/c			Machinery	50,000	35,000
A	50,000		Stock	15,000	9,000
B	50,000		Debtors	30,000	25,000
C		27,000	Bills Receivable	25,000	1,000
D		27,000	Loose Tools	10,000	7,000
			Cash in hand	4,000	3,000
Total	**1,80,000**	**1,00,000**	**Total**	**1,80,000**	**1,00,000**

A & B shared profit & losses in the ratio of 3:1 and C & D 1:1. The two firm decided to amalgamate their business from 1st April 2017 on the following term and condition :-
1) Land of A & B was appreciated by 20% but machinery of both the firms were to be depreciated by 10%.
2) Loose Tools of A & B were revalued at Rs. 8,000 and that's of C & D at Rs. 10,000/
3) Debtors to be taken after providing for R.D.D. at 5% both of the firms.
4) Provision for discount on creditors of both firms was also to be made at 2%.
5) Furniture of both the firms was taken at 5% depreciation.
   Prepare Revaluation accounts, partner's capital accounts in the books of old firm and amalgamated balance sheet of the new firm.

Q.4 **X, Y and Z were partners in a firm sharing profit & losses in the ratio of 2:2:1 respectively. They decided to convert their firm into ABC Ltd.**   **12**

Balance Sheet as on 31st December 2013

Liabilities	Rs.	Assets	Rs.
Capital Accounts		Building	30,000
X	30,000	Plant & Machinery	18,000
Y	28,000	Motor Van	12,000
Z	17,000	Furniture	2,500
Sundry Creditors	24,000	Stock	4,700
Reserve Fund	6,000	Debtors	26,000
Bills Payable	1,500	Investments	6,000
		Cash	7,300
Total	**1,06,500**	**Total**	**1,06,500**

ABC Ltd. agreed to take over the following assets at values shown below:

Building 32,000. Plant & Machinery 16,500. Furniture 2,000. Stock 7,800.

Goodwill 4,000. Sundry Debtors subject to 5% R.D.D.

The Company has also agreed to take over sundry creditors at Rs. 22,000/-

The purchase consideration was paid by com by issue equity shares of Rs. 100 each

The firm sold investment for Rs. 8,000/- and paid off bill payable fully.

The Motor Van was taken over by X at book value.

The firm paid realization expenses Rs. 800/-.

     Prepare necessary Ledger Accounts in the books of X, Y, Z.

Thanks

✠   ✠   ✠