6649 – A21 – C – M – 22

Time : 3 Hours]

[Max. Marks : 80

Instructions : 1) Answer **all** Sections according to internal choice.

2) **Use** of simple and non-programmable calculator is **allowed**.

SECTION – A

1. Answer **any ten** of the following questions :   (10×2=20)
   a) State Garner v/s Murray rules.
   b) What is piece meal distribution of cash ?
   c) Give any two demerits of single entry system.
   d) Who is a Co-venturer ?
   e) What is memorandum of Joint Venture Account ?
   f) How do you close deficiency account ?
   g) Why trial balance cannot be prepared under single entry of book-keeping ?
   h) What is final claim ratio ?
   i) What is recoupment of shortworkings ?
   j) Why do you prepare Total Debtors Account ?
   k) What is the order (priority) of distribution of cash as and when cash received ?
   l) Write any two distinctions between partnership and Joint venture business.

SECTION – B

Answer **any three** of the following. **Each** question carries **5** marks. (5×3=15

2. Prepare Statement of Affairs with imaginary figure (minimum 10 items).

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3. Gurubasavaraj, Akilesh and Kotresh are partners sharing profits and losses in the ratio of 3 : 2 : 1 respectively. They decided to dissolve their firm when their capital balances stood as follows :

Gurubasavaraj – Rs. 84,000, Akilesh – Rs. 60,000 and Kotresh – Rs. 24,000.

Determine excess capital of the partners.

4. Nandita Co. Ltd. agreed to take-over the business of 'Nandita' and 'Ankita' partnership firm as under :

Land and Building	Rs. 2,40,000
Good will	Rs. 80,000
Debtors	Rs. 1,00,000
Stock	Rs. 80,000
Machinery	Rs. 60,000

The company also agreed to take over its creditors and bills payable at their book values which were Rs. 80,000 and Rs. 40,000 respectively. The purchase consideration was settled by the issue of 20,000 equity shares of Rs. 20/- each and the balance in cash.

Calculate purchase consideration.

5. Ascertain credit sales from the followings :

Debtors as on 01-01-2020	Rs. 1,60,000
Debtors as on 31-12-2020	Rs. 2,40,000
Bills receivable as on 01-01-2020	Rs. 80,000
Bills receivable as on 31-12-2020	Rs. 96,000
Cash received against bills receivable	Rs. 1,20,000
Cash received from debtors	Rs. 4,00,000
Bad debts	Rs. 4,000
Discount allowed	Rs. 4,000
Sales Returns	Rs. 16,000

6. Shivayogi Ltd. of Athani got the lease of colliery on the basis of Royalty of Rs. 10 per ton of coal raised subject to a minimum rent of Rs. 2,00,000 p.a. The tenant has the right to recoup shortworking during the first four years of the lease and not afterwards.

The output in 5 years was as follows :

Year	Output
2017	9000 tons
2018	14000 tons
2019	26000 tons
2020	28000 tons
2021	60000 tons

Prepare Royalty Chart.

SECTION – C

Question 11 is **compulsory**. Answer **any two** of the remaining. (3×15=45)
Each question carries 15 marks.

7. Explain steps for conversion of single entry into double entry system.

8. Malipatil and Sheregar were the partners sharing profits and losses equally. Their position on 31-12-2021 were as follows :

Balance Sheet as on 31-12-2021

Liabilities	Rs.	Assets	Rs.
Sundry Creditors	12,000	Cash in hand	2,000
Reserve	3,000	Sundry debtors	18,000
Capital Accounts		Stock	10,500
Malipatil 30,000		Furniture	8,000
Sheregar 20,000	50,000	Investments	6,500
		Plants	20,000
	65,000		65,000

On 01-01-2022 the firm was sold to MS Co. Ltd. on following terms :

a) The company took over the assets as under :

Debtors Rs. 16,000, Furniture Rs. 7,000, Stock Rs. 12,000, Plant Rs. 17,500 and Goodwill Rs. 6,000.

b) The company took over the creditors at book value.

c) The purchase price received in the form of 3,900 equity shares of Rs. 10 each at par and the balance in cash.

d) The investments were taken by Sheregar at the value of Rs. 6,000.

e) The realisation expenses amounted to Rs. 500.

Show the necessary ledger accounts to close the books of the firm.

9. Kalmesh bought goods of the value Rs. 3,00,000 and consigned them to Parmesh to be sold on joint venture, profit being divided in 2 : 1. He paid Rs. 16,000 for freight and insurance and drew on Parmesh for Rs. 1,60,000. Parmesh paid Rs. 6,000 for storage and Rs. 8,000 for rent. The sales realised Rs. 4,80,000 and sales expenses of Rs. 12,000 paid by Parmesh.

The final payment is made by Parmesh after deducting 15% commiss on the gross sales by bank draft.

Prepare the necessary accounts in the books of both the parties.

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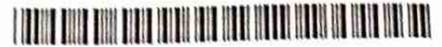
10. Belagali Ltd. took a coal mine on lease at a royalty of Re. 1 per tonne of coal raised with minimum rent of Rs. 40,000 p.a. subject to the right of recoupment of shortworkings in the next two years. In the event of strike minimum rent to be reduced proportionately to the period of strike. The output during the 5 years was :

Year	Output in tonnes
2017	20,000
2018	36,000
2019	50,000
2020 (strike for 3 months)	24,000
2021	60,000

Prepare the necessary accounts in the books of Belagali Ltd.

11. Case study (**compulsory**) :

Vimala, Kamala and Sarala were partners sharing profits and losses in the ratio of 4 : 2 : 2. The following is their Balance-sheet as on 31-12-2021.

Liabilities	Rs.	Assets	Rs.
Capitals :		Land and Building	45,000
Vimala	20,000	Furniture	25,000
Kamala	30,000	Debtors	20,000
Sarala	40,000	Stock	10,000
Creditors	15,000	Cash	5,000
Bank overdraft	5,000	Profit and Loss A/c	10,000
Loan from Kamala	5,000		
	1,15,000		1,15,000

It was decided to dissolve the firm. The assets realised as follows :

Date	Land and Building	Furniture	Stock	Debtors
15-01-2022	9,000	6,000	1,500	3,500
20-01-2022	9,750	5,000	2,750	4,500
25-01-2022	23,750	6,000	4,750	3,500
02-02-2022	19,000	4,000	4,000	3,000

a) Find out Excess capital.

b) Prepare a statement showing piece meal distribution of cash.

c) Write the order (priority) of distribution of cash as and when cash received.