

Accountancy paper-II Set -1

Instructions:- 1. All questions are compulsory
2. Use of calculator is allowed

Q.1 Problem on common Data

The Receipt & payments account of Navkar Football club for the year ended 31st march 2021 was under.

Receipts	Rs	Payments	Rs
To Balance b/d (1.4.2020)	48,000	By purchase of balls	80,000
To subscriptions received	2,46,000	By Tournament fees	10,000
To interest	2,000	By Affiliation fees	2,000
To sale of furniture	10,000	By Rent of playground	5,000
To Donations for club Building	60,000	By Refreshment expenses	4,000
		By Travelling expenses	30,000
		By Investments purchased at face value	1,00,000
		By salary	12,000
		By Miscellaneous expenses	8,000
		By Balance c/d (31.3.21)	1,15,000
Total	3,66,000	Total	3,66,000

- a. Prepare the Club's Income and Expenditure Account for the year ended 31st March, 2017, and
b. The Balance Sheet as on that date, after taking the following information into account:

- The subscriptions received include ₹10,000, outstanding subscriptions of the year 2015-16. Subscriptions for the year 2016-2017 amounting to ₹16,000 is still outstanding from members. Some members have paid subscriptions for the year 2017-18 amounting to ₹8,000 which is included in the subscriptions received.
- Interest accrued but not received: ₹500.
- The book value of the furniture sold was ₹14,000.
- The rent of playground: ₹6,000 and salary: ₹5,000 of the year 2016-17 are still outstanding and rent of playground of the year 2015-16: ₹1,000 has been paid during this year.
- There is a stock of balls with the club valued at ₹4,000 as on 31st March, 2017.

Q. Problem on common Data

a. From the following particulars extracted from the books of Ashok & Co. Ltd., compute the following ratios and comment: (a) Current ratio, (b) Acid Test Ratio, (c) Stock-Turnover Ratio, (d) Debtors Turnover Ratio, (e) Creditors' Turnover Ratio, and Average Debt Collection period.

Particulars	1-1-2002 (Rs)	31-12-2002(Rs)
Bills Receivable	30,000	60,000
Bills Payable	60,000	30,000
Sundry Debtors	1,20,000	1,50,000
Sundry Creditors	75,000	1,05,000
Stock-in-trade	96,000	1,44,000

Additional information:

- (a) On 31-12-2002, there were assets: Building Rs. 2,00,000, Cash Rs. 1,20,000 and Cash at Bank Rs. 96,000.
(b) Cash purchases Rs. 1,38,000 and Purchases Returns were Rs. 18,000.
(c) Cash sales Rs. 1,50,000 and Sales returns were Rs. 6,000. Rate of gross profit 25% on sales and actual gross profit was Rs. 1,50,000.

b. The net profit after making a provision of 3,30,000 for income tax of Tata Ltd. For the year ended 31st march 2017 amounts to 3,00,000. This figures of the net profit has been arrived at after taking into account the following items. **Calculate Funds from operations.**

Particulars	Rs
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Depreciation on fixed assets	65,000
Preliminary expense written off	7,000
Bad debts	1,000
Loss on sale of furniture	1,500
Profit on sale of long –term investments	5,000

(Funds from operations-3,68,500)

c. Following is the information of Shri Aruna Industries Ltd. Latur for the year 30th June 2018. Their plan is to sell 30,000 units in the year 2018-2019. The expected cost of goods sold is as under you are required to calculate the working capital requirements.

Particulars	Rs. (Per Unit)
Raw material	100
Manufacturing expenses 30	30
Selling, administration and financial expenses	20
Selling price 200	200

The duration at various stages of the operating cycle is expected to be as follows :

Raw material stage 2 months

Work-in-progress stage 1 month

Finished goods stage 1/2 month

Debtors stage 1 month

Assuming that the monthly sales level of 2,500 units, estimate the gross working capital necessity.

Expected cash balance is 5% of the gross working capital necessity, and working progress in 25% complete with respect to manufacturing expenses.

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Q.3 Write short notes

1. Features of tally
2. Define Fund flow statement
3. Classifications of Ratio
4. Accounting procedure with tally
5. Features of tally
6. Necessity of Working capital