**ISC Guess Paper**

**Accountancy**

**Q1.**Mention two differences between Premium on Issue of Debentures and Premium on Redemption of Debentures.

**Q2.** What was the decision of the Judge in the case of Garner Vs Murray ?

**Q3.** Name the provisions of the Partnership Act with respect to the Interest on Capital of Partners and the Profit Sharing Ratio between Partners.

**Q4.** Name four items which are credited to the account of a deceased partner while calculating the amount due to his legal representatives.

**Q5.** State two differences between a consignment account and a joint venture account.

**Q6.** Name the two accounts that are responsible for completing the double entity under sectional   
balancing system. State in which ledger they are kept ?

**Q7.** State the closing entries for :

        (a) rent paid to a partner;

        (b) interest on. loan allowed to partners.

**Q8.** Explain any two ways of am mortising the Discount on Issue of Debentures.

Q9. How are the creditors of a firm settled when all the partners are declared insolvent ?

**Q10. The Balance Sheet of Amar , Akber and Anthoni who where sharing profit in the ratio of 4:3:2 stood as following on 31st December 2004.** 

**Balance Sheet**

**as on 31st December 2004**

|  |  |  |  |
| --- | --- | --- | --- |
| Liabilities | Amount Rs. | Assets | Amount Rs. |
| Creditors | 19,000 | Stock | 25,000 |
| Provident Fund | 12,500 | Cash at Bank | 2,500 |
| General Reserve | 4,500 | Debtors | 15,500 |
| Capital: |  | Advertising Expenditure A/c | 9,000 |
| Amar        -      40,000 |  | Plant & Machinery | 34,000 |
| Akber      -       30,000 |  | Building | 45,000 |
| Anthoni      -       25,000 | 95,000 |  |  |
|  | **1,31,000** |  | **1,31,000** |

Akber retired on the above date on the following terms :

(i) The assets and liabilities need not be revalued.

(ii) The firm had a Joint Life Policy for Rs. 60, 000 which was surrendered for Rs. 13,500.

(iii) The Goodwill of the entire firm be fixed at Rs. 10,800 and Akber’s share of the same be adjusted into the accounts of Amar and Anthoni who are to share the profits in future in the ratio of 5: 3.

(iv) The entire capital of the new firm be fixed at Rs. 56,000 and the capitals of Amar and Anthoni to be proportionate to their new profit sharing ratio. For this purpose actual cash is to be brought in or paid off.

Prepare :

(a) The Capital Accounts of Amar and Anthoni after the retirement of Akber.

(b) The Balance Sheet of Amar and Anthoni after the retirement of Akber.