



JAIN COLLEGE

463/465, 18th Main Road, SS Royal, 80 Feet Road
Rajarajeshwari Nagar, Bangalore - 560 098

SUBJECT: ACCOUNTANCY

**II PUC
MOCK - I**

Timings Allowed: 3 Hrs 15 Minutes

Total Marks: 100

- Instructions:**
- Read all the questions properly
 - Write the correct question numbers and then answer.
 - Specify the column headings clearly.

Section-A

I. Answer any 7 questions. Each question carries 2 marks

7X2=14

- What is unit of time method?
- What do you mean by goodwill?
- How do you treat retiring partners loan a/c on the balance sheet?
- Who is an executor?
- Write the journal entry for furniture sold at a loss of Rs.500 on book value of Rs.6000?
On dissolution of a partnership firm?
- State the causes of depreciation?
- State any 4 liquidity ratios?
- What is meant by comparative statement?
- What are legacies?
- What is data base management system?

Section-B

II. Answer an 4 questions carrying 5 marks each

4X5=20

1. D and E are partners of a firm. E is getting salary of Rs.1000 per month on first of each, which he draws on the same day, monthly. D drawings in the year 2012-13 are as under:

1 st May 2012	Rs.800
1 st August 2012	Rs.600
1 st November 2012	Rs.1, 100

Interest is to be charged on drawings at 8% p.a. upto 31st March 2013
Calculate interest on drawings of D and on product method.

2. Anil and Sunil were partners sharing profits in the ratio of 3/5 and 2/5. They decided to admit Prasad for 1/4 share in the future profits of the concern. Show the new profit sharing ratio if:
- Old partners sacrifice in their original ratio.
 - Old partners sacrifice equally.

3. P, Q and R are partners sharing profits and losses in the ratio of 2:2:1. Their balance sheet as on 31-3-2010 was as follows:

Liabilities	Amount	Assets	Amount
Capital a/c		Furniture	5000
P	10000	Stock	12500
Q	8000	Debtors	15000
R	7000	Bills receivable	1500
Reserves	3000	Cash at bank	1000
Creditors	5000		
Bills payable	2000		
	35000		35000

R died on 1-10-2010. The dependents are entitled for the following:

1. Her capital as on the date of death.
2. Her share of goodwill. The goodwill is to be ascertained on the basis of 2 years purchase value of the average profits of last 3 years.
Rs.10000 -Rs.12000 -Rs.14000

3. Share in the profit and loss a/c out of revaluation of assets and liabilities.

The assets were revalued as under:

Stock-Rs.12000 Furniture-Rs.4000 Provision for bad debts at 5% on debtors.

Prepare necessary ledger accounts and ascertain the amount due to deceased partner and transfer the same to his loan a/c.

4. X Ltd. forfeited 100 shares of Rs.10 each for nonpayment of final call of Rs.3 and the same were re issued at Rs.8

Pass journal entries regarding the above forfeiture and re issue.

5. From the following information calculate capital fund.

Furniture Rs.50000

Building Rs.100000

Cash Rs.20000

O/S subscription Rs.5000

Subscription received in advance Rs.3000

O/S rent Rs.1500

Income and expenditure a/c (Cr) Rs.5000

6. From the following balance sheet calculate current and quick ratio

Balance sheet as on 31-3-2012

Liabilities	Amount	Assets	Amount
Share capital	500000	Land	250000
Reserve fund	50000	Furniture	250000
Debentures	250000	Building	250000
Creditors	25000	Bills receivable	15000
Bills payable	25000	Cash in hand	5000
Bank overdraft	25000	Bank balance	20000
O/S rent	5000	Prepaid insurance	5000
		Patents	35000
		Stock	10000
		Debtors	40000
	880000		880000

7. State the qualities of information?

Section-C

III. Answer any 4 questions carrying 14 marks each.

4X14=56

1. An asset was acquired at Rs. 20000 on 1-4-2013 It was decided to depreciate annually under annuity method. The rate of interest being 3% with reference to annuity tables, the depreciation

for Rs.1 over 3 years at 3% interest amounted to 0.353530 annually.

Prepare asset /c depreciation a/c and lease a/c for 3 years.

2. A and B are partners sharing profits and losses in the ratio of 3:2 and they agreed to admit C as a partner. Their balance sheet as on 31-3-2013 was as follows:

Liabilities	Amount	Assets	Amount
Creditors	30000	Cash at bank	10000
Reserve	3000	Debtors	15000
Capital accounts		Stock	22000
A	30000	Furniture	2000
B	15000	Land and buildings	29000
	78000		78000

The terms were as follows:

1. That the value of goodwill is fixed at Rs.25000
2. A provision of 10% is to be created on debtors
3. Stock and furniture is to be reduced by 10%
4. Land is to be appreciated by 10%
5. C has to pay Rs.15000 as capital for $\frac{1}{4}$ th share.

Prepare necessary ledger accounts and balance sheet.

3. A and B are partners sharing profits in the ratio of 3:2. Their balance sheets on 31-3-2012 was as follows.

Liabilities	Amount	Assets	Amount
Creditors	10000	Cash at bank	5000
Bills payable	10000	Investments	5000
A's loan	5000	Bills receivable	10000
Repairs and renewal reserve	10000	Debtors	20000
Capitals		Stock	15000
A	30000	Machinery	15000
B	40000	Furniture	5000
		Buildings	20000
		Goodwill	10000
	105000		105000

On the above date the firm was dissolved at the assets realized as follows:

1. Bills receivable Rs.7500, Debtors and stock 10% less than book value,
2. Machinery to be increased by 5%.
3. Buildings realized Rs.12000
4. Goodwill is considered worthless.
5. Furniture and investment were taken over by A and B at Rs.4000 each respectively.
6. Dissolution expenses amounted to Rs.600
7. Liabilities are discharged in full.
8. During the course of realization it was found that one bill of Rs.10000 previously discounted was dishonored and was to be paid now. Show necessary ledger accounts.

4. X Company limited had an authorized capital of 30lakhs divided into shares of Rs.100 each. 20000 shares were issued and terms were:

On application Rs.25

On allotment Rs.25

On first call Rs 30

Balance on final call.

Suraj holding 1000 shares did not pay the final call and his shares were forfeited and re issued at Rs.80 Pass journal entries

5. . Following is the trial balance of Krishna company ltd as on 31-3-2011

Particulars	Debit	Credit
Authorised Share capital (50000 shares of Rs.10 each)		<u>500000</u>
Subscribed capital (10000 shares of Rs.10 each)		100000
Calls in arrears	6000	
Land	10000	
Building	25000	
Machinery	15000	
Furniture	3200	
Carriage	2300	
Wages	21400	
Salaries	4600	
Bad debts reserve		1400
Sales		80000
Sales returns	1700	
Bank charges	100	
Coal, gas and water	700	
Rent and rates	800	
Purchases	50000	
Purchase returns		3400
Bills receivables	1200	
General expenses	1900	
Debtors	42800	
Creditors		13200
Stock	25000	
Insurance	800	
Cash at bank	13000	
Cash in hand	2500	
Share premium		6000
General reserve		24000
	228000	228000

Charge depreciation on buildings at 2% p.a. on machinery at 10% and on furniture at 10% and make a reserve of 5% on debtors for bad debts. Carry forward of unexpired insurance Rs.120

O/S liabilities were:

Wages Rs.1200

Salaries Rs.500

Rent and rates Rs.200

6. Following is the summary of cash transactions of Kolar club for the year ended 31-3-2012

Receipts	Amount	Payments	Amount
To balance b/d	319	By rent and rates	168
To entrance fees	255	By wages	245
To subscriptions	1600	By lighting charges	72
To donations	165	By lecturers fees	435
To life membership fees	250	By books	213
To interest	14	By office expenses	450
To profit on entertainment	42	By 3% fixed deposit on	800
		By cash in hand	242
		By cash at bank	20
	2645		2645

In the beginning of the year the club possessed books worth Rs.2000 and furniture worth Ts.850. Subscription in arrears in the beginning of the year amounted to Rs.35 and in the end of the year amounted to Rs.45 and 6 months' rent worth Rs.60 was O/S both in the beginning and in the end of the year.

Prepare income and expenditure a/c and balance sheet as on 31-3-12 after writing off Rs.50 and RS.113 on furniture and books respectively.

7. From the following prepare common size balance sheet

Particulars	31-3-2010	31-3-2011
Sharecapital	500000	1500000
Reserves	50000	100000
Secured loans	300000	400000
Unsecured loans	50000	100000
Sundry creditors	150000	100000
Buildings	400000	1500000
Machinery	500000	400000
Stock	20000	160000
Debtors	100000	100000
Cash at bank	30000	40000

Section-D

IV. Answer any 2 questions carrying 5 marks each.

2X5=10

1. Prepare imaginary P and L appropriation a/c
2. Prepare imaginary executors loan a/c for 2 years with 5% interest .
3. Prepare imaginary capital a/c under fluctuating capital system.
