



JAIN COLLEGE, JAYANAGAR
MOCK PAPER - II
Subject: II PUC Accountancy

Duration: 3 hrs 15 minutes

Max. Marks: 100

Section - A

I. Answer any Seven of the following questions. Each carries two marks: 7 × 2= 14

1. State any two differences between provisions & reserves.
2. Name the methods under which the capital accounts could be prepared in a partnership firm.
3. Give the Journal entry for distribution of goodwill raised in the books of the firm. In case of admission of a partners.
4. Give the meaning of accrued profit or loss.
5. Give the journal entry for realization expenses paid on dissolution of a firm.
6. What are debentures?
7. What is Dividend distribution Tax?
8. State any two uses of financial statement analysis.
9. How do you treat tournament expenses when separate tournament fund is maintained?
10. What is real time processing system?

Section - B

II. Answer any Four questions. Each carries Five marks: 4 × 5=20

11. Ram and Laxman are partners sharing profits and losses in the ratio of 3:2. Their capital were Rs 50,000 & Rs 40,000 respectively. Their drawings during the year were Ram Rs 6000, Laxman Rs 4,000 respectively. Laxman is allowed a salary of Rs 250 per month. Partnership deed provides interest on capital at 5% and charged on drawings at 6% p.a. The profit for the year before charging interest on capital and partners salary but after charging interest on drawings will be Rs 14,000, prepare profit & loss appropriation account and partners capital account.
12. Anu & manu are partners sharing profits & losses in the ratio of 3:2 they admit Banu into the partnership & give him 1/5th share and Anu & manu agree to share remaining share in the ratio 5:3. Calculate the sacrifice ratio.
13. Tina, Meena & Reena are partners sharing profits & losses in the ratio of 2:2:1. The balance sheet of the firm was as under on 31-3-2013 :

Liabilities		Rs	Assets	Rs
Bills payable		6,000	Cash at Bank	12,000
Sunday creditors		9,000	Stock	8,000
Loan from Gopal		15,000	Sunday Debtors	20,000
General reserve		5,000	Bills receivable	5,000
Capital			Furniture	30,000
Tina	40,000		Building	50,000
Meena	35,000			
Reena	15,000	90,000		
		1,25,000		1,25,000

Reena died on 1-10-2013. His dependents were entitled for the following:

1. Her capital as on the date of death
2. Her share of goodwill. The value of firm's goodwill amounted to Rs 50,000.
3. Her share of general reserve.
4. Interest on capital is allowed at 12% p.a.
5. Commission up to the date of death. Annual commission Rs 6,000
6. The profit till the date of death based on the previous years Rs 20,000. Find out the amount payable to the Reena by preparing her executor Account.

14. Racold Co.ltd issue 5000 10% debenture of Rs 100 each at a discount of 10% payable Rs 20 on application, 20 on allotments and the balance on the first and final call. All debentures were subscribed and the money duly received.
Pass the journal entries in the books of the company.

15. Following is the Balance sheet of Titan Co.Ltd. as on 31st March 2012

Liabilities	Rs	Assets	Rs
Equity share capital	2,40,000	Building	4,50,000
8% Debentures	90,000	Stock	1,20,000
P&C A/c	60,000	Debtors	90,000
Bank overdraft	60,000	Cash in hand	22,800
Creditors	2,34,000	Prepaid expenses	7,200
Provision for taxation	6,000		
	6,90,000		6,90,000

Calculate current ratio & liquid ratio.

16. From the following ledger balances on 1/4/2014. Ascertain opening capital fund: Buildings 1,00,000, grounds Rs 50,000, sports materials Rs 19,500, cash on hand 1,500, Investments Rs 5000, Accrued interest on investments Rs 500, outstanding subscriptions Rs 1000, subscription received for the year 2014-15 Rs 2800, prize fund Rs 45,000
17. Explain five qualities of information.

Section - C

III. Answer any FOUR questions. Each carries fourteen marks:

4 × 14 = 56

18. On 1 / 4/2010, a trader purchased Machinery for Rs 2,40,000 & spent Rs 20,000 for transportation & 40,000 for its installation. On 30/9/2012, he sold a part of the Machinery costing Rs 60,000 for Rs 42,000. On 1/10/2012 he bought a new machinery for Rs 80,000 depreciation was charged at 10% p.a on 31st March every year on the original cost of the asset.

Show the machinery A/c & depreciation A/c for 4 years ending 31/3/2014

19. Following is the Balance sheet of Ramesh. Mahesh & Suresh as on 31/3/2014

Liabilities	Rs	Assets	Rs
Creditors	30,000	Cash	5,500
Bills payable	8,000	Furniture	10,000
Bank loan	14,000	Stock	16,000
Capitals		Book debts 28000 (-) PBD 1500	26,500
Ramesh	25,000	Plant & Machinery	25,000
Mahesh	20,000	Buildings	35,000
Suresh	15,000	Profit & loss A/c	6,000
Reserve Fund	12,000		
	1,24,000		1,24,000

Suresh retires from the business & the following adjustments are to be made:

- Depreciate machinery by 5% & stock reduced by 10%
 - Building appreciated by 20% & furniture valued at Rs 12,500
 - PBD increased by Rs 1,750
 - Interest on Bank loan at 10% is due for 6 months
 - Suresh share of goodwill created for Rs 15,000 & written off immediately.
 - Retiring partners is to be paid Rs 3,900 immediately & the balance in three equal yearly installments at 6% interest p.a prepare necessary Accounts.
20. Asha, Usha & Nisha are partners sharing profit & losses in the ratio of 2:2:1. They agreed to dissolve their firm on 31/3/2014 on which the balance sheet was as follows.

Balance sheet as on 31/3/2014

Liabilities	Rs	Assets	Rs
Creditors	40,000	Cash in hand	10,000
Bills payable	10,000	Bills receivable	10,000
Disha's Loan	20,000	Stock	30,000
Usha's Loan	10,000	Debtors 45000 (-) PBD 5000	40000
Capitals:		Motor car	20,000
Asha	60,000	investments	10,000
Usha	40,000	Machinery	20,000
Nisha	30,000	Furniture	20,000
Reserve fund	15,000	Buildings	50,000
		P/L A/c	15,000
	2,25,000		2,25,000

- a) Assets realised as follows:
Stock – 25,000, Machinery 15,000 debtors 42,000 furniture 18,000
- b) Asha took over Buildings at Rs 60,000, usha agreed to take over motor car at 25,000 & Nisha took over investments at Rs 15,000
- c) Creditors & Bills payable were paid off at 5% discount
- d) Disha's loan was paid off by Asha at book value
- e) Realisation expenses amounted to Rs 5,000 prepare realization A/c, partners capital Accounts and Bank A/c
21. The moonlight company limited issued 1,00,000 equity share of RS 10 each at a premium of Rs 2 per share payable as follows.
On application 4
On allotment 4 (including premium)
On first call Rs 2 Final call Rs 2
All shares were subscribed an allotment made. All money were received expect Mr Y failed to pay the final Call money on 1400 shares. Subsequently all these shares were forfeited & re-issued to Mr. Z at the rate 8 per share as fully paid pass the necessary Journal entries.
22. From the following trial balance prepare final Accounts of National trading company limited for the accounting period 31st March 2014

Sl.No	Particulars	Debit	Credit
1	Share Capital (equity shares of Rs 10 each)	-	9,00,000
2	General Reserve	-	50,000
3	Profit & loss A/c	-	2,25,000
4	10% debentures	-	3,00,000
5	Interest on debentures	30,000	-
6	Trade Payables	-	97,000
7	Unclaimed Dividend	-	5,000
8	Provision for employee benefit (short term)	-	48,000
9	Buildings	4,25,000	
10	Furniture	1,00,900	
11	Plant & Machinery	5,58,000	
12	Trade receivables	2,54,300	
13	Provision for Bad & doubtful debts	-	12,715
14	Bad debts	12,215	
15	Cash & Bank Balance	85,000	
16	Purchase of stock in trade	2,72,250	
17	Sale of goods	-	6,35,000

18	Salaries & wages	1,25,000	
19	Contribution to provident fund & other funds	54,000	
20	Rent expenses	25,550	
21	Power & fuel	78,500	
22	Advertisement	36,400	
23	Administration expenses	95,600	
24	Stock	1,20,000	
		22,72,715	22,72,715

Adjustments:

1. Closing inventories Rs 1,23,800.
2. Outstanding salary Rs 10,000.
3. Write off further Bad debts of Rs 15,000 & maintain provision for Bad & doubtful debts at 10%.
4. Provide depreciation on machinery at 10% & buildings at 5 %.
5. Prepaid rent Rs 1540

23. Following are the balance sheets of Manu exports Ltd. As on 31st March 2012 & 2013 prepare the common size balance sheet.

Liabilities	2012	2013	Assets	2012	2013
Share capital	2,40,000	3,60,000	Land & Building	1,60,000	1,04,000
Reserves & Surplus	1,87,200	2,12,400	Plant & machinery	1,86,000	4,71,000
Debentures	30,000	60,000	Furniture	5,400	10,800
Long term debt	90,000	1,53,000	Other fixed assets	12,000	18,000
Bills payable	1,53,000	70,200	Loans & Advances	27,600	35,400
Other current Liabilities	4,200	6,000	Cash & Bank	70,000	7,000
			Bills Receivable	1,25,400	1,12,000
			Stock	96,000	78,000
			Prepaid expenses	1,800	1,800
			Other current assets	20,200	23,600
	7,04,400	8,61,600		7,04,400	8,61,000

24. Following are the balance sheet & receipts & payments Account related to Akshaya, club

Liabilities	Rs	Assets	Rs
Capital fund	1,50,000	Buildings	1,35,000
Subscriptions for 2013-14	15,000	Furniture	45,000
O/s office expenses	6,000	Sports materials	30,000
Bank Loan	69,000	O/s subscription	15,000
		O/s Rent	6,000
		Cash Balance	9,000
	2,40,000		2,40,000

Receipts & payments A/c for the year ending 31/3/2014

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Receipts	Rs	Payments	Rs
To cash Balance	9,000	By office expenses	

		2012-13	6,000
		2013-14	24,000
To		By salary	36,000
2012-13	15,000		
2013-14	45,000		
2014-15	6,000		
To admission fees	15,000	By subscription to newspaper	9,000
To Rent	12,000	By Bank loan paid	39,000
To sale of old news papers	3,000	By sports materials	15,000
To donations	30,000	By Cash Balance	6,000
	1,35,000		1,35,000

Adjustments:

1. Subscriptions O/s for current year Rs 9,000
 2. Salary outstanding Rs 3,000
 3. Half of the donations & Admission fees are to be capitalized.
 4. Depreciate sports materials by Rs 6,000
 5. Appreciate building by Rs 15,000 & depreciate furniture by 10%
- Prepare Income & expenditure account & balance sheet as on 31/3/2014

Section D

(Practical oriented questions)

IV. Answer any Two of the following questions. Each question carries Five marks: 2×5=10

25. Prepare a machinery account for two years with imaginary figures under diminishing balance method
26. Write the pro forma of vertical balance sheet of a joint company with appropriate heads.
27. Prepare the comparative income statement of two years with five imaginary figures.
