



SRI BHAGAWAN MAHAVEER JAIN COLLEGE

Vishweshwarapuram, Bengaluru.

Mock Paper-1

Course: II PUC

Subject: Accountancy

Max. Marks: 100

Duration: 3 hrs

SECTION-A

I. Answer any Seven questions. Each question carries two marks.

(7x2=14)

1. State any two differences between provisions and Reserves.
2. What is meant by fluctuating capital system?
3. Give the journal entry for transfer of profit on revaluation in the case of admission of a partner.
4. Mention any two mode of payment on settlement to retiring partner.
5. State any two circumstances under which a partnership firm is dissolved?
6. What are calls in Advance?
7. What do you mean by proposed dividend?
8. What do you mean by Ratio Analysis?
9. What is Honorarium?
10. Mention any two models of database management system.

SECTION-B

II. Answer any Four of the following questions. Each question carries five marks.

(7x5=20)

11. Uma and leela were partners in a firm sharing profits in the ratio of 3:2. Their capitals were ₹ 25000 and ₹ 20,000 respectively. It was agreed to allow Interest on capital at 10% p.a. Their respective interests on the drawings amounted to ₹ 150 and ₹ 200. Uma was allowed a salary of ₹ 500 per month. The profits of the firm before making the above adjustments were ₹ 12,150. Prepare profit and loss Appropriation Account.
12. Prakash, Baskar and kiran are partners sharing profits and losses in the proportion of 4:3:2 respectively. Kiran retires and the remaining partners share the profit equally in future, calculate the Gain Ratio.
13. Anand, Ramesh and Suresh are partners sharing profits and losses in the ratio 3:2:1. Their capital balances on 1.4.2013 stood at ₹ 45,000, ₹ 30,000 and ₹ 20,000 respectively. Ramesh died on 31/12/2013. Partnership deed provides the following.
 - (a) Interest on capital at 10% per annum.
 - (b) Salary to Ramesh ₹ 1000 per month
 - (c) His share of Goodwill
 - (d) His share of profit up to the date of death on the basis of previous year's profit.
 - (e) Total Good will of the firm ₹ 27000
 - (f) Profit of the firm for the year 2012-13 ₹ 15000you are required to ascertain the amount payable to Ramesh executors by preparing executor's account.
14. ABC Co., Ltd, issued 10,000 5% Debentures at ₹ 250 each, at a discount of ₹ 50 per debenture payable as follows.
 - ₹ 50 on Application
 - ₹ 100 on Allotment
 - ₹ 50 on First and final call.All the debentures were subscribed and the money duly received up to the stage of allotment. Pass the Journal Entries related to the above information.
15. Gross profit ratio of a company was 25%. Its credit sales was ₹ 1800,000 and its cash sales was ₹ 200,000. If the indirect expenses of the company were ₹ 100,000. Calculate its Net profit ratio.
16. From the following particulars, prepare the receipts and payments account of Bangalore club for the year ending 31-3-2016.
 - Cash in hand 1-4-2015 ₹ 2000
 - Subscription Received ₹ 45,000
 - Legacies ₹ 15000
 - Government grants for buildings ₹ 30,000

- Tournament Expenses ₹ 8000
 Rates and taxes ₹ 6500
 Honorarium to secretary ₹ 5000
 Sports material Purchased ₹ 20,000
 Interest due but not received ₹ 5000
 Rent payable ₹ 10,000

17. Explain the stages of data processing cycle.

SECTION-C

III. Answer any Four question, each question carries fourteen marks.

(4x14=56)

18. On 1-4-2010, Raj Company purchased machinery for ₹ 60,000 on 1-4-2013, the machinery was destroyed by fire and the Insurance company settled the claims at ₹ 40,000. On the same day, a new machinery was installed at a cost of ₹ 50,000. The company charges depreciation at 10% p.a. under diminishing balance method, on 31 March every year. Show the machinery account and depreciation account for 4 years.
19. P,Q,R were partners in a firm sharing profits and losses in the ratio of 2:3:5 and their Balance sheet was as follows.

Balance sheet as at 31-03-2016

Liabilities	₹	Assets	₹
Creditors	64000	Machinery	54000
Bills payable	12000	Investments	32000
Reserves	14000	Sundry debtors	42000
<u>Capital</u>		stock	44000
P	36000	Furniture	28000
Q	54000	Bills Receivable	24000
R	62000	Cash	18000
	242,000		242,000

They admit S into partnership on the following terms.

- (a) Furniture, Investments and machinery are to be reduced by 15%
 (b) The stock is appreciated by ₹ 4000
 (c) S has to bring ₹ 30,000 as the capital for 1/6 share
 (d) Goodwill of the firm is valued at ₹ 30,000
 (e) The o/s rent amounted to ₹ 1000
 (f) Re-arrangement of the capital account to be made as per the new profit sharing ratio and the adjustments are to be made in cash.

Show necessary ledger accounts and the Balance sheet of the new firm.

20. Micro, small and medium are the partner's sharing profits and losses in the ratio of 2:2:1. They agreed to dissolve their firm on 31.3.2014 on date which the Balance sheet was as follow.

Balance sheet as on 31.3.2014

Liabilities	₹	Assets	₹
Creditors	40,000	Cash in hand	10,000
Bills payable	10,000	Bills receivable	10,000
mini's loan	20,000	stock	30,000
small;s loan	10,000	Debtors	45000
capital:		(-) PBD	<u>5000</u>
micro	60,000	motor car	20,000
small	40,000	Investments	10,000
medium	30,000	Furniture	20,000
Reserve fund	15,000	Machinery	20,000
		Buildings	50,000
		P/L A/C	15,000
	2,25,000		2,25,000

Assets realized as follows:

- (a) Stock ₹ 25000; Machinery ₹ 15000;
Debtors ₹ 42000; Furniture ₹ 18000;
- (b) Micro took over Building at ₹ 60,000 small agreed to taken over motor car at ₹ 25000 and medium took over investments at ₹ 15000.
- (c) Creditors and B/P were paid off at 5% discount.
- (d) Suma's loan was paid off by micro at Book value.
- (e) Realization expenses amounted to ₹ 5000

Prepare: Realization Account, partner's capital account and cash account.

21. Raksha Motors Limited issued 10,000 shares of ₹ 10 each payable ₹ 3 on application and ₹ 4 on allotment. Applications were received for 12000 shares. The deposits of 1000 share were returned to those persons to whom no shares were allotted. The deposits in respect of the other 1000 shares were carried forward to the allotment account. The money payable on allotment was duly received. A call of ₹ 3 was made and the amount was received except on 2000 shares. Pass the journal entries to record the above transactions.
22. From the following Trial Balance of Rathna Trading Company limited, prepare financial statements for the year ended 31-3-2015.

Trial Balance as on 31-3-2015

Sl.No	Names of accounts	Debit (₹)	Credit (₹)
1	Sale of Goods	-	550,000
2	Office Rent	50,000	
3	Opening Inventories	35,000	
4	Purchase of Goods	170,000	
5	Furniture	185,000	
6	Trade payables	-	85,000
7	Plant and machinery	100,000	
8	Trade Receivables	160,000	
9	Equity share capital(40,000 share of ₹ 10/-)	-	400,000
10	10% Debentures	-	100,000
11	Interest on Debentures	10,000	-
12	Fixed deposits (6 months)	70,000	-
13	Staff welfare Expenses	12,000	-
14	Surplus (opening balance)	-	10,000
15	cash in hand and at bank	63,000	
16	Buildings	90,000	
17	Rates and taxes	25,000	
18	Salaries	55,000	
19	Goodwill	125,000	
20	General Reserve		5000
		1150,000	1150,000

Adjustments:

- (1) Closing Inventories ₹ 45000
- (2) Create provision for taxation at 30%
- (3) Transfer to General Reserve ₹ 5000
- (4) Directors proposed dividend of 10%
- (5) Provide Depreciation on plant and machinery at 10% and Buildings at 5%.

- (23) From the following Balances, Prepare Comparative Balance sheet:

Particulars	31-3-2015 (₹)	31-3-2016 (₹)
Share capital	800,000	10,00,000
Reserves	100,000	120,000
Debentures	30,000	40,000
Other long term loans	20,000	10,000
Trade payables	80,000	100,000
Buildings	400,000	500,000
Machinery	300,000	400,000
Inventory	200,000	180,000
Trads Receivables	100,000	150,000
Cash and cash equivalents	30,000	40,000

24. Sun club Dharwad was started from 01-04-2015. Its receipts and payments account for the year ending 31-3-2016 was as follows.

Dr.		Receipts and Payments account for the year ending 31-3-2016		Cr.	
Receipts	Amount (₹)	Payments	Amount (₹)		
To Subscription	70,000	By salary	26,500		
To Interest	11,000	By Tournament Expenses	20,000		
To Tournament fund	30,000	By Telephone charges	6,500		
To Games fees	25,000	By Games Expenses	10,000		
To life membership fees	40,000	By sports materials	20,000		
To Donation	200,000	By Buildings	200,000		
To Entrance fees	100,000	By Furniture	30,000		
		By office Expenses	10,000		
		By Investments	100,000		
		By Balance C/d	53,000		
	476,000				476,000

Adjustments:

- (1) Outstanding salaries ₹ 2000
- (2) Donations and Entrance fees are capitalized
- (3) Sports materials on 31-3-2016 were valued at ₹ 8500
- (4) Depreciate Buildings and furniture by 10%
- (5) Outstanding subscription ₹ 5000 and subscription received in advance ₹ 3000

Prepare: (1) Income and Expenditure Account
(2) Balance sheet.

SECTION-10 **(2x5=10)**
(Practical Oriented Questions)

25. Prepare a machinery account for two years with imaginary figures under fixed installment method.
26. Write the pro-forma of vertical Balance sheet of a joint stock company with appropriate heads.
27. Classify the following into capital and revenue items.
 - (1) Cost of installing lights and fans.
 - (2) Prize amount received from a lottery
 - (3) Prizes awarded to students on the college day.
 - (4) Sale proceeds of old tennis balls
 - (5) Heavy advertisement Expenses incurred for a new product.
