



**JAIN COLLEGE, J C Road Bangalore**  
**Mock Paper -1, March - 2021**  
**II PUC – Accountancy (30)**

**SECTION-A**

**I. Answer all the questions.**

1. For a Charitable institution subscriptions by its members constitute its  
a) Asset b) Income c) Expenditure d) Liability
2. Why P/L appropriation account is prepared?
3. Under fixed capital method, the amount of capital remains \_\_\_\_\_.
4. What is Sacrifice Ratio?
5. Profit or loss on revaluation is transferred to all partners' capital a/c's in case of retirement of a partner.  
(True/False).
6. Amount payable to the executors of the deceased partner is transferred to \_\_\_\_\_.
7. What is minimum paid up capital of a Private company?
8. Give the meaning of over subscription?
9. Write one objective of financial statements.
10. Name any one internal users of financial statements.

**SECTION - B**

**II. Answer all the questions.**

11. Mention the financial statements of NPO?
12. State any two features of receipts & payments a/c.
13. What is realisation a/c?
14. Mention any two difference between dissolution of partnership & dissolution of partnership firm?
15. What is issue of shares for consideration other than cash?
16. Give the meaning of Prospectus.
17. What is financial statements?
18. Write any two items that are shown under the head "Current Assets" in a company's balance sheet.

**SECTION – C**

**III. Answer all the questions.**

19. Sahadev & Mahadev commenced business in partnership with the capital of Rs.100,000 & Rs.80000 respectively. On 1.04.2015 agreeing to share profits & losses in the ratio of 3:2. For the year ending 31.03.2016 they earned the profits of Rs.36000 before allowing:  
a) Interest on capital at 5% p.a.  
b) Interest on drawings, Sahadev Rs.600 & Mahadev Rs.1000  
c) Yearly salary of Mahadev Rs.10000 & commission to Sahadev Rs.4000  
d) Their drawings during the year Sahadev Rs.16000 & Mahadev Rs.20000.  
Prepare P/L Appropriation A/c.
20. Ms. Aarohi withdrew Rs.2000 in the middle of each month. The partnership deed provides for charging the interest on drawings @ 12% p.a. Calculate interest on Aarohi's drawings for the year ending 31<sup>st</sup> December 2017.
21. Ankit, Suchit & Chandru are partners in a firm sharing profits & losses in the ratio of 4:3:2. Ankit retires from the firm. Suchit & Chandru agreed to share in the ratio of 5:3 in future. Calculate Gain Ratio.
22. Seetha, Geetha & Meera are partners sharing Profits & losses in the ratio of 4:3:3. Their capital balances on 1.04.2018 stood as Rs.100,000 & Rs.80000 & Rs.50000 respectively.  
Seetha died on 1.10.2018. The partnership deed provides the following:  
a) Interest on capital at 12 % p.a  
b) She has withdrawn Rs.5000 upto the date of death.  
c) Seetha's share of goodwill rs.5000  
d) Her share of profit upto the date of death on the basis of previous year profit. Previous years profit Rs.20000.  
Prepare Seetha's executors account.
23. The Vesoft Company Ltd., issued 10000 equity shares of Rs.10 each payable  
Rs.3 per share on application  
Rs.3 per share on allotment  
Rs.2 per share on share I call

Rs.2 per share on share II call

All the shares were subscribed and the money duly received.

Give the journal enteries in the books of the company.

24. From the following trail balance, prepare statement Profit & loss of Suhaniki Ltd., for the year ending 31<sup>st</sup> march 2018 as per Schedule 3 of Companies Act, 2013.

Sl.no	Particulars	Rs
1.	Plant & machinery	40000
2.	Furniture	20000
3.	Share capital	400000
4.	Sales	300000
5.	Purchases	180000
6.	Trade payables	30000
7.	Depreciation on plant & machinery	4000
8.	Amortization of goodwill	6000
9.	Interest on debentures	30000
10.	Interests on borrowings	20000
11.	Tax	30%

25. From the following information , prepare Balance sheet for the year ending 31<sup>st</sup> march 2018 as per schedule III of Companies Act,2013

Particulars	Amount(Rs)
Inventories	700000
Equity share capital	1600000
Plant & machinery	800000
Preference share capital	600000
General reserve	600000
Creditors	350000
Provision for taxation	250000
Land & building	2600000
Cash at bank	500000
12% debentures	1200000

#### SECTION – D

#### IV. Answer all the questions.

26. Following are the Balance sheet and Receipt and Payments account of Raahi educational trust, Mattura.

Balance Sheet as on 31.03.2016

Liabilities	Amount	Assets	Amount
Outstanding expenses	2800	Builliding	60000
Capital Fund	64000	Outstanding subscriptions	400
Subscriptions recieved in Advance	1200	Outstaning rent	840
Loan	10000	Cash at Bank	20000
Income & expenditure a/c	3240		
	81240		81240

Receipts and Payments Account for the year ended 31.03.2017

Receipts	Amount	Payments	Amount
To Balance b/d	20000	By expenses	
To Subscriptions		2015-16 2800	
2015-16 400		2016-17 3600	6400
2016-17 4200		By leasehold land	8000
2017-18 300	4900	By Intrests	800
To Entrance Fees	1600	By refreshments expenses	4000
To rent	1400	By Balance c/d	16700
To Income from refreshments	8000		
	35900		35900

Adjustments:

- (1) Expenses due but not paid Rs.1000.
- (2) Subscriptions due but not received Rs.200.
- (3) Interest due but paid Rs.400.
- (4) Capitalize half of the entrance fees.
- (5) Depreciate building by 10%.

Prepare: Income and expenditure account and Balance Sheet as on 31.03.2017.

27. Aurbindo society, Mangalore was started on 1.04.2019. Its receipts & payments account for the year ending 31.03.2020 was as follows.

Receipts & payments a/c as on 31.03.2020

Receipts	Amount	Payments	Amount
To subscriptions	70000	By salary	26500
To Interest	11000	By tournament expenses	20000
To tournament fund	30000	By telephone charges	6500
To games fees	25000	By Games expenses	10000
To life membership fees	40000	By sports materials	20000
To donation	200000	By buildings	200000
To entrance fees	100000	By furniture	30000
		By office expenses	10000
		By Investments	100000
		By balance c/d	53000
	476000		476000

ADJUSTMENTS:

1. O/S salaries Rs.2000
2. Donations & entrance fees are capitalised.
3. Sports materials on 31.03.2020 were valued at Rs.8500
4. Depreciate buildings & furniture by 10%
5. O/s subscriptions Rs.5000 & subscriptions received in advance rs.3000

Prepare Income & expenditure a/c & balance sheet.

28. Aarya , Chandru are partners sharing profits and losses in the ratio of 2:1. Their Balance sheet is as follows,

Balance Sheet as on 31.03.2018

Liabilities	Amount	Assets	Amount
Bills payable	16000	Cash	4000
Sundry creditors	5000	Sundry debtors	30000
Reserve fund	9000	Stock	32000
<b>CAPITALS:</b>		Furniture	8000
Anil	60000	Buildings	56000
Sunil	50000	Motor car	10000
	140000		140000

On 01.04.2018 they admitted Vivek for 1/4<sup>th</sup> share in future profits under the following terms:

- (a) He should bring in cash for capital Rs.40000 & Rs.30000 for goodwill.
- (b) Half of the goodwill amount withdrawn by the old partners.
- (c) Buildings are revalued at Rs.66000 & make a provision for legal charges Rs.700.
- (d) Stock & motorcar are depreciated by 10% each.
- (e) Provide provision for doubtful debts at 5% on debtors.

Prepare a) Revaluation account b) Partners Capital account c) Balance sheet of the new firm.

29. Ayush & Ayushi are partners in a firm sharing profits equally. Following is their balance sheet as on 31.03.2019.

Liabilities	Amt	Assets	Amt
Creditors	20000	Cash in hand	7000
Bills Payable	4000	Stock	25000
General Reserve	6000	Buildings	40000
<b>Capitals:</b>		Debtors	17000
Ayush	80000	(-)PDD	1500
Ayushi	40000	Furniture	14500
		Patents	30000
		Plant & machinery	18000
	150000		150000

On 01.04.2019, shiva is admitted into partnership on the following terms.

- Shiva should bring Rs.25000 as capital.
- Goodwill of the firm is raised at Rs.16000.
- Stock is to be increased by 8%.
- Provision for doubtful debts is increased to Rs.2600.
- Capital accounts of partners are to be adjusted in their new profit sharing ratio of 3:2:1 based on Shiva's capital (adjustments to be made in cash).

Prepare: a) Revaluation account b) Partners capital account c) Balance sheet of the new firm.

30. Rahul, Sharma & Manish were carrying on business in partnership sharing profits in the ratio of 3:2:1 respectively. On March 31, 2019 Balance sheet of the firm stood as follows:

Liabilities	Amt	Assets	Amt
Sundry creditors	16000	Buildings	23000
CAPITALS:		Debtors	7000
Rahul 20000		Stock	12000
Sharma 7500		Patents	8000
Manish 12500	40000	Bank	6000
	<b>56000</b>		<b>56000</b>

Sharma retired on the above mentioned date on the following terms:

- Buildings to be appreciated by Rs.8800
- Provision for doubtful debts to be made @ 5% on debtors.
- Goodwill of the firm to be valued at Rs.9000
- Rs.5000 to be paid to 'Sharma' immediately & the balance due to him to be treated as a loan carry interest @ 6% p.a.

Prepare a) Revaluation a/c b) Partners capital a/c c) Balance sheet.

31. Rashmi & Geetha are partners sharing profits & losses in the ratio of 3:2. Their balance sheet as on 31-3-2018 is as follow

Liabilities	Amt	Assets	Amt
Sundry creditors	10000	Cash at bank	5000
Bills payable	10000	Bills receivable	10000
Rashmi's loan	5000	Sundry debtors	20000
Reserve fund	10000	Stock	15000
CAPITALS:		Machinery	15000
Rashmi 30000		Furniture	10000
Geetha 40000	70000	Motor van	30000
	<b>105000</b>		<b>105000</b>

On the above date the firm was dissolved:

- The assets were realized as follows:  
Bills receivable Rs.7500, Sundry debtors & stock @ 10% less than the book value, Machinery realised 5% more than the book value, Motor van realised for Rs.12000.
- Furniture was taken over by Geetha at Rs.8000.
- Dissolution expenses were Rs.600
- All the liabilities were discharged in full.

Prepare a) Realisation a/c b) Partners capital a/c c) Bank a/c

32. Harsha Co.Ltd., issued 10000 Preference shares of Rs.100 each at a premium of Rs.5 per share. The amount payable was as follows:

Rs.10 per share on application  
Rs.50 per share on allotment (including premium)  
Rs.45 per share on first & final call.

All the shares were subscribed & the money duly received except the first & final call on 500 shares. The directors forfeited these shares & re-issued them at Rs.80 each as fully paid.

#### SECTION – D

#### V. Answer all the questions

- Prepare Receipt & payment account of a Non-profit organisation with any 5 imaginary figures.
- Prepare Profit & loss appropriation account of a firm with 5 imaginary figures.
- Name the major heads under which the following items will be presented in the balance sheet of a company.  
A) Loose tools B) Debenture redemption reserve C) 10% debentures D) Proposed dividend E) Company software



**JAIN COLLEGE, J C Road Bangalore**  
**Mock Paper -2, March - 2021**  
**II PUC – Accountancy (30)**

**SECTION A**

I. Answer the following questions, each carries ONE mark: 08X01= 08

1. Not –for –profit organization are not engaged in ----- or -----.
2. Profit and Loss Appropriation a/c      Dr  
To----- a/c  
(Being interest on capital transferred to Profit and Loss Appropriation account)
3. When varying amounts are withdrawn at different intervals, the interest is calculated using:  
a) Simple method                      b) Average method  
c) Product method                      d) None of the above
4. On the admission of a new partner ,increase in the value of asset is credited to:  
a) Profit and Loss adjustment (Revaluation) a/c                      b) Asset a/c  
c) Old partner's capital a/c                      d) None of the above
5. Increase in the value of asset is debited to revaluation account.(True /False)
6. Accrued profit is calculated on the basis of -----.
7. What is issued capital?
8. ----- is the part of issued capital.
9. Current assets does not include;  
a) Short term investments              b) Buildings              c) Inventories                      d) Cash and cash equivalents
10. Provisions are maintained for known liabilities (True/ False)

**SECTION –B**

II. Answer the following questions, each carries TWO marks:

**05X02=10**

11. State any two methods of valuation of goodwill.
12. Name two methods of treatment of goodwill.
13. Why is realization account prepared?
14. Give the journal entries for payment of liabilities on dissolution of a firm.
15. What is over subscription ?
16. What is minimum paid up capital of a private company?
17. Name any one internal user of financial statements.
18. Mention any two items which are shown under the head "Reserves and surplus".

**SECTION –C**

III. Answer all the questions, each carries SIX marks: 04X06=24

19. Roja and Usha are partners in a firm sharing profits and losses in the ratio of 3:2. They admit Sahana for  $\frac{1}{6}$ th share in profits and guaranteed that his share of profits will not be less than Rs 25,000. Total profits of the firm were Rs 90,000. Calculate share of profits for each partner when the guarantee is given by Roja. Prepare Profit and Loss Appropriation Account.
20. Soniya and Saniya are partners in the firm. Soniya's drawings for the year 2016-17 are given as under:

Date of drawings	Amount(Rs)
01.06.2016	4,000
30.09.2016	6,000
30.11.2016	2,000
01.01.2017	3,000

Calculate interest on Soniya's drawings at 8% p.a for the year ending 31.03.2017, under product method.

21. Ashok, Anil and Ajay are partners sharing profits and losses in the ratio of  $\frac{1}{2}$  ,  $\frac{3}{10}$  and  $\frac{1}{5}$  . Anil retires from the firm. Ashok and Ajay decided to share future profits and losses in the ratio of 3:2. Calculate the gain ratio.
22. Raja, Rani and Mantri are partners sharing profits and losses in the ratio of 5:3:2 . Their Balance Sheet as on 31.12.2017 was as follows:

**Balance Sheet at 31.12.2017**

Liabilities	Amount (Rs)	Assets	Amount (Rs)
Creditors	14,000	Investments	10,000
Reserve fund	6,000	Goodwill	5,000
Capitals:		Premises	20,000
Raja 30,000			
Rani 30,000			
Mantri 20,000	80,000		
		Patents	6,000
		Machinery	43,000
		Debtors	8,000
		Bank	8,000
	<b>1,00,000</b>		<b>1,00,000</b>

Mantri dies on 1<sup>st</sup> May 2018. The agreement between the executors of Mantri and the partners stated that:

a) Goodwill of the firm be valued at 2 ½ times the average profits of last four years.

The profits of four years were:

2014 – Rs 13,000

2015 – Rs 12,000

2016 – Rs 16,000

2017- Rs 15,000

b) The share of profits of Mantri should be calculated on the basis of the profits of 2017.

c) Rs 4,000 should be paid immediately and the balance should be transferred to Executors Loan a/c.

Prepare:

Mantri's Capital Account.

23. 'X' company Ltd issued 10,000 shares of Rs100 each. The amount was payable as follows:

Rs 10 on application

Rs 40 on allotment

Rs 50 on first and final call

All the shares were subscribed and money was duly received except on the first and final call on 2,000 shares. Pass the necessary journal entries.

24. From the following details you are required to prepare Statement of Profit and Loss for the year ended 31-03-2018 as per Schedule III of Companies Act, 2013.

Particulars	Amount (Rs)
Cash sales	2,00,000
Credit sales	3,00,000
Sales return	20,000
Cost of materials consumed	3,00,000
Buildings	2,00,000
Machinery	1,50,000
Bad Debts	5,000
Tax	30%

NOTE: Depreciation on building and machinery at 10% each.

25. From the following information, prepare Balance Sheet for the year ending 31.3.2018 as per Schedule III of Companies Act, 2013.

Particulars	Amount(Rs)
Equity share capital	9,56,000
Preliminary expenses	2,40,000
Discount on issue of shares	20,000
Goodwill	30,000
10% Debentures	2,00,000
Stock in trade	1,40,000
Loose tools	12,000
Bills receivable	1,20,000
Cash in bank	1,35,000
Motor vehicle	4,75,000
Provision for taxation	16,000

**SECTION –D**

IV. Answer all the questions, each carries TWELVE marks:

04X12=48

26. Following are the Balance Sheet and Receipts and Payments Account of Buddha Library

Balance Sheet as on 31.03.2017

Liabilities	Amount(Rs)	Assets	Amount(Rs)
Capital fund	61,000	Building	64,000
Subscription for 2017-18	1,000	o/s subscription	1,600
o/stg office expenses	4,000	o/s Rent	400
Bank Loan	20,000	Furniture	12,000
		Cash in hand	8,000
	<b>86,000</b>		<b>86,000</b>

Receipts and Payments a/c for the year ending 31.03.2018

Dr		Cr	
Receipts	Amount(Rs)	Assets	Amount (Rs)
To Balance b/d	8,000	By office expenses 2016-17 2017-18	4,000 6,000
To subscription 2016-17 2017-18 2018-19	1,600 17,600 2,800	By subscription to newspaper and journals	2,000
To entrance fees	4,000	By refreshments expense	4,000
To rent	4,000	By investments	10,000
To income from drama	6,000	By bank loan	8,000
To sale of newspaper	400	By salary	4,400
		By balance c/d	6,000
	<b>44,400</b>		<b>44,400</b>

Adjustments:

- Subscription outstanding Rs 1,000
- Salary outstanding Rs 400
- Interest payable Rs 2,400
- Depreciation on building Rs 5,000
- Entrance fees are to be capitalized.

Prepare :

- Income and Expenditure a/c and
- Balance Sheet as on 31.03.2018

27. From the following Receipts and Payments account and information given below, prepare Income and Expenditure Account and the Balance Sheet of Adult Literacy Organization as on March 31<sup>st</sup> 2018.

Receipts and Payments a/c for the year ending 31.03.2018

Dr		Cr	
Receipts	Amt(Rs)	Payments	Amt(RS)
To Balance b/d	19,550	By general expenses	3,200
To subscription 2017-18 27,700 2018-19 500	28,200	By newspapers	1,850
To sale of old newspaper	800	By electricity	3,000
To Govt. grant	12,000	By fixed deposit with bank(on 30-06-2017@10%)	18,000
To sale of old furniture (Book value Rs 5,000)	3,700	By Books	7,000
To interest received on fixed deposits	900	By salary	3,600
		By Rent	6,500
		By postage charges	300
		By furniture(purchased)	10,500
		By Balance c/d	11,200
	<b>65,150</b>		<b>65,150</b>



Additional information :

- a) Subscription due on 31-03-2018 Rs 1,500.
  - b) On 31.3.2018 salary outstanding Rs 600.
  - c) On 1.04.2017 organization owned furniture Rs 12,000 , Books Rs 5,000.
28. S and D are partners in a firm sharing profits and losses in the ratio of 3:2 .Their Balance Sheet is given below:

Balance Sheet as on 31.03.2017

Liabilities	Amt (Rs)	Assets	Amt (Rs)
Creditors	18,000	Cash in hand	2,000
Bills payable	12,000	Cash at bank	18,000
Reserve fund	3,000	Debtors 25,000 (-)PDD 2,000	23,000
Capitals		Stock	10,000
S 50,000 D 50,000	1,00,000		
		Furniture	25,000
		Buildings	50,000
		Profit and Loss a/c	5,000
	<b>1,33,000</b>		<b>1,33,000</b>

On 01.04.2017, they admit A as a new partner into partnership on the following terms:

- a) He brings in Rs40,000 as capital and Rs 18,000 towards goodwill for 1/4<sup>th</sup> share in future profits .
- b) Depreciate furniture by 10% and buildings are revalued at Rs 45,000.
- c) PDD is increased to Rs3,500.
- d) Prepaid insurance Rs2,000.

Prepare :

- (i) Revaluation Account
- (ii) Partner's Capital Accounts and
- (iii) New Balance Sheet as on 01.04.2017.

29. A and B are partners in a firm sharing profits and losses equally. Following is their Balance Sheet as on 31.03.2017.

Balance Sheet as on 31.03.2017

Liabilities	Amt (Rs)	Assets	Amt (Rs)
Creditors	20,000	Cash in hand	7,000
Bills Payable	4,000	Stock	15,000
Capitals:		Furniture	4,500
A 40,000 B 20,000	60,000		
		Debtors 16,000 Less: PDD 500	15,500
		Land and building	20,000
		Patents	4,000
		Plants and Machinery	18,000
	<b>84,000</b>		<b>84,000</b>

On 01.04.2017, C is admitted into partnership on the following terms:

- a) "C" should bring Rs 13,000 as capital.
- b) Goodwill of the firm is valued at Rs 6,000
- c) Patents and machinery are to be reduced by 20% and Rs 2,000 respectively.
- d) Provision for doubtful debts is increased by Rs 1,200.
- e) Land and building are to be increased by 4,000.
- e) Capital accounts of the partners are to be adjusted in their new profit sharing ratio 3:2:1, based on C's capital (Adjustments to be made in cash).

Prepare : (i) Revaluation Account

- (i) Partner's Capital Account
- (ii) New Balance Sheet of the firm.



30. P, N and S are partners sharing profits in the ratio of 3:2:1. N retired from the firm due to his illness. On that date the Balance Sheet of the firm was as follows:

Books of P, N and S. Balance Sheet as on March 31 2018

Liabilities	Amount (Rs)	Assets	Amount (Rs)
General Reserve	12,000	Bank	7,600
Sundry Creditors	15,000	Debtors 6,000 Less : PDD 400	5,600
Bills payable	12,000	Stock	9,000
Outstanding Salary	2,200	Furniture	41,000
Provision for legal damages	6,000	Premises	80,000
Capitals: P -46,000 N -30,000 S- 20,000	96,000		
	<b>1,43,200</b>		<b>1,43,200</b>

Additional Information:

- Premises have been appreciated by 20%.
  - Stock depreciated by 10% and provision for doubtful debts was to be made at 5% on debtors. Further provisions for legal damages is to be made for Rs 1,200 and furniture to be brought up to Rs 45,000.
  - Goodwill of the firm be valued at Rs 42,000 and the same be written off immediately.
  - Rs 26,000 from N's Capital a/c be transferred to his Loan Account and balance be paid through bank if required, necessary loan may be obtained from bank.
  - New profit sharing ratio of P and S is decided to be 5:1.
31. The following is the Balance Sheet of Disha, Diya and Deepa as on 31.03.2018.

Balance Sheet as on 31.03.2018

Liabilities	Amt (Rs)	Assets	Amt (Rs)
Creditors	15,000	Cash	6,500
Bills Payable	1,800	Debtors	8,600
Reserve Fund	6,000	Investments	10,000
Capitals: Disha 22,000 Diya 12,000 Deepa 10,000		Stock	13,700
		Furniture	5,100
		Buildings	22,900
	<b>66,800</b>		<b>66,800</b>

It was decided to dissolve the partnership firm and the details available are:

- Disha took over building at Rs 27,750.
  - Deepa took over bills payable at book value.
  - The other assets realized as under:  
Debtors Rs 8,000  
Investments –Rs 8,950  
Stock – Rs 15,600  
Furniture – Rs 4,500
  - Realization expenses amounted to Rs 600.
- Prepare:
- Realisation Account
  - Partner's Capital Account and
  - Cash Account
32. Sun Ltd issued 20,000 Equity Shares of Rs 100 each at premium of Rs 10 each. The amount payable was as follows:  
Rs 20 on application  
Rs 50 on allotment (including premium)  
Rs 40 on first and final call  
All the shares were subscribed and money duly received except the first and final call on 1000 shares. The directors forfeited these shares and re-issued them as fully paid at Rs 90 per share.

**SECTION –E**  
**(Practical Oriented Questions)**

**V. Answer all the questions, each questions carries FIVE marks 02X05 =10**

33. How to treat the following in the absence of partnership deed :
  - a) Profit sharing ratio
  - b) Interest of capital
  - c) Interest of drawings
  - d) Interest on advances from partners
  - e) Remuneration to partner's for firm's work.
34. Write two Partner's current account under Fixed Capital system with five imaginary figures.
35. Give the disclosure requirements pertaining to share capital in notes to accounts of Balance Sheet of a company with imaginary figures.

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