



JAIN COLLEGE, JAYANAGAR
MOCK PAPER - II
Subject: II PUC Accountancy (30)

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. What is Revenue Reserve?
 2. Where does a partner's current A/c balance appear in the balance sheet?
 3. Give the Journal entry for transfer of reserve fund in case of admission of a partner.
 4. Give the meaning of accrued profit or loss.
 5. State the objectives of realization of account.
 6. What is calls in arrears?
 7. What is divided distribution tax?
 8. State any two objectives of ratio analysis?
 9. State any two examples for deferred revenue expenditure.
 10. Mention any two models of DBMS.

Section - B

- II. Answer any Four questions. Each carries Five marks: 4 × 5=20**
11. Raj, Ram & Mohan started a partnership firm on 1st April 2011. They contributed Rs 50,000, Rs 40,000 & 30,000 respectively as their capitals & decided to share profits & losses in the ratio of 3:2:1. The partnership provides that Raj is to be paid a salary of 1,000 per month & Ram a commission of Rs 5,000. It also provides that interest on capital be allowed @ 6% p.a the drawings for the year were Raj Rs 6,000, Ram Rs 4,000 & Mohan Rs 2,000. Interest on drawings was charged as Rs 270 on Raj, on Ram drawings Rs 180, on Mohan drawings 90. The net amount of profit as per profit & loss A/c for the years 2011-12 was Rs 35,660. Prepare profit and loss appropriation account.
 12. Sun Moon & Star are partners sharing profits & losses in the proportion of 4:3:2 respectively. Star retires & the remaining partners share the profit in ratio 5:3. Calculate the gain ratio.
 13. Ramesh, Suresh & Mahesh are partners of the firm sharing profit & losses in the ration of 2:2:1. The balance sheet of the firm was as under on 31/3/2013

Balance Sheet as on 31-3-2013

Liabilities	Amount (Rs)	Assets	Amount (Rs)
Bills payable	6,000	Cash at Bank	12,000
Sundry creditors	9,000	Stock	8,000
Loan from Naresh	15,000	Sundry Debtors	20,000
General Revenue	5,000	Bills Receivable	5,000
Capital		Furniture	30,000
Ramesh	40,000		
Suresh	35,000	Buildings	50,000
Mahesh	15,000		
	1,25,000		1,25,000

Mahesh died on 1/10/2013. His dependents were entitled for the following:

- His capital as on date of death
- His share of general revenue
- His share of goodwill. The value of firm goodwill amounted to Rs 50,000
- Interest on capital is allowed at 12% p.a
- Commission up to the death. Annual commission Rs 6,000
- The profit till the death based on previous year's profit. The profit of the previous year was Rs 20,000.

Find out the amount payable to the executor of Mahesh's by preparing his capital account.

- TCS Ltd. Issued 50,000 8% debentures of Rs 100 each at a premium of 10 per debenture. The amount was payable as Rs 20 on application, Rs 50 on allotment (including premium) R 40 on first & final call. All the debentures were subscribed & the money was duly received pass journal entries.
- Compute stock turnover ratio from the following information:
 Net sales = Rs 20,00,000
 Gross profit = Rs 5,00,000
 Opening stock = Rs 4,00,000
 Closing stock = Rs 6,00,000
- From the following ledger balances on 1-4-2016, assertion opening capital fund. Buildings Rs 10,00,000. Grounds Rs 5,00,000. Sports materials Rs 1,95,000, cash on hand 15000 Investments Rs 50,000, Accrued interest on investments Rs 5,000, outstanding subscription 10,000 subscription received for year 2014-15 Rs 28,000 prize fund Rs 4,50,000
- Explain the types of information with one example each.

Section - C

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

4 × 14 = 56

- On 1/4/2012, a trader purchased machinery for Rs 2,40,000 & spent 20,000 for transportation & 40,000 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 machinery A/c & depreciation A/c for 4 years ending 31/3/2014.
- Ram & Laxman are partners sharing profit & losses in the ratio of 2:3. The Balance sheet as on 31/03/2014 was as follows:

Balance sheet as on 31/3/2014

Liabilities	Rs	Assets	Rs
Creditors	55,000	Cash at Bank	21,500
Bills payable	5,000	Bill receivable	4,500
Reserve fund	16,000	Stock	35,000
Capital		Debtors 60,000	57,000
Ram	40,000	(-) provision 3,000	
Laxman	37,000		
		Furniture	5,000
		Buildings	30,000
	1,53,000		1,53,000

On 1/4/2014 Bharath is admitted into the partnership on the following terms

- He pays Rs 25,000 as capital
- Goodwill of the firm is valued at 32,000 & goodwill A/c is to be written off.
- The new profit sharing ratio is 3:3:2
- Reduce stock by 10% & increase buildings by 15%
- Provision for doubtful debts is reduced to Rs 1,000
- Make a provision for damages against the firm to the extent of Rs 400

20. Sohan, Mohan & Rohan are partners sharing profit & loss in the ration of 1:2:1 their balance sheet as on 31/03/2014 was as follows:

Balance sheet as on 31/3/2014

Liabilities	Rs	Assets	Rs
Creditors	10,000	Cash	5,000
Bills Payables	6,000	Debtors	15,000
Bank Overdraft	4,000	Stock	18,000
Mrs. Rohan's Loan	5,000	Furniture	12,000
P & L A/c	8,000	Machinery	20,000
Capital		Buildings	50,000
Sohan	42,000		
Mohan	35,000		
Rohan	20,000		
		Goodwill	10,000
	1,30,000		1,30,000

On the above data, they decided to wind up the business

- Debtors realized less 10% stock realized 10% more & Building realized 62,000 vehicle which was unrecorded realized Rs 4,000
 - Furniture was taken over by Sohan at a valuation Rs 9,000
 - Creditors to be settled at 10% less & interest on Bank O/d due Rs 500 also to be paid off.
 - Mr. Rohan took over his wife's loan
 - Dissolution expenses amounted to Rs 3,000
21. Linxus Ltd. Invited application for 1,00,000 shares of Rs 10 each at a discount of 10%. The amount was payable as follows:
 Application Rs 2
 On allotment Rs 3
 On first & final call Rs 4
 All shares were subscribed & money duly received except 10,000 shares on final call. It was forfeited & re-issued at Rs 7. Pass journal entries.
22. From the following trial balance of Ajanta pvt.ltd as on 31/03/2012

Names of Accounts	Debit Rs	Credit RS
Share capital 10,000shares of Rs 10 each	---	1,00,000
Stock	75,000	---
Purchases & sales	2,45,000	3,50,000
Wages	50,000	--
Discount	7,000	5,000
Salaries	7,500	--

Profit & loss A/c	--	15,030
Rent	4,950	--
General Expenses	17,050	--
Audit fees	9,000	--
Debtors & Creditors	37,500	17,500
Plant & machinery	29,000	
Cash at Bank	16,200	
General reserve	--	15,500
Loan at managing director [MD]	3,250	--
Bad debts	1,580	--
	5,03,030	5,03,030

Adjustments:

1. Stock on 31/3/2012 amounted to Rs 82,000
 2. Provided depreciation on machinery at 10% p.a
 3. Create reserve for discount on debtors at 10% p.a
 4. One month rent Rs 450 was due on 31/3/2012
 5. Insurance for 6 months included in general expenses was unexpired at Rs 750
- You are required to prepare financial statements in the prescribed form.

23. Following are the balance sheet of shanti & Co. & Sheela & Co as on 31/12/1999

Liabilities	Shanthi & Co	Sheela & Co
Equity share capital	3,00,000	1,50,000
Preference share capital	1,75,000	1,30,000
Reserves & surplus	1,20,000	1,20,000
Debentures	4,55,000	2,50,000
Creditors	25,000	9,000
Bills payable	30,000	15,000
	11,05,000	6,74,000

Assets		
Land	3,00,000	2,00,000
Building	3,00,000	1,20,000
Machinery	2,00,000	1,50,000
Investments	80,000	44,000
Debtors	1,70,000	1,40,000
Cash	55,000	20,000
	11,05,000	6,74,000

Compare the financial position of the two companies with the help of common size balance sheets.

24. From the following information prepare income and expenditure account & balance sheet of Indian sports club as on 31/12/1999

Receipts and payments A/c for the year ending 31/12/1999

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Receipts			Payments	Rs	Rs
To balance b/d		1,000	By sports		10,000
To subscription 1998	750		By salaries		
1999	20,000		1998	1,000	
2000	1,000	21,750	1999	4,000	5,000
To entrance fees		2,000	By printing		750

To donation		8,000	By postage		250
To proceeds from lecture		4,000	By newspaper & periodicals		3,000
To interest on investment			By fixed deposits		8,000
1998	250				
1999	1000	1,500			
2000	250				
			By investments		10,000
			By balance c/d		1,250
		38,250			38,250

Balance sheet as on 31/12/1998

Liabilities	Rs	Assets	Rs
Capital	40,000	Building	20,000
Reserve fund	10,000	Furniture	5,000
Subscription for 1999	1,000	Sports materials	10,000
O/s salary	1,000	Investments	15,000
		O/s interest on investments	250
		O/s subscription	750
		Cash on hand	1,000
	52,000		52,000

Adjustments :

- 1) Outstanding subscription or 1999 Rs1,000
- 2) Entrance fees are to be capitalized
- 3) Depreciate building 3%, furniture 5% & sports material 50%
- 4) Outstanding salaries Rs 500
- 5) Printing unexpired Rs 100 & for periodicals 500.

Section D

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. Prepare capital account for two partners with five imaginary figures under fixed capital method.
27. Classify the following into capital & revenue:
 - a) X-ray plant purchased by a hospital
 - b) Carriage charges on asset bought.
 - c) Prize amount received from lotteries
 - d) Rent received.
 - e) Subscriptions to periodicals & magazines.
