



SRI BHAGAWAN MAHAVEER JAIN COLLEGE

Vishweshwarapuram, Bangalore.

Mock Question Paper 1 – January 2020

Course: II year PUC

Subject: Accountancy

Max. Marks: 100

Duration: 3.15hrs

Instructions: 1. All the sub questions of SECTION –A should be answered continuously at one place.

2. Provide working notes wherever necessary

SECTION-A

I. Answer any EIGHT questions. Each question carries 1 mark.

8x1=8

1. Donations for specific purposes are always capitalized. (State True/False)
2. The clauses of partnership deed can be altered with the consent of : a) Two partners b) Ten partners c) Twenty partners d) All the partners.
3. Profit or loss on revaluation is shared among the old partners in _____ ratio.
4. Accrued profit is calculated on the basis of _____
5. What is buy-back of shares?
6. Expand AIFIs.
7. How do you treat preliminary expenses?
8. An annual report is issued by a company to its
a) Directors b) Auditors c) Shareholders d) None of the above
9. What is activity ratio?
10. Give an example for extraordinary item.

SECTION-B

II. Answer any FIVE questions. Each question carries 2 marks.

5x2=10

11. What are Not-for-Profit organisations?
12. State any two differences between fixed and fluctuating capital methods
13. State any two rights acquired by a new partner.
14. How do you treat PBD on dissolution of a firm?
15. State any two categories of share capital.
16. Give any two differences between current liabilities and non-current liabilities.
17. State any two objectives of financial statement analysis.
18. Mention any two activities which are classified as per AS-3.

SECTION-C

III. Answer any FOUR questions. Each question carries 6 marks.

4x6=24

19. Sandesh and Kailesh share profits and losses in the ratio of 2:1. From April 01, 2015 they admit Basavesh into their firm who is to be given a share of $\frac{1}{10}^{\text{th}}$ of the profits with a guaranteed minimum of ₹50,000. Sandesh and Kailesh continue to share profits as before but agree to bear any deficiency on account of guarantee to Basavesh in the ratio of 3:2 respectively. The profits of the firm for the year ending March 31, 2016 amounted to ₹2,40,000. Prepare profit and loss appropriation account.
20. Vidya, Sandhya, Lata and Sudha are partners sharing profits in the ratio of 3:2:1:4. Vidya retires and her share is acquired by Sandhya and Lata in the ratio of 3:2. Calculate new profit sharing ratio.
21. Puneet, Pankaj and Prakash are partners in a business sharing profits and losses in the ratio of 2:2:1 respectively. Their Balance sheet as on 31/03/2017 was as follows

Balance Sheet as on 31/3/2017

Liabilities	₹	Assets	₹
Creditors	1,00,000	Cash at Bank	20,000
Capitals:-		Stock	30,000
Puneet 60,000		Debtors	80,000
Pankaj 1,00,000		Investments	70,000
Prakash 40,000	2,00,000	Furniture	35,000
Reserve Fund	50,000	Buildings	1,15,000
	3,50,000		3,50,000

Mr. Prakash died on 30th September 2017. The partnership deed provided the following;

a) The deceased partner will be entitled to his share of profit up to the date of death calculated on the basis of previous year's profit.

b) He will be entitled to his share of good will of the firm calculated on the basis of 3 year's purchase of average of last 4 years profit. The profits for the last four financial years are given below:

For 2013-14 ₹ 80,000

2014-15 ₹ 50,000

2015-16 ₹ 40,000

2016-17 ₹ 30,000

c) The drawings of the deceased partner upto the date of death amounted to ₹10,000. Interest on capital is to be allowed at 12% per annum. Show Mr. Prakash's capital account.

22. Chandra Ltd issued 15,000 12% debentures of ₹100 each payable ₹10 per debenture on application, ₹40 on allotment and balance on first and final call. All the debentures were duly taken up and the money was duly received by the company.

Pass the journal entries in the books of the company.

23. From the following balance, prepare statement of profit and loss for the year ending 31/3/2018 as per schedule III of companies Act, 2013.

Particulars	₹
Cash sales	2,00,000
Credit sales	3,00,000
Sales returns	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 buildings and machinery at 10% each.

24. Karnataka Co. Ltd had the following as on 31/03/2018 current assets 2,40,000, current liabilities 60,000 quick assets 1,20,000.

Calculate i) Current Ratio ii) Quick Ratio.

25. National trading company limited has given the following information:

Plant as on 1/4/2017 ₹1,20,000

Plant as on 31/3/2018 ₹1,50,000

Accumulated depreciation on 1/4/2017 ₹60,000

Accumulated depreciation on 31/3/2018 ₹40,000

During the year, a plant costing ₹60,000 with accumulated depreciation of ₹25,000 was sold for ₹30,000.

Calculate Cash flow from investing activities.

SECTION-D

IV. Answer any FOUR questions. Each question carries 12 marks.

4x12=24

26. From the following receipts and payments account and Balance Sheet Union Club; Prepare income and expenditure account for the year ended 31.3.2018 and the Balance sheet as on that date.

Balance Sheet as on 31.3.2017

Liabilities	₹	Assets	₹
Outstanding Salary	1,000	Cash in hand	3,500
Capital fund	39,900	Books	6,200
		Outstanding subscription	3,600
		Furniture	2,600
		Building	25,000
	40,900		40,900

Dr. Receipts and Payments Account for the year ending 31.3.2018 Cr.

Receipts	₹	Payments	₹
To Balance b/d	3,500	By General expenses	900
To Subscription	75,000	By Salary	16,000
To Entrance fees	2,000	By Postage	1,300
To Rent from use of hall	7,000	By Electricity charges	7,800
To Donation	10,000	By Furniture	26,500
To Sale of Newspaper	400	By Books	13,000
To Life membership fee	7,300	By Newspaper	600
		By Meeting expenses	7,200
		By T.V. Set	16,000
		By Balance c/d	15,900
	1,05,200		1,05,200

Additional Information:

- a) Subscription outstanding on 31/3/2018 ₹10,000.
- b) Salary outstanding on 31/3/2018 ₹1000.
- c) Depreciate furniture and books at 10% each (only on opening balances)
- d) Donation to be capitalized
- e) Electricity charges paid in advance ₹650.

27. A, B and C are partners in a firm sharing profits and losses in the ratio of 4:3:3. Their Balance sheet as on 31.3.2017 was as follows.

Balance Sheet as on 31.3.2017

Liabilities	₹	Assets	₹
Creditors	1,00,000	Cash at Bank	17,000
Reserve	32,000	Bills receivable	19,000
Bank OD	8,000	Debtors	1,20,000
Capitals:-		Less:- PDD	<u>6,000</u>
A	40,000	Stock	80,000
B	50,000	Buildings	60,000
C	60,000		
	2,90,000		2,90,000

On 1.4.2017, they admit 'D' into the partnership on the following terms:

- a) 'D' brings ₹50,000 as his capital
- b) Goodwill account is created for ₹64,000 and agreed to write off by all partners in their new profit sharing ratio 6:9:9:8.
- c) Reduce stock by 10% and increase buildings to ₹69,000
- d) Provision for doubtful debts decreased by ₹2000.

Prepare revaluation account, partners capital account and New Balance Sheet of the new firm.

28. Anitha and Sunitha are partners sharing profits and losses equally. Their Balance Sheet as on 31/3/2018 was as follows.

Balance Sheet as on 31-03-2018

Liabilities	₹	Assets	₹
Bills payables	6,000	Cash at Bank	6,000
Creditors	20,000	Debtors	28,000
Anitha's loan	5,000	PBD	2,000
Vanitha's Loan	5,000	Stock	40,000
Reserve fund	30,000	Investments	20,000
Capitals:-		Furniture	14,000
Anitha	50,000	Buildings	60,000
Sunitha	50,000		
	1,66,000		1,66,000

On the above date the firm was dissolved. The following information is available:

a) The assets realized as follows:

Debtors ₹25,600; Stock ₹39,000; Buildings ₹66,000.

b) Anitha took over 50% of investments at 10% less on its book value and remaining investment were sold at a gain of 20%

c) Furniture was taken over by Sunitha at ₹12,000.

d) Anitha agreed to bear all realization expenses.

For the service Anitha is paid ₹2,600. Actual realization expenses amounted to ₹2,000

Prepare: i) Realisation Account

ii) Partners capital accounts and

iii) Bank Account.

29. Iba Company Ltd., issued 20,000 equity shares of ₹10 each. The amount was payable is as follows: on application ₹2, on allotment ₹3, on the first and final call ₹5. Applications were received for 25,000 shares. Excess application money refunded and the money was duly received except the first and final call on 500 shares held by Akash. The directors forfeited these shares and then re-issued to Sagar at ₹7 per share as fully paid up. Pass the necessary journal entries.
30. Suvidha Company Ltd issued 3,000, 8% debentures of ₹100 each on April 01, 2016 at par and redeemable at a premium of 5%. Give journal entries relating to the issue of debentures and debenture interest assuming that interest was paid annually on 31/3/2017 and 31/3/2018 for two years and tax deducted at source is 20%
31. The followings are the Balance sheets of Alpha Ltd., as at March 31st 2016 and 2017.

Particulars	31/3/2016 (₹)	31/3/2017 (₹)
I. Equity and liabilities:-		
Equity share capital	2,00,000	4,00,000
Reserves and Surplus	1,00,000	1,50,000
Long Term Loans	2,00,000	3,00,000
Current Liabilities	1,20,000	1,70,000
Total	6,20,000	10,20,000
II. Assets:-		
Fixed Assets	2,00,000	5,00,000
Non-Current Investment	1,00,000	1,25,000
Current Assets	2,55,000	3,25,000
Term loan and Advances	65,000	70,000
Total	6,20,000	10,20,000

You are required to prepare a comparative Balance Sheet.

32. From the following information of trading and profit and loss account for the year endings 31/3/2018

Particulars	₹	Particulars	₹
To opening stock	10,000	By Sales	1,00,000
To Purchases	55,000	By Closing Stock	15,000
To Gross profit	<u>50,000</u>		<u>1,15,000</u>
	<u>1,15,000</u>		
To Administrative Expenses	15,000	By Gross Profit	50,000
To Selling expenses	12,000		
To Interest	3,000		
To net profit	20,000		
	50,000		50,000

Balance Sheet as at 31/3/2018

Liabilities	₹	Assets	₹
Capital	1,00,000	Land and Buildings	50,000
Profit and loss account	20,000	Plant & Machinery	30,000
Creditors	25,000	Furniture	20,000
Bills payable	15,000	Stock	15,000
		Sundry Debtors	15,000
		Bills receivable	12,500
		Cash in hand	17,500
	1,60,000		1,60,000

Calculate:-

- Stock Turnover ratio
- Trade Receivable Turnover ratio.
- Trade payable Turnover ratio.
- Gross profit ratio
- Operating ratio
- Net profit ratio.

SECTION-E

(Practical Oriented Questions)

- V. Answer any TWO questions. Each Question carries 5 marks. 2x5=10**
- Prepare receipts and payments account of a Not-for-profit organisation with 5 imaginary figures.
 - Prepare a statement of profit and loss of a company in vertical form with imaginary figures of 5 main heads only.
 - Prepare common size statement of profit and loss with 5 imaginary figures.
