JAIN COLLEGE, v v puram

For Reduced Syllabus

Test / Exam:	MOCK -1	**Month & Year:**	2020-2021
Class:	II PUC	**Subject:**	Accountancy
Duration:	3:15 hours	**Max. Marks:**	100

Instructions:

1. **All the sub question of section –A should be answered continuously at one place.**
2. **Provide working notes wherever necessary.**
3. **15 minutes extra has been allotted for candidates to read the questions.**
4. **Figures in the right hand margin indicate full marks.**

Section –A

Answer any EIGHT questions, each question carries ONE mark. (08x01=08)

1. Capital fund does not include:
   (a) Entrance fees
   (b) Legacies
   (c) Building fund
   (d) Life Membership fees
2. In the absence of Partnership Deed, no partner is entitled to get salary. (state T/F)
3. Name any one method of maintaining capital accounts of partners.
4. State any one method of valuation of goodwill.
5. _____ratio is used to distribute accumulated profits and losses at the time of retirement of a partner.
6. What is intervening period?
7. Profit on forfeiture of shares is transferred to .....Account
8. If a shareholder fails to pay call money, it is called
   a) calls unpaid
   b) calls in advance
   c) calls in arrears
   d) None of the above
9. Name any one type of financial statements.
10. Write any one feature of current assets.

Section –B

Answer any FIVE questions, each question carries TWO marks. (05x02=10)

11. What is Partnership?
12. State the rules relating to the followings in the absence of Partnership Deed:
    a. Interest on drawings
    b. Interest on advances from Partners.

13. What is realization Account?
14. Give the journal entry for the payment of Partner's Loan on Dissolution of a Firm.
15. What is a company?
16. State any two methods of issue of shares.
17. State any two features of financial statements.
18. State any two postulates.

Section –C

Answer any FOUR questions, each question carries SIX marks. (04x06=24)

19. Shiva and Basava are partners sharing profits in the ratio of 2:1 with capitals of ₹ 25,000 and ₹ 15,000 respectively. Interest on capital is agreed @6% p.a. Basava is to be allowed an annual salary of ₹1,500. During the year 2019-20, they earned the profits of ₹10,000. A provision of ₹12000 is to be made in respect of commission to the manager Interest on drawings being; Shiva ₹1,500 and Basava ₹1000.

    Prepare Profit and Loss Appropriation Account for the year ending 31.03.2020.

20. Anil and sunil are partners with capital of ₹50,000 and ₹40,000 respectively as on 01.04.2020. During the year, Anil withdrew as under:
    ₹ 2000 on 1.5.2020
    ₹ 6000 on 31.10.2020
    ₹ 4000 on 30.11.2020
    ₹ 6000 on 1.1.2021

    Calculate the interest on drawings of Anil at 12% p.a. under product method for the accounting year ending 31 march 2021.

21. A, B, C are partners in a firm sharing profits and losses in the ratio of 1:1:1. On B's retirement continuing partners decided to share future profits in the ratio of 4:3. **Calculate gain ratio.**

22. Pavan, Madan and Suman were partners sharing profits & losses in the ratio of 2:1:1. Their balance sheet as on 31.3.2017 was as under:

Balance Sheet as on 31-03-2017

Liabilities		₹	Assets	₹
Sundry Creditors		25,000	Cash	6,000
Reserve Fund		20,000	Stock	12000
Capitals:			Debtors	15,000
Pavan	15,000		Investments	15,000
Madan	10,000		Buildings	32,000
Suman	10,000	35,000		
		80,000		80,000

The partnership deed provides that in the event of death of partner, his executors entitled to get the followings:

a) The Capital at the date of last Balance Sheet
b) His proportion of reserve fund.
c) His share of profit to the date of death based on the average profits of the last three years' profits.
d) His share of goodwill. Goodwill of the firm is twice the average profit of last 3years' profits, the profits for the last three years were:
2014-15 ₹ 16,000, 2015-16 ₹ 16,000, and 2016-17 ₹ l5, 520.
Suman died on July 1st 2017. He had also with drawn ₹ 5000 till to the date of his death.

Prepare Suman's Capital Account

23. Spoorthi company limited issued 5,000 equity shares of ₹ 100 each payable at ₹ 20 on application, ₹ 20 on allotment, ₹ 60 on first and final call. All the shares were subscribed and the amount duly received.

Pass the journal entries.

24. From the following trial balance and other information, prepare Statement of Profit and Loss for the year ending 31st March 2018 as per Schedule III of Companies Act, 2013.

SI. No.	Particulars	Debit(₹)	Credit(₹)
1	Land and buildings	4,00,000	-
2	Trade receivables	1,00,000	-
3	Trade payables	-	2,00,000
4	10% Debentures(0l/04/2017)	-	3,00,000
5	Sales	-	15,00,000
6	Net purchases	10,00,000	-
7	Wages and salaries	50,000	-
8	Contribution to provident fund	10,000	-
9	Plant and machinery	2,00,000	-
10	Goodwill	2,40,000	-
	Total	**20,00,000**	**20,00,000**

Adjustments:

1. Tax rate 30%
2. Depreciation on plant and machinery at 10% and amortization of goodwill by ₹24,000.

25. You are required to prepare a Balance Sheet from the following information as per the provisions of the Companies Act, 2013 in Schedule III.

Particulars	₹
Equity Share Capital	9,56,000
Preliminary expenses	2,40,000
Discount on issue of share	20,000
Goodwill	30,000
10%Debentures	2,00,000
Stock-in-trade	1,40,000
Loose tools	12,000
Bills receivables	1,20,000
Cash at Bank	1,35,000
Motor vehicles	4,75,000
Provision for taxation	16,000

Section – D

Answer any FOUR questions, each question carries TWELVE marks. (04x12=48)

26. Following are the balance sheet and receipt and payment account of Malnad sports club,Chikkamagaluru.

Balance sheet as on 31-03-2017

Liabilities	₹	Assets	₹
Outstanding salary	3,200	Cash at bank	52,400
Outstanding rent	800	Outstanding subs.	4,800
Subs. Received in advance	4000	Investments	5,200
		Sports material	43,600
Capital fund	1,30,800	Furniture	32,800
	1,38,800		1,38,800

Dr Receipt and payment A/C for the year ending 31-03-18 Cr

Receipts	₹	Payments	₹
To balance b/d	52,400	By rent: 2016-17	800
To subscriptions		2017-18	8,800
2016-17	4,800	By salaries: 2016-17	3,200
2017-18	90,200	2017-18	46,400
2018-19	4,200	2018-19	2,400
To donations	32,400	By printing	15,200
To entrance fees	65,200	By general expenses	10,800
To interest	2,800	By furniture	48,000
To sale of old sports materials	2,000	(31-03-18)	
		By sports material (01-10-17)	57,600
		By balance c/d	60,800
	2,54,000		2,54,000

Adjustments:

a) Subscriptions outstanding. ₹ 5600
b) Printing unpaid ₹ 1000
c) Interest accrued ₹ 800
d) Depreciate furniture by 10% and sports material by 10%
e) Capitalize 50% of donations

Prepare:

a) Income and Expenditure Account
b) Balance Sheet as on 31-03-18

27. From the following Receipt and Payment Account of a club, prepare Income and Expenditure Account for the year ended March 31, 2018 and the Balance Sheet as on that date.

Dr Receipt and Payment Account for the year ending 31.3.2018 Cr

Receipts		₹	Payments	₹
To Balance b/d		3,500	By General Expenses	900
To Subscription:			By Salary	16,000
2016-17	2,000		By Postage	1,300
2017-18	70,000		By Electricity charges	7,800
2018-19	3,000	75,000	By Furniture	26,500
To Sale of old book (costing ₹2,300)		2,000	By Books	13000
To Rent from use of Hall		17,000	By Newspaper	600
To Sale of Newspapers		400	By Meeting expenses	7,200
To Profit from entertainment		7,300	By T.V. set bought	16,000
			By Balance c/d	15,900
		1,05,200		1,05,200

Additional information

a) The club has 100 members each paying an annual subscription of ₹ 900.Subscriptions outstanding on March 31, 2017 were ₹ 3,600.
b) On March 31, 2018 salary outstanding amounted to ₹1,000, Salary paid included ₹1000 for the year 2016-17
c) On April 1, 2018, the club owned the Land and Buildings ₹ 25,000, Furniture ₹ 2,600 and Books ₹ 6,200.

28. A' and 'B' are partners in a firm sharing profits and losses in the ratio of 6:4.Their balance sheet as on 31.03.20 17 was as follows.

Balance Sheet as on 31.03.2017

Liabilities		₹	Assets		₹
Creditors		20,000	Cash at Hand		5,000
Bills Payable		6,000	Debtors	20,000	
Reserve Fund		4,000	Less :PDD	2000	18000
Capitals:			Furniture		30,000
A	40,000		Stock		17,000
B	30,000		Buildings		30,000
		70,000			
		100,000			100,000

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

1. He brings ₹ 25,000 as capital and ₹ 8,000 towards goodwill for 1/6th share in the future profits.
2. Depreciate furniture at 10% and appreciate buildings by 20 %
3. Provision for doubtful debts is no longer.
4. Provide ₹1,000 for repair charges.
5. Goodwill is to be withdrawn by the Old Partners (**as per AS26**).

Prepare:1) Revaluation Account

2) Partners' Capital Accounts &

3) Balance Sheet of the firm after admission.

29. Ganga and Yamuna are partners in a firm. Following is their Balance Sheet as on 31.03.20 17

Balance sheet as on 31. 03.2017

Liabilities		₹	Assets		₹
Creditors		20,000	Cash in Hand		7,000
Bills Payable		4,000	Stock		15,000
Capitals :			Debtors	16,000	
Ganga	40,000		Less: provision	500	15,500
Yamuna	20,000	60,000	Furniture		4,500
			Patents		4,000
			Plant & Machinery		18,000
			Land & Building		20,000
		84,000			84,000

On 01.04.20 17, Kaveri is admitted into partnership on the following terms:

a. Kaveri should bring ₹13000 as capital.
b. Goodwill of the firm is valued at ₹ 6,000. (**as per AS26**)
c. Provision for doubtful debts is to be increased by ₹ 1,200

d. Patents and machinery areto be reduced by 20% and ₹ 2,000 respectively.
e. Land & Buildings are to be increased by ₹ 4,000.
f. Capital Accounts of partners are to be adjusted in their new profit sharing ratio 3:2:1 based on Kaveri's Capital (adjustments to be made in cash)

Prepare: i) Revaluation Account

ii) Partners' Capital Accounts &

iii) New Balance Sheet of the firm.

30. Vijay, Giri and Manoj are partners sharing profits and losses equally. Their Balance sheet as on 31.03.2016 was as follows:

Balance Sheet as on 31.03.2016

Liabilities	**Amount** (₹)	**Assets**	**Amount** (₹)
Creditors	30,000	Cash	24,000
Bills Payable	20,000	Bills Receivable	28,000
Bank Overdraft	25,000	Stock	36,000
Reserve Fund	15,000	Investment	9,000
Capital:		Debtors	20,000
Vijay	60,000	Furniture	25,000
Giri	50,000	Machinery	32,000
Manoj	30,000	Buildings	50,000
		Profit & Loss A/c	6,000
	2,30,000		2,30,000

Manoj retired on 1.4.2017 from the business and the following adjustment are to be made:

a. Goodwill of the firm is valued ₹18,000. Goodwill treatment as per **AS 26**.
b. Maintain provision for doubtful debts at 5% on Debtors.
c. Increase stock by 4,000.
d. Depreciation on Machinery and Furniture by 10% each.

Prepare:

a) Revaluation account,
b) Capital accounts of Partners and
c) Balance sheet of new firm.

31. Ramya, Kavya and Divya are partners sharing profits and losses in the ratio of 1:2:1. Their balance sheet as on 31.3.2018 was as follows:

Balance sheet as on 31.3.2018

Liabilities	₹	Assets	₹
Creditors	20,000	Cash	15,000
BillsPayable	6,000	Debtors	15,000
Bank O/D	4,000	Stock	18,000
Reservefund	8,000	Furniture	12,000
Vani's loan	5,000	Machinery	20,000
Capitals: Ramya	42,000	Buildings	60,000
Kavya	35,000		
Divya	20,000		
	1,40,000		1,40,000

On the above date they decided to dissolve the firm:

a. Assets realized as follows:
   Debtor's ₹ 13500, Stock ₹19,800, Buildings ₹62,000, Vehicle which was unrecorded also realized ₹4,000 and Machinery realized at book value.
b. Furniture was taken over by Ramya at a valuation of ₹9000
c. Creditors were settled at 10% less. Divya took over Vani's loan.
d. Interest on Bank 0/D due ₹400 was also paid off.
e. Realization expenses amounted to₹4,000.

Prepare: **1. Realization A/c**
2. Partners' Capital Accounts and
3. Cash A/c

32. Mandya Sugar Co. Ltd. issued 40,000 equity shares of ₹10 each at a premium of ₹2 per share. The amount was payable as follows:

₹2 on application

₹6 on allotment (including premium)

₹ 4 on first and final call

All the shares were subscribed and the money duly received except the first and final call on 2,000 equity shares. The Directors forfeited these shares and re-issued them as fully paid-up at ₹8 per share.

Pass the journal entries.

Section –E (Practical Oriented Question)

Answer any TWO questions, each question carries FIVE marks. (02x05=10)

33. Prepare Receipts and Payments Account of Not – For – Profit Organization with 5 imaginary figures.
34. Prepare Executors Loan Account with imaginary figures showing the repayment in two annual equal installments along with interest.
35. Name the major heads under the following items will be presented in the Balance Sheet of a Company.
    a) General reserve
    b) 20% debenture
    c) Inventories
    d) Trade payables
    e) Share Capital

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