



JAIN COLLEGE

463/465, 18th Main Road, SS Royal, 80 Feet Road
Rajarajeshwari Nagar, Bangalore - 560 098

SUBJECT: ACCOUNTANCY

**II PUC
MOCK - II**

Timings Allowed: 3 Hrs 15 Minutes

Total Marks: 100

- Instructions:** i) Read all the questions properly
ii) Write the correct question numbers and then answer.
iii) Specify the column headings clearly.

Section-A

I. Answer any 7 questions. Each question carries 2 marks **7X2=14**

1. What is product method?
2. What do you mean by endowment fund?
3. How do you treat goodwill brought in cash on the balance sheet?
4. Who is an executor?
5. Write the journal entry for furniture sold at a profit of Rs.500 on book value of Rs.5000?
On dissolution of a partnership firm?
6. State the causes of depreciation?
7. State any 4 profitability ratios?
8. What is meant by common size statement?
9. If forfeited shares are not re issued where the balances of forfeited shares a/c will be shown in the balance sheet?
10. What is data base management system?

Section-B

II. Answer an 4 questions carrying 5 marks each **4X5=20**

1. The capital accounts of A,B and C stood at Rs.35000 ,Rs.18000 and Rs.20000 respectively after the necessary adjustments in respect of drawings and the net profits for the year ended 31-3-14 . it was ascertained that interest on capital and drawings of 5% and B's salary of Rs.3000 was not recorded. The drawings of A,B and C were Rs.4000.Rs.3500 and Rs.2000 respectively. . The net profits after treating IOC, IOD and salary amounted to Rs.17000 and profit sharing ratio was 4:3:3.
Prepare capital accounts of partners.
2. P,Q and R were partners sharing profits and losses in the ratio of 5:3:2. Q retires and after retirement the new ratio was decided as 7:3. Calculate gain ratio.

3. X,Y and Z are partners sharing profits and losses in the ratio of 5:4:3. Their balance sheet as on 31-3-12 was as follows:

Liabilities	Amount	Assets	Amount
Capitals		Buildings	40000
X	36000	Machinery	20000
Y	24000	Debtors	18000
Z	10800	Cash at bank	2000
Creditors	9200		
	80000		80000

Z died on 31 Aug 2012. The partnership deed provided for the following:

1. The deceased partner shall be entitled to share of profits till the date of death depending on previous profits.
2. He is also entitled to his share of goodwill which is calculated on the basis of 2 years purchase of the average profits past 3 years.

3. All the partners are entitled to get their interest on capital.

The net profits for past 3 years are as follows:

----- Rs.18000

----- Rs.21000

-----Rs.22560

4. The amount due to executors will be transferred to his executors a/c

Prepare Z's capital a/c.

5. XYZ Ltd. has some authorized capital of 40,00,000 divided into shares of Rs.20 each; the whole issue was subscribed at a premium of Rs. 2 per share. The amount was payable as follows:

On application and allotment Rs.10 per share

On first call Rs.4 per share including premium

The balance as and when required

The company made both the calls. The application and allotment money was duly received. But a shareholder holding 2000 shares failed to pay both the calls and his shares were forfeited. IT was later re-issued at Rs.14 per share as fully paid.

Pass journal entries regarding the above forfeiture.

6. From the following information calculate opening capital fund. for the year 2012-13

Furniture Rs.500000

Building Rs.1000000

Cash Rs.200000

Subscription received in advance 2013-14 Rs.3000

O/S subscription of current year 2012-13 20000

O/S rent of current year Rs.20000

Income and expenditure a/c (Cr) Rs.5000

7. From the following balance sheet calculate proprietary ratio, debt equity ratio

Balance sheet as on 31-3-2010

Liabilities	Amount	Assets	Amount
Share capital	500000	Land	200000
Reserve fund	100000	Furniture	300000
Debentures	200000	Building	250000
Creditors	25000	Bills receivable	15000
Bills payable	25000	Cash in hand	5000
Bank overdraft	30000	Bank balance	20000
		Prepaid insurance	5000
		Patents	35000
		Stock	10000
		Debtors	40000
	880000		880000

8. State the features of data base management system/

Section-C

III. Answer any 4 questions carrying 14 marks each.

4X14=56

1. A firm purchased a machine for Rs. 92000/- and spent Rs. 8000/- on its installation. Depreciation at the rate of 10% was written off for the first 2 years under straight-line method, for the next 2 years 20% was written off under diminishing balance method. The machinery was sold on 31-3-13 for Rs. 56000/-. Prepare machinery account and depreciation account for 4 years ending on 31-3-2013
2. A B and Care partners sharing profits and losses in the ratio of 2:1:1. . Their balance sheet as on 31-3-2010 was as follows:

Liabilities	Amount	Assets	Amount
Creditors	20000	Cash at bank	15000
Reserve	30000	Debtors	15000
Capital accounts		Stock	20000
A	30000	Furniture	20000
B	15000	Land and buildings	40000
C	15000		
	110000		110000

B retired on the above date and the terms were as follows:

1. That the value of goodwill is fixed at Rs.25000 Only retiring partners share is to be created and written off
 2. A provision of 10% is to be created on debtors
 3. Stock and furniture is to be reduced by 10%
 4. Land is to be appreciated by 10%
- Prepare necessary ledger accounts and balance sheet.
3. A and B are partners sharing profits in the ratio of 3:2. Their balance sheet as on 31-3-2012 was as follows.

Liabilities	Amount	Assets	Amount
Creditors	100000	Cash at bank	5000
Bills payable	100000	Investments	5000
Mrs A's loan	50000	Bills receivable	10000
P and L a/c	10000	Debtors	20000
Capitals		Stock	35000
A	50000	Machinery	45000
B	40000	Furniture	10000
		Buildings	200000
		Goodwill	20000
	350000		350000

On the above date the firm was dissolved at the assets realized as follows:

1. Bills receivable Rs.9000,Debtors and stock 10% less than book value,
 2. Machinery to be increased by 5%.
 3. Buildings realized Rs.20% more
 4. Goodwill is considered worthless.
 5. Furniture and investment were taken over by A and B at book value
 6. Dissolution expenses amounted to Rs.600
 7. Liabilities are discharged at 10 % discount.
- Show necessary ledger accounts
4. X Company limited had an authorized capital of 30lakhs divided into shares of Rs.100 each. Issued at rs.120 20000 shares were issued and terms were:
 - On application Rs.25
 - On allotment Rs.45
 - On first call Rs 30
 - Balance on final call.

The money was duly received except the following:

When the first call was made one shareholder holding 100 shares did not pay the amount and one more Shareholder holding 150 shares paid the entire amount Pass journal entries. Till first call stage.

5. Following is the trial balance of a company as on 31-3-2011 and its registered capital consisted of 20000 shares of Rs.100 each..

Particulars	Debit	Credit
Share capital(3000 shares)		300000
Calls in arrears	16000	
General reserve		250000
Buildings	180000	
Wages	30000	
Machinery	89000	
Furniture	80000	
Purchases and sales	210000	525000
Salary	60000	
Debtors and creditors	220000	250000
Bills receivable and bills payable	61000	90000
Directors fees	20000	
Returns	15000	20000
Freight	10000	
Manufacturing expenses	5000	
Opening stock	65000	
Interim dividend	25000	
Audit fees	15000	
P and L a/c		27000
Tools	38000	
Preliminary expenses	60000	
Debentures		100000
Interest on debentures	14000	
Investments	250000	
Goodwill	52000	
Insurance and tax	20000	
Cash balance	12000	
Printing and stationery	15000	
	1562000	1562000

Adjustments:

1. Directors proposed a total dividend of 25%.
2. Write off 25% of preliminary expenses and 10% of goodwill.
3. Depreciate buildings at 25% and furniture by 5%.
4. Transfer Rs.60000 to general reserve.
5. Closing stock Rs.80000
6. Insurance prepaid Rs.1500

Prepare final accounts.

6. From the following information prepare income and expenditure a/c and balance sheet as on 31-3-2013 Balance sheet as on 31-3-12

Liabilities	Amount	Assets	Amount
Capital fund	10000	Club house and grounds	5000
Inc and Exp a/c (Cr balance)	5000	Investments	4000
Subscriptions received for 2013	500	Stock in hand	3000
O/S liabilities		Fixed deposit	3000
Rent	250	O/S subscriptions	400
Bonus	150	Advertising prepaid	100
Printing	100	Cash in hand	500
	16000		16000

Receipts and payments a/c for the year ended 31-3-13

Receipts	Amount	Payments	Amount
To balance b/d	500	By staff salary(Including rs.200 of 1999)	1800
To subscription including Rs.600 for 1999	7500	By annual dinner	1000
To liquors sold	4000	By rent	800
To investments sold	1000	By fixed deposits	4500
To proceeds from concerts	5000	By printing	400
To subscription to annual dinner	1500	By liquors purchased	5000
		By sports material	3500
		By advertising	1000
		By staff bonus of 1999	150
		By balance c/d	1350
	19500		19500

Stock on hand on 31-3-12 includes sports materials Rs.1000

On 31-3-13 sports materials were valued at Rs.3500 .

7. From the following prepare comparative size balance sheet

Particulars	31-3-2010	31-3-2011
Share capital	500000	1000000
Reserves	40000	100000
10% Debentures	300000	500000
Unsecured loans	120000	100000
Sundry creditors	150000	280000
Bills payable	50000	50000
Buildings	400000	1500000
Machinery	500000	450000
Stock	20000	180000
Debtors	150000	200000
Cash at bank	40000	50000
Bills receivable	50000	50000

Section-D

IV. Answer any 2 questions carrying 5 marks each.

2X5=10

1. Prepare imaginary revaluation a/c
2. Prepare imaginary deceased partners capital a/c.
3. Prepare imaginary current a/c under fixed capital system.