

Mock Paper – II JAN 2020
Subject: II PUC Accountancy (30)

Duration: 3hr15 minutes

Max.Marks: 100

Section – A

I. Answer any EIGHT questions, each carries One mark: 8 × 1 = 8

1. What is the motive of not for profit organization?
2. When partner's current accounts are prepared in partnership firm?
3. Which account is to be debited to record the increase in the value of an asset?
4. Who is an executor?
5. Equity share holders are
 - a) creditors
 - b) Owners
 - c) customers of the company
 - d) None of the above
6. What is MCA.
7. Debit balance of statement of profit and loss shall be shown as _____ figure under the head 'Surplus'.
8. A financial analysis is used only by the creditors. (true/False)
9. The _____ ratio's are primarily measures of return
10. What is cash flow statement?

Section – B

II. Answer any FIVE questions, each carries Two marks: 5 × 2 = 10

11. State any two features of receipts and payment account.
12. What is guarantee of profit to a partner?
13. What is goodwill?
14. Give the journal entry for an asset taken over by a partner in case of dissolution of a firm.
15. State any two types of shares that can be issued by public company.
16. Write any objectives of financial statements.
17. State any two uses 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 Six marks: 4 × 6 = 24

19. Arun and Varun are the partners sharing profits and losses in the ratio of 2:1 their opening capital being Rs 80,000 and 50,000 respectively. They earned a profit of Rs 20,000 before allowing the following:
 - a) Interest on Capital @ 8% p.a.
 - b) Interest on drawings Arun Rs 2,000 Varun Rs 2,500.
 - c) Salary to Arun Rs 3,000 p.a
 - d) Commission to Varun Rs 2000 p.a.Prepare profit and loss appropriation account.
20. X,Y,Z were partners sharing profits and losses in the ratio 2:1:1 Y retires his share is taken by X and Z in the proportion of $\frac{2}{3}$ and $\frac{1}{3}$, Calculate the new profit sharing ratio.

21. Raja, Ram and Mohan were partners in a firm sharing profit and losses in the ratio 2:2:1. The balance sheet of the firm as on 31/3/2014 was as under

Balance sheet As on 31/3/2014.

Liabilities	Amount	Assets	Amount
Bills payable	16,000	Cash in Hand	15,000
Creditors	19,000	Stock in trade	10,000
Capital		Bills receivable	25,000
Raja	40,000	Computer system	30,000
Ram	35,000	Furniture	15,000
Mohan	20,000	Fixture and Fitting	25,000
		Profit and Loss A/c	10,000
	1,30,000		1,30,000

Mohan died on 30th June 2014. His executor was entitled for the following :

- His capital as on the date of his death.
 - His share in the profit and loss account.
 - Interest on capital is to be allowed
 - His salary at Rs 800 per month.
 - His share of profit up to the date of his death. The profit of the firm for the current year estimated that Rs 20,000.
- Prepare Mohan's capital A/c.

22. Infosys Co. Ltd., issued 2,00,000 10% debentures of Rs 100 each at a discount of 10% payable Rs 20 on application, Rs 20 on allotment and the balance on first and final call. All the debentures were subscribed and money duly received. Pass the journal entries up to the stage of first and final call money due.

23. From the following information, prepare balance sheet for the year ending 31st March 2018 as per schedule III of companies Act 2013.

Particulars	Rs
Inventories	7,00,000
Equity share capital	16,00,000
Plant and machinery	8,00,000
Preference share capital	6,00,000
General reserve	6,00,000
Creditors	3,50,000
Provision for Taxation	2,50,000
Land and Building	26,00,000
Cash at Bank	5,00,000
12% debentures	12,00,000

24. From the following information, calculate following ratios: i) current Ratio ii) Liquid ratio.

Particulars	Rs
Current Assets	35,000
Current liabilities	17,500
Inventory	15,000
Operating expenses	20,000
Revenue from operations	60,000
Cost of revenue from operations	30,000

25. From the following information, calculate cash flows from financing activities.

Particulars	1/4/2017	31/3/2018
Equity share capital	20,00,000	30,00,000
Secured loans	9,00,000	16,00,000

During the year secured loans were repaid Rs 4,00,000 with an interest of Rs 20,000 and received dividend of Rs 50,000

Section – D

IV. Answer any FOUR questions, each question carries Twelve marks: 4 × 12 = 48

26. Following is the balance sheet and receipts and payments account of a charitable trust for the year ending 31/3/2018

Balance sheet as on 31/3/2018

Liabilities	Rs	Assets	Rs
Capital fund	3,20,000	Buildings	3,00,000
Subscription received in advance	6,000	o/s debtors for subscription	3,800
O/s Expenses	14,000	o/s debtors for lockers rent	2,400
Loan	50,000	Cash in hand	1,00,000
Income & Expenditure A/c	16200		
	4,06,200		4,06,200

Receipts and payment A/c for the year ending 31/3/2019

Dr			Cr
Receipts	Rs	Payments	Rs
To balance b/d	1,00,000	By expenses 2018-19-12,000 2019-20- 20,000	32,000
To subscriptions 2017-18 2,000 2018-19 21,000 2019-20 1,500	24,500	By cost of leasehold land	40,000
To entrance fees	8,000	By investments	4,000
To locker rent	7,000	By refreshments expenses	20,000
To income from refreshments	40,000	By balance C/d	83,500
	1,79,500		1,79,500

Adjustments:

- Expenses due but not paid Rs 5,000
- Subscriptions due but not received Rs 1,000
- Salary due but not paid Rs 2,000
- Depreciation on Building Rs 20,000
- One half of the entrance fees to be capitalized.

27. Imran and Irfan are partners sharing profits and losses in the ratio of 2:1. Their balance sheet as on 31/3/2018 was as follows

Balance sheet as on 31/3/2018

Liabilities	Amount	Assets	Amount
Creditors	28,000	Tools	15,000
Bank loan	30,000	Stock in trade	35,000
General Reserves	12,000	Debtors 30,000 (-) provision 1,000	29,000
Capital		Furniture	14,000
Imran	90,000	Plant and machinery	45,000
Irfan	60,000	Buildings	62,000
Bills Payable	29,000	Computers	25,000
		Motor vehicle	20,000
		Cash at Bank	4,000
	2,49,000		2,49,000

On 1/04/2018, they admitted Ismail into the partnership on the following terms;

- He brings Rs 50, 000 as capital
- Goodwill of the firm valued at 3 years purchases of the average profit of last 5 years. Good will account should be written off after admission.
- For the purpose of admission, assets and liabilities are revalued as follows:
Stock Rs 38,000, tools Rs 13,000, Plant & machinery Rs 45, 000, buildings Rs 72,000, Computers Rs 22,000, motor vehicle Rs 19,000, creditors (after discount) Rs 27,000 and bank loan (including interest) 32,000
- Provision for doubtful debts is no more necessary.
- Average profit for last 5 years was Rs 5,000,
- The new profit sharing ratio is 2:2:1.

Prepare necessary A/c's

28. Anand, Arun, Ananth are partners sharing profits and losses in the ratio 2:2:1. Their balance sheet on 31/3/2018 was as follows.

Balance sheet as on 31/3/2018

Liabilities	Amount	Assets	Amount
Creditors	15,000	Cash in hand	5,000
Anand's Loan	5,000	Cash at Bank	16,000
Bills payable	10,000	Debtors	25,000
Bank loan	8,000	Bills receivable	5,000
Profit & Loss A/c	22,000	Investment	18,000
Capitals:			
Anand	20,000	Machinery	25,000
Arun	20,000		
Ananth	10,000		
		Furniture	16,000
	1,10,000		1,10,000

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

- Assets realized: debtors Rs 24000, Bills receivable Rs 4,000, Investments Rs 15,000, machinery Rs 22,000.
- Chandu took the furniture for Rs 10,000.
- Creditors and Bills payable are paid at a discount of 5 %.

- d. unrecorded investment realized Rs 4,000
e. dissolution expenses Rs 2,250.

Prepare necessary accounts.

29. Sunshine co. ltd., issued 20,000 equity shares of Rs 10 each. The amount payable is as follows.

On application	Rs 2 per share
On allotment	Rs 3 per share
On first & Final call	Rs 5 per share

All shares were subscribed and the money duly received except the first and final call on 500 shares held by Mr. 'A'. The directors forfeited these shares and then these forfeited shares were re issued to Mr. 'B' at Rs 7 per share fully paid up. Pass the necessary journal entries.

30. Give the necessary journal entries at the time of redemption of debentures in each of the following situations. If redemption is done on lump sum basis:

- a) Vadiraj Ltd., issued 1,000 9% debentures of Rs 100 each at par and redeemable at par at the end of 5 years out of capital.
b) Vadiraj Ltd., issued 1,000, 9% debentures of Rs 100 each at par. These debentures are redeemable at 10% premium at the end of 4 years
c) Vadiraj Ltd., issued 8% debentures of the total face value of 1,00,000 at a premium of 5% to be redeemed at par at the end of 4 years.
d) Vadiraj Ltd., issued Rs 1,00,000 7% debentures at a discount of 5% but redeemable at a premium of 5% at the end of 5 years.

31. From the following information, prepare comparative Balance sheet (position statement)

Particular	31/3/2016	31/3/2017
Share Capital	4,00,000	5,00,000
General Reserve	50,000	60,000
Secured Loans	15,000	20,000
Current Liabilities	50,000	70,000
Buildings	2,00,000	2,50,000
Machinery	1,50,000	2,00,000
Stock	1,00,000	1,10,000
Trade Receivables	65,000	90,000

32. The following are the summarized profit and loss account for the year ended 31/12/2018 and balance sheet.

Trading and profit and loss A/c for the year ending 31/12/2018.

Particulars	Amount(Rs)	Particulars	Amount(Rs)
To opening stock	20,000	By sales	2,00,000
To purchases	1,10,000	By closing stock	30,000
To gross profit	1,00,000		
	2,30,000		2,30,000
To administrative expenses	30,000	By gross profit	1,00,000
To interest	10,000		
To selling expenses	20,000		
To net profit	40,000		
	1,00,000		1,00,000

Balance sheet as at 31/12/2018

Liabilities	Amount	Assets	Amount
Capital	2,00,000	Land and Buildings	1,00,000
Profit and loss A/c	40,000	Plant and machinery	60,000
Creditors	50,000	Furniture	40,000
Bills payable	30,000	Stock	30,000
		Sundry debtors	30,000
		Bills receivable	25,000
		Cash at bank	35,000
	3,20,000		3,20,000

Additional information

- a) Average debtors Rs 25,000
 - b) Net credit purchases Rs 80,000
- You are required to calculate
- 1) Gross profit Ratio.
 - 2) Operating Ratio.
 - 3) Net profit ratio.
 - 4) Inventory turnover ratio.
 - 5) Trade receivable turnover ratio.
 - 6) Trade payable turnover ratio.

Section – E

(Practical oriented questions)

V Answer any TWO questions, each question carries Five marks:

2 × 5 = 10

33. Write two partners current accounts under fixed capital system with 5 imaginary figures.
34. Prepare a statement of profit and loss of a company in vertical form with imaginary figures of 5 main heads only.
35. Prepare common size statement of profit and loss with 5 imaginary figures.
