



# JAIN COLLEGE

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Bangalore - 560 098

**II PUC**

**Date : 2019-2020**

**Sub: ACCOUNTANCY**

**MOCK PAPER II**

**Time: 3 hour 15 minutes**

**Max.Marks :100**

## General Instructions to the candidate

1. All sub questions of Section-A Should be answered continuously at one place.
2. Candidates are required to give their answer in their own words as far as practicable.
3. Figures in the right hand margin indicate full marks.
4. While answering the candidate should adhere to the word limit as far as practical.
5. Step wise procedure has to be shown.
6. Please use pencil for drawing format.
7. Write the correct question number as it appears on the question paper.

### SECTION – A

**I** Answer any **eight** questions. Each question carries **one** mark.

**8 ×=8**

1. Capital fund does not include –
  - a. Entrance fees
  - b. Building fund
  - c. Legacies
  - d. Life membership fees
2. It is preferred that the partners have a \_\_\_\_\_ agreement.
3. Goodwill is an intangible asset (True/False)
4. What is gain ratio?
5. Proposed divided is shown under the head 'Provisions'. State true/false.
6. Percentage of each asset to the total assets is shown in \_\_\_\_\_ Balance Sheet
7. Discount on issue of debentures is shown under the following head in the Balance sheet.
  - a) Statement of Profit and Loss
  - b) Other- Non current Assets
  - c) Debenture Account
  - d) None of the above
8. The financial Statements of a business enterprise include Cash Flow Statement. (True / False )
9. What is Quick ratio?
10. Give an example for investing activities.

### SECTION – B

**II** Answer any **five** questions. Each question carries **two** marks.

**5×2=10**

11. Give two features of Receipts and payments Account.
12. What is guarantee of profit to a partner?
13. What is average profit method of valuation of goodwill?
14. Give the journal entry for transfer of loss on realization to partner's Capital Accounts.
15. What is issue of shares at premium? Give an example
16. Write any two objectives of financial statements?
17. What do you mean by commonsize statements?
18. What are operating activities?

**SECTION – C**

**III Answer any four questions. Each question carries six marks.**

**4×6=24**

19. Murthy and Patil are partners in a firm sharing profits and losses in the ratio of 3:2 Murthy withdraw ₹4000 quarterly at the beginning of each quarter. Calculate interest on drawings at 9% p.a for the year ending 31.03.2017. Under product method.
20. Mohan and Madan are partners sharing profits and losses in the ratio of 4:3. They admit murali into business and the new ratio was agreed to be 7:4:3. **Calculate the sacrifice ratio of old partners.**
21. X, Y and Z are partner's sharing profits and losses in the ratio of 2:2:1. Their Capital balances on 01-04-2017 stood at ₹ 90,000, ₹ 60,000 and ₹ 40,000 respectively.  
Mr. Y died on 01-01-2018 partnership deed provides the following:
- Interest on capital at 10% p.a.
  - Salary to Y ₹ 2000 per month.
  - Y's Share of Goodwill
  - His share of profit up to the date of death on the basis of previous year's profit.
    - Total good will of the firm is ₹ 54,000.
    - Profit of the firm for the year 2016-2017 is ₹ 30,000
- You are required to ascertain the amount payable to Executors of Y preparing Executor's Account.**

22. Prabha Ltd issued 5000 10% debentures of ₹100 each payable:-  
₹10 per debenture on application  
₹40 per debenture on allotment  
₹50 per debenture on first and final call.  
All debentures were subscribed and money duly received. Pass journal entries in the books of company.

23. From the following information, prepare balance sheet of Jindal company Ltd as on 31.3.18 as per Schedule III of Companies Act 2013.

Particulars	₹
Share Capital	10,00,000
Reserves and Surplus	5,00,000
10% Debentures	5,00,000
Creditors	2,00,000
Bills Payable	3,00,000
Fixed Assets	15,00,000
Trade Receivables	5,00,000
Short Term Investments	2,00,000
Cash and cash equivalents	3,00,000

24. From the following information , calculate the following ratios:

**i. Current ratio**

**ii. quick ratio**

Particulars	₹
Current asset	2,40,000
Current liability	60,000
Quick asset	1,20,000

25. Anand Ltd, arrived at a net income of ₹ 5, 00,000 for the year ended March 31, 2017. Depreciation for the year was ₹ 2, 00,000. There was a profit of ₹ 50,000 on assets sold which was transferred to statement of profit and loss. Trade Receivables increased during the year ₹ 40,000 and Trade payable also increased by ₹ 60,000.

**Compute the cash flow from operating activities by the indirect method.**

**SECTION – D**

**IV Answer any four questions. Each question carries twelve marks.**

**4×12=48**

26. Following are the balance sheet & receipts & payment account of Golden sports club, Vijayapura.

**Balance sheet as on 31.3.2017**

Liabilities	₹	Assets	₹
Outstanding salary	7,000	Cash in hand	15,500
Pre received subscriptions	4,000	Sport materials	35,000
Capital fund	1,50,500	Furniture	21,000
		Land and buildings	90,000
	1,61,500		1,61,500

**Dr Receipts and payments A/C for the year ending 31.3.2018 Cr**

Receipts	₹	Payments	₹
To balance b\ d	15,500	By salary	25,000
To subscriptions	52,000	By sports materials {1-10-2017}	18,000
To entrance fees	6,000	By investments	15,000
To sale of old newspaper	3,000	By postage	400
To sports fees	9,500	By electricity charges	1,600
		By up keep of grounds	6,500
		By balance c\ d	19,500
	86,000		86,000

**Adjustments:**

- Outstanding subscriptions for 2018 ₹ 1,000
- Outstanding salary as on 31.3.2018 ₹ 5,000
- Half of the entrance fees are to be capitalized.
- Depreciation sports materials @ 20% per annum

**Prepare: I) income & expenditure account for the year ending 31.3.2018**

**II) Balance sheet as on that date.**

27. Ramya and Rakesh are partners sharing Profits and loss in the ratio of 3:2.

Their Balance sheet as on 31-03-2018 was as follows:

Liabilities	₹	Assets	₹
Creditors	57,000	Cash at Bank	21,000
Bills payable	20,500	Bills Receivable	4,000
General Reserve	20,000	Debtors	60,000
Profit & Loss a/c	5,000	Less R. B.D	<u>3,000</u>
Capitals		Stock in trade	35,000
Ramya	60,000	Furniture	10,000
Rakesh	<u>30,000</u>	Buildings	40,000
	90,000	Machinery	25,000
	1,92,000		1,92,000

On 01.04.2018 Thanuja is admitted into partnership on the following terms:

- She should bring ₹ 40,000 as capital for  $\frac{1}{4}$  share and ₹ 25, 000 towards goodwill.
- Depreciate Machinery and furniture by 10%
- Appreciate buildings by 20%
- Increase R.B.D on debtors to ₹ 6,000
- An amount of ₹ 2, 000 due to creditor, is not likely to be claimed and hence to be written off.

**Prepare:**

**i) Revaluation Account    ii) Partner's Capital accounts    iii) New Balance Sheet of the firm**

28. Anil and sunil were partners in a firm. Their Balance Sheet as on 31.3.2018 was as follows:

**Balance sheet as on 31.3.2018**

Liabilities	₹	Assets	₹
Creditors	10,000	Cash	5,000
Bills Payable	6,000	Debtors	15,000
Bank Overdraft	4,000	Stock	18,000
Mrs. Sunil's loan	5,000	Furniture	12,000
Profit and loss account	8,000	Machinery	20,000
Capitals:		Buildings	50,000
Anil	52,000	Goodwill	10,000
Sunil	45,000		
	1,30,000		1,30,000

On the above date, they decided to wind up the firm. The following information is available.

- Debtors realized less 10%, stock realized 10% more and building realized ₹ 62,000
- Vehicle which was unrecorded realised ₹4000
- Creditors to be settled at 10% less and interest on Bank Overdraft due ₹500 also to be paid off.
- Mr. Sunil took once his wife's loan
- Dissolution expenses amounted ₹ 3,000

**Prepare: i) Realisation Account    ii) partners' capital Account    iii) Cash Account.**

29. Jupiter company Ltd. Issued 10,000 preference shares of ₹ 100 each at a premium of ₹ 5 per share.

The amount payable as follow:

On application	₹ 10
On allotment	₹ 50 (including premium)
On First & Final call	₹ 50

All the shares were subscribed and the money duly received except the First & final call on 500 shares. The directors forfeited these shares and reissued them as fully paid at Rs 80 per shares.

**Pass the journal entries related to issued shares, forfeited and reissued.**

30. **Give the necessary journal entries for the following:**

Pass necessary journal entries at the time of redemption of debentures in each of the following cases:

- P company limited issued 10,000, 8% debentures of ₹100 each at par and redeemable at par at the end of five years out of capital.
- Q company limited issued 4,000, 12% debentures of ₹100 each at par. These debentures are redeemable at 10% premium at the end of four years.
- E company limited issued 10% debentures of the total face value of ₹3,00,000 at a premium of 5% to be redeemed at par at the end of four years.
- S company limited issued ₹2,00,000, 10% debentures at a discount of 5% but redeemable at a premium of 5% at the end of 5 years.
- T company limited issued 1,000, 8% debentures of ₹100 each at a premium of 5% to be redeemed at par at the end of 4 years.

31. From the following Balance Sheets of Indu company ltd., prepare common size balance sheet as at 31st march 2018 and 31st March 2019

**Balance sheet as on 31/03/2018 and 31/03/2019**

Particulars	31-3-2018 ₹	31-3-2019 ₹
<b>1. Equity and Liabilities:</b>		
I Shareholders fund:		
(a) Share capital	7,50,000	10,00,000
(b) Reserves and Surplus	1,50,000	1,00,000
<b>2. Non-Current Liabilities:</b>		
(a) Long term borrowings	4,50,000	6,75,000
<b>3. Current Liabilities:</b>		
(a) Short term borrowings	1,50,000	2,25,000
<b>Total</b>	<b>15,50,000</b>	<b>15,00,000</b>
<b>Assets:</b>		
<b>1. Non-Current Assets:</b>		
Fixed Assets		
(a) Tangible Assets	7,50,000	10,00,000
(b) Intangible Assets	3,00,000	4,50,000
<b>2. Current Assets:</b>		
(a) Inventories	1,50,000	2,50,000
(b) Other Current Assets	75,000	1,00,000
(c) Cash and cash equivalents	2,25,000	2,00,000
<b>Total</b>	<b>15,50,000</b>	<b>15,00,000</b>

32. From the following details, calculate:-

1. Investment (Net Assets) Turnover Ratio
2. Fixed Assets Turnover Ratio
3. Working Capital Turnover Ratio
4. Return on Investment
5. Return on Shareholders Fund.
6. Earnings Per Share

particulars	*
Equity Share Capital @ ₹10 each	4,00,000
12% Preference Share Capital	1,00,000
General Reserves	1,84,000
10% Debentures	4,00,000
Current Liabilities	1,00,000
Fixed Assets	9,50,000
Current Assets	2,34,000

Net profit after tax was ₹1,50,000. Revenue from operations for the year was ₹30,00,000 and tax amounted to ₹50,000

**SECTION-E**  
**(PRACTICAL ORIENTED QUESTIONS)**

**V** Answer the **two** questions. Each question carries 5marks:

**5× 2 = 10**

33. Write two Partner's Current Accounts under Fixed Capital System with 5 imaginary figures.
34. Prepare Common Size Statement of Profit and Loss with 5 imaginary figure
35. Give the disclosure requirements pertaining to Share Capital in Notes to Accounts of Balance sheet of a Company with Imaginary figures.

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