



Pre-Board Exam-2070

Grade: XII
Time: 3:00 hrs.

Subject: Accountancy

F.M.:100
P.M.:35

Set A

1. Differentiate between the equity share and preference share. [3]
2. Give the meaning of debentures. [2]
3. Name three parties and write why they are interested in financial statement analysis. [3]
4. Describe in short any two limitations of ratio analysis. [2]
5. Write in short any three limitations of cost accounting. [3]
6. Write about bin card. [2]
7. Define variable and fixed cost. [2]
8. Give the meaning of time rate system of wages payment and mention its any two advantages. [3]
9. A Ltd. forfeited 500 shares of Rs.10 each issued at a discount @ 10% for non-payment of allotment Rs.4 (including discount) and first and final call of Rs.1 per share. Out of these 300 shares were re-issued as fully paid for Rs.8 per share.
Required: Journal entry for
(a) Share forfeiture
(b) Re-issue of share
(c) Transfer entry [1+1+1=3]

10. XYZ company issued 20,000 shares of Rs. 100 each. The amount is payable as under:
On application Rs. 30
On allotment Rs. 50
On first and final call Rs. 20
Applications were received for 30,000 shares. Allotments were made on following basis:
(i) To applicants for 10,000 shares in full
(ii) To applicants for 15,000 shares - 10,000 shares
(iii) To applicants for 5,000 shares - Nil
All excess amount paid on application is to be adjusted against amount due on allotment. Calls were duly made and money was received except a share holder who allotted 100 shares under pro-rata failed to pay calls money
Required: Journal Entries for: (a) Share application
(b) Share allotment
(c) Share first and final call [2+2+2]
11. Global Ltd. took over the following assets and liabilities :
Machinery 2,00,000 Cash and bank 25,000
Stock 1,40,000 Creditors 10,000
The company issued 3,000 shares of Rs.100 each at 10% premium for the payment of purchase consideration amount.
Required: Entries of purchased of assets and liabilities. [2+1=3]
12. X Co. Ltd. issued 5,000, 10% debentures of Rs.100 each at 10% discount which will be redeemable at 5% premium.
Required: Journal Entries for issue and redemption of debentures. [2+2=4]

13. The Trial balance of K&K co. Ltd as on 31st Chaitra is given below:

Particulars	Dr. Rs.	Particulars	Cr. Rs.
Debtors	1,30,000	Share Capital	3,00,000
Machinery	2,50,000	Loan	50,000
Salaries	50,000	P/L app. account	50,000
Rent	20,000	Discount	10,000
Insurance	10,000	Sales	6,90,000
Purchase	5,40,000		
Opening Stock	30,000		
Cash at Bank	50,000		
Wages	20,000		
	<u>11,00,000</u>		<u>11,00,000</u>

Additional Information:

- (a) Salary due Rs. 5,000
 (b) Pre-Paid rent was Rs. 2,000
 (c) Bad debts Rs. 1,000
 (d) Proposed dividend @10%

Required: Adjustment entries & work sheet. [2+6=8]

14. The following is the trial balance extracted on 31st.Dec. 2012:

Particulars	Rs.	Particulars	Rs.
Preliminary Expenses	12,000	Share Capital	6,00,000
Calls in arrears	10,000	Sales	21,20,000
Land and Building	4,20,000	Return Outward	20,000
Plant and Machinery	3,00,000	10% Debentures	1,00,000
Sundry Debtors	2,20,000	Sundry Creditors	1,20,000
Cash at Bank	2,30,000	P/ L App. Account	40,000
Advance Tax paid	38,000		
Interest on debentures	5,000		
Opening Stock	3,70,000		
Purchases	10,30,000		
Return Inward	25,000		
Carriage Inward	40,000		
Wages	2,20,000		
Salaries	40,000		
Director's fees	40,000		
	<u>30,00,000</u>		<u>30,00,000</u>

Adjustments :

1. Closing Stock valued at Rs. 1,20,000.
 2. Salaries due Rs.10,000.

3. Depreciation on Plant and Machinery by @15%.
 4. Provision for tax 40%.
 5. Write off bad debts Rs. 5,000 and make a provision for doubtful debt @ 10%.
 6. The Directors have decided 10% dividend on paid up Capital.

Required: (i) Trading Account.
 (ii) Profit and Loss Account.
 (iii) Profit and Loss Appropriation Account.
 (iv) Balance Sheet. [12]

15. The balance sheet of Pro-Ed Co. Ltd as on 31st Chaitra, 2069 is as under:

Liabilities	Rs.	Assets	Rs.
Sundry creditors	30,000	Plant	2,50,000
Bank Overdraft	20,000	Investment	1,70,000
Outstanding expenses	10,000	Sundry Debtors	1,00,000
Share capital	3,00,000	Inventory	30,000
Retained earning	1,20,000	Preliminary expenses	10,000
10% debenture	80,000		
Total	5,60,000		5,60,000

Additional information:

- (a) Debtors turnover ratio 5 times.
 (b) Net profit Rs.50,000

Required:
 (i) Sales amount (ii) Quick ratio
 (iii) Debt-equity ratio (iv) Net profit ratio
 (v) Fixed Assets turnover ratio. [5]

16. The following figures are extracted from the two years balance sheets of a company :

	Year I	Year II
Share Capital	10,00,000	11,00,000
9% Debentures	2,00,000	1,50,000
Retained Earnings	1,00,000	1,70,000
Preliminary Expenses	50,000	45,000

Additional Information :

Dividend paid for the year Rs. 50,000.

Depreciation charged on machinery Rs. 30,000.

Machinery purchased during the year Rs. 1,20,000.

Required: (i) Funds from operation

(ii) Funds flow statement [3+2=5]

17. The following is the position of current assets and current liabilities for two years:

	Year I	Year II
Bills payable	50,000	60,000
Stock	1,50,000	2,00,000
Pre-paid rent	5,000	10,000
Outstanding salaries	10,000	15,000
Sundry debtors	50,000	1,00,000
Bills receivable	50,000	30,000
Sundry creditors	40,000	20,000
Cash balance	50,000	?

Additional information:

(a) Sales during the year Rs.10,00,000

(b) Cost of goods sold Rs.6,50,000

(c) Operating expenses Rs.1,10,000

(d) Redemption of debentures Rs.40,000

(e) Dividend paid Rs.20,000

(f) Issued of shares Rs.1,00,000

(g) Plant costing Rs.50,000 was sold for Rs.60,000

(h) Purchased of plant Rs.90,000

Required: Cash Flow Statement

[10]

18. The details from materials purchase of a firm are:
Annual requirement 8,000 units, cost per order Rs.400, cost per unit Rs.200, inventory carrying cost 20% of inventory value.

Required: (i) Economic order quantity.

(ii) No. of orders per year. [2]

19. From the following particulars are given:

Jestha 1: Opening balance 500 units of Rs.20 per unit

Jestha 2: Received 600 units of Rs.25 per unit

Jestha 6: Issued 900 units

Jestha 15: Return from departments 50 units

Jestha 16: Received 400 units @ Rs.30 per unit

Jestha 20: Issued 350 units

Jestha 22: Stock verification found surplus 10 units

Required : Store ledger under FIFO method. [5]

20. The following particulars are given:

Wage rate per unit Rs.400.

Normal time per unit 90 minutes

Ram worked 15 hrs.

Required: Wages of Ram under Piece Rate System [2]

21. The beginning and ending balances of a manufacturing company for a month are as under:

	Beginning	Ending
Raw material	Rs.20,000	Rs.15,000
Work-in-progress	Rs.12,000	Rs.15,000
Finished goods	2000 units	1000 units

The information available from the cost records for the month ended was as follows:

Direct materials purchased	Rs.1,20,000
Indirect labour	Rs. 18,000
Direct labour	Rs. 32,000
Freight on material purchased	Rs. 6,000
Other factory expenses	Rs. 30,000
Direct material	Rs. 34,000
Selling and distribution overhead	Rs. 2 per unit
Production units	26,000 units
Profit 10% on sales	
Sale of Scrap	Rs. 2,000
Salary	Rs. 16,000
Rent	Rs. 4,000

Required: Cost Sheet and profit per unit.

[9+1=10]

22. The net profit of a company for the year was Rs. 50,000 as shown by the cost accounting.

- (i) Office overhead is not recorded in cost accounting Rs. 2,000.
- (ii) Selling overhead under recorded in financial accounting Rs. 2,000
- (iii) Depreciation charged in financial a/c Rs. 8000 and in cost accounting Rs. 5,000.
- (iv) Interest on investment not included in cost accounting Rs. 2,000.
- (v) Income tax paid Rs. 15,000.
- (vi) Opening stock shown only in financial accounting Rs. 5,000.

Required: Reconciliation statement.

[5]



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Set B

1. State any two privileges of Private Company. [2]
2. Write about authorized and issued share capital. [3]
3. Explain the piece rate system of wage payment. [2]
4. Mention any three objectives financial statement analysis. [3]
5. What are the types of cost according to control? [3]
6. Explain in brief direct and indirect cost. [2]
7. Define about centralized and decentralized purchase. [3]
8. State any two duties of storekeeper. [2]
9. A Ltd. forfeited 100 shares of Rs.100 each issued at a Premium @ 10% for non-payment of allotment Rs.50 (including premium) and first and final call of Rs.20 per share. These shares were re-issued as fully paid for Rs.90 per share.
Required: (a) Share forfeiture
(b) Re-issue of share
(c) Transfer entry. [1+1+1=3]

10. XYZ company issued 40,000 shares of Rs. 10 each at 10% discount. The amount is payable as under:
On application Rs. 2
On allotment Rs. 4
On first and final call Rs. 3.
Applications were received for 60,000 shares. Allotments were made on following basis:
(i) To applicants for 20,000 shares in full
(ii) To applicants for 30,000 shares - 20,000 shares
(iii) To applicants for 10,000 shares - Nil
All excess amount paid on application is to be adjusted against amount due on allotment. Calls were duly made and money was received except a share holder who allotted 500 shares failed to pay calls money
Required: Journal Entries for: (a) Share application
(b) Share allotment
(c) Share first and final call [2+2+2]
11. M Co. Ltd. Issued 25,000 shares of Rs.10 each and cash Rs.50,000 to N Co. Ltd. purchasing the following assets and liabilities:
Plant and Machinery Rs.2, 10,000
Furniture Rs.80, 000
Creditors Rs.40, 000
Required: Entries of purchased of assets and liabilities. [2+1=3]
12. X Co. Ltd. issued 5,000, 10% debentures of Rs.100 each and redeemable at 10% premium.
Required: Journal Entries for issue and redemption of debentures. [2+2=4]

13. The following trail balance is given:

Debit	Rs.	Credit	Rs.
Purchased	2,00,000	Capital	1,87,000
Furniture	80,000	P/L account	50,000
Plant	50,000	Sales	3,00,000
Opening stock	30,000	Commission	13,000
Wages	35,000	Bills payable	46,000
Debtors	1,00,000		
Cash	5,000		
Bills receivable	45,000		
Sundry expenses	21,000		
Salaries	30,000		
	5,96,000		5,96,000

Additional information:

- Depreciation on plant @ 10%.
- Write off bad debts 7,500
- Prepaid salaries Rs. 2,000
- Proposed dividend @10%

Required: Adjustment entries and work sheet [2+6=8]

14. The trial balance of a trader, at the end of Chaitra, 2069 is as under:

Particulars	Dr. (Rs.)	Particulars	Cr.(Rs.)
Opening Stock	50,000	Share Capital	2,00,000
Wages	60,000	General Reserve	31,000
Carriage Inward	2,000	Bills Payable	14,000
Salaries	15,000	Purchases Returns	20,000
Sundry Expenses	14,000	Creditors	35,000
Tax for last year	18,000	Sales	7,79,000
Debtors	55,000	Discount	6,000
Cash at Bank	92,000	Profit and Loss Account	30,000
Insurance	9,000		
Purchases	5,90,000		
Bills Receivable	10,000		
Rent	8,000		
Plant	1,92,000		
	<u>11,15,000</u>		<u>11,15,000</u>

Additional information:

- Closing stock was valued at Rs.1,10,000.
- Depreciate plant by 10%.
- Outstanding salaries Rs. 5,000
- Pre-paid insurance was Rs.2,000.
- Write off baddebts Rs.5,000 and make a provision for doubtful debt @ 10%.
- Make a provision for income tax @ 50%
- The directors proposed a dividend @ 10% per annum and provided the transfer to general reserve Rs.5,000.

Required: (i) Trading and Profit & Loss Account
(ii) Profit and Loss Appropriation Account
(iii) Balance Sheet [12]

15. B Ltd. provides the following information:

Closing stock	Rs.80,000	Fixed assets	Rs.60,000
Cash	Rs.10,000	Bank	Rs.50,000
Bills receivable	Rs.20,000	Net profit	Rs.40,000

Current ratio 2:1 and inventory turnover ratio is 10 times.

Required: (i) Current liabilities
(ii) Sales amount
(iii) Return on Fixed Assets
(iv) Net profit ratio [2+1+1+1=5]

16. The opening and closing balances of different accounts are as under:

Particulars	Opening Balance (Rs)	Closing Balance (Rs)
Machinery	5,00,000	6,50,000
10% debentures	2,00,000	1,00,000
Share capital	10,00,000	12,00,000
Sundry Debtors	1,40,000	2,00,000
Stock	2,00,000	2,40,000
Cash at bank	90,000	60,000
Sundry creditors	70,000	1,10,000

Required: (i) Schedule of changes in working capital
(ii) Funds Flow Statement [3+2=5]

17. The company's Balance Sheet for two years have been given below:

Liabilities	Year I	Year II	Assets	Year I	Year II
Share capital	10,00,000	12,00,000	Fixed assets	12,00,000	16,00,000
Share premium	1,00,000	1,20,000	Stock	1,00,000	2,00,000
Debentures	2,00,000	1,00,000	Debtors	3,00,000	2,00,000
Bills payable	1,00,000	80,000	Cash	2,00,000	1,00,000
Account payable	2,00,000	3,00,000			
Retained earning	2,00,000	3,00,000			
	18,00,000	21,00,000		18,00,000	21,00,000

Additional information:

- Sales for the year Rs.12,00,000
- Cost of goods sold Rs.7,00,000
- Operating expenses Rs.2,00,000
- Fixed assets purchased Rs.6,00,000 and fixed assets costing Rs.40,000 have been sold for Rs.60,000.
- Dividend paid for the year Rs.40,000
- Premium on redemption of debenture was Rs.20,000

Required: Cash Flow Statement. [10]

18. The following transactions relating to the receipt and supplies of the materials on the basis of :

Poush 1	Opening balance 200 units @ Rs. 100 per unit
5	Received 100 units @ Rs. 110 per unit
7	Issued 200 units
8	Stock verification reveals loss of 10 unit
15	Received 300 units @ Rs. 120 per unit
25	Issued 350 units
30	Received back from orders 10 units

Required: Store ledger under LIFO method. [5]

19. Following information are given:
 Maximum consumption 800 units.
 Normal consumption 600 units
 Lead time 8-10 days

Required: Minimum stock level. [2]

20. Following information are given:

Weekly working hours 40 hrs.
 Total working weeks 10 weeks
 Hourly output 8 units
 Wage rate per unit of output Rs.2

Required: Total wage payable under piece wage system. [2]

21. Following was the details of cost for 1,000 units with produced and sold during 2069:

Raw material	Rs. 1,00,000
Wages	Rs. 80,000
Factory overheads	Rs. 40,000
Office overheads	Rs. 22,000
Profit 25% on selling price	

The manufacturer decided to produce 500 units during 2070. It is estimated that-

- The cost of raw material will be increased by 10%.
- Selling overhead per unit will be reduced by Rs.10.
- The rate of profit will remain the same.

Required: (a) Cost sheet (b) Tender sheet. [3+7=10]

22. Following information are given:

- Net profit as per financial accounting Rs.50,000
- Loss in stock shown only in financial accounting Rs.10,000
- Interest on investment Rs. 5,000
- Closing stock over charge in cost accounting Rs.3,000.
- Factory overhead under charged in cost accounting Rs.7,000
- Income tax paid Rs.12,000.

Required: Reconciliation Statement. [5]