



Second Term Exam-2072

Grade: XII
Time: 3:00 hrs.

Subject: Accountancy

F.M.:100
P.M.:40

Set A

1. What is company? Explain any two features. [1+2=3]
2. Explain the types of shares. [2]
3. What is cost accounting? Explain its any two functions. [1+2=3]
4. Explain the types of cost according to functions. [3]
5. What is financial statement? Explain its any two limitations of financial statement. [3]
6. Explain the term 'classification' and 'codification' of materials. [3]
7. What is piece rate system of wage payment? Mention its any advantages and disadvantages. [1+2=3]
8. ABC Ltd. issued 5,000 shares of Rs. 100 each payable as Rs. 40 on application, Rs. 30 on allotment, Rs. 20 on first call and rest on second & final call. All the shares were subscribed and all the money were duly received.
Required: Journal entries [5]
9. **The Trail Balance of a company as on 31st Chaitra, 2071 is given below:**

Particulars	Debit (Rs.)	Credit (Rs.)
Opening stock	30,000	
Purchases	1,00,000	
Salaries	30,000	
Bad debt	5,000	
Prepaid insurance	3,000	
Wages	12,000	
Sundry debtors	60,000	
Plant and machinery	1,40,000	
Trade expenses	5,000	
Sales		2,00,000
Bank overdraft		40,000
P/L App. account		35,000
Bills payable		10,000
Share capital		1,00,000
Total	3,85,000	3,85,000

Additional Information:

- (i) Outstanding wages Rs.5,000

- (ii) Prepaid insurance was expired to the extent of Rs.2,000
- (iii) Depreciation on machinery @ 10%
- (iv) Proposed dividend @ 10%

Required: Adjustment entries & work sheet.

[2+6=8]

10. **The trial balance of Steven Trading Co. Ltd. on Chaitra 31, 2071 is as follows:**

Particulars	Amount	Particulars	Amount
Openingstock	20,000	Bank overdraft	5,000
Prepaid insurance	25,000	Account payable	20,000
Salary and wages	15,000	Provision for tax for 2070	30,000
Net purchase	2,00,000	P/L Appropriation A/C	40,000
Bad debts	5,000	Net sales	3,00,000
Interim dividend	10,000	Equity share capital	1,00,000
Tax paid for 2070	10,000	Provision for bad debts	5,000
Sundry debtors	30,000	Rent received	15,000
Trade expenses	15,000	5% Debenture	70,000
Rent, rate and taxes	20,000	Capital reserve	15,000
Underwriting commission	20,000		
Plant and machinery	1,50,000		
Calls in arrears	20,000		
Cash at bank	40,000		
Goodwill	20,000		
Total	6,00,000	Total	6,00,000

Additional Information:

- Cost and market price of closing stock Rs. 2,50,000 and Rs. 2,60,000 respectively.
- Depreciate plant and machinery by 10%
- Write off 50%underwriting commission.
- Provision for tax is made at 30% on profit.
- The directors have decided:
 - (i) 10% dividend on paid up capital.
 - (ii) Transfer of Rs. 15,000 to the general reserve.

Required:

- a. Trading Account
- b. Profit and Loss Account
- c. Profit and Loss Appropriation A/C
- d. Balance Sheet

[2+3+2+5= 12]

11. Given below is the balance sheet of J.P.Co. Ltd. as on December 31, 2015

Liabilities & Capital	Rs.	Assets	Rs.
Equity shares capital @ Rs. 100 each	1,50,000	Plant & machinery	1,00,000
5% Preference share capital	50,000	Other fixed assets	1,50,000
10% Debenture	50,000	Stock	30,000
Reserve & surplus	40,000	Cash and bank	50,000
Creditors	10,000	Debtors	20,000
Bank overdraft	50,000	Preliminary expenses	10,000
Total	3,60,000	Total	3,60,000

Additional Information:

Stock turnover ratio : 8 times
 Net Profit after tax : 10% on sales

Required:

- Amount of sales
- Liquid ratio
- Debtors turnover ratio
- Debt to equity ratio
- Return on shareholder's fund [5×1=5]

12. Following figures are extracted from comparative balance sheets of Gobin Company Ltd:

	2015	2014
Equity share capital	4,00,000	2,50,000
10% Bank loan	1,50,000	1,00,000
8% Debenture	60,000	1,00,000
Preliminary expenses	25,000	30,000
Fixed assets	3,00,000	2,50,000

Additional information:

- Net profit for the year 2015 Rs. 50,000.
- Dividend paid in 2015 Rs. 15,000.
- Depreciation charged on machinery Rs. 10,000.
- Furniture was purchased during the year Rs. 40,000.
- A part of fixed having book value Rs. 35,000 was sold at a profit of Rs. 5,000.

Required:

- Funds from operation [3]
- Funds flow statement [2]

13. Comparative balance sheets of Oxford Co. for the year 2014 and 2015 are given below:

Liabilities/Capital	2014	2015	Assets	2014	2015
Equity share capital	3,00,000	4,00,000	Fixed assets	3,50,000	4,50,000
Share premium	1,00,000	1,25,000	Investment	1,50,000	60,000
Retained earnings	40,000	1,00,000	Sundry debtors	30,000	50,000
10% debentures	1,00,000	-	Inventory	30,000	40,000
Sundry creditors	35,000	30,000	Cash and bank	40,000	1,00,000
Outstanding rent	5,000	15,000			
Accumulated depreciation	20,000	30,000			
Total	6,00,000	7,00,000	Total	6,00,000	7,00,000

Additional information:

- Sales for the year 2015 Rs. 8,00,000.
- Cost of goods sold Rs. 4,75,000.
- Operating expenses Rs. 2,50,000 (including depreciation Rs. 30,000 and interest Rs. 10,000).
- A part of fixed assets costing Rs. 40,000 with accumulated depreciation Rs. 10,000 was sold at a profit of Rs. 5,000.
- Purchase of plant for Rs. 1,40,000.
- Dividend distributed Rs. 20,000.
- Debentures were redeemed at 10% premium.

Required: Cash flow statement under direct method [10]

14. Following store materials relating facts are given to you:

- Marga1: Opening balance 300 units @Rs. 10 per unit
 Marga5: Received 500 units from vendor @ Rs. 12 per unit
 Marga8: Returned to vendor 50 units
 Marga12: Issued 400 units
 Marga14: Purchased 600 units @ Rs. 13 per unit
 Marga18: Issued 700 kg
 Marga28: Received 450 units @ Rs.10 per unit
 Marga30: Stock verification found surplus of 100 units

Required: Store ledger under FIFO method. [5]

15. You are given following information relating to materials of a firm:

- Annual demand : 40,000 units
 Cost per unit : Rs. 20
 Ordering cost per order : Rs.80
 Carrying cost : 10% of average inventory cost.

Required:(a) Economic order quantity
 (b) No. of orders [1+1=2]

16. You are given following stock related information of materials:

Minimum usage : 400 units.
Normal usage : 600 units
Lead worked : 2-3 days

Required: (a) Re-order level [1]
(b) Minimum stock level. [2]

17. Following information relating to wage payment are given:

Wage rate per unit : Rs. 15
Standard time per unit : 3hours
Time spent : 2,000 hours

Required: Wages payable under time rate system [2]

18. A manufacturing company supplies you the following cost data:

Opening stock of raw materials	Rs. 30,000
Closing stock of raw materials	Rs. 20,000
Opening stock of work in progress	Rs. 5,000
Closing stock of work in progress	Rs. 10,000
Purchase of raw materials	Rs. 85,000
Carriage on purchase	Rs. 5,000
Direct wages	Rs. 35,000
Other factory expenses	Rs. 30,000
Show room expenses	Rs. 10,000
Heating & lighting	Rs. 5,000
Office salary & rent	Rs. 25,000
Other selling & distribution expenses	Rs. 2 per unit
Production units	2,000 units
Sales units	3,000 units
Profit	20% on cost

Required: (a) Cost sheet. [7]
(b) Selling price per unit [1]

19. Following figures have been extracted from the cost records of a manufacturer for the production and sale of 500 units:

Cost of materials consumed	Rs. 80,000
Direct labour	50,000
Factory overhead	30,000
Administrative overhead	20,000
Selling expenses	10,000
Rate of profit	20% on sales

The manufacturer decides to produce and sell 400 units in next year and estimates that:

- Cost of raw material will increase by 10%
- Relation of factory overhead on prime cost will remain same
- Selling expenses per unit will be reduced by Re. 5.
- The rate of profit will remain the same.

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

20. Net loss of a company is Rs. 15,000 as per financial accounting which is different with cost accounting. Causes of differences are:

- Factory overhead recorded:
in financial accounting Rs.10,000
in cost accounting Rs. 12,000
- Interest on investment credited in financial accounting Rs. 5,000
- Income tax paid Rs.10,000 not charged in cost accounting.
- Preliminary expense written off Rs. 8,000 recorded in financial accounting only.
- Closing stock undervalued by Rs. 5,000 in cost accounting.

Required: Cost Reconciliation Statement [5]

THE END



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F.M.:100
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Set B

1. What is private company? What are its privileges? [1+2=3]
2. Explain cumulative and participating preference shares. [2]
3. What is financial accounting? Explain its any two limitations. [1+2=3]
4. Explain the types of cost according to cost behaviours. [3]
5. What is centralized store? Write down its merits and demerits. [3]
6. What is time rate system of wage payment? Write down its advantages and disadvantages. [1+2=3]
7. Explain the term allocation and apportionment of overhead. [3]
8. Prabhu Ltd. issued 12,000 shares of Rs. 10 each payable as Rs. 3 on application, Rs. 2 on allotment, Rs. 3 on first call and rest on second & final call. All the shares were subscribed and all the money were duly received.

Required: Journal entries [5]

9. **Trail Balance of Kojina Company Ltd. as on 31stDecember, 2015 is given below:**

Particulars	Dr. (Rs.)	Cr. (Rs.)
Debtors	20,000	
Administrative expenses	15,000	
Sinking fund		10,000
Interim dividend	10,000	
Opening stock	30,000	
Plant & machinery	1,50,000	
Net purchases	1,00,000	
Cash and bank	85,000	
5% Debenture		50,000
Net sales		2,00,000
Equity share capital		1,00,000
P/L Appropriation A/C		50,000
Sundry creditors		10,000
Tax paid for 2014	30,000	
Rent		20,000
Total	4,40,000	4,40,000

Additional Information:

- Advance rent Rs. 5,000.
- Closing stock Rs.100,000
- Proposed dividend @ 10%

Required: Adjustment entries & work sheet

[2+6=8]

10. **Trial balance of Rose Trading Co. Ltd. on Chaitra 31, 2071 is as follows:**

Particulars	Amount	Particulars	Amount
Purchase	6,00,000	Sales	8,50,000
Opening Stock	1,65,000	Return Outward	5,000
Carriage	2,000	Sinking Fund	10,000
Salaries	45,000	10% Debenture	40,000
Bad debts	1,000	Sundry creditors	2,000
Prepaid insurance	2,000	Provident fund	5,000
Preliminary expenses	2,000	Dividend received	4,000
Calls in arrears	2,000	P/L App. A/C	26,000
Debtors	40,000	Equity share capital	3,00,000
Cash at bank	80,000	Share premium	5,000
Rent	14,000		
Trade marks	50,000		
Plant and machinery	1,30,000		
10% Investment	1,00,000		
Interest on debenture	4,000		
Wages	10,000		
Total	12,47,000	Total	12,47,000

Additional Information:

- Closing stock was Rs. 2,50,000.
- Provision for tax is made at 30% on profit.
- Prepaid insurance was expired Rs. 1,500
- Depreciate plant and machinery by 10%.
- The directors have decided to propose 10% dividend and transfer Rs. 10,000 to the general reserve.

Required:(a) Trading Account
(b) Profit and Loss Account.
(c) Profit and Loss Appropriation Account
(d) Balance Sheet.

[2+3+2+5= 12]

10. Given below is the balance Sheet of M.K. Co. Ltd. as on Chaitra 31, 2071

Liabilities	Rs.	Assets	Rs.
Equity shares @ Rs. 100	3,00,000	Machinery	1,00,000
Reserve & surplus	30,000	Land & building	3,00,000
10% Bank loan	1,50,000	Stock	10,000
Bills Payable	40,000	Sundry debtors	50,000
Creditors	20,000	Cash at bank	70,000
		Brokerage	10,000
Total	5,40,000	Total	5,40,000

Additional Information:

Debtor turnover ratio : 10 times

Net Profit Margin : 10%

Required:

- Sales amount
- Current ratio
- Debt to total capital ratio
- Stock turn over ratio.
- Return on capital employed ratio

[5]

11. Following particulars are extracted from the comparative balance sheet of a company for two - year periods:

Particulars	2015 (Rs)	2014 (Rs)
Bills receivable	20,000	30,000
Cash at bank	50,000	20,000
Inventory	50,000	30,000
Creditors	30,000	40,000
Bills payable	30,000	10,000
General reserve	25,000	15,000
Preliminary expenses	30,000	35,000
Share capital	2,00,000	1,00,000
Accumulated depreciation	50,000	30,000
Fixed assets	2,50,000	1,30,000

Additional information:

- Net profit for the year Rs. 40,000
- Rent received Rs. 5,000
- A part of fixed assets having book value of Rs. 35,000 was sold at a gain of Rs. 5,000.
- Depreciation for the year Rs. 30,000.
- Provision for tax Rs. 10,000

Required: (a) Schedule of changes in working capital

[3]

(b) Funds from operation

[2]

12. Company's Balance Sheet for two years have been given below:

Liabilities/Capital	2014	2015	Assets	2014	2015
Equity share capital	4,50,000	6,50,000	Fixed assets	3,00,000	4,50,000
Retained earning	40,000	60,000	Stock	80,000	1,00,000
Share premium	30,000	50,000	Debtors	1,30,000	1,00,000
8% Debentures	50,000	30,000	Prepaid rent	20,000	40,000
Bills payable	50,000	60,000	Cash	20,000	30,000
Outstanding rent	10,000	10,000	Bank	80,000	1,40,000
Total	6,30,000	8,60,000	Total	6,30,000	8,60,000

Additional information:

- Sales for the year Rs. 6,00,000
- Cost of goods sold Rs.3,00,000
- Operating expenses Rs. 1,80,000 (including depreciation Rs.30,000)
- Interest on debenture paid Rs. 4,000
- Land purchased Rs. 3,00,000
- Book value of a part of fixed assets Rs.40,000 was sold at a profit of Rs.10,000.
- Dividend paid for the year Rs. 25,000
- Premium on redemption of debenture was Rs.1,000

Required: Cash Flow Statement under direct method.

[10]

13. The following are the store transactions of a certain materials during the month of July.

Marga 1	Opening stock	1,000 kg @ Rs. 2 per kg
3	Purchases	400 kg @ Rs. 3 per kg
7	Issued	800 kg
11	Returned to store	100 kg
15	Purchases	500 kg @ Rs. 4 per kg
20	Issued	700 kg
21	Stock verification found materials damaged	50 kg
24	Purchased	300 kg @ Rs.5 per kg

Required: Store ledger under LIFO method

[5]

14. Following are the information relating to a firm:

Annual requirement	: 48,000 units
Cost per unit	: Rs.30
Carrying Cost per unit	: 10% of average inventory
Ordering cost per order	: Rs.150

Required: Economic order quantity. [2]

15. You are given the following stock information:

Consumption : 300 units – 500 units.
 Reorder quantity : 2,000 units
 Reorder period : 3-8 days

Required: (a) Reorder level [1]
 (b) Maximum stock level [2]

17. Following labour related information are given:

Wage rate per hour : Rs. 20
 Standard output per hour : 2 units
 No. of unit produced : 500 units

Required: Wages payable under piece rate system [2]

18. The beginning and ending balances of a manufacturing company for a year are as under:

	Beginning	Ending
Raw material	Rs. 40,000	Rs.25,000
Work-in-progress	Rs.10,000	Rs.15,000
Finished goods	400 units	300 units

Other information:

Direct materials purchased Rs.80,000
 Carriage Rs.5,000
 Factory insurance Rs.5,000
 Rent Rs.10,000
 Motive power Rs.5,000
 Direct labour Rs.45,000
 Other expenses on purchase Rs.2,000
 Other office overheads Rs. 25,000
 Depreciation on:
 Plant Rs.15,000
 Furniture Rs. 5,000
 Delivery van Rs. 4,000
 Advertising, selling and distribution overhead Rs. 2 per unit
 Production units 2,000 units
 Profit 10% on cost

Required: (a) Cost Sheet. [7]
 (b) Cost per unit [1]

19. Following details of cost and profit were given for the production & sales of 200 units in 2015:

Direct material Rs. 75,000
 Labour Rs. 55,000
 Work overheads Rs. 30,000
 Administrative overheads Rs. 38,000
 Selling & distribution overhead Rs. 10,000
 Profit 20% on selling price

Company decided to produce 100 units in 2016. It is estimated that:

- (a) Material cost will be increased by 10%.
- (b) Wages cost will be increased by 20%.
- (c) Selling overhead per unit will be reduced by 40%.
- (d) Rate of profit will remain the same.

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

20. The net profit of a company for the year was Rs. 70,000 as shown by the cost accounting.

- (i) Office overhead is overhead recorded in cost accounting by Rs. 2,000
- (ii) Bank interest Rs. 5,000 was credited in financial accounting only.
- (iii) Selling overhead under charged in financial accounting by Rs. 2,000
- (iv) Depreciation charged:
 in financial accounting Rs. 15,000
 in cost accounting Rs. 18,000.
- (v) Income tax paid Rs. 15,000.

Required: Cost Reconciliation Statement [5]

THE END