

**Model Question -3**  
**Subject : Accountancy (2078)**

Class: XII

F.M. : 75

**Group 'A'**

**(Very Short Answer Questions)**

**Attempt all the questions:**

[11 × 1 = 11]

1. Define Public Limited Company.
2. What do you mean by preference shares?
3. What do you mean by financial statements?
4. Explain fixed costs with suitable examples.
5. Define centralized purchasing system.
6. What is allocation of overheads?
7. Which system of wages payment helps to reduce idle time?
8. Write any one use of Tally software in accounting.
9. Give adjustment entry for outstanding salary.
10. If ROL is 1,800 units and daily consumptions is 200 to 300 units, calculate minimum stock level.
11. Calculate annual requirement if EOQ is 300 units, ordering cost per order is Rs.50 and carrying cost per unit is Rs.40.

**Group 'B'**

**(Short Answer Questions)**

**Attempt All Questions**

[8 × 5 = 40]

12. MM Co Ltd. Issued 10000 equity shares of Rs. 100 at a premium of Rs.10 each. The money was payable as follows:

On application Rs. 25

On allotment Rs. 50

On 1<sup>st</sup> and final call Rs. 35

Applications were received for 25000 shares. Applications for 5000 shares were accepted in full, applications for 5000 were rejected and remaining applications were allotted on pro-rata basis. All the money were duly received except Mr. Daku to whom 800 shares were allotted under pro rata basis failed to pay allotment and call money.

***Required : Journal entries***

[2+2+1]

OR

A company forfeited 200 shares of Rs.10 each (issued at a premium of Rs.2) due to non payment of Rs.6 per share. Out of these 150 shares were re issued at Rs.6 per share as fully paid.

**Required : Journal entries for;**

[2+2+1]

- a) Forfeiture    b) Re issue    c) Transfer**

13. A. Pushpa Company Ltd. Issued 24000 equity shares of Rs. 10 each at a discount of 10% to Srivalli Co Ltd to purchase the following assets and liabilities :

Land & building                      Rs.200000

Plant & machinery                      Rs. 80000

Sundry creditors                      Rs.40000

**Required ; Journal entries for purchase of assets and liabilities and payment of purchase consideration.**

[2]

- B. KTM Co. issued 40000, 9% debentures of Rs.10 each at 10% discount but redeemable at Rs.12 each.

**Required: Entries for issue and redemption of debentures**

[3]

14. Trial balance of BB Co. Ltd as on 31<sup>st</sup> Dec 2015 is given below;

Particulars	Dr. Amt	Cr. Amt
Beginning stock	30000	-
Purchase	150000	-
Sales	-	300000
Purchasing expenses	12000	-
Factory expenses	10000	-
Rent income	-	15000
Commission received	-	25000
Salaries	60000	-
Depreciation – office furniture	10000	-
Depreciation – delivery van	5000	-
Rent expenses	15000	-
Interest expenses	4000	-
Other operating expenses	6000	-
Advertising expenses	40000	-
Profit from discontinued operation	-	2000
<b>Total</b>	<b>342000</b>	<b>342000</b>

Additional information;

- i. Closing stock Rs. 42000
- ii. Income tax expenses @ 25%

**Required : Statement of Profit or Loss as per NFRS**

[5]

15. The following Trial balance of Mechi Co. Ltd for the year ended 31<sup>st</sup> Chaitra 2075 is provided to you;

Particulars	Dr.(Rs)	Cr. (Rs)
Ordinary shares	-	50000
Machinery	65000	-
Share premium	-	10000
Rent	8000	-
Salary	10000	-
Sales	-	80000
Purchases	30000	-
Bank balance	37000	-
Sundry creditors	-	10000
<b>Total</b>	<b>150000</b>	<b>150000</b>

Additional information;

- Depreciation on machinery Rs.5,000.
- Pre paid rent Rs.2,000
- Outstanding salary Rs.3,000

**Required : Work sheet.**

[5]

16. What do you mean by cost accounting? Explain any three limitations of Cost accounting.

[2+3]

17. A. Write down two features of variable overheads.

[2]

B. Free fire Co. Ltd provides you the following details of inventory for the year 2022.

- Jan. 1 Beginning inventory 600 units @ 20 each  
 March 15 Purchase 800 units @ Rs. 22 each  
 July 25 Purchase 1000 units @ Rs.18 each  
 Dec. 10 Purchase 400 units @ Rs. 24 each

At the end of December 500 units were on hand.

You are required to calculate the following under LIFO method using periodic inventory system.

- i. **Cost of goods available for sale**
  - ii. **Cost of goods sold**
  - iii. **Value of ending inventory.** [3]
18. A. You are provided with the following details;  
 Units produced in an hour - 6 units                      Rate per unit – Rs. 12  
 Total hours worked - 200 hours.  
**Required : Total wages under time rate system of wages payment.** [2]
- B. The net profit shown by Cost accounting is Rs. 25,000 and the following are The causes of difference between the profit shown by cost and financial accounting.  
 a. Over recovery of factory overheads in cost account Rs. 8,000  
 b. Interest received not recorded in cost accounts Rs. 5,000.  
 c. Under valuation of opening stock in cost account Rs. 6,000.  
**Required : Cost reconciliation statement.** [3]
19. Write the difference between manual and computerized accounting. [5]  
**OR**  
 Define Tally. Write the advantages of using Tally. [2+3]

### Group 'C'

**(Long answer questions)**

**Attempt all the questions**

[3× 8 = 24]

20. Trial balance of a Company as on December 31<sup>st</sup>, 2020 is given below.

Particulars	Amt. Rs	Particulars	Amt. Rs.
Opening stock	2,00,000	Share capital	5,00,000
Purchases	6,00,000	5 % Loan	2,00,000
Land & building	9,00,000	P/L Appro A/c	50,000
Investments	80,000	Sales	12,50,000
Debtors	1,00,000	Bills payable	1,00,000
Rent	50,000	General reserve	50,000
Salaries	1,10,000	Dividend received	30,000
Wages	80,000		
Carriage in	20,000		
Cash & bank	30,000		
Insurance	10,000		
	21,80,000		21,80,000

Additional information:

- ✓ Closing inventory Rs. 2,00,000.
- ✓ Wages of Rs.5,000 still to be paid.
- ✓ Pre paid insurance was Rs. 2,000.
- ✓ Proposed dividend @ 10 %.

**Required : a. Trading & P/L account.**

**b. P/L Appropriation account.**

**c. Balance sheet.**

[4+1+3]

**OR**

G-Bob Co Ltd provides you the following Trial balance as on 31<sup>st</sup> Chaitra 2075

Particulars	Dr. Amt.	Cr. Amt
Common stock	-	2,00,000
Share premium	-	20,000
Sales	-	4,00,000

Purchases	3,00,000	-
Wages	20,000	-
Cash at bank	10,000	-
Salaries	20,000	-
Land & building	2,00,000	-
Investments	1,00,000	-
Creditors	-	50,000
Book debts	40,000	-
Advertising expenses	10,000	-
Interest received	-	30,000
<b>Total</b>	<b>7,00,000</b>	<b>7,00,000</b>

Additional information:

- Depreciation on land & building by 5%
- Wages outstanding and pre-paid salary Rs.5,000 and Rs.2,000 respectively.
- Closing stock Rs.5,000.
- Corporate tax rate 20%

**Required :**      **a. Multi step income statement**      **b. Balance sheet**      **[4+4]**

21. The balance sheet of a company as on Chaitra 31<sup>st</sup> are as under:

Liabilities	Year 1 Rs.	Year 2 Rs.	Assets	Year 1 Rs.	Year 2 Rs.
Share capital	4,00,000	5,00,000	Fixed assets	5,25,000	6,80,000
10% debenture	1,00,000	50,000	Inventories	50,000	75,000
Long term loan	50,000	1,50,000	Debtors	75,000	1,00,000
Creditors	50,000	50,000	Pre paid insurance	5,000	10,000
Wages payable	-	10,000	Cash at bank	45,000	15,000
Provision for tax	25,000	30,000			
Retained earning	75,000	90,000			
<b>Total</b>	<b>7,00,000</b>	<b>8,80,000</b>	<b>Total</b>	<b>7,00,000</b>	<b>8,80,000</b>

Additional information:

- Sales for year 2 ..... Rs.6,00,000
- Cost of goods sold ..... Rs. 2,25,000
- Operating expenses excluding Rs 10,000 interest on debentures Rs.2,50,000
- Tax paid ..... Rs. 25,000
- Fixed assets purchased .....2,15,000  
Fixed assets sold ..... Rs. 15,000
- Dividend paid ..... Rs. 25,000

**Required : Cash flow statement using direct method.**      **[4+2+2]**

22. A manufacturing company provides the following information relating to the production of a quality product.

Raw materials consumed .....	Rs. 25,000
Opening stock of finished goods (2,000 units) .....	Rs. 8,000
Direct wages .....	Rs.15,000
Work overheads .....	Rs.10,000
Administrative overheads	: 20% of work cost
Selling overheads	: Re. 0.5 per unit
Units produced	: 15,000
Units sold	: 14,000 at Rs. 5 per unit

**You are required to prepare a cost sheet.**      **[1+1+3+2+1]**

**BEST OF LUCK**