Model Question -9

Subject : Accountancy (2078)

Class: XII **F.M. : 75**

Group 'A'

(Very short answer questions)

Attempt all questions: **(11×1=11)**

1. Write any three differences between equity and preference shares.3
2. Write the disadvantages of debt financing.
3. Write importance of financial of cost accounting.
4. State any one difference between bin card and store ledger.
5. Explain fixed cost with examples.
6. What is overhead?
7. Explain any one feature of company
8. What is total cost at eoq if annual requirement is 40000 kg, ordering cost per order is Rs 500 and carrying cost per unit is Rs 20.
10. Write the process of computerised accounting.
11. Write any two essentials of material control.
12. Aero ltd issued 10,000 equity shares of par value Rs 100 each at Rs 110. Company demanded the price of the shares under following installments :
    On application Rs 30
    On allotment RS 60 (including premium)
    On calls Rs 20

Company received application for 20,000 shares. Company decided to make pro rata allotment for application of 15,000 shares only and refund application money of remaining shares. After pro rata allotment of shares Company utilized the excess application money of the share towards sum due on allotment and subsequent calls. All dues were received except allotment and calls money on 300 shares. Holder of these shares failed to pay calls money. Company decided to forfeit these share after calls.

Req; entries of allotment, calls and share forfeiture. **5**

Or

Paul Smith Ltd has forfeited 800 equity shares of Rs 100 issued at premium of Rs 20 against default in payment of allotment and calls money Rs 75 including premium and reissued at Rs 80 to a new subscriber for Rs 100 paid.

Req: entries of share forfeiture, re issue and transfer of the balance of forfeited amount to the capital reserve.

13.a) John Players Ltd has acquired business of a Springwood company at an agreed value Of Rs 720,000. Asset taken over and liabilities assumed are Equipment & tools Rs 30,000. Furniture Rs

45,000. Building Rs 545,000 and creditors Rs 20,000. Company to discharge the purchase price issued sufficient equity shares of Rs 100 at its 90% value.

Req: entry of the purchase of the business and discharge of the purchase consider. 3

b) Lego ltd has issued its 10,000, 11% debenture par value of Rs 100 at 115 value and repayable at 110% value at its maturity on cash after five years

Req; entries of the issue and redemption of the debenture. 2

14. Trial balance of a ltd. company for the year ended 31st December 2010.

Particular	**Amount**	**Particular**	**Amount**
Stock(1.1.2010)	90,000	Sales	700,000
Purchase	500,000	Purchase return	20,000
Sales return	20,000	Commission	5,000
Power and fuel	4,000	Interest on Investment	10,000
Insurance	10,000	Commission	50,000
Rent	10,000	Tranfer fees	20,0000
Advertisement	50,000	Provision for bad debt	10,000
Travellers salary	16,000		
Establishment charge	2,500		
Carriage outward	1,000		
Interest on debenture	10,000		
Commission	5,000		
Custom duty	15,000		
Wages	16,000		
Sundry expenditure	25,000		
Bad debt	1,000		

Adjustments:

a) Stock on 31st December, 2010 was value Rs. 1000,00.
b) Prepaid rent of 5000.
c) Depreciation on Plant and machinery @ 10%.
d) Provision for tax Rs 20000.

Required: i) Trading A/c ii) P/L A/c 5

15. The following are the balances of Nero lack Ltd, as on 31stChatira, 2068.

Particulars	**Debit (Rs.)**	**Credit (Rs.)**
Share Capital		350,000
Bills payable		50,000
Bank Overdraft		25,000
sales		350,000
Investment	165,000	
Wages	50,000	
purchase	250,000	
Fright on purchase	15,000	
Sundry Debtors	50,000	
Plant and Machinery	2,00,000	
Advertisement	35,000	
Insurance	10,000	

Following is the trial balance of Fuji ltd on Dec 31 2020

- Appreciation on Land and building 15% p.a.
- Outstanding wages Rs.17, 000.
- Prepaid insurance Rs 3,000.

Required: a) Adjustment Entries b) work sheet. 5

16. Differentiate cost and financial accounting. 5

17.a) What is decentralized purchase? Write its advantages. 2

b) Consider following material purchases and sales

Opening stock 600 units @ Rs. 20 each

Purchase

500 units @ Rs.22 each

100 units Rs. 25 each

200 units@Rs 26

Sales during the period is 1200 units. Organisation does not maintain up-to-date inventory accounting and applies periodic inventory accounting. Now you are required to calculate total cost of materials, cost of goods sold and value of closing inventory under FIFO pricing. 3

18 a) Following reasons of disagreement have been detected between cost and financial records.

Net Loss as per Cost Account Rs 60000

Office overhead charged in cost account Rs 10000 and in financial account Rs 20000

Opening stock over charged in Cost account Rs.30000

Dividend received recorded in financial account only Rs 4000

Administrative overhead over charged in cost Rs.3000

Required: Cost Reconciliation Statement **3**

b) Following are the details of the work department of an organisation: Standard daily working hour 8

Standard wage rate per hour is Rs 100.

Average time required for the production of an unit is 15 minutes

Mr A produced 200 units of output working 6 days in a week.

Req: guaranteed wages and wages of Mr A under piece wages system. 2

19. a) What is computerized accounting system? Explain the elements of computerized accounting system.

Or

Explain features of accounting software.

Group 'C'

Long answer questions

Attempt all questions: **(3×8=24)**

20. The balance sheet and income statement of Suzan Sweets co, ltd has been illustrated below.

Liabilities	2010	2011	Assets	2 010	2011
Share capital	1700,000	1900,000	Land	400,000	540,000
Share premium	230000	220000	Machinery	1200000	1480000
Retained earning	150000	120000	Stock	100000	80000
Debentures	100000		Account receivable	300000	180000
Bills payable	30000	80000	Cash	170000	90000
Bank overdraft	5000	10000	Prepaid expenditure	40,000	10000
Provision for tax	35000	80000	Preliminary expenditure	40,000	30,000
	22,50,000	2410,000		22,50,000	2410,000

Further information:

a) Sales Rs 8500000

b) Cost of goods sold Rs 395,000.

c) Selling and administrative exp. Rs 255000 depreciation on machinery Rs 60,000.

d) Machinery purchased Rs 340,000.

e) Interest paid Rs 20000

f) Income tax paid Rs 25000

g) Debenture redeemed with premium Rs 10,000.

h) Dividend paid Rs60,000.

Required: Cash flow statement 10

16. Given below the balance sheet of Y Co. Ltd for the previous year. 5

21. Panjab National company supplies the following cost accounting records of production of 1000 units of output:

Cost of material	Rs 20,000.
Cost of labour	Rs 30,000.
Factory overhead	Rs 15,000. (based on labour cost)
Office overhead	Rs 13,000.
Selling expenses	Rs 26,000.

Company has received an offer of manufacturing 200 units of same type of product for which material cost will decrease by 25% and labour cost by 20%.

Req : Calculation of tender price if company expect 20% profit on tender price. **8**

22,Trial balance of a ltd. company for the year ended 31st December 2010.

Investment	100,000	Debenture	20,0000
Plant and machinery	50,000	Overdraft	10,000
Goodwill	160,000	Creditors	20,000
Advertisement	2,500	Retained earning	107,000
Carriage outward	1,000		
Interest on debenture	10,000		
Commission	5,000		
Building	150,000		
Cash	16,000		
Sundry Debtors	25,000		
Loss on discontinued operation	1,000		
Dividend	20,000		
Salary	80,000		

Adjustments:

a) Stock on 31st December, 2010 was value Rs. 1000,00.
b) Salary due for the year Rs 12,000.
c) Depreciation on Plant and machinery @ 10%.
d) Provision for tax 20 %..

Req: Income statement, statement of retained earning and balance sheet under NFRS. **8**

OR

Particulars	Rs (Dr)	Rs(Cr)
Bank charge	500	
General expenses	35,600	
Advertisement expenditure	13,650	
Government bond	150,000	
Gross profit		750,000
Profit and loss app a/c		27,800
General reserve		55,400
Bad debt	5,000	
salary	90,000	
plant	350,000	
Cash and bank	334,000	
Account receivable	231,400	
Account payable		26,600
Provision for taxation		34,000
Tax paid	40,000	
Closing stock	43650	
Equity shares		400,000
Total	1293800	1293800

Additional information:

i) Depreciation on plant for the year10 %

ii) Outstanding salary Rs 10,000
iii) Directors proposed final dividend Rs 25,000 and transfer to general reserve Rs. 35000
iv) Provision made for tax is 30 % for the current year.

Req: profit & loss a/c, p/l appropriation a/c and balance sheet at the year ending Dec