

The candidates are required to give their answers in their own words as far as practicable. The figures in the margin indicate full marks.

Attempt all question

Group A

Very Short Answer Questions

[11×1=11]

1. Write any two characteristics of a company.
2. Define equity share.
3. Give the meaning of balance sheet.
4. Write in brief the meaning of Cost Accounting.
5. Classify overhead according to its function.
6. Clarify the meaning of Bin Card.
7. State any one difference between time wage system and piece wage system.
8. Mention any two demerits of computer system in accounting.
9. Prepare adjusting entry of commission earned but not received Rs. 3,000.
10. Calculate cash from operating activities under indirect method from the following information;

Class 12 Account Model Question 2083

Net profit	Rs. 20,000.
Non-operating expenses	Rs. 10,000
Increase in current assets	Rs. 15,000

Ans: Rs. 15,000

11. If ordering cost per order Rs. 300, carrying cost per unit Rs. 2 and annual requirements are 30,000 units, find out total cost of economic order quantity.

Ans: Rs. 6,000

Group B

Short Answer Questions

[8×5=40]

12. A company issued 4,000 shares of Rs. 10 each, payable as under:

On application	Rs. 4
On allotment (Including Re. 1 premium)	Rs. 5
On first and final call	Rs. 2

Applications were received for 6,000 shares. The allotments were made as follows.

Applicants of 1,000 shares were rejected and remaining applicants were on Pro-rata basis. Excess amount received on applications would be adjusted against the due amount on allotment. All the calls money were duly received except on 200 shares on first and final call. These 200 shares were forfeited.

- Required:**
- a. Allotment
 - b. First and final call
 - c. Forfeiture of share

[2+2+1]

Ans: Bank a/c (First and final call) Rs. 7,600, Share forfeiture a/c Rs. 1,600

13. a. A company purchased the following assets at an agreed price of Rs. 11,00,000:
 PlantRs. 9,00,000 FurnitureRs. 3,50,000
 The company paid the agreed price by issuing shares of Rs. 100 each at 10% premium.
Required: Entries for Purchase of Assets and Issue of Share
 [1+1=2]
 Ans: Capital reserve Rs. 1,50,000
- b. A Co. Ltd. issued 5,000, 10% debentures of Rs. 100 each at a discount of 5% redeemable at a premium of 10% after 5 years.
Required: Journal Entries for Issuance and Redemption of Debentures
 [1.5+1.5]
 Ans: Loss on issue of debenture Rs. 75,000, Premium on redemption of debenture Rs. 50,000

14. A trial balance of a company as on 31st December is as under.

Particulars	Debit (Rs.)	Credit (Rs.)
Plant and machinery	4,60,000	
Building	6,00,000	
Bank balance	80,000	
Debtors	60,000	
Prepaid insurance	12,000	
Closing stock	50,000	
Share capital		8,00,000
General reserve		1,20,000
Creditors		25,000
Net profit		80,000
Opening retained earning		37,000
Long term loan		2,00,000
Total	12,62,000	12,62,000

Additional information:

- i. Proposed dividend @ 10%
- ii. Transfer to general reserve Rs. 20,000

Required: a. Profit and loss appropriation account
 b. Balance sheet

Ans: P/L Appro. a/c Rs. 17,000, B/S Total Rs. 12,62,000

15. The Trial Balance of a Co. Ltd. as on 31st Chaitra last year is given below:

Particulars	Debit Rs.	Particulars	Credit Rs.
Equipment	2,00,000	Share capital	1,20,000
Cost of goods sold	1,21,000	Profit and loss account	52,000
Cash	32,000	Creditors	25,000
Debtors	25,000	Sales	2,30,000
Stationery	12,000	Commission	5,000
Salaries	24,000		
Rent	18,000		
Total	4,32,000	Total	4,32,000

Additional information:

- i. Proposed dividend: 10%
- ii. Write off bad debt: Rs. 4,000

Required: Worksheet

Ans: ATB Rs. 4,44,000, NP Rs. 56,000, R/E Rs. 96,000, B/S Total Rs. 2,53,000 [5]

16. Differentiate between allocation of overhead and apportionment of overhead. [5]

17. a. State the meaning of material codification with suitable examples. [2]

b. Following are the store transactions for the month of Magh:

- Magh 1 Beginning inventory: 50 units @ Rs. 200
- Magh 2 Purchased: 100 units @ Rs. 205
- Magh 20 Purchased: 120 units @ Rs. 210
- Sold during Magh 230 units

Required: Cost of ending inventory and cost of goods sold using FIFO method under periodic inventory system [3]
 Ans: Rs. 8,400, Rs. 47,300

18. a. The time allowed to produce 20 units of output is 2 hours. A worker produces 150 units during the month. Wages per hour is Rs. 250.

Required: Wages of a Worker [2]

Ans: Rs. 3,750

b. On reconciliation of Financial and Cost Accounting, following information were disclosed:

- i. Profit shown by Cost Account Rs. 40,000
- ii. Works overhead under recorded in Cost Account Rs. 3,000

- iii. Office overhead over recovered in Financial Account Rs. 5,000
 iv. A profit on sale of fixed assets was shown on Financial Account Rs. 5,000

Required: Reconciliation of cost and financial Account

[3]

Ans: Net profit as per financial account Rs. 37,000

19. Define computerized accounting system. Explain the importance of computer system in accounting.

[2+3]

Group C

Long Answer Questions

[3×8=24]

20. The trial balance of a company Ltd. as on 31st Chaitra last year is given below:

Particulars	Dr. (Rs.)	Particulars	Cr. (Rs.)
Opening stock	80,000	Sales	5,00,000
Dividend	40,000	Creditors	35,000
Purchases	3,30,000	Other service revenue	90,000
Printings expense	5,000	10% Debentures	2,00,000
Rent	20,000	Share capital	4,00,000
Salary	60,000	Interest on investments	10,000
Sales commission	8,000	Gain on sales of assets	10,000
Plant and equipment	1,50,000		
Prepaid insurance	10,000		
Cash in hand	17,000		
Biologic assets	60,000		
10% Investment	1,00,000		
Advertisement	10,000		
Land and building	3,00,000		
Debtors	35,000		
Interest expense	20,000		
Total	12,45,000	Total	12,45,000

Additional Information:

- i. Closing stock Rs. 90,000.
 ii. Prepaid insurance was expired to Rs. 2,000
 iii. Depreciation charged on plant and equipment by 10% and on building by 5%
 iv. Provision for income tax @20%
 v. Non-controlling interest 25%

Required: a. Profit or loss statement based on NFRS
 b. Statement of financial position based on NFRS

[4+4]

OR

- a. Multistep income statement
 b. Vertical balance sheet

[4+4]

Ans: (a) Net Income Rs. 1,08,000 (b) B/S Total Rs. 7,30,000

21. The balance sheet and income statement of A Ltd. are given below:

Liabilities	1 st year	2 nd year	Assets	1 st year	2 nd year
Share capital	2,00,000	3,00,000	Furniture	2,00,000	2,60,000
Debenture	1,50,000	1,30,000	Land	1,30,000	1,45,000
Account payable	1,40,000	1,50,000	Inventory	1,80,000	2,00,000
Bank overdraft	1,20,000	1,10,000	Accounts receivable	1,30,000	1,20,000
Retained earnings	1,40,000	1,60,000	Cash	1,10,000	1,25,000
Total	7,50,000	8,50,000	Total	7,50,000	8,50,000

Income statement for the year ending 2nd year

Particulars		Rs.
Sales		8,00,000
Less: Cost of goods sold:		7,00,000
Gross margin		1,00,000
Less: Operating expenses	40,000	
Depreciation	2,000	
Premium on redemption of debenture	1,000	
Loss on sale of furniture (Book value Rs. 10,000)	5,000	48,000
Net income		52,000

Additional information:

- i. Sale of furniture for Rs. 5,000 and purchase of furniture for Rs.90,000
- ii. Dividend paid for the year: Rs.14,000

Required: Cash flow statement using indirect method

[4+1+2+1]
 Ans: CFOA Rs. 50,000; CFIA (Rs. 1,00,000); CFFA Rs. 65,000

22. The opening and closing balance of inventories are as below:

	Opening	Closing
Finished goods	Rs. 40,000	Rs. 45,000
Work-in-progress	Rs. 25,000	Rs. 20,000
Raw materials	Rs. 40,000	Rs. 50,000

The other information provided by the company for the month ended was as follows:

Purchase of raw materialRs. 2,50,000	Direct labor costRs. 1,20,000
Profit..... 25% on sales	Factory overhead50% of direct labor cost
Selling expenses 10% of factory cost	Administration overhead10% of factory cost

Required: Cost Sheet

[8]
 Ans: PC Rs. 3,60,000, WC Rs. 4,25,000, COGS Rs. 4,62,500, Sales Rs. 6,73,333