PUNJAB SCHOOL EDUCATION BOARD
Model Test Paper for March 2011
Class- Sen. Sec. 12th
Second Semester
(Humanities Group)
BOOK KEEPING AND ACCOUNTANCY

Time: 3 Hours. **Max. Marks: 100**

Note:

(i) All questions are compulsory.
(ii) Question paper divided in to three sections i.e. **Section-A and B**
(iii) Marks allotted to each question are indicated against it.
(iv) **For theoretical questions**: The question carrying **1** mark are to be answered in **1-15** words, **2** marks **20-25** words, **4** marks **70-75** words and **10** marks in **250-300** words each..
(v) **For numerical questions** - there in no word limit
(vi) The use of non-programmable simple calculator is allowed. `

SECTION-A

I (i)	What is the main objective of not-for-profit organizations?	**1**
(ii)	A partner withdrew Rs. **2,000** at the end of each quarter. Calculate interest on drawings at the rate of **6%** p.a.	**1**
(iii)	Write the formula of interest on drawings when fixed amount is withdrawn in the beginning of every month of a year.	**1**
(iv)	________________ = Old profit ratio – New profit ratio. (fill in the blanks)	**1**
(v)	What rule applicable regarding **profit ratio** in absence of partnership deed?	**1**
(vi)	If at the time of retirement, some general reserve balance appears in the books , it will be transferred to:	**1**
(vii)	In case of death of a partner, deceased partner's capital balance is transferred to:	**1**
(viii)	A, B and C are partners sharing profit and loss in the ratio of ½, ⅓ and □ respectively, A retires, calculate the new profit share ratio.	**1**
(ix)	Realisation expenses Rs. **4,000** were agreed to be payable to Mohan by the firm. The actual expenses were however Rs. **5,000**. Pass necessary journal entry.	**1**

(x)	The court may dissolve the firm when?	**2**
II	What do you mean by retirement of a partner from the firm?	**2**
III	Give any two differences between gaining ratio and sacrificing ratio.	**2**
IV	What is realisation account?	**2**
V	A, B and C are partners sharing profits in the ratio of 2:3:5. B retires from the firm. A and C decide to share in the ratio of 2:3. Compute gaining ratio.	**2**
VI	Stock having book value of Rs. 45,000 was taken by partners A, B and C in their profit share ratio 5:3:2 at an agreed value of Rs. 40,000. Pass necessary Journal entry when the firm is under dissolution.	**2**
VII	Differentiate between realisation account and revaluation account.	**4**
VIII	Briefly explain the entitlements of a deceased partner at the time of death of a partner.	**4**
IX	A, B and C were partners in 5: 3: 2 ratio. On 21.06.2010 A died and new profit ratio between B and C was decided to be equal. Goodwill at the time valued at Rs. 50,000. Calculate gaining ratio and pass journal entry for goodwill.	**4**
X	X, Y and Z are partners sharing profits in ratio of 4:3:1. Y retires selling his share of profit to X and Z for Rs. 8,100. Rs. 3,600 being paid by X and Rs. 4,500 being paid by Z. The profit for the year after Y's retirement was Rs. 10,500. Distribute the above profit between X and Z by passing necessary journal entry.	**4**
XI	Ram and Mohan are two partners in a firm and their capitals are Rs. 1,00,000 and Rs. 80,000 respectively. The creditors are Rs. 60,000. Prepare Realisation account assuming the assets are sold at Rs. 2,00,000.	**4**
XII	**X, Y** and **Z** are three partners. There profit sharing ratio was **3:2:1**. Their Balance Sheet on 30th September, 2010 was as under:	

Balance Sheet as on 30th September, 2010

Liabilities	Amount Rs.	Assets	Amount Rs.
Creditors	**25,200**	Bank Balance	**3,250**
General Reserve	**11,000**	Debtors	**10,050**
Capital Account:		Stock	**8,000**
X	**15,000**	Office Equipment	**1,850**
Y	**10,000**	Investments	**31,300**
Z	**5,000**	Land and Buildings	**11,750**
	66,200		**66,200**

The Firm dissolved on above date:

(i) **X** took over investment for Rs. 9,000.

(ii) **Y** took over stock for Rs. 8,750.

(iii) Office equipment was taken over by **Z** at book value.

(iv) Debtors and land & buildings realized Rs. **28,500** and Rs. **12,500** respectively.

(v) The firm incurred Rs. **225** on realization expense.

(vi) A bill receivable discounted from bank was dishonoured and the firm had to pay Rs. **250** to the bank.

Prepare Realisation Account, Cash Account and Partner's Capital Accounts.

4+3+3=10

Or

Discuss the methods in which goodwill is treated in the books of account in case of retirement of a partner. **10**

Section-B

XIII(i) What are Cumulative preference shares? **1**

(ii) What do you mean by authorised Capital? **1**

(iii) What is meant by issue of debentures at discount? **1**

(iv) What is meant by debentures issued at par and redeemable at premium? **1**

(v) What do you mean by debentures? **1**

(vi) What is meant by financial statements? **1**

(vii) Name any one tool for financial analysis. **1**

(viii) Give the formula of current ratio. **1**

(ix) Name any one solvency ratio. **1**

(x) Give any one limitation of cash flow statement. **1**

XIV What are contingent liabilities? Give example also. **2**

XV Give any four limitations of financial statements. **2**

XVI What do you mean by cash equivalents? **2**

XVII Calculate Quick Ratio from the following information:
Cash Rs. 20,000; Debtors Rs. 30,000; Bills payable Rs. 10,000 Creditors Rs. 40,000 and Share capital Rs. 3,00,000. **2**

XVIII The following figures were extracted from the trial balance of X ltd.

	Rs.
Share Capital	85,000
Securities Premium	5,000
10% Debentures	25,000
Fixed deposits (Cr)	10,000

	Creditors 5,000 You are required to draw up the liability side of the Balance Sheet.	2
XIX	Explain the significance of financial analysis.	4
XX	What items are included in cash flow from investing activities?	4
XXI	Rearrange the following in the form of a Company Balance Sheet as per schedule VI part I of the Companies Act, 1956.	

	Rs.
Bills payable	30,000
Unclaimed dividend	12,000
Accounts receivable	11,000
Shares in NTPC Ltd.	20,000
Deposits with ICICI Bank	50,000
Securities premium	75,000
Prepaid rent	1,000
Underwriting commission	1,500
Stores and spares	6,000
Patent	2,000

4

XXII From the following Balance Sheet, prepare a comparative balance sheet of D ltd.

Liabilities	**2007 Rs.**	**2008 Rs.**	**Assets**	**2007 Rs.**	**2008 Rs.**
Share Capital	3,00,000	3,50,000	Fixed Assets	3,00,000	4,00,000
Long term Loans	2,00,000	1,00,000	Current Assets	3,00,000	2,00,000
Current liabilities	1,00,000	1,50,000			
	6,00,000	6,00,000		6,00,000	6,00,000

4

XXIII Calculate Stock turnover ratio from the following information:

	Rs.
Opening Stock	50,000
Purchases	7,50,000
Sales	10,00,000
Gross profit ratio	25% on sales

4

XXIV From the following detail prepare **Cash Flow Statement**.

Liabilities	**31.12.2005 Rs.**	**31.12.2006 Rs.**
Equity share capital	2,40,000	3,20,000
Preference share capital	1,20,000	80,000
General reserve	32,000	56,000
Profit and Loss Account	24,000	38,400
Proposed dividend	33,600	40,000
Sundry Creditors	44,000	66,400
Bills payable	16,000	12,800
Provision for taxation	32,000	40,000
	5,41,600	**6,53,600**

Assets	**31.12.2005 Rs.**	**31.12.2006 Rs.**
Goodwill	92,000	72,000
Land and Building	1,60,000	1,36,000
Plant	64,000	1,60,000
Sundry Debtors	1,28,000	1,60,000
Stock	61,600	87,200
Bills receivable	16,000	24,000
Cash at hand	20,000	14,400
	5,41,600	**6,53,600**

Additional information:

1. Depreciation of Rs. **8,000** and Rs. **16,000** have been charged on plant and Land & building respectively in the year 2006.
2. An interim dividend of Rs. **16,000** has been paid in the year 2006.
3. Rs. **28,000** income tax has paid during the year 2006.

10

Or

What do you understand by Analysis of Financial Statements? Explain in brief any two tools of the analysis of Financial statements. **3+7=10**