

**PUNJAB SCHOOL EDUCATION BOARD**  
**Model Test Paper for 2011**  
**Class- 12<sup>th</sup>**  
**ACCOUNTANCY-II**  
**Second Semester**  
**(Commerce Group)**

**Time: 3 Hours.**

**Max. Marks: 55**

**Note:**

- (i) Question paper is divided in to three sections ; i.e., Section-A, B and C.
- (ii) Marks allotted to each question are indicated against it.
- (iii) Question No 1 to 7 are very short answer type questions. In these, theoretical questions are to be answered in not more than 15 words.
- (iv) Question No 8 to 11 are short answer type questions. In these, theoretical questions are to be answered in 8-10 lines.
- (v) Question No 12 to 15 are long answer type questions with internal choice, theoretical questions of which are to be answered in 4-6 pages
- (vi) For all types of numerical questions, there is no word or line or page limit.
- (vii) The use of non-programmable simple calculator is allowed. The students should bring their own calculator in the Examination Hall. No borrowing will be permitted.

**Section-A**

- |    |                                                                                         |   |
|----|-----------------------------------------------------------------------------------------|---|
| 1. | Name the two types of shares a company can issue.                                       | 1 |
| 2. | What is meant by Redemption of Debentures?                                              | 1 |
| 3. | Under which heading Interest on investments is shown in the Balance Sheet of a company? | 1 |
| 4. | Name any two basic financial statements.                                                | 1 |
| 5. | What is average collection period?                                                      | 1 |
| 6. | Give any one advantage of Cash flow statement.                                          | 1 |
| 7. | Name any two tools which may be used to analyse the financial statements of a company.  | 1 |

**Section-B**

- |    |                                                                       |   |
|----|-----------------------------------------------------------------------|---|
| 8. | Give any two differences between Preference shares and Equity shares. | 2 |
| 9. | What do you mean by debentures issued at premium?                     | 2 |

10. The following figures were extracted from the trial balance of Sharma Ltd.

	Rs.
Share Capital	1,70,000
Securities Premium	10,000
10% Debentures	50,000
Fixed Deposits (Credit)	20,000
Creditors	10,000

You are required to draw up **Liabilities side of Balance Sheet.**

11. From the following information, Calculate – **Gross profit ratio**.  
Sales- Rs. **2,00,000**, Purchases- Rs. **1,69,000**, Opening stock- Rs. **35,500**, Closing stock- Rs. **44,500**.

2

**Section-C**

12. Udham Singh Mills Ltd. Invited applications for **30,000** equity shares of Rs. **10** each (with premium Re. 1 per share), payable as follows:

On Application	Rs. <b>2</b> per share
On Allotment	Rs. <b>4</b> per share (including premium)
On First call	Rs. <b>3</b> per share and
On Second and final call	Rs. <b>2</b> per share.

Applications were received for **40,000** shares and directors decided to deal with the applications as:

- (i) To refuse allotment to applicants of **4,000** shares.
- (ii) To allot 100% basis to applicants for **12,000** shares.
- (iii) To allot the remaining shares among remaining applicants on pro-rata basis.
- (iv) To adjust the surplus applications money against the amount due on allotment.
- (v) Whole of the money was received except two calls on **150** shares, which were forfeited. Out of these forfeited shares, **100** shares were re-issued at Rs. **7** per share.

10

Pass Journal Entries recording the above transaction from the stage of receipt of application money till the reissue of forfeited shares.

**Or**

The following balances have been extracted from the books of Sharma Ltd. On 31.12.2007:

Share capital Rs. 8,00,000, General Reserve Rs. 2,00,000, 15% debentures Rs. 4,00,000, Creditors Rs. 1,00,000, Proposed dividend Rs. 70,000, Profit and Loss Account Rs. 30,000 (Dr.), Building Rs. 10,00,000, Govt. Bonds Rs. 2,00,000, Stock Rs. 2,50,000 and Discount on issue of 15% debentures Rs. 90,000.

Prepare the Balance Sheet of the company as per Schedule VI part I of the companies act 1956.

10

13. On 1<sup>st</sup> April, 1996, X Ltd. issued **1,000**, 10% debentures of Rs. **100** each repayable at the end of 4 years at a premium of **5%**. It has been decided to create a sinking fund for the purpose. The investments are expected to earn interest at **4%** per annum.

Sinking fund table shows that Re. **0.235490** invested in **4%** per annum securities amounts to Re. 1 after 4 years. All entries made to the nearest rupees.

On 31<sup>st</sup> March, 2000, the balance at bank was Rs. **29,500**. The investments are realised Rs. **78,400**. The debentures were redeemed as per terms of the offer document. Prepare **Debenture account, Debentures sinking fund account, Debentures sinking fund investment account** and **Bank account** in the books of the company.

1+4+4  
+1=10

**Or**

What is the meaning and purpose of analysis of financial statements?

3+7  
=10

14.

Following are the Balance Sheets of S Ltd. And L Ltd. on 31<sup>st</sup> March, 2007:

(Rs. in lakhs)

Liabilities	S Ltd. Rs.	L Ltd. Rs.	Assets	S Ltd. Rs.	L Ltd. Rs.
<b>Sundry Creditors</b>	126	462	<b>Cash</b>	81	216
<b>Other Current Liabilities</b>	234	186	<b>Sundry Debtors</b>	660	678
<b>Fixed Liabilities</b>	675	954	<b>Stock</b>	300	522
<b>Capital</b>	1,974	1,479	<b>Prepaid Expenses</b>	33	63
			<b>Other current Assets</b>	30	63
			<b>Fixed Assets (Net)</b>	1,905	1,539
<b>Total Liabilities</b>	<b>3,009</b>	<b>3,081</b>	<b>Total Assets</b>	<b>3,009</b>	<b>3,081</b>

10

From the above data, prepare a common size statement and make comments.

Or

The following is the profit and loss account of W Ltd. for the year ended on 31<sup>st</sup> December, 2009

To opening Stock	Rs. 70,000	By Sales	Rs. 5,00,000
To Purchase	3,00,000	By Closing Stock	90,000
To Carriage	6,000		
To Wages	14,000		
To Gross Profit	2,00,000		
	5,90,000		5,90,000
To Administration exp.	1,02,000	By Gross profit	2,00,000
<b>To Selling &amp; distribution exp.</b>	20,000	By Dividend received	5,000
To Interest	3,000		
To Net Profit	80,000		
	2,05,000		2,05,000

You are required to calculate:

- Gross profit ratio
- Net profit ratio
- Operating Net profit ratio
- Operating ratio
- Expenses ratio.

2+2  
+2+2  
2=10

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

<b>Liabilities</b>	<b>31.12.2005 Rs.</b>	<b>31.12.2006 Rs.</b>
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
	<b>5,41,600</b>	<b>6,53,600</b>

<b>Assets</b>	<b>31.12.2005 Rs.</b>	<b>31.12.2006 Rs.</b>
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
	<b>5,41,600</b>	<b>6,53,600</b>

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.

**Or**

What is debenture? Describe the various ways of issuing debentures.

**10**

**3+7**