

# HISSAN CENTRAL EXAMINATION - 2079(2022)

Grade : XII

F.M. : 75

Time : 3 hrs

## ACCOUNTANCY (1041)

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 questions.

### GROUP A

#### Very short answer questions

[11×1=11]

- Write any two characteristics of a company.
- Define equity share.
- Give the meaning of balance sheet.
- Write in brief the meaning of cost accounting.
- Classify overhead according to its' function.
- Clarify the meaning of bin card.
- State any one differences between time wage system and piece wage system.
- Mention any two demerits of computer accounting system.
- Prepare adjusting entry of commission earned but not received Rs. 3,000.
- Calculate amount of purchase, from the following information:  
Cost of goods sold Rs. 860,000.  
Beginning inventory Rs. 25,000 and  
Ending inventory Rs. 40,000.
- 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.

### GROUP B

#### Short answer questions

[8×5=40]

12. A company Ltd. invited application for 10,000 shares of Rs. 100 each at 10% premium, payable as under:

On application	Rs. 20
On allotment	Rs. 50
On first and final call	Rs. 40

Applications were received for 15,000 shares. The board of directors decided to allot 8,000 applicants full, 4,000 applicants 50% and 3,000 applicants were rejected. It was decided to utilize excess application money in part payment of allotment and call. All money were duly received except a shareholder holding 100 shares failed to pay first and final call money.

Required:

- Share application
  - Share allotment
  - Share first and final call
- [1.5+2+1.5=5]

13. a. A company purchased the following assets at an agreed price of Rs. 1100,000:

Plant	Rs. 900,000
Furniture	Rs. 350,000

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]

- A Co. Ltd. issued 5000, 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]

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

Particulars	Dr. (Rs.)	Cr. (Rs.)
Fixed assets	256,000	
Other current assets	54,000	
Current liabilities		47,000
Share capital		110,000
Prepaid insurance	6,000	
Bank loan		40,000
Sales revenue		322,000
Purchase	110,000	
Salaries expenses	20,000	
Opening stock	40,000	
Interest expenses	9,000	
Rent expenses	24,000	
Total	519,000	519,000

Additional Information:

- Closing stock Rs. 75,000
- Prepaid insurance was expired Rs. 5,000

Required: Trading and Profit and loss account

[2+3=5]

15. The trial balance of a Co. Ltd. as on 31<sup>st</sup> Chaitra last year is given below:

Particulars	Dr. (Rs.)	Cr. (Rs.)
Purchases	5,50,000	
Rent	30,000	
Salaries	40,000	
Insurance	10,000	
Opening Stock	60,000	
Machinery	2,20,000	
Debtors	1,60,000	
Cash at Bank	80,000	
Sales		7,50,000
Share capital		3,00,000
Profit & Loss app. account		1,00,000
	11,50,000	11,50,000

**Additional Information:**

- (a) Outstanding salaries Rs. 2,000      (b) Proposed dividend @ of 10%

**Required:** Work Sheet [5]

16. Write the meaning of allocation of overhead and apportionment of overhead with example. [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]

18. a. The standard output per hour is 10 units. The piece rate is Rs.50 per unit and worker worked 150 hours in a month.

**Calculate:** Monthly wage amount [2]

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 statement of cost and financial account [3]

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 as on 31<sup>st</sup> Chaitra, 2078 is given below:

Particulars	Dr.(Rs.)	Particulars	Cr.(Rs.)
Machinery	3,00,000	Sales	8,00,000
Rent	40,000	Share capital	3,00,000
Office expenses	20,000	Interest received	20,000
Calls in arrears	10,000	10% Debentures	1,00,000
Wages	40,000	Creditors	70,000
Carriage	10,000	Provision for bad debts	10,000
Insurance	20,000		
Purchases	5,40,000		
Opening stock	1,00,000		
Cash	20,000		
Discount	10,000		
Debtors	90,000		
Furniture	1,00,000		
	13,00,000		13,00,000

**Additional Information:**

(a) Closing stock was Rs.1,50,000

(b) Wages due Rs. 5,000

(c) Depreciation on machinery @10%

(d) Provision for tax Rs. 8000

**Required:** a. Profit or Loss statement based on NFRS [4+4=8]  
b. Statement of financial position based on NFRS

**OR**

The trial balance of Company as on Ashadh 31st, last year is given below:

Particulars	Debit Rs.	Particulars	Credit Rs.
Purchases	160,000	Sales	450,000
Opening stock	20,000	Share capital	270,000
Advertising	10,000	10% Debentures	50,000
Rent and rates	15,000	Creditors	15,000
Salaries office	60,000		
Carriage outwards	15,000		
Salaries selling	40,000		
Discount	10,000		
Sundry debtors	35,000		
Plant & equipment	100,000		
Land and building	200,000		
Patent	67,000		
General expenses	20,000		
Bad debts	5,000		
Interest on debentures	5,000		
Prepaid insurance	8,000		
Cash at bank	15,000		
Total	785,000	Total	785,000

**Additional information:**

- i. Closing stock Rs. 42,000
- ii. Prepaid insurance was expired Rs. 5,000
- iii. Rent outstanding Rs 8,000
- iv. Depreciation on plant and building by 5%

**Required:** a. Multi-step income statement  
b. Classified Balance sheet

[4+4]

**21.** The balance sheet of a company on 31st December are given below:

Liabilities	Year 1 (Rs.)	Year 2 (Rs.)	Assets	Year 1 (Rs.)	Year 2 (Rs.)
Share capital	300,000	300,000	Fixed Assets	250,000	325,000
P/L account	20,000	60,000	Inventory	10,000	35,000
Creditors	20,000	30,000	Debtors	40,000	12,500
Expenses due	25,000	17,500	Bank balance	65,000	35,000
Total	365,000	407,500	Total	365,000	407,500

**Additional information:**

- i. Sales Rs. 300,000
- ii. Cost of goods sold Rs. 180,000
- iii. Sales of fixed assets Rs. 25,000
- iv. Purchase of fixed assets: Rs. 110,000
- v. Dividend paid Rs. 30,000
- vi. Operating expense Rs. 40,000

**Required:** Cash flow statement using direct method [4+1+2+1]

**22.** A company had the following cost information for the year 2078 for the production and sale of 4,000 units:

- Cost of Raw Materials Rs. 4,00,000
- Wages Rs. 200,000
- Factory Overhead Rs. 1,00,000
- Office Overhead Rs. 70,000
- Selling Expenses Rs. 35,000
- Rate of Profit – 20% on selling price.

The manufacturer decides to produce and sell 1,000 units in coming year.  
It is estimated that:

The cost of raw material will increase by 20% and wages by 10%.

The rate of profit will remain the same.

**Required:** (a) Cost sheet (b) Tender sheet [3+5=8]

**THE END**