

HISSAN CENTRAL EXAMINATION - 2080(2024)**Grade : XII****F.M. : 75****Time : 3 hrs****ACCOUNTANCY (1041 - M1)**

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]**

1. Define public limited company.
2. State the meaning of share capital.
3. Give the meaning of income statement.
4. State any two importance of cost accounting.
5. Write the meaning of variable cost.
6. Write in brief about simple average method.
7. Define labour cost.
8. Mention any two merits of computer system in accounting.
9. Following information are given:

Net profit for the period	Rs. 50,000
Beginning retained earnings	Rs. 25,000
Proposed dividend	Rs. 40,000.

Required: Calculate ending retained earnings.

10. Following information are provided:

Purchases	Rs. 4,50,000.
Wages	Rs.40,000
Carriage inward	Rs.10,000
Closing stock	Rs.65,000

Required: Amount of cost of goods sold.

11. A worker worked 26 days in a month. The total wages earned by him was Rs. 8,320 in that month and the wage rate per hour is Rs. 40.

Required: Working hour per day.**GROUP B****Short Answer Questions :****[8×5=40]**

12. A company Ltd. invited application for 5,000 shares of Rs. 100 each at 10% premium, payable as under:

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

Applications were received for 10,000 shares and allotment was made in the following manner:

To the applicants for	3,000 shares – Full
To the applicants for	4,000 shares – 2,000 shares
To the applicants for	3,000 shares – Nil

The money was duly received except one shareholder who had allotted 200 shares failed to pay call money.

Required: a. Share application

b. Share allotment

c. Share first and final call

[1.5+2+1.5=5]

13. The following information are given.

Particulars	Rs.
Gross profit	1,10,000
Profit and loss account (Cr.)	40,000
Carriage outward	10,000
Tax paid for last year	5,000
Salaries	30,000
Rent	15,000
Prepaid insurance	10,000
Provision for bad debts	4,000
Sundry receipts	10,000
Share capital	2,00,000

Additional information:

- (i) Pre-paid insurance was expired Rs.8,000
- (ii) Depreciation on plant and machinery Rs.5,000
- (iii) The BOD has decided:
 - proposed dividend 10%
 - transfer to general reserve Rs. 2,000

Required: (a) Profit and loss account.

(b) Profit and loss appropriation account.

[3+2=5]

14. a. A company purchased the following assets at an agreed price of Rs. 4,50,000:

Fixed assets	Rs. 4,00,000
Current assets	Rs. 50,000

The company paid the agreed price by issuing shares of Rs. 100 each at 10% discount.

Required: Entries for purchase of assets and issue of share [1+1=2]

- b. A Co. Ltd. issued 10,000, 9% debentures of Rs. 100 each at a discount of 10% redeemable at 5% premium.

Required: Journal entries for issuance and redemption of debentures. [1.5+1.5=3]

15. The trial balance of A Co. Ltd. is given below:

Particulars	Dr. (Rs.)	Particulars	Cr. (Rs.)
Purchases	2,00,000	Share Capital	1,00,000
Opening stock	30,000	Sales	3,20,000
Machinery	1,40,000	Profit and loss account	30,000
Wages	20,000		
Rent	10,000		
Cash and bank	50,000		
	4,50,000		4,50,000

Additional information:

- (i) Outstanding wages of Rs. 1,000.
(ii) Proposed dividend @10%.

Required: 12 column work sheet. [5]

16. Classify overheads according to behavior. [5]

17. a. Write any two objectives of material control. [2]

- b. Following are the store transactions for the month of Chaitra:

- Chaitra 1 : Opening inventory 500 units at Rs. 60 each
Chaitra 4 : Purchased 1,000 units at Rs. 70 each
Chaitra 15 : Sold 1,400 units
Chaitra 22 : Shortage found 10 units

Required: Cost of ending inventory and cost of goods sold using FIFO method under perpetual inventory system. [3]

18. a. The standard time allowed for one unit of output is 2.5 hrs. The hourly wages rate is Rs. 500 per hour. A worker produced 20 units.

Required: Total wages of the worker [2]

- b. On reconciliation of financial and cost accounting, following information were disclosed:

- i. Profit shown by financial account Rs. 1,25,000
ii. Tax paid was not recorded in cost account Rs. 5,000
iii. Selling overhead over recovered in financial account Rs. 1,000
iv. Interest on investment was shown on financial account Rs. 10,000

Required: Reconciliation statement of cost and financial account [3]

19. Define computerized accounting system. Write any three objectives of computer system in accounting. [2+3=5]

GROUP C

Long Answer Questions : [3×8=24]

20. The following is the trial balance extracted on 31st Ashad, 2080:

Particulars	Dr. (Rs.)	Particulars	Cr. (Rs.)
Opening stock	80,000	Sales	5,90,000
Land and building	2,50,000	General reserve	20,000
Purchases	3,50,000	Share capital	2,00,000
Salaries (40% selling)	60,000	Commission	10,000
Rent	10,000	Sundry creditors	20,000
Advertising	40,000	Bank loan	70,000
Debtors	25,000		
Prepaid insurance	5,000		
Cash in hand	40,000		
Plant	50,000		
	9,10,000		9,10,000

Additional information:

- i. The closing stock was valued at Rs. 1,40,000
ii. Outstanding rent Rs. 5,000
iii. Prepaid insurance was expired Rs.3,000
iv. Depreciation on plant @10% and appreciation on building @ 10% p.a.

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

OR

- a. Multi-step income statement
b. Classified balance sheet [4+4=8]

21. The position of assets and liabilities are as below:

<u>Assets and Liabilities</u>	<u>Last year (Rs.)</u>	<u>This year (Rs.)</u>
Share capital	2,00,000	3,00,000
Plant and machinery	4,00,000	5,00,000
Inventories	50,000	60,000
Sundry debtors	70,000	80,000
Sundry creditors	50,000	70,000
Pre-paid expenses	10,000	12,000
Debentures	1,00,000	50,000
Investment	1,00,000	60,000
Cash and bank balance	50,000	?

Additional information:

- (i) Sales during the year Rs. 6,70,000.
- (ii) Cost of goods sold Rs.4,90,000.
- (iii) Operating expenses Rs. 60,000.
- (iv) Dividend paid Rs.10,000

Required: cash flow statement using direct method. [4+1+2+1=8]

22. A manufacturing company supplied the following information:

Particulars	Opening	Closing
Raw material	Rs. 50,000	Rs. 60,000
Work-in-Progress	Rs.30,000	Rs.20,000
Finished goods	2,000 Units	3,000 Units
Purchases of raw materials	2,40,000	
Direct wages	1,30,000	
Indirect materials	20,000	
Factory rent	30,000	
Fuel and power	20,000	
Insurance	10,000	
General expenses	30,000	
Selling expenses Rs.2 per unit sold		

The company produced 20,000 units for the year and the profit is expected 20% of sales.

Required: Cost sheet. [8]

THE END