

**HISSAN KASKI- Grade XII**

Pre-Board Examination 2071

**Principles of Accountancy –II****Programme : Management****F.M.:-100****Time : 3 Hour****P.M.:-35**

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

**Shift :(Morning)**

1. Mention any three privileges of private company. [3]  
(निजि कम्पनीलाई दिएको विशेष अधिकारहरू कुनै तिनवटा उल्लेख गर्नुहोस्)
2. Point out any three difference between equity shares and preference shares. [3]  
(साधारण शेयर र अग्रधिकार शेयरका कुनै तिनवटा भिन्नताहरू उल्लेख गर्नुहोस्)
3. Write any three limitations of financial statement analysis. [3]  
(वित्तीय विवरण विश्लेषणका तिनवटा सिमाहरू उल्लेख गर्नुहोस्)
4. Write in brief the meaning of current assets and fixed assets. [2]  
(चालु सम्पत्ति र स्थिर सम्पत्तिको अर्थ विस्तृतमा लेख्नुहोस्)
5. Mention any three advantage of cost accounting. [3]  
(लागत लेखाविधिका कुनै तिन फाइदाहरू उल्लेख गर्नुहोस्)
6. Write about the controllable and uncontrollable cost with suitable examples. [2]  
(नियन्त्रण गर्न सकिने र नियन्त्रण गर्न नसकिने लागतको बारे उपयुक्त उदाहरण सहित लेख्नुहोस्)
7. Write three objectives of material control. [2]  
(सामग्री नियन्त्रणका तिनउद्देश्यहरू लेख्नुहोस्)
8. What is time rate system of wage payment? [2]  
(ज्याला भुक्तानीमा समय दर प्रणाली भनेको के हो?)

9. A company forfeited 600 shares of Rs. 100 each of a shareholder for nonpayment of final call money of Rs. 30 per share of the forfeited shares 400 shares were reissued at 60 per shares as fully paid. [1+1+1=3]  
Required: journal entries for i) forfeiture ii) Re-issue iii) Transfer

10. XYZ company issued 30000 shares of Rs. 100 each at 10% discount payable as follows:

On application Rs 30 per share

On allotment Rs 25 per share

On first and final call Rs. 35 per share

- Application were received for 45000 shares allotment was made as under:

To applicants for 10,000 shares – full.

To applicants for 30000 shares – 20000 shares

To applicants for 5000 shares – Nil

Excess money received on application were utilized towards the sum due on allotment A shareholder to whom 1000 shares were allotted from pro-rata basis failed to pay allotment and first and final call money and his shares were forfeited. [2+2+2=6]

Required: Journal entries for

a) Share application.

b) Share allotment.

c) Share first and final call

11. A limited company accepted the following assets and liabilities at on agreed value of 20,00,000.

Building 25,0000 Machinery 10,00,000

Furniture 200,000 Debtors 300,000

Outstanding expenses 100000 creditors 500,000

Bank loan 800,000 prepaid expenses 300,000

The company paid the amount of purchase. Price by issuing shares of Rs 100 each at a premium of 5%

Required: journal entries for purchase of assets and liabilities taken over.

[3]

12. ABC company issued 9,000, 10% debentures of Rs. 100 each at premium 5%, to be redeemable at discount of 10% after 5 years.

**Required:**

Journal entries for issue and redemption of debentures. [2+2=4].

13. The MB company is given trial balance as on 31<sup>st</sup> December 2014.

Particular	Dr.	Particular	Cr.
Opening stock	30,000	Share capital	500,000
Wages	100,000	10% debentures	100,000
Purchases	290,000	Sales	800,000
Rent and rates	30,000	Purchase return	5000
Carriage	25000	Outstanding sales	20,000
Salaries	80,000	Creditors	80,000
Debtors	150,000	Provision for bad debt	5000
Plant and machinery	200,000	Profit and loss appropriation	40000
Land and building	400,000	Advance commission	10000
Debenture interest	5000		
Prepaid salary	10,000		
Cash at bank	50,000		
General expenses	50,000		
Dividend paid	40,000		
5% investment	100000		
	<b>1560000</b>		<b>15,60,000</b>

**Additional information**

- Closing stock valued Rs. 40000
- Depreciation plant and machinery by 10%
- Provision for bad debt to be increases by 5%
- Provision for tax is made 30% of net profit
- General reserve made for 10000
- Allow proposed dividend at 10% on share capital.

**[3+4+1+4=12]**

- Required:
- Trading account.
  - Profit and loss account
  - Profit and loss appropriation a/c
  - Balance sheet.

14. The Trial balance of X co. as on 31 chaitra is given below.

Particular	Debit	Credit
Share Capital		2,50,000
Sales		400,000
Purchase	2,50,000	
Wages	20000	
Carriage	25000	
Salaries	40000	
Fixed assets	300,000	
Creditors		50,000
Debtors	50000	
Closing stock	60,000	
House Rent	20,000	
Advance House Rent	10,000	
Bills Payable		40000
Discount Received		35000
	<b>775000</b>	<b>775000</b>

**Additional information**

- Depreciate fixed assets by 10%
- Wages outstanding 6000
- Prepaid salary 2000
- Bad debt 3000

- Required:
- Journal entries For adjustment
  - Ten- column work sheet.

**[3+6=8]**

15. The following information are provide.

Gross profit for the year	150,000
Inventory	75000
Bills payable	20000
Creditors	30000
Share capital	200,000
Retained earnings	30000
Gross profit margin	20%
Debtors	35000
Bank overdraft	15000
Cash at bank	10000

General reserve	50000	
Net profit margin	10%	
Debentures	50,000	[5×1=5]

- Required: a) current ratio      b) sales amount  
c) Inventory turnover ratio   d) Net Profit  
e) Debt-equity ratio

16. The following information are given.

	1 <sup>st</sup> year	2 <sup>nd</sup> year
Share capital	140000	200000
10% Debenture	200,000	160000
Creditors	40000	60000
Bills payable	100000	110000
Debtors	800000	150000
Cash at bank	200,000	190,000

Additional information

- a) Fixed assets were purchased for 50000  
b) Depreciation on fixed assets 10000  
c) Dividend paid for the year 25000      [2+3=5]

- Required: a) schedule of changes in working capital  
b) Funds flow statement

17) The balance Sheets of a company as on 31st December, are as follows:

Liabilities	Year 1	Year 2	Assets	Year 1	Year 2
Share capital	500000	600000	Fixed assets	600000	800000
Share premium	50000	60000	Inventories	50000	100000
Retained earning	100000	150000	Accounts receivable	150000	100000
10% Debenture	100000	50000	Cash at bank	100000	50000
Bills payable	50000	40000			
Accounts payable	100000	150000			
Total	900000	1050000	Total	900000	1050000

**Additional Information :**

- i) Sales for the year Rs.6,00,000  
ii) Cost of goods sold Rs. 3,50,000  
iii) Operating expenses Rs.1,00,000  
iv) Fixed assets costing Rs. 20,000 sold for Rs.30,000  
v) Fixed assets purchased for Rs. 3,00,000  
vi) Dividend distributed Rs. 20,000  
vii) Redemption of debentures with Rs. 10,000 premium.

**Required : Cash flow statement using direct method.      (10)**

18. Following are the store transactions of certain material during the month of chaitra.

- Chaitra - 1 opening balance 200 units @ 50 each  
Chaitra - 2 purchase 400 units @ 60 each  
Chitra - 5 Issued 300 units  
Chaitra - 8 purchase 100 units @ 65 each  
Chitra -12 Return to vendor 30 units out of purchased on chaitra 8<sup>th</sup>  
Chaitra – 15 Purchase 150 units @ 70 each  
Chaitra – 21 Issued 300 units  
Chaitra – 28 shortage in stock 10 units

Required: Store ledger under FIFO method.      [5]

19. The following information are provided.

- Re- order period 5-7 days  
Maximum stock level 1800 units  
Daily consumption 50 to 60 units  
Re- ordering level 1400 units

Required : Re- order quantity.      [2]

20. The standard time allowed for one unit of production is 20 minutes. The hourly wages rate is Rs 120 per hour. A worker produced 24 unit in a day.

**Required: Total wages of the worker per day.      [2]**

21. The following is the costing information of a product for the year ended 2066

Raw material purchased Rs. 1,50,000  
Factory wages Rs. 1,15,000  
Factory overheads Rs. 50,000  
Establishment charges (office) Rs .20,120  
Selling expenses Rs 1.75 per units sold

opening and closing balances are.

	1-1-2066	31-12-2066
Raw materials	Rs 22,000	Rs. 25,000
Work in progress	Rs. 9,000	Rs. 16,000
Finished goods in units	Rs 1,400	Rs 4,000

During the period 25,600 units were produced  
profit on sales 20%

Required: Cost sheet showing.

**[2+2+2+2+2=10]**

- Raw material used
- Factory cost
- Cost of production
- Total cost
- Net profit.

22. The profit as per cost account is Rs. 30,000. On reconciliation of cost and financial account of a company, the following difference are noticed.

- Work overhead under recovered in cost account 3000
- Bank interest credited in financial account 2000
- Value of opening stock cost account 50000  
financial account 55000
- Provisions for doubtful debt in financial account Rs. 1,000
- A net loss of Rs 2000 on sale of old furniture was dealt with financial account

Required: Reconciliation statement cost and financial account. **[5]**

**All The Best**