

PRACTICE PROBLEM FOR ACCOUNTANCY

- 1 State any four differences between Public Limited Company and Private Ltd. Company
2. Define Preference Share and give any two differences between Preference share and equity share
- 3 List out any three objectives of Financial Statement Analysis
4. What do you understand by term Ratio Analysis
- 5 Write three objectives of Cost accounting
6. What is semi variable cost ? Explain in brief with example
7. What is Allocation and apportionment of overhead
8. Give any three advantages of Time wage system
9. Beta company issued 20000 shares of Rs. 10 each and payable as Rs. 3 on application and Rs 4 on allotment and balance on first and final call. Applications were received for 15000 shares only and all the money was duly received.

Required : Journal entries for Allotment and First and final call

10. Sagun Complay Ltd. Was registered with an authorized capital of RS. 1000000 divided into 10000 shares of Rs. 100 each. It issued 5000 such shares to the public payable as follows :

<u>Rs 20 on application</u>	Rs. 25 on allotment	Rs.30 on 1 st call	Rs.25
on Final call			

Applications were received in all the shares. All the shares were called up and the amount received in respect of these shares as follows :

ON 4000 shares	Full allotment	On 500 shares	Rs. 75
On 300 shares	Rs 45	On 200 shares	Rs.20

Required : Journal entries for a) share application b) Share allotment c) share first call d) share final call

11. X company Ltd forfeited 200 shares of Rs. 10 each for non - payment of final call money Rs 3 per share. These shares were reissued @ Rs.6 per share as fully paid up.

Required :- Entries for a) forfeiture b) Reissue c) transfer

12. Sun international took over the following assets and liabilities of H Ltd. At an agreed purchase price of Rs. 440000

Machinery Rs. 300000 Stock Rs. 150000 Creditors Rs. 30000

The company paid the purchase consideration by issuing shares of Rs. 100 each at 10 % premium

Required : Journal entries for purchase of business

13. X company issued 5000 debentures of Rs. 100 each at 5 % premium and redeemable at 10% premium after 5 years.

Required : Journal for a) Issue of debenture b) Redemption of debenture

14 The Trial Balance of A Co. Ltd as on 31st Chaitra last year is given below:-

Debit	Rs.	Credit	Rs.
Opening stock	20000	Paid up capital	400000
Purchases	320000	Purchase return	10000
Wages	70000	Sales	425000
Salary	50000	Discount and commission	4000
Discount	3000	Sundry creditors	20000
Book debt	25000	10% Debenture	50000
Machinery	175000	Interest payable on debenture	1000
Vehicles	75000	Profit and loss appropriation account	150000
Land and building	225000		
Furniture	20000		
Income tax paid	1000		
Cash at bank	30000		
Carriage	7000		
Sundry expenses	15000		
Rent and rates	15000		
Advance salary	5000		
Interest paid on Debenture	4000		
	1060000		1060000

Additional information-

i) closing stock Rs. 25000
Machinery and furniture 10%

ii) Depreciation : Land and building 5% ,

Particulrs	Last year Rs.	Current yea Rs.
Share capital	140000	200000
10% Debenture	200000	160000
Current liabilities	140000	170000
Current assets	280000	340000

Additional information –a) Fixed assets were purchased for Rs. 50000 b) Depreciation on fixed assets Rs.20000

Required – a) Schedule of changes in working capital b) Funds flow statement

18 The balances sheets of a Company as on Ashadh 31, are as follows:

Liabilites	2062	2063	Assets	2062	2063
Share capital	750000	900000	Plant &Machinery	800000	1140000
Share premium	75000	90000	Investment	100000	60000
Retained earning	150000	225000	Inventories	75000	150000
8% Debenture	150000	75000	Debtors	221000	148000
Creditors	210000	273000	Prepaid Expenses	4000	2000
Outstanding Expenses	15000	12000	Cash and Bank	150000	75000
	1350000	1575000		1350000	1575000

Additional information: i. Sales for the year Rs.900000 2. Cost of goods sold Rs.520000

3 Administrative expenses Rs 125000 4. Selling and distribution expenses Rs25000

5. Dividend distributed Rs 45000 6.Investment costing Rs.40000 sold at a profit of Rs 15000

7. Purchsed plant and machinery Rs. 465000

REQUIRED : Cash flow statement direct method

19. A manufacturing company showed its purchase and issue of certain material in the following sequences :

Baishak 1. Opening stock 600 units @ RS. 20 per unit

Baishak 4 Issued 300 units

Baishak 11 Purchased 200 units @ Rs 19 per unit

Baishak 14 Returned from workshop 20 units

Baishak 18 Issued 180 units

Baishak 22 Purchased 300 units @ Rs 21 per unit

Baishak 23 ISSUED 320 units

Required – Store ledger under first in first out method

20. Following information are provided :

Re order period :4 to 6 days Daily consumption : 400 to 600 units

Re order level: 3600 units

Required : Minimum stock level

21 The standard time per unit is 1.5 hrs. The price rate is Rs. 200 per unit and worker worked 180 hour