

Answer Sheet No.

PRINCIPLES OF ACCOUNTING (OBJECTIVE PART)

Roll No.

PART - II

22/01

(INTERMEDIATE)

Sign. Dy. Supdnt.

Fictitious Roll No. (For Office Use)

Sign. Candidate

PRINCIPLES OF ACCOUNTING

22/01

(PART - II)

(INTERMEDIATE)

Marks : 20

(OBJECTIVE PART)

Time : 30 Minutes

Note:- Write your Roll No. in space provided. Over writing, cutting, using of lead pencil will result in loss of marks. All questions are to be attempted.

1- Each question has four possible answers, Tick (✓) the correct answer. (20)

1	Under single entry system, if ending capital is less than opening capital then it represents;							
	A	Loss	B	Profit	C	Drawings	D	Revenue
2	Credit purchase can be calculated by preparing;							
	A	Debtor Account	B	Cash Account	C	Creditor Account	D	Statement of Affairs
3	Single entry system is a mixture of;							
	A	Single entry	B	Double entry	C	No entry	D	All of these
4	The primary objective of non trading concern is;							
	A	To earn profit	B	Welfare	C	Trading	D	All of these
5	Outstanding subscription represents;							
	A	Asset	B	Liability	C	Expense	D	Loss
6	The excess of expenditure over income of a non trading concern is called;							
	A	Surplus	B	Deficit	C	Income	D	Loss
7	Payment of honorarium is considered as;							
	A	Expense	B	Income	C	Liability	D	Capital
8	Depreciation is an;							
	A	Expense	B	Asset	C	Income	D	Liability
9	Which one of the asset's cost is not allocated to depreciation expense?							
	A	Building	B	Land	C	Furniture	D	Trade Mark
10	Natural resources are also called;							
	A	Plant Assets	B	Wasting Assets	C	Intangible Assets	D	Current Assets
11	The consignee is also known as;							
	A	Agent	B	Principal	C	Buyer	D	All of these
12	An account sales is prepared by;							
	A	Consigner	B	Credit Customer	C	Consignee	D	Principal
13	The consignor prepares consignment account to ascertain;							
	A	Profit or Loss	B	Total Sales	C	Amount due	D	Total Purchase
14	Minimum number of members of a public limited company are;							
	A	3	B	5	C	7	D	10
15	Total capital of a company is divided into smaller units which is called;							
	A	Debenture	B	Shares	C	Certificates	D	Documents
16	The person who effort to create a company is called;							
	A	Director	B	Chairman	C	Promoter	D	Shareholder
17	The liability of the shareholders of public company is;							
	A	Unlimited	B	Optional	C	Limited	D	Compulsory
18	Partnership Act is;							
	A	1913	B	1932	C	1984	D	2017
19	A person who has not attained the age of maturity is called;							
	A	Junior Partner	B	Senior Partner	C	Minor Partner	D	Young Partner
20	In partnership the liability of partners is;							
	A	Limited	B	Unlimited	C	Guaranteed	D	Un-guaranteed

(The End)

Note:- Write short answers of any Ten (10) parts selecting maximum of five parts from question no. 2 and 3. Also write the no. of question along with its part carefully.

SECTION - I

2- Write short answers of any five parts. **ATK-22** (2 x 5 = 10)

i	Define statement of affairs.	ii	Distinguish between statement of affairs and balance sheet.
iii	Narrate in your own words the account sales.	iv	State what is del-credere commission?
v	Define direct expenses on consignment.	vi	Describe deficit in non trading concern.
vii	Define Honorarium.	viii	Narrate any four sources of income of non trading concern.

3- Write short answers of any five questions. (2 x 5 = 10)

i	Derive depreciation formula under straight line depreciation method.	ii	Define book value of asset.
iii	Define dividend.	iv	Explain prospectus of company.
v	Write two types of company shares.	vi	How partnership is dissolved with the order of court?
vii	Define partnership.	viii	Define goodwill of a business.

SECTION - II

Note:- Attempt any three questions.

(20 x 3 = 60)

4- Tahir Trader Keeps his books on single entry system, his position on 1st January and 31st December 2020 was as under.

Account Title	1 st January 2020	Dec 31 st , 2020
	Rs.	Rs.
Cash in hand	3930	6700
Bank overdraft	2410	-
Debtors	9400	13680
Creditors	6510	7300
Stock	8720	15870
Furniture	7000	7000

During the year he introduced a fresh capital of Rs. 15000 and withdrawn cash Rs 6750 for personal uses.

Adjustments: Depreciation @ 10% per annum of furniture.

Required: Prepare profit and Loss statement as on 31st December 2020. (20)

5- The following is the receipt and payment account of Raza Club for the year 2020.

Receipts	Amount Rs.	Payments	Amount Rs.
Balance b/d	3435	Salaries	5500
Subscription	9000	Utility expense	1470
Entrance fee	2300	Other expenses	7720
Locker rent	3920	Furniture	6000
Sale of equipment	12600	Repairs	2150
Misc. receipts	645	Closing balance	9060
Total	31900	Total	31900

(i) Subscription outstanding Rs. 3000.

(ii) Lockers Rent receivable Rs 1080.

(iii) Salary payable Rs. 500.

Required: Prepare Income and Expenditure account.

6- On Jan 01, 2000 Usman & Sons purchased a machine for Rs. 80000 and spent Rs. 20000 on its carriage and installation. Rate of depreciation is 10% per annum. (20)

Required: Prepare machine account for five years under diminishing method of depreciation.

7- Ali sent goods to Bilal on consignment of Rs. 30000. Ali paid Rs. 600 for freight and 400 on packing. A bill of Rs. 5000 was received from Bilal as advance. Bilal's expenses were Rs. 1000 for wages, Rs 500 for warehousing and Rs. 500 for other expenses. Account sales showing that half of consignment goods were sold by Bilal for Rs. 26000. His commission on sale was 5%. Bilal settled his accounts. (20)

Required: You are required to journalize the above transaction in consignors book and also consignment account

8- 'Z' Limited was formed with an authorized capital of Rs. 5500000 divided into 55000 ordinary shares of Rs. 100 each. On 1st March 2013, the company issued 15000 shares @ Rs. 100 each at 5% discount to public for subscription. On 31st March 2013, applications for 20000 shares were received, no allotment was made to the applicants for 5000 shares and their applications money was refunded. On 1st April 2013, 15000 shares were allotted to the applications.

Required: Prepare necessary journal entries in the books of 'Z' limited and also prepare its balance sheet as on 1st April 2013. (20)

9- Ali and Wali formed a partnership on 1st Jan 2018 with capitals of Rs. 80000 and Rs. 60000 respectively. They agreed that out of profit: (20)

(i) Ali should received salary of Rs. 700 P.M.

(ii) Interest on capitals should be allowed @10% p.a.

(iii) Remaining profit should be divided equally.

During the year drawings were. Ali Rs. 15000 and Wali Rs. 10000 profit before above noted expenses was Rs. 50000.

Required: Prepare profit and loss appropriation account and partners capitals accounts under fluctuating method.

(The End)