

**CBSE**  
**Class XII Accountancy**  
**All India Board Paper\_Set1\_2013**

**Time: 3 Hrs**

**Max. Marks: 80**

**General Instructions:**

- 1) This question paper contains two parts **A** and **B**
- 2) Part **A** is **compulsory** for all
- 3) All parts of a question should be attempted at one place

**Section A**

- (i) This section consists of **18** questions.
- (ii) All the question are compulsory.
- (iii) Question Nos. **1** to **7** are very short – answer questions carrying **1** mark each.
- (iv) Question Nos. **8** to **10** carry **3** marks each.
- (v) Question Nos. **11** and **14** carry **4** marks each.
- (vi) Question Nos. **15** to **16** carry **6** marks each.
- (vii) Question Nos. **17** and **18** Carry **8** marks each.

**Section B**

- (i) This section consists of **7** questions
- (ii) All questions are compulsory
- (iii) Question Nos.**19** and **21** are very short – answer carrying **1** mark each
- (iv) Question Nos. **22** carry **3** marks
- (v) Question Nos. **23** to **24** carry **4** marks
- (vi) Question No.**25** carries **6** marks

**Section-A**

1. If the Partners' Capitals are fixed, where will you record the interest charged on drawings?
2. State the ratio in which the partners share the accumulated profits when there is change in the profit sharing ratio amongst existing partners.
3. At what rate is interest payable on the amount remaining unpaid to the executor of deceased partner?
4. Give the journal entry to distribute 'Workmen Compensation Reserve' of ₹70,000 at the time of retirement of Neeti, when there is a claim of ₹25,000 against it. The firm has three partners Raveena, Neeti and Rajat.
5. What is meant by calls-in-arrears?
6. At what rate is interest paid by the company on call-in- advance if it has not prepared its own Articles of Association?
7. What is meant by issued of debenture as collateral security?
8. Mohan, Neeraj and Peeyush are partners in a firm. They contributed ₹75,000 each as capital three years ago. At the time Peeyush agreed to look after the business as Mohan and Neeraj were busy. The profits for the past three years were ₹45,000, ₹30,000 and ₹60,000 respectively. While going through the books of accounts, Mohan noticed that profit had been distributed in 1:1:2 ratio. When he enquired from Peeyush about this, Peeyush answered that since he looked after the business he should get more profit. Mohan disagreed and it was decided to distribute profits equally with retrospective effect for the last three years.

- a. You are required to make necessary corrections in the books of accounts of Mohan, Neeraj and Peeyush by passing an adjustment entry.
  - b. Identify the value which is being ignored by Peeyush.
9. Pass the necessary journal entries for the issue of 7% Debentures in the following cases :
- a. 200 Debentures of ₹150 each issued at 10% premium, redeemable at ₹200 each.
  - b. 200 Debentures of ₹200 each issued at a discount of 10%, redeemable at par.
10. Tuteja Constructions Ltd. had an outstanding balance of ₹1,26,00,000, 9% debentures of ₹200 each redeemable at a premium of 3%. According to the terms of redemption the company redeemed 50%, of the above debentures by converting them in shares of ₹10 each at discount of 10%. Record the entries for redemption of Debentures in the books of Tuteja Construction Ltd.
11. Asin and Shreyas are partners in a firm. They admit Ajay as a new partner with 1/5<sup>th</sup> share in the profits of the firm. Ajay brings ₹5,00,000 as his share of capital. The value of the total assets of the firm was ₹ 15,00,000 and outside liabilities were valued at ₹5,00,000 on that date. Give the necessary Journal entry to record goodwill at the time of Ajay's admission. Also show your workings.
12. Nikhil Ltd. purchased a running business from Sonia Ltd. for a sum of ₹22,00,000 by issuing 20,000 fully paid equity shares of ₹100 each at a premium of 10%. The assets and liabilities consisted of the following: Machinery ₹7,00,000, Debtors ₹2,50,000, Stock ₹5,00,000, Building ₹11,50,000 and Bills Payable ₹ 2,50,000. Pass necessary Journal entries in the books of Nikhil Ltd. for the above transactions.
13. Nandan, John and Rosa are partners sharing profits in the ratio of 4:3:2. On 1<sup>st</sup> April 2012, John gave a notice to retire from the firm. Nandan and Rosa decided to share future profits in the ratio of 1:1. The capital accounts of Nandan and Rosa after all adjustments showed a balance of ₹43,000 and ₹80,500 respectively. The total amount to be paid to John was ₹95,500. This amount was to be paid by Nandan and Rosa in such a way that their capitals become proportionate to their new profit sharing ratio. Pass necessary Journal entries in the books of the firm for the above transactions. Show your working clearly.
14. The authorized capital of Suhas Ltd. is ₹50,00,000 divided into 25,000 shares of ₹200 each. Out of these, the company issued 12,000 shares of 200 each at a premium of 10%. The amount per share was payable as follows: ₹60 on application, ₹60 on allotment (including premium), ₹30 on first call and balance on final call. Public applied for 11,000 shares. All the money was duly received. Prepare an extract of Balance Sheet of Suhas Ltd. as per Revised Schedule VI Part-I of the Companies Act 1956 disclosing the above information. Also prepare 'notes to accounts' for the same.
15. Ahmad, Bheem and Daniel are partners in a firm. On 1<sup>st</sup> April 2011 the balance in their capital accounts stood at ₹8,00,000, ₹6,00,000 and ₹4,00,000 respectively. They shared profits in the proportion of 5:3:2 respectively. Partners are entitled to interest on capital @ 5% per annum and salary to Bheem ₹3,000 per month and a commission of ₹12,000 to Daniel as per the provisions of the partnership deed. Ahmad's share of profit, excluding interest on capital, is guaranteed at not less than ₹25,000 p.a. Bheem's share of profit, including interest on capital but excluding salary is guaranteed at not less than ₹55,000 p.a. Any deficiency arising on that account shall be met by Daniel. The profit of the firm for the year ended 31<sup>st</sup> March 2012 amounted to ₹2,16,000. Prepare Profit and Loss Appropriation Account for the year ended 31<sup>st</sup> March 2012.
16. The Balance Sheet of Shindu, Rahul and Kamesh, who were sharing profit in the ratio of 3:3:4 respectively a on 31<sup>st</sup> March 2012 was as follows:

Liabilities	₹	Assets	₹
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General Reserve	10,000	Cash	32,000
Bills Payable	20,000	Stock	88,000
Loan	24,000	Investment	94,000
Capital:		Land & Building	1,20,000
Sindhu	1,20,000	Sindhu's Loan	20,000
Rahul	1,00,000		
Kamesh	80,000		
	<u>3,00,000</u>		
	<b>3,54,000</b>		<b>3,54,000</b>

Sindhu died on 31<sup>st</sup> July, 2012. The partnership deed provided for the following on the death of a partner:

- Goodwill of the firm be valued at two years purchases of average profit for the last year which were 80,000.
  - Sindhu's share of the profit till the date of his death was to be calculated on the basis of Sale. For the year ended 31<sup>st</sup> March 2012, amounted to 8,00,000 and that from 1<sup>st</sup> April to 31<sup>st</sup> July 2012 3,00,000. The profit for the year ended 31<sup>st</sup> March 2012 was 2,00,000.
  - Interest on Capital was to be provided @6% p.a
  - According to Shindhu's will the executor. Should donate his share to 'Matri chhaya- an orphanage for girl's Prepare Sindhu;s Capital Account to be rendered to his executor. Also identify the value being highlighted in questions.
17. Starplus Company issued for public subscription 1,50,000 shares of the value of ₹100 each at a discount of 10% payable per share as follows: ₹20 on application, ₹30 on allotment and ₹40 on call. The company received applications for 3,00,000 shares. The allotment was done as under:
- Applicants of 30,000 shares were allotted 10,000 shares.
  - Applicants of 1,40,000 shares were allotted 80,000 shares.
  - Remaining applicants were allotted 60,000 shares.

After adjusting excess money in allotment, the money was returned. Harit, a shareholder who had applied for 7,000 shares of group (b), failed to pay allotment and call money. Roshan, another shareholder who was allotted 6,000 shares, paid the call money along with the allotment. Roshan also belonged to group (b). Pass necessary Journal entries to record the above transactions in the books of the company. Show your working notes clearly.

**OR**

Record the Journal entries for forfeiture and reissue in the following cases:

- X Ltd. forfeited 200 shares of ₹100 each, ₹70 called up, on which the shareholders had paid application and allotment money of ₹50 per share. Out of these, 150 shares were re-issued to Naresh as ₹70 paid up for ₹80 per share.
  - Y Ltd. forfeited 180 shares of ₹10 each, ₹8 called up, issued at a premium of ₹2 per share to R for non-payment of allotment money of ₹5 per share (including premium). Out of these, 160 shares were re-issued to Sanjay as ₹8 called up for ₹10 per share fully paid up.
  - Z Ltd. forfeited 30 shares of ₹100 each issued at a discount of ₹10 per share for non-payment of first and final call money of ₹30 per share. Out of these, 20 shares were reissued at ₹30 per share fully paid up.
18. Sarthak and Vansh are partners sharing profits in the ratio of 2:1. Since both of them are specially abled sometimes they find it difficult to run the business on their own. Mansi, a common friend, decides to help them. Therefore they admit her into partnership for 1/3<sup>rd</sup> share in profits. She brings ₹60,000 for goodwill and proportionate capital. At the time of admission of Mansi, the Balance Sheet of Sarthak and Vansh was as under:

Liabilities		₹	Assets		₹
Capital Account:			Plant		66,000
Sarthak	70,000		Furniture		30,000
Vansh	<u>60,000</u>	1,30,000	Investment		40,000
General Reserve		18,000	Stock		46,000
Bank Loan		18,000	Debtors	38,000	

Creditors	72,000	Less: Provision for Bad Debts	4,000	34,000
		Cash		22,000
	<b>2,38,000</b>			<b>2,38,000</b>

It was decided to

- Reduce the value of Stock by ₹10,000.
  - Plant is to be valued at ₹80,000.
  - An amount of ₹3,000 included in Creditors was not payable.
  - Half of the Investments were taken over by Sarthak and remaining were valued at ₹25,000.
- Prepare Revaluation Account, Partners' Capital Accounts and Balance Sheet of reconstituted firm.  
Identify the value being conveyed in the question.

OR

Prashant and Rajesh were partners in a firm sharing profits in the ratio of 3:2. In spite of repeated reminders by the authorities, they kept dumping hazardous material into a nearby river. The court ordered for the dissolution of their partnership firm on 31st March 2012. Prashant was deputed to realise the assets and to pay the liabilities. He was paid ₹1,000 as commission for his services. The financial position of the firm on 31st March 2012 was as follows:

**Balance Sheet as on 31<sup>st</sup> March 2012**

Liabilities	₹	Assets	₹
Creditors	80,000	Building	1,20,000
Mrs.Prashant's Loan	40,000	Investment	30,000
Rajesh's Loan	24,000	Debtors	34,000
Investment Fluctuation Fund	8,000	Less: Provision for Doubtful debts	4,000
Capital:		Bills Receivable	37,400
Prashant	42,000	Cash	6,000
Rajesh	42,000	Profit and Loss A/c	8,000
	84,000	Goodwill	4,000
	<b>2,36,000</b>		<b>2,36,000</b>

Following was agreed upon:

- Prashant agreed to pay off his wife's loan.
- Debtors realized ₹24,000.
- Rajesh took away all investments at ₹27,000.
- Building realized ₹1,52,000.
- Creditors were payable after 2 months. They were paid immediately at 10% discount.
- Bills Receivable were settled at a loss of ₹1,400.
- Realisation expenses amounted to ₹2,500.

Prepare Realisation Account, Partners' Capital Accounts and Cash Account to close the books of the firm.  
Identify the value being conveyed in the question.

### Section- B

- Under which type of activity will you classify Commission and Royalty Received' while preparing Cash flow statement.
- Give an example of the activity which remains financing activities for the enterprise?
- State any one limitation of financial statements analysis.

22. Under Under which heads and sub-heads will the following items appear in the Balance Sheet of a company as per Revised Schedule VI Part I of the Companies Act 1956:
- Debenture
  - Loose tools
  - Calls-in-Advance.
23. (a) Compute 'Debtors Turnover Ratio' from the following information: Total Sales ₹5,20,000, Cash Sales 60% of the Credit Sales, Closing Debtors ₹80,000, Opening Debtors are  $\frac{3}{4}$ <sup>th</sup> of Closing Debtors.  
 (b) Current liabilities of a company are ₹1,60,000. Its Liquid ratio is 1.5:1 and Current ratio is 2.5:1. Calculate Quick assets and Current assets.
24. From the following Statement of profit and loss of Moontrack Ltd, for the years ended 31<sup>st</sup> March 2011 and 2012, prepare a 'Comparative Statement of Profit and Loss'.

Particulars	Note No.	2011-12 ₹	2010-11 ₹
Revenue from operation		40,00,000	24,00,000
Other expenses		24,00,000	18,00,000
Expenses		16,00,000	14,00,000

25. Following are the Balance Sheet of Krishtec Ltd. For the year ended 31<sup>st</sup> March 2011 and 2012:

Particulars	Note No.	2011-12 ₹	2010-11 ₹
<b>i. Equity and Liabilities</b>			
<b>1. Shareholders' Funds</b>			
a. Share capital		12,00,000	8,00,000
b. Reserves and surplus (Profit & Loss Balance)		3,50,000	4,00,000
<b>2. Non-current Liabilities</b>			
a. Long term-borrowing		4,40,000	3,50,000
<b>3. Current liabilities</b>			
a. Trade payables		60,000	50,000
<b>Total</b>		<b>20,50,000</b>	<b>16,00,000</b>
<b>ii. Assets</b>			
<b>1. Non- Current assets</b>			
<b>a. Fixed assets</b>			
i. Tangible assets		12,00,000	9,00,000
<b>2. Current assets</b>			
a. Inventory		2,00,000	1,00,000
b. Trade Receivable		3,10,000	2,30,000
c. Cash and Cash equivalents		3,40,000	3,70,000
<b>Total</b>		<b>20,50,000</b>	<b>16,00,000</b>

Prepare a Cash Flow Statement after taking into account the following adjustments:

- The company paid interest ₹36,000 on its long term borrowings.
- Depreciation charged on tangible fixed assets was ₹1,20,000.