

Suraj Gir's Guess Paper for AISSCE-2008

Accountancy (67/1/2)

CLASS: XII

MAX MARKS: 80

TIME ALLOWED: 3 Hrs

GENERAL INSTRUCTIONS:

- 1 This paper contains two parts A and B.
- 2 All parts of question should be attempted at one place.
- 3 Marks of each question are indicated against it.

PART A

(Accounting for Not For Profit Organisations, Partnership and Companies Accounts)

- 1 State any one point of distinction between Not for Profit Organisations and Profit Organisations 1
 - 2 Charu and Bharu are partners in a firm. Charu invests Rs 2,00,000 and Bharu Rs 3,00,000. The firm earns a profit of Rs 50,000, distribute the profit between Charus and Bharu. 1
 - 3 Distinguish between sacrifice ratio and gaining ratio 1
 - 4 State any two items that may appear on the Cr. Side of partner' Capital account if capitals are fixed 1
 - 5 What is meant by Convertible Debentures ? 1
 - 6 Show the amount of subscription in Income and Expenditure Account for the year 2001 Total Subscription received during the year as per Receipt and Payments Account is Rs 50,000? 3
- Additional information :**
- | | | | |
|----------------------------------|----|--------|-----------|
| | | 2000 | 2001 |
| Outstanding Subscription | Rs | 10,000 | Rs 15,000 |
| Subscription Received in Advance | Rs | 12,000 | Rs 10,000 |
- 7 Can a Company issue its share at a premium ? If , Yes, What are the ways for which the securities premium can be used ? State any three. 3
 - 8 X Ltd issued 20,000 shares of Rs 10 each at 10% premium for public subscription. Full amount was payable on application. Applications were received on 30,000 shares. The directors decided to make a pro-rata allotment . Pass journal entries. 3
 - 9 X,Y and Z are partners in a firm. They have credited their capital accounts by the interest on capitals @ 10% p.a. instead of 12% p.a. for the year. The capital balances of their capital, X Rs 3,00,000 ; Y Rs 2,00,000 and Z Rs 1,00,000. Pass the necessary adjusting entry with working notes. 4
 - 10 Ram, Mohan and Sohan were partners partners sharing profits and losses in the ratio of 5:3:2. 4

Their Fixed capitals were Rs 5,00,000; 3,00,000 and 2,00,000 respectively. As per the partnership deed interest on capital is to be provided at 10% p.a. Ram gave a guarantee of profit of Rs 25,000 in the year to Sohan . The profit of the firm was Rs 2,00,000 during the year.
Prepare Profit and Loss Appropriation Account.

- 11 ABC Ltd forfeited 150 shares of Rs 10 each issued at a premium of Rs 5 per share , for non payment of allotment money of Rs 8 per share (including premium of Rs 5 per share, first call of Rs 2 per share and final call of Rs 3 per share. Out of these 100 shares were reissued at Rs 14 per share. Give journal entries 4
- 12 (a) S Ltd acquired assets of Rs 8,00,000 and liabilities of Rs 2,00,000 for purchased consideration of Rs 4,40,000. Purchase consideration was settled by issue of Debenture of 100 each at 10% premium. Pass journal entries. 6
- (b) Cona Gears Ltd converted 1000 15% Debentures of Rs 100 each into equity shares of Rs 20each issued at a premium of Rs 5 per share. Give necessary Journal entries on the conversion of Debentures.
- 13 From the following Receipt and Payments Account of a NGO, Prepare Income and Expenditure Account and Balance Sheet for the year ended Dec 31,2006 6

| Receipts | Amount Rs | Payments | Amount Rs |
|---|--------------|--------------------|--------------|
| Cash in hand | 68000 | Salaries | 240000 |
| Subscription | 602000 | Traveling Expenses | 60000 |
| Donation | 30000 | Stationery | 23000 |
| Sale of Furniture (Book value Rs 6000) | 40000 | Rent | 160000 |
| Entrance Fees | 8000 | Repair | 7000 |
| Life membership Fee | 70000 | Books Purchased | 60000 |
| Interest on Investment@5% for full year | 50000 | Building Purchased | 300000 |
| | 868000 | Cash in hand | 18000 |
| | | | 868000 |

Additional information :

| | As on 1.1.06 Rs | 31.12.06 Rs |
|-------------------------------------|--------------------|----------------|
| i) Subscription received in advance | 10000 | 32000 |
| ii) Outstanding subscription | 20000 | 37000 |
| iii) Stock of Stationery | 12000 | 8000 |
| iv) Books | 135000 | 165000 |
| v) Furniture | 160000 | 80000 |
| vi) Outstanding Rent | 10000 | 20000 |

- 14 Iqbal and Kapoor are in partnership sharing profits and losses in 3:2. They insure their lives jointly for Rs.1,50,000 at an annual premium of Rs.6,800 to be debited to the business. Kapoor dies 3 months after the date of last balance sheet. According to the partnership deed, the legal personal of Kappor are entitled to the following payments: 6
- a) His capital as per the last balance sheet.

- b) Interest on above capital at 3% per annum to the date of death.
 c) His share of profit to date of death calculated on the basis of last year's profit. His drawings are to bear interest at an average rate of 2% on the amount irrespective of the period.

The Net profits for the last 3 years, after premium, were Rs.20,000, Rs.25,000 and Rs.30,000 respectively. Kapoor's capital was Rs.40,000 and his drawings to the date of death were Rs.5,000. Prepare Kapoor's capital account and his executor account.

- 15 S Ltd issued Rs 10,00,000 new capital divided into Rs 100 shares at a discount of Rs 10 per share payable as under: 8

On application Rs 10
 On Allotment the Balance including discount.

Over Payment on application were applied towards sum due on allotment. Where no allotment was made the money to be returned in full. The issue was oversubscribed to the extent of 13000 shares. Application for 12000 shares were allotted only 2000 shares and applicants for 3000 shares were rejected All the money was duly received except a share holder of 300 shares who failed to pay allotment. These shares were forfeited by the directors and 200 shares of the forfeited shares were reissued at 10% discount.

Pass the entries.

Or

Suman Fabrics Ltd issued Rs 50,00,000 shares of Rs 100 each at premium of Rs 20 per share and payable as Rs 20 on application, Rs 40 on allotment and balance on 1st call.

Applications were received on 65,000 shares out which applications on 10,000 shares rejected and money on them sent back . Remaining shares and their money were adjusted on allotment. All the money was duly received except on 1000 shares held by B who failed to pay his allotment money and his shares were forfeited before 1st call.

Pass journal entries in the books of Co.

- 16 Following the Balance Sheet P and Q share their profit in 3:2 respectively: 8

| Liabilities | Amount Rs | Assets | Amount Rs. |
|-------------------|--------------|---------------------------|---------------|
| Sundry Creditors | 2500 | Land & Buildings | 3500 |
| Capital Accounts: | | Plant | 4500 |
| P 8000 | | Sundry Debtors 2200 | |
| Q <u>3500</u> | 11,500 | Less Provision <u>200</u> | 2000 |
| | | Stock | 3,500 |
| | | Cash at Bank | 500 |
| | 14,000 | | 14,000 |

They agree to admit R into partnership giving him a fifth share on the following terms

- The value of land and buildings to be increased by Rs.500.
- The value of plant to be increased to Rs.5500.
- Goodwill is to be valued at Rs 2000.

- d. R to bring in capital to the extent of $1/5^{\text{th}}$ of the total capital of the new firm after adjustments.
Show the journal entries and the necessary ledger recording these adjustments and prepare the new Balance Sheet of the firm.

Or

The Balance Sheet of A,B and C on 31st Dec.,2002, the date of A's retirement, was as follows:

| Liabilities | Amount Rs. | Assets | Amount Rs |
|-------------|---------------|-------------------|--------------|
| Creditors | 25,000 | Goodwill | 15000 |
| Capitals | | Land & Buildings | 40000 |
| A | 40000 | | |
| B | 40000 | Plant & Machinery | 28000 |
| C | 30000 | Motor car | 27000 |
| | | Debtors | 24000 |
| | | Cash at Bank | 1000 |
| | | | |
| | 135,000 | | 135000 |

The following terms have been agreed upon :

- a. Goodwill should be raised to Rs. 21000.
- b. The value of land & buildings be appreciated by Rs. 10000.
- c. Plant & Machinery be reduced to Rs.23000.
- d. Create a provision @ 5% on debtors for b& doubtful debts.
- e. A is paid Rs.13,500 by cash which is brought by B & C equally.
- f. The goodwill is not to be shown in new firm.

Prepare:1. Revaluation A/C

2. Partners' capital A/C

3. Bank A/C.

4. New Balance Sheet after A's retirement.

PART B

(Analysis of Financial Statements)

- | | | | | | | |
|------|---|------|------|----|----|--|
| 17 | What is an ideal Current Ratio ? | 1 | | | | |
| 18 | State whether there is Inflow or Outflow or No flow of cash when a Co. issues new shares ? | 1 | | | | |
| 19 | State an example of Cash inflow from investing activities. | 1 | | | | |
| 20 | Under which headings of the Balance Sheet of a Ltd Company as per the schedule VI of the Co Act,1956 following items will be shown: Share Premium, Unclaimed Dividend, Goodwill, Preliminary Expenditure, Debentures, Proposed Dividend | 3 | | | | |
| 21 | Prepare a comparative income statement from the following information: | 4 | | | | |
| | <table style="margin-left: auto; margin-right: auto;"> <tr> <td style="padding: 0 20px;">1991</td> <td style="padding: 0 20px;">1992</td> </tr> <tr> <td style="padding: 0 20px;">Rs</td> <td style="padding: 0 20px;">Rs</td> </tr> </table> | 1991 | 1992 | Rs | Rs | |
| 1991 | 1992 | | | | | |
| Rs | Rs | | | | | |

| | | |
|--------------------|------------------------------------|----------|
| Sales | 2,00,000 | 3,00,000 |
| Gross Profit | 40% | 50% |
| Operating Expenses | 20% of Gross Profit for the years. | |
| Rate of Income Tax | 50% for 1991 and 1992 | |

22 From the following information , determine the opening and closing stock. 4
 Stock turnover 5 times, Total sales Rs 2,00,000 , Rate of gross profits on sales is 25%. Closing stock is more by Rs 4,000 than the opening stock.

23 From the following Balance Sheets, Prepare Cash Flow Statement for the year 2002. 6

| Liabilities | 2002 | 2003 | Assets | 2002 | 2003 |
|-------------------|----------|----------|----------|----------|----------|
| Creditors | 20,000 | 40,000 | Goodwill | 36,000 | 20,000 |
| Loan | 17,500 | 9,500 | Building | 80,000 | 60,000 |
| Equity Capital | 1,50,000 | 2,00,000 | Plant | 40,000 | 1,00,000 |
| Proposed Dividend | 75,000 | 50,000 | Debtors | 1,19,000 | 1,54,500 |
| General Reserve | 20,000 | 35,000 | Stock | 10,000 | 15,000 |
| P&L A/c | 15,000 | 24,000 | Cash | 12,500 | 9,000 |
| | 2,97,500 | 3,58,500 | | 2,97,500 | 3,58,500 |
| | | | | | |

Depreciation charged on plant was Rs. 10,000 and building Rs. 60,000.