

**Guess Paper – 2014**  
**Class – XII**  
**Subject – ACCOUNTANCY**

1. Find the interest on drawings at 6 % per annum for partner Rajesh, who withdrew Rs 1,200 at the end of every month for six months ending on 31.3.2012. 1
2. Mr. A and Mr. B are partners of XYZ firm. Mr. A does not participate in the management. Is he liable for the act of Mr. B, who takes part in the management? 1
3. Aman and Sona are partners sharing profits and losses in the ratio of 3:1. They decided to admit Raman in the firm for  $\frac{1}{10}$ th share which he acquires from Aman and Sona in the ratio of 2:1. State the new ratio of Sona. 1
4. A, B and C are the partners. B died 4 months after the closure of financial year, the firms profits were Rs. 20,000. Calculate B's share of profit. 1
5. What is meant by Authorised Capital? 1
6. State with reason whether a company can issue its shares at a discount in its Initial Public Offer (IPO) 1
7. X Co Ltd purchased assets worth Rs. 28,80,000. It issued 10% Debentures of Rs.1000 each at a discount of 4 percent in full satisfaction of the purchase consideration. Find the number of debentures issued to the vendor. 1
8. A, B and C were partners in a firm sharing profits and losses in the ratio of 3: 4 : 3. Their capitals were fixed at Rs. 1,00,000, Rs. 2,00,000 and Rs. 3,00,000 respectively. Instead of crediting interest on capital @ 9 % p.a., it was credited to them @ 10 % p.a. for the year 1996. Showing your working clearly, pass the necessary journal entry. 3
9. Jai- Krishna Ltd. purchased Sundry Assets costing Rs. 2,02,500. It was agreed that the purchase consideration was to be paid by issue of 9% Debentures. Pass the **journal entries** in the Books of Jai- Krishna Ltd assuming the price has been paid by the issuance of :
  - a) 2,025 debentures of Rs. 100 each
  - b) 1,500 debentures of Rs. 100 each
  - c) 2,250 debentures of Rs. 100 each 3
10. Shri Ganesha Ltd. Issued 3,000, 10 % Debentures of Rs. 100 each at par on 31.3.1996, repayable at 20% premium after 7 years. Debenture Holders have the options to convert their holdings into 8% preference share of Rs. 100 each at a premium of Rs. 25 per share at any time after one year but before 5 years. On 31.3.2000, Anshuman, a holder of 200 Debenture notified to exercise the option. Make necessary journal entries related to issue and redemption on 31.3.96 and 31.3.2000. 3
11. X and Y share profits and losses in the ratio of 5:3. Z is admitted for  $\frac{3}{10}$ th share of profits, half of which was gifted by X and remaining half was taken by Z equally from X and Y. The

Goodwill of the firm is valued at Rs. 21,600. Z is unable to bring his share of goodwill in cash. Pass the necessary **journal entry** and also calculate the **new profit sharing ratio**. **4**

12. Sita, Rita and Gita were partners in a firm sharing profits in 2:2:1 ratio. Rita died on 24-8-2007. On Rita's death the goodwill of the firm was valued at Rs. 75,000. The partnership deed provided that on the death of a partner her share in the profits of the firm in the year of the death will be calculated on the basis of last year's profit. The profit of the year ended 31-3-2007 was Rs. 2,00,000. Calculate Rita's share of profit till the time of her death and pass the necessary journal entries for the treatment of goodwill and her share of profit. **4**

13. ABCL has an authorized capital of Rs. 10,00,000 divided into 10,000 Equity Shares of Rs. 100 each. It offered 7,000 Equity Shares of Rs. 100 each. The public applied for 6,000 shares only. All the calls were made and duly received except final call of Rs 30 per share on 300 shares. 100 of these shares were forfeited. Show how Share Capital will appear in the Balance Sheet of the company as per Schedule VI, Part 1 of the Company's Act 1956. **4**

14. Resurgere Mines Ltd. issued applications for 1,00,000 equity shares of Rs 10 each at a premium of Rs. 4 per share. The amount was payable as follows:

On application Rs 6 (including premium Rs. 2 per share), on allotment Rs 6 (including premium Rs. 2 per share), Balance on first and final call.

Application for 2,00,000 shares were received. Allotment was made to the applicants of 1,50,000 shares on pro-rata basis and remaining shares were rejected. Suryakant who applied for 300 shares, failed to pay allotment and call money. His shares were forfeited and afterwards 160 of these shares were re-issued to new shareholder @ Rs. 8 per share fully paid up.

I Which value has been affected by rejecting the applications of the applicants who had applied for 50,000 shares?

II. Suggest a better alternative for the same.

III. Give journal entries for **FORFEITURE AND RE-ISSUE ONLY** in the books of the company. **4**

15. A, B and C are in partnership. A and B sharing profit in the ratio of 3:1 and C receiving an annual salary of Rs.64,000 plus 5 % of the profits after charging his salary and commission, or ¼ th of the profits of the firm whichever is larger. Any excess of the latter over the former received by C is, under the partnership deed, to be borne by A and B equally. The profit for the year ended 31<sup>st</sup> March, 2011 came to Rs. 3,36,000 after charging C's salary.

Show the distribution of profit among the partners. **6**

16. Following is the Balance Sheet of Aman and Vishal sharing P/L in the ratio of 3:1 as on 31<sup>st</sup> December 2001

**Balance Sheet  
as at 31-12-2001**

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Liabilities	Rs.	Assets	Rs.
Creditors	16,800	Bank	9,840
Mrs. Aman's Loan	4,000	Debtors	2,400
Vishal's Loan	6,000	Stock	4,000
Workmen Compensation Fund	4,000	Investments	10,400
Aman's Capital	3,200	Plant	4,000
Vishal's Capital	800	Goodwill	3,000
		Patents	1,160
	<b>34,800</b>		<b>34,800</b>

Both the partners agreed to dissolve the business as on 31-12-2001 to the following conditions:

- Vishal agreed to take Investments at an agreed value of Rs. 10,000.
- The other assets were realized as under:  
Stock Rs. 3,200; Debtors Rs. 7,400; Plant Rs. 6,000
- Realisation Expenses were Rs. 2,000.
- The Creditors agreed to accept Rs 16,000 in full settlements of their claims.
- Goodwill and Patents were taken over by Aman at Book values.
- One of the worker met an accident and Rs. 2,500 were payable for his treatment.

**Prepare Realisation Account, Bank Account and Partners' Capital Account.**

**6**

17.

Aban Offshore Ltd. invited application for 1,00,000 Equity Shares of Rs. 10 each (at a premium of 5%) payable as Rs. 2 on application, Rs. 3.5 on allotment (including premium) and balance on first and final call. Applications were received for 3,00,000 shares and the shares were allotted on a pro-rata basis. The excess application money was to be adjusted against allotment and call. Mohseen, a shareholder, who applied for 3,000 shares, failed to pay the allotment and call money and his shares were accordingly forfeited and of these 800 shares were reissued at Rs. 8 per share as fully paid. Pass necessary **journal entries** in the books of firm. **8**

**OR**

Coal India Ltd. issued a prospectus inviting application for 1,00,000 shares of Rs. 10 each at a discount of Rs 2 per share payable:- (The company got the necessary sanction of Company Law Tribunal for discount)

Rs. 2 on application

Rs. 4 on allotment

Rs. 2 on First and Final Call

Application were received for 1,20,000 shares. Allotment was made as under:

- To applicants for 20,000 shares \_\_\_\_\_ in full
- To applicants for 40,000 shares \_\_\_\_\_ 30,000 shares
- To applicants for 60,000 shares \_\_\_\_\_ 50,000 shares

The shares were fully called and paid up except amounts on allotment and call, not paid by those who

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applied for 2,000 shares out of the group applying for 40,000 shares. These shares were forfeited by the directors and 1,200 shares of them were re- issued @ 7 per share. Show the **journal entries** in the books of the company.

18.

Sushil Rakesh, Kavita and Ajit were partners in a firm two years ago when Ajit died. Later on, Sushil Rakesh and Kavita had decided to carry on the partnership amongst them sharing profits in the ratio of 3: 2: 1. However, in wake of deteriorating financial position of the family of Ajit, partners agreed upon admitting the wife of Ajit named Anita into the firm.

Following is their Balance Sheet.

**Balance Sheet**  
as at 31-12-2006

Liabilities	Rs.	Assets	Rs.
Capital Accounts		Plant and Machinery	40,320
Sushil	31,920	Furniture	13,880
Rakesh	26,880	Stock	23,520
Kavita	13,440	Debtors	21,168
Creditors	15,120	Bank	6,912
Bills Payable	13,040		
Profit and Loss A/c	5,400		
	<b>1,05,800</b>		<b>1,05,800</b>

On 1.1.2007, Anita is admitted into partnership on following terms-

- a) Anita will bring Rs.11,200 as capital and Rs 5,000 as her share of goodwill.
- b) New profit sharing ratio will be 2 : 2 : 1 : 1
- c) Plant and Machinery to be decreased by 10 %
- d) Furniture to be reduced to Rs. 11,798
- e) Bills payable to be reduced by Rs.540.
- f) The Capitals of all partners are to be adjusted on the basis of Aishwarya's Capital, adjustments to be made through cash.

**I Mention the values displayed by partners in admitting Anita into the partnership.**

**II Prepare Revaluation Account, Partners' Capital Accounts and Balance Sheet of the new firm.**

**OR**

X, Y, Z were partners in a firm whose Balance Sheet as on 31<sup>st</sup> March 2007 was as under:

**Balance Sheet**  
as at 31-3-2007

Liabilities	Rs.	Assets	Rs.
Creditors	18,000	Cash	16,000
General Reserve	7,500	Debtors	22,500

X's Capital	20,000	Stock	26,500
Y's Capital	14,500	Furniture	5,000
Z's Capital	10,000		
	<b>70,000</b>		<b>70,000</b>

One month ago Y who was of the age of 58 years met with an accident. The doctor advised him not to take much of physical work so Y decided to retire from the partnership business and open a small cafeteria in his locality. He requested his fellow partners to settle his account immediately, in this connection it was decided to make the following adjustments:

- To reduce Stock and Furniture by 10 %
- To provide for Bad and Doubtful Debts at 20 % on Debtors.
- A long dispute with the creditors was settled and firm has to pay Rs 15,000. In anticipation Rs. 5,000 have already been included in sundry creditors for this purpose.
- Goodwill of the firm was valued Rs. 12,000 and Y's share of the same to be adjusted.
- To share future profits between the remaining partners in 5:3.
- Y should be paid off and the entire sum payable to Y shall be brought in by X and Z in such a way that their capitals should be in their new profit sharing ratio.

**I Mention the values displayed by partners on Y's retirement.**

**II Prepare Revaluation Account, Partners' Capital Accounts and Balance Sheet of the new firm.**

### ANALYSIS OF FINANCIAL STATEMENTS

- Give one limitation of Financial Statement. 1
- State which of the following would result in inflow/outflow of cash or cash equivalents:
  - Payment of Interest on Loan
  - Profit on Sale of Machine 1
- Classify the following activities as (a)Operating Activities, (b)Investing Activities and (c) Financing Activities:
  - Dividend paid by non-financial enterprise
  - Dividend received by financial enterprise. 1
- The Debt Ratio of a company is 2 : 3. Which of the following would increase, decrease or not change the debt Equity Ratio:
  - Cash received from Debtors.
  - Issue of Equity Shares
  - Redemption of Debentures. 3

23. Prepare the **Comparative Balance Sheet** from the following: 4

PARTICULARS	31-3-2011	31-3-2012
<b>I. EQUITY AND LIABILITIES</b>		
<b>1. Shareholders Funds</b>		
Share Capital	1,00,000	1,50,000
Reserves and Surplus	1,00,000	1,00,000
<b>2. Non-Current Liabilities</b>		
Long term loan	20,000	80,000
<b>3. Current Liabilities</b>		
Trade Payables	30,000	50,000
<b>Total</b>	2,50,000	3,80,000
<b>II. EQUITY</b>		
<b>1. Non-Current Assets</b>		
1. Fixed Assets		
a) Plant and Machinery	1,00,000	1,80,000
b) Furniture	80,000	1,00,000
2. Non Trade Investments	20,000	20,000
<b>2. Current Assets</b>		
Trade Receivables	50,000	80,000
<b>Total</b>	25,0000	3,80,000

24.

From the following items of Balance Sheet of SD. Ltd, Compute **Return on Capital Employed** and **Quick Ratio**. 4

Equity Share Capital (1,00,000 Equity Share of Rs 10each)	10,00,000
General Reserve	2,50,000
10% Debentures	5,00,000
Outstanding Expenses	1,00,000
Bills Payable	2,50,000
Creditors	4,00,000
Profit for the Year	2,50,000
Fixed Assets	14,00,000
Debtors	6,00,000
Stock	2,00,000
Cash	4,00,000
Prepaid Expenses	50,000
Preliminary Expenses	1,00,000

25.

Following is the Balance Sheet of Mahindra Satyam Ltd. Prepare the **Cash Flow Statement (AS-3) 6.**

PARTICULARS	31-3-2011	31-3-2012
<b>III. EQUITY AND LIABILITIES</b>		
<b>1. Shareholders Funds</b>		
Equity Share Capital	1,50,000	2,50,000
<i>Reserves and Surplus:</i> 31.3.11 31.3.12		
General Reserve 35,000 40,000		
Bal. of Statement of P/L 75,000 97,000		
Preliminary Expenses (10,000)	1,00,000	1,37,000
<b>2. Non-Current Liabilities</b>		
8% Debentures	1,00,000	1,20,000
<b>3. Current Liabilities</b>		
Trade Payables(Creditors)	25,000	38,000
Outstanding Expenses	30,000	20,000
<i>Short term Provision: Provision for Tax</i>	15,000	5,000
<b>Total</b>	<b>4,20,000</b>	<b>5,70,000</b>
<b>IV. EQUITY</b>		
<b>1. Non-Current Assets</b>		
1. Fixed Assets 31.3.11 31.3.12		
a) Plant 2,25,000 4,40,000		
Less Acc. Depreciation (25,000) (40,000)	2,00,000	4,00,000
b) Furniture	95,000	1,00,000
<b>2. Current Assets</b>		
Inventories	80,000	45,000
Trade Receivables(Debtors) 31.3.11 31.3.12		
50,000 30,000		
Less: Prov. For Doubtful Debts (15,000) (5,000)	35,000	25,000
Cash and Cash Equivalents	10,000	-
<b>Total</b>	<b>4,20,000</b>	<b>5,70,000</b>

### Adjustments

- Tax paid during the year Rs.30,000
- Plant costing Rs. 65,000 (accumulated depreciation Rs. 10,000) was sold for 65,000.
- New Debentures have been issued on 31-12-2012.

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