	CLASS XII -ACCOUNTANCY-MARKS:80 TIME:3HRS	
Q1	R and S are partners sharing profits/losses equally. R withdrew Rs. 2,000 p.m. regularly on the first day of every month during the year 2009-10 for personal expenses. If interest on drawings is charged @ 5% p.a. Calculate interest on the drawings of R.	1
Q2	Mention any two rights of partner.	1
Q3	Why it is considered desirable to make the partnership agreement in writing?	1
Q4	Give two circumstances in which sacrificing ratio may be applied.	1
Q5	S Ltd forfeited 100 shares of Rs.10 each issued at par for non-payment of first and final call of Rs. 3 per share. State the minimum price at which this share can be reissued.	1
Q6	if a share of Rs. 10 on which Rs. 8 has been called and Rs. 6 is paid is forfeited, the share capital Account should be debited with (a) Rs. 10(b) Rs. 8 (c) Rs. 6 (d) Rs. 2.	1
Q7	Jothi Ltd. Purchased for cancellation its own 10,000, 8% Debentures of 500 each for 490 per debenture. The brokerage charges 5%. Calculate the amount to be transferred to capital reserve.	1
Q8	Rain and Cloud were partners in a firm sharing profit and losses in the ratio 3:1 with capitals of Rs. 40,000 and 50,000 respectively. The firm made profit of Rs. 30,000 during the year which was distributed without proving interest on capital @ 10%. Pass single adjusting entry.	3
Q9	Journalise: a) Issued 1200 8% Debentures of Rs. 100 each at par, repayable at a premium of 10%. b) Issued 2400 7% Debentures of Rs. 100 each at premium of 20%, repayable at par.	3
Q10	Dee Ltd redeemed 2,000 6% Debentures of Rs. 100 each which were originally issued at a premium of 10% by converting them into equity shares of Rs. 10 each issued at par. Journalise.	3
Q11	Complete the following question by filling appropriate amounts:	4

Particulars	L F	Debit (Rs)	Credit (Rs.)
Equity Share capital a/c Dr. To Calls in arrears a/c To Share forfeited a/c (Being 1000 shares Rs. 10 each forfeited for non-payment of final call money of Rs. 2 per share			
Bank a/c Dr. Share forfeited a/c Dr. To Equity Share Capital (being 500 share were reissued at 8 per as fully paid up)			
Share forfeited a/c Dr. To Capital Reserve a/c			

Q12	Jaya Ltd. purchased Plant & Machinery from Di & Co. worth Rs. 8,00,000. A sum of Rs 2,00,000 was paid by means of the draft and for the balance Jaya Ltd issued its equity share of Rs 50 each at a premium of 20%. Journlise the above transactions in the book of Jaya Ltd.	4

Q13	Meena and Hina were partners in a firm sharing profits in the ratio of 2: 3. On 20.01.2006 their firm was dissolved. After transferring assets and outsiders' liabilities to realization account, the following transactions took place : (i) Hina agreed to settle the creditor of Rs. 5,000 at discount of 10%. (ii) Meena took over a machine book value Rs. 3,000 for Rs. 3,800. (iii) Loss on realization Rs.3,000. (iv) Unrecorded bills payable Rs. 3,000 was paid by Meena at a discount of 20%. Journalise.	4
Q14	A, B & C are partners in firm sharing profits in the ratio of 3:2:1. Their Balance Sheet as at 31st March 2014 was as follows:	4

Balance Sheet
as at 31st March 2016

Sundry Creditors		40,000	Fixed Assets	4,50,000
General Reserve		49,000	Cash & Bank	10,000
Employees Provident Fund		42,000		
Capital	A	1,20,000		
	B	1,34,000		
	C	68,000		
		4,53,000		4,60,000

From 1st April 2016, they decided to change their profit sharing ratio as 1:2:3. For this purpose the goodwill of the firm was valued at Rs. 60,000. The partners decided not to distribute free reserves and to make necessary treatment for goodwill as per As-26. Pass nececessary journal entry/ entries in the books of the firm.

Q15	The partnership agreement between Maneesh and Girish provides that: (i) Profits will be shared equally; (ii) Maneesh will be allowed a salary of Rs. 400 p.m; (iii) Girish who manages the sales department will be allowed a commission equal to 10% of the net profits, after allowing Maneesh's salary; (iv) 7% interest will be allowed on partner's fixed capital; (v) 5% interest will be charged on partner's annual drawings; (vi) The fixed capitals of Maneesh and Girish are Rs. 1,00,000 and Rs. 80,000, respectively. Their annual drawings were Rs. 16,000 and 14,000, respectively. The net profit for the year ending March 31, 2006 amounted to Rs. 40,000; prepare firm's Profit and Loss Appropriation Account.	6
Q16	A, B and C were carrying on partnership business sharing profits in the ratio of 1/2, 1/6 and 1/3 respectively. The Balance Sheet on 31st March, 2016 was as follows:	6

Liabilities	Rs.	Assets	Rs.
Capital Accounts:		Land & Buildings	1,40,000
A 60,000		Furniture	24,000

B 40,000 C 20,000	1,20,000	Machinery	60,000
		Investments (Market value Rs. 17,000)	14,000
General reserve	60,000	Stocks	30,000
Profit & Loss a/c (2015-16)	24,000	Sundry debtors	40,000
Employees Provident Fund	50,000	Cash in hand	19,000
Workmen Compensation Reserves	12,000	Advertisement Suspense Account	6,000
Reserve for bad debts	2,000		
Bill payable	20,000		
Creditors	45,000		
	3,33,000		3,33,000

C retired on 1st April, 2016 the above mentioned date on the following terms:
(i) Fixed assets are valued at 110%
(ii) Stock valued at 90%.
(iii) The goodwill of the firm to be valued at Rs. 60,000.
(iv) Bad debts reserve is to be increased to Rs. 3,600.
(vi) C will be paid Rs. 13,000 in cash and the balance will be transferred to his loan account.
Prepare revaluation a/c and Capital a/c.

Q17 Gold and Silver are partners sharing profits as 2:1. Following is their balance sheet as on December 31, 2013: 8

Liabilities	Rs.	Assets	Rs.
Capitals:		Land & Building	21,000
Gold	14,000	Sundry debtors	12,000
Silver	21,000	Stock	17,000
Sundry creditors	7,000	Cash	1,000
Profit & Loss a/c	12,000	Advertisement suspense a/c	3,000
	54,000		54,000

On 1st January 2014, Diamond is admitted into partnership for 1/4th share on the following terms:
a) That he should bring in Rs. 20,000 as his share of capital and Rs. 6000 as premium for his share of goodwill.
b) That land and building be revalued at Rs. 29,000 and stock was overvalued by Rs. 500.
c) A provision of Rs. 500 was to be created on debtors.

	d) Salary outstanding was Rs. 1,000. e) That after the above adjustments, the capital of the old partners be adjusted on the basis of the new partner's capital, having regard to profit sharing ratio. Excess or Shortage will be adjusted through actual cash. Record necessary journal entries and prepare Partners' Capital accounts. **Or** M, N and O were partners sharing profits in the ratio of 5 : 2 : 3. On 31st March, 2016 their Balance Sheet was as under:	

Liabilities		Amounts Rs.	Assets	Am
Capitals :			Goodwill	
M	52,000		Plant & machinery	
N	26,000		Furniture	
O	32,000	1,10,000	Stock	
Profit & Loss a/c (for 2015-2016)		60,000	Debtors	
Creditors		35,000	Cash	
		2,05,000		

N died on 30th June, 2016. It was agreed between his executors and the remaining partners that:-

i) Plant & machinery to be valued at Rs. 65,000 and furniture at Rs. 67,000.
ii) A provision of 10% was created for doubtful debts.
iii) Provision for taxation to be made for Rs. 15,000.
iv) The goodwill of the firm was valued at Rs. 30,000 on N's death.
v) Profit during 2016-17 should be taken to have accrued on the same scale as 2015-16 for the purpose of calculating N's share.
vi) The firm had joint life policy in the name of partners, for issued value of Rs. 60, 000. Death claim of policy was realized in full.
vii) A sum of Rs. 55,000 paid immediately and the balance to be transferred to his executors Loan a/c. You are required to prepare: Revaluation a/c, Capital a/c and Balance sheet of M and O.

Q18	D Ltd. issued 40,000 shares of Rs.10 each at a premium of Rs. 3 per share. The amount payable was as follows: Rs. 4 on Application (including premium of Re. 1), Rs. 6 on Allotment (including premium) and balance on Final Call. Application was received for 60,000 shares and letters of regret was given to the applicant of 10,000 shares and balance allotted pro-rata allotment. Babu an applicant of 250 shares could not pay allotment and call money and Jyoti a holder of 100 shares failed to pay first and final call. All these shares were forfeited. Out of the forfeited shares 250 shares (the whole of Babu was included) were reissued @ Rs.	8

	8 per share fully paid up. Record the necessary Journal entries for the above in the books of D Ltd. **Or** Dhanam Ltd. issued for public subscription 80,000 equity shares of the value of Rs. 10 each at the premium of 30% payable as follows: Rs. 3 on application (including premium Re. 1), Rs. 6 on allotment (including premium), Rs. 2 on first call, Rs. 2 on second and final call. The issue was oversubscribed to the extent of 30,000 shares . The allotment was done as follows: A. Applicants of 10,000 shares were refunded the application money. B. The remaining applicants were allotted shares on prorate basis. The excess application money to be adjusted allotment and call if any. Mohan, A share holder who was allotted 4,000 shares failed to pay the allotment money and both calls. Mr. Ro a holder who had applied for 2500 shares paid the calls money along with allotment money. a) **What value do you find affected**? b) **Pass necessary Journal entries**.	8
	PART-B (Financial Statement Analysis)	
Q19	Mention any one objective of Ratio Analysis.	1
Q20	What do you mean by Investing Activities?	1
Q21	Give an example of each cash outflow from operating activities and cash used in financing activities.	1
Q22	How will you disclose the following while preparing Balance Sheet of a company as per the companies Act 2013: a. Loose tools b. Loss on issue of Debentures. C. Securities Premium d. Live Stock e. Railway siding f. Furniture.	3
Q23	Calculate a) Debt Equity Ratio b) Return On Capital Employed from the following: Earning Profit Interest and Tax Rs. 3,60,0000 Rate of Tax 40% Equity Share Capital Rs. 8,00,000 10% Preference Share Capital Rs. 2,00,000 12% Debentures Rs. 20,00,000 Reserves and Surplus Rs. 12,00,000 Securities Premium Rs. 1,00,000 Fictitious Assets Rs. 2,00,000	4
Q24	Prepare Comparative Income Statement from the following:	4

Particulars	2016	2015
Revenue from operations	30,00,000	20,00,000
Interest on investments	2,00,000	1,50,000
Material Consumed	10,00,000	6,00,000
Closing Stock	2,00,000	1,00,000
Operating expenses	8,00,000	6,00,000

	Rate of Tax	20%	20%		

Q25 Prepare Cash Flow Statement: 6

Particulars	Note	31-3- 2016	31-3 2015
Equity & Liabilities			
Share capital	1	3,00,000	2,60,000
Reserves & Surplus		2,20,000	80,000
Non- Current Liabilities			
a) Long term Borrowings			
8%Debentures	2	3,25,000	2,80,000
b) Current Liabilities			
Accounts Payable		21,000	28,000
		8,66,000	6,48,000
Assets			
Non-current assets			
Tangible – Machinery		4,00,000	3,80,000
Land & Building		3,00,000	1,23,000
Intangible –Trade Mark		50,000	40,000
Other non-current Assets (Discount on issue of Debentures)		10,000	15,000
Current Assets			
Accounts Receivable		20,000	33,000
Marketable Securities		26,000	26,000
Cash & bank		60,000	31,000
		8,66,000	6,48,000

Notes to Accounts:

Particulars	2016	2015
Reserves & Surplus: Statement of Profit & Loss account	90,000	(10,000)
General Reserves	1,30,000	90,000
	2,20,000	80,000