

CLASS XII

SAMPLE PAPER

ACCOUNTANCY

Time Allowed: 3 Hrs.

Maximum Marks:80

General instructions:-

- (1) This question paper is divided in two parts.
- (2) All parts of a question should be solved at one place
- (3) Marks of each question is indicated against the question

PART-(A) 60 MARKS

- Q 1 What are two main sources of income of not-for – profit organizations? 1
- Q 2 Give two circumstances in which sacrificing ratio may be applied. 1
- Q3 List any two circumstances under which the fixed capital of partners may change. 1
- Q4 How is a new partner admitted to a new firm? 1
- Q5 What is meant by 'Endowment fund'? 1
- Q 6. Receipts and Payments Account of Young Association disclosed that it has received Rs. 2,00,000 by way of subscriptions for the year ended on March 31, 2006.

Additional Information:

Subscription Outstanding on 1-4-2005 Rs. 5000 (Out of which Rs. 3,500 were received in 2005-06)

Subscription Outstanding on 31-3-2006 for 2005-06 6,000

Subscription received in advance on 31-3-2005 3,000

Subscription received in advance on 31-3-2006 4,100

Show how the subscription will appear in Income and Expenditure Account for the year ending March 31, 2006. 3

Q7 Difference between Over Subscription and Under Subscription. 3

Q8 XYZ Ltd. Purchased machinery worth Rs. 10,00,000 from ABC Ltd. Rs. 5,50,000 was paid by issue of 9% preference shares of Rs. 100 each at a premium of 10%. The balance was paid in cash by cheque. Pass necessary journal entries in the books of XYZ Ltd. 3

Q9 X, Y and Z are partners sharing profits and losses in the ratio of 3:2:1. After the final accounts have been prepared, it was discovered that interest on drawings @ 5% p.a. had not been taken into consideration. The drawings of the Partners were: X Rs. 15,000; Y Rs. 12,600; Z Rs. 12,000. Give the necessary adjusting journal entry. 4

Q 10 A, B and C are partners sharing profits and losses in the ratio of 5:4:1. It was decided that with effect from 1st January 2002 the profit sharing ratio will be 9:6:5. Goodwill is to be valued at 2 year's purchase of average of 3 year's profits. The profits for 1999, 2000 and 2001 were Rs. 48,000, Rs. 42,000 and Rs. 60,000 respectively.

Pass the necessary journal entry for the treatment of goodwill without opening Goodwill Account. 4

Q11 Raghav Limited purchased a running business from Krishna Traders for a sum of Rs. 15,00,000, payable Rs. 3,00,000 by cheque and for the balance issued 9% Debentures of Rs. 100 each at par.

The assets and liabilities consisted of the following:

Plant and Machinery	4,00,000
Buildings	6,00,000
Stock	5,00,000
Sundry Debtors	3,00,000

Sundry Creditors 2,00,000

Record necessary journal entries in the books of Raghav Limited. 4

Q12. From the following Receipts and Payments Account of Sonic Club and from the given additional information; prepare Income and Expenditure Account for the year ending 31st December, 2006 and the Balance Sheet as on that date:

RECEIPTS AND PAYMENTS ACCOUNT

For the year ending 31st December, 2006

Receipts	Rs.	Payments	Rs.
To :Balance b/d	1,90,000	By Salaries	3,30,000
To Subscriptions	6,60,000	By Sports Equipment	4,00,000
To Interest on Investments @ 8% p.a. for full year	<u>40,000</u>	By Balance c/d	<u>1,60,000</u>
	<u>8,90,000</u>		<u>8,90,000</u>

Additional Information:

- I. The club had received Rs. 20,000 for subscription in 2005 for 2006.
- II. Salaries had been paid only for 11 months.
- III. Stock of Sports Equipment on 31st December, 2005 was Rs, 2,00,000 and on 31st December, 2006 Rs. 6,50,000 6

Q13. Excel Ltd. issued 5,000, 12% Debentures of Rs.100 each, payable on application. Pass the journal entries, at the time of following situations: 6

- i. Issued at par redeemable at 10% premium.
- ii. Issued at 5% discount, redeemable at 10% premium
- iii. Issued at 5% premium, redeemable at 10% premium

Q 14. Pass necessary Journal entries in the books of the Company in following cases for redemption of 1,000,

12% Debentures of Rs. 10 each issued at par:

- Debentures redeemed at par by conversion into 12% Preference Shares of Rs. 100 each.
- Debentures redeemed at a premium of 10% by conversion into Equity Shares issued at par.
- Debentures redeemed at a premium of 10% by conversion into Equity Shares issued at a premium of 25%.

6

Q 15 Dhanraj Ltd. Issued 25,000 Equity Shares of Rs. 20 each, at a discount of 10% payable as follows:

On Application	Rs. 5 per share
On Allotment	Rs. 6 per share
On First Call	Rs. 3 per share
On Final Call	The balance amount.

Applications were received for 32,500 shares and the Directors made pro-rata allotment to the applicants for 30,000 shares.

The Directors did not make the Final Call. X did not pay allotment and first call money on 500 shares allotment to him while Y did not pay the First Call on his 1,000 Shares. These shares were forfeited and 1,100 of these shares were re-issued to Mr. Gupta as Rs. 16 paid at Rs. 13 per share, whole of Y's shares being included in the re-issued shares. Show the journal entries to record the above transactions.

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Q16. The following is the balance sheet of A, B and C sharing profits and losses in proportion of 6:5:3 respectively.

BALANCE SHEET

Liabilities	Rs.	Assets	Rs.
Creditors	18,900	Cash	1,890
Bills Payable	6,300	Debtors	26,460
General Reserve	10,500	Stock	29,400

Capitals:-		Furniture	7,350
A 35,400		Land & Building	45,150
B 29,850		Goodwill	5,250
C <u>14,550</u>	<u>79,800</u>		<u>-----</u>
	<u>1,15,500</u>		<u>1,15,500</u>

They agreed to take D into partnership and give him 1/8th share on the following terms:

- 1) That Furniture to be depreciated Rs. 920.
 - 2) An Old Customer, whose account was written off as bad, has promised to pay Rs. 2,000 in full settlement of his full debt.
 - 3) That a provision of Rs. 1,320 be made for outstanding repair bills.
 - 4) That the value of land and building having appreciated be brought upto Rs. 54,910.
 - 5) That D should bring in Rs. 14,700 as his capital.
 - 6) That D should bring in Rs. 14,070 as his share of goodwill.
 - 7) That after making the above adjustments, the capital accounts of old partners be adjusted on the basis of the proportion of D's Capital to his share in business, i.e., actual cash to be paid off or brought in by the old partners, as the case may be.
- Prepare the balance sheet of the new firm & capital A/cs. 8

PART- (B) 20 MARKS

Q17 If the Current Ratio of a company is 2:1 what will be the change in it if cash is paid to creditors.

1

Q18. Define cash equivalent?

1

Q 19. Name the head under which the Dividend Paid by a Financing Co. is placed in Cash Flow statement.

1

Q.20 Give the name of liabilities the Balance Sheet of a Company (main headings only) as per requirement of Schedule VI of the Companies Act, 1956.

3

Q.21. From the following information, prepare a Comparative Income Statement of Somesh Ltd.

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	31 st Dec., 2007	31 st Dec., 2008
Sales	120% of cost	150% of cost
Cost of goods sold	20,00,000	25,00,000
Operating Expenses	10% of gross profit in both year	
Rate of income tax	50% of net profit before tax	

Q22 From the following information given below calculate any two of the following

(i) Gross Profit Ratio (ii) Debt Equity ratio (iii) Proprietary Ratio 4

Net Sales 5,00,000 Cost of sales 3,00,000

Current Assets 200,000 Current liabilities 1,40,000

Paid up Capital 2,50,000 13% Debenture 1,00,000

Q23 From the following particulars prepare Cash Flow Statement:- 6

Liabilities	2006	2007	Assets	2006	2007
Equity Share Capital	2,75,000	4,00,000	Fixed Assets	4,10,000	4,00,000
12% Pref. ShareCap.	1,25,000	1,00,000	Less <u>Acc. Dep.</u>	<u>(1,10,000)</u>	<u>(1,50,000)</u>
P/L A/c			Net Assets	<u>3,00,000</u>	<u>2,50,000</u>
General Reserve	10,000	8,000	Stock	3,00,000	3,50,000
15% Debenture	20,000	24,000	Debtors	2,00,000	2,40,000
Creditors	60,000	70,000	Prepaid Exp.	3,000	5,000
Proposed Dividend	1,20,000	1,10,000	Cash	12,000	35,000
Prov. For Tax	50,000	58,000			

Bank Overdraft	30,000	42,000			
	1,25,000	68,000			
	8,15,000	8,80,000		8,15,000	8,80,000

Additional Information: -

A part of fixed assets costing Rs. 1, 00,000/ (accumulated depreciation Rs. 30,000/-) sold at a Profit of 25%.

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