Grade XII

Accountancy

(As per latest CBSE syllabus)

Sample Question paper 2018-19

Duration- 3 Hrs.

Max marks-80

General instructions:-

- This question paper contains two parts- A and B.
- All parts of a question should be attempted at one place.

Part A **Accountancy for Not- for- profit organisations, Partnership Firms and Companies**		
1.	Shan, Ghan and Mikel entered into a partnership on 1st October, 2017 to share profits in the ratio of 3:2:1. Shan, however, personally guaranteed that Mikel's share of profit would not be less than ₹ 90,000 p.a. The loss for the year ended 31st March 2018 was ₹ 3, 60, 000. Calculate deficiency to be charged to Shan.	1
2.	Why gaining ratio is calculated in case of retirement of a partner?	
	Or	1
	How can the amount due to the retiring partner be settled?	
3.	Not- for- profit organisations have some distinguishing features from that of profit organisations. State any one of them.	
	Or	1
	Mention one point causing difference between cash book and Receipt and payment a/c.	
4.	Soju and Raju admitted Rahim into the partnership, their profit sharing ratio being 5:4:3. If, before the admission, profit sharing ratio of Soju and Raju was equal, find the sacrificing ratio.	1

<table>
<tr><td>5.</td><td>Abel and Abdi who are in partnership sharing profits and losses in the ratio of 3:2 admit Abjad for 1/5th share in profits. The capitals of Abel and Abdi after adjustments are ₹ 2, 40,000 and ₹ 1, 60,000 respectively. Abjad is to bring 25 % of the total capital of Abel and Abdi. Calculate Abjad’s capital.</td><td>1</td></tr>
<tr><td>6.</td><td>Differentiate between Equity shareholders and Debenture holders on the regularity of return.</td><td></td></tr>
<tr><td></td><td>Or</td><td>1</td></tr>
<tr><td></td><td>Why is Securities Premium Reserve account debited if premium is not received and shares are forfeited?</td><td></td></tr>
<tr><td>7.</td><td>Ashbin and Ajay who share profits in the ratio of 3:2 had capitals of ₹ 2, 00, 000 and ₹ 1, 50, 000 respectively. They admit Sanjay into partnership for 1/3rd share from 1st April, 2018 on the following terms:-
(i) Sanjay to bring ₹ 3, 00, 000 as capital.
(ii) Goodwill of the firm is valued at ₹ 1, 50, 000 and goodwill already appears in the books at ₹ 50,000. Sanjay is unable to bring in his share of goodwill in cash.
Pass necessary journal entries in the books of the firm.</td><td>3</td></tr>
<tr><td>8.</td><td>Vibhuthi Ltd. has 1, 00,000, 10% debentures of ₹100 each outstanding as on 31st March, 2015. These debentures are due for redemption on 31st March, 2016 at a premium of 10%. Ascertain the missing figures in the following journal entries of Vibhuthi Ltd.
Journal of Vibhuthi Ltd.
<table>
<tr><td>Date</td><td>Particulars</td><td>L.F</td><td>₹</td><td>₹</td></tr>
<tr><td>2015 March 31</td><td>Surplus i.e. Balance in statement of profit and loss a/c Dr.
To DRR a/c</td><td></td><td>.....</td><td>
.....</td></tr>
</table></td><td>3</td></tr>
</table>

	April 1	Debentures redemption Investment a/c Dr. To Bank a/c (Being the investment made @15%of the face value of the debentures)		…….	………
	2016 March 31	Bank a/c Dr. To Debentures Redemption Investment a/c (Being the investment encashed)		…….	……..
	March 31	10% Debentures a/c Dr. Premium on redemption of debentures a/c Dr. To debenture holders a/c (Being the amount due to debenture holders)		……. …….	…….
	March 31	Debenture holder's a/c Dr. To Bank a/c (Being the payment made to debenture holders)		……..	…….
	March 31	……………………… Dr. To ………………… (…………………….)		…….	…….
9.	Moon Ltd. purchased a running business from Sun Ltd. for ₹ 6, 00, 000 payable 20% by a cheques and the balance by the issue of fully paid 10% debentures of ₹ 100 each at a premium of 20%. The assets and liabilities consisted of the following:- Building ₹ 3,00,000, Plant and machinery ₹ 1,00,000, Stock ₹ 2,00,000 , Sundry Debtors ₹ 1,00,000, Sundry Creditors ₹ 80,000. Pass the necessary journal entries in the books of Moon Ltd.				

	Or	3
	Gujrat Gas Ltd. issued 6,00,000, 9% debentures of ₹ 1,000 each payable as follows: On application ₹ 300 On allotment ₹700 The debentures were fully subscribed and all the money was duly received. As per terms of issue, the debentures are redeemable at ₹ 1,100 per debenture. Record necessary entries regarding the issue of debentures.	
10.	From the following information, Calculate the amount of subscription for the current year: (i) Subscription received for the year ended on 31st March 2008, ₹ 1, 25,900. (ii) Subscription outstanding as on 31st march 2007, ₹ 9,750. (iii) Subscription received in advance as on 31st march 2007, ₹ 4,500. (iv) Subscription outstanding as on 31st March 2008, ₹ 8,470. (v) Subscription received in advance as on 31st March 2008, ₹ 7,640. Show how the above information would appear in the financial statements for the year ended on 31st March 2008.	3
11.	Amulya, Bibasha and Chandini are partners in a firm sharing profits and losses in the ratio of 4:2:1. Their Balance Sheet as at 31st March 2017 stood as follows:	4

Liabilities	₹	Assets	₹
Sundry creditors	40,000	Sundry Assets	7,20,000
Reserves	1,30,000		
Profit &Loss account	50,000		
Capital accounts: Amulya 2,00,000 Bibasha 2,00,000 Chandini1,00,000	5,00,000		
	7,20,000		7,20,000

From 1st April 2017, the partners decided to change their profit sharing ratio to 5:3:2. For this purpose goodwill was valued at ₹ 1, 00, 000. The partners do not want to record the goodwill and also do not want to distribute the reserves and profits. You are required to record the change by passing a single journal entry. Also prepare a revised Balance Sheet.

12. X, Y and Z were partners sharing profits in the ratio of 5:3:2. On 31st December, 2007 , their Balance Sheet stood as under: **4**

Liabilities	₹	Assets	₹
Capitals: X 75,000 Y 62,500 Z 37,500	1,75,000	Cash	20,000
Creditors	27,000	Buildings	50,000
General Reserve	15,000	Patents	15,000
		Stock	25,000
		Debtors	20,000
		Machinery	75,000
		Goodwill	12,000
	2,17,000		2,17,000

Z died on April 1st 2008. Balance of Z's capital account shows ₹ 60,400 on the date of death. A sum of ₹ 16,000 was paid in cash to Z's executors and the balance in 2 equal annual instalments together with interest @12%p.a. Prepare Z's executors account till it is finally closed.

13. Prepare Balance Sheet as at 1st April 2016 and 31st March 2017 of Leon Club Chennai from the following: **6**

Receipt &Payment account for the year ended 31st March 2017

Receipts	₹	Payments	₹
Cash in hand	4,500	Salaries(11 months)	1,100
Subscriptions: 2016-100	2,700	Tournament expenses	1,600

2017-2400 2018-200			
Sale of old furniture (costing ₹ 200)	140	Investments	1,000
Tournament Receipts	2,000	Furniture	400
Sports Fund	10,000	Stationery	1,200
Donations for Sports	3,000	Sports expenses	15,000
		Miscellaneous expenses	200
		Rent paid up to May 2017	1,400
		Cash in hand	440
	22,340		22,340

Income & Expenditure Account for the year ended 31st March 2017

Expenditure	₹	Income	₹
To Loss on sale of furniture	60	By Subscriptions 2700 Less O/s (2016) 100 Less Advance (2018) 200 Add Advance (2016) 100 Add O/s (2017) 500	3,000
To Sports expenses	2,000	By Tournament Receipts	2,000
To Salaries 1,100 Add Outstanding 100	1,200	By Accrued Interest	15
To Tournament expenses	1,600	By Deficit	2,405

To Stationery : Opening stock 100 Add Purchase 1,200 Less Closing stock 140	1,160		
T Miscellaneous expenses	200		
To Rent 1,400 Less Prepaid 200	1,200		
	7,420		7,420

The club has 300 members each paying an annual subscription of ₹ 10. ₹ 70 are still outstanding for the year 2016. In 2016, 10 members had paid their subscription for 2017 in advance. Stock of stationery in 2016 was ₹ 100 & in 2017 ₹140. On 1-4-2016, club owned Land & Building valued at ₹ 20,000 & furniture of ₹ 1300. Interest accrued on investment @6% p.a. for 3 months.

14. Pass necessary journal entries for the following transactions, at the time of dissolution of the firm: 6

(a) There was a bill of exchange of ₹ 10,000 under discount. The bill was received from Deepak who became insolvent.
(b) Realisation expenses amounted to ₹ 2,000. Mr. X, one of the partners has to bear these expenses.
(c) Y, one of the partners, took over a machine of ₹ 20,000 at 10% discount.
(d) Z, one of the partners agreed to take over the creditor of ₹ 30,000 for ₹ 20,000.
(e) A, one of the partners has given loan to the firm of ₹ 10,000. It was paid back to him at the time of dissolution.
(f) Profit and loss account balance of ₹ 50,000 appeared on the assets side of the Balance Sheet.

15. Mohan, Vijay and Anil are partners, their capitals being ₹ 30,000, ₹ 25,000 and ₹20,000 respectively. In arriving

	at these figures, the profits for the year ended, 31st March, 2011 ₹ 24,000 has already been credited to the partners in the proportion in which they share profits. Their drawings were ₹ 5,000 (Mohan); ₹ 4,000 (Vijay) and ₹ 3,000 (Anil) for the year ending 31st March, 2011. Subsequently the following omissions were noticed and it was decided to bring them into account. (i) Interest on capital at10% p.a. (ii) Interest on drawings Mohan ₹ 250, Vijay ₹ 200 and Anil ₹150. Make the necessary journal entry and prepare capital accounts of partners.	
	Or	6
	A, B and C entered into partnership on 1st April, 2011 with capitals of ₹ 80,000, ₹ 50,000 and ₹ 40,000 respectively. Each partner is entitled to interest on his capital @ 8 % p.a. B is entitled to a salary of ₹ 8,000 p.a. and C a salary of ₹ 6,000 p.a. they decided to share profits and losses in the ratio of 5:3:2. A guaranteed that the firm would earn a profit of ₹ 60,000 before allowing interest on capital and partners salaries. The actual profit for the year ended 31st March, 2012 before interest and salaries amounted to ₹ 56,000. Prepare Profit & Loss Appropriation account and Partner's capital accounts.	
16.	Pass Journal entries regarding the forfeiture and reissue of shares and prepare forfeited shares account in Ram Ltd. (a) Forfeited 200 shares of Ravi of ₹ 10 each ₹ 8 called up, on which he had paid application and allotment money of ₹ 3 per share. Out of these, 100 shares were re-issued as fully paid up for ₹ 8 per share. (b) Forfeited 300 shares of Rahim of ₹10 each ₹ 7 called up, for the non-payment of first call of ₹ 2 per share. Out of these, 100 shares were immediately re-issued at ₹ 6 per share.	

	(c) Forfeited 600 shares of ₹ 10 each, on which first call of ₹ 3 per share was not received; the second and final call of ₹ 2 per share has not yet been called. Out of these, 200 shares were re-issued as ₹8 paid-up for ₹ 7 per share.	
	Or	8
	Sudarshan Ltd. invited applications for 1, 00,000 Equity shares of ₹ 10 each. The shares were issued at a premium of ₹ 5 per share. The amount was payable as follows: On application and allotment ₹ 8 per share (including premium ₹ 3). Balance including premium on the first and final call. Applications for 1,50,000 shares were received, Applications for 10,000 shares were rejected and pro-rata allotment was made to the remaining applicants on the following basis : (i) Applications for 80,000 shares were allotted 60,000 shares; (ii) Applications for 60,000 shares were allotted 40,000 shares. Excess application and allotment money could be utilized for calls. X, who belonged to the first category and was allotted 300 shares, failed to pay the first call money. Their shares were forfeited. The forfeited shares were re-issued @12 per share fully paid-up. Pass necessary Cash Book and Journal entries in the books of Sudarshan Ltd.	

17. Ashok and Biju were partners sharing profits and losses in the ratio of 3:1 respectively. The following was their Balance Sheet as at 31st March, 2008:

Liabilities	₹	Assets	₹
Creditors	1,20,000	Sundry debtors	2,00,000
Bank Overdraft	1,50,000	Stock	2,20,000
Ashok's capital	1,50,000	Furniture	40,000
Biju's Capital	1,00,000	Machinery	60,000
	5,20,000		5,20,000

On 1st April, 2008, Chandra was admitted to the firm on the following terms:

(i) Chandra would provide ₹ 1, 00,000 as a capital and pay ₹ 20,000 as goodwill for his one-third share in the future profits. Goodwill account would not appear in the books.

(ii) Ashok, Biju and Chandra would share profits equally.

(iii) Machinery would be reduced by 10% and ₹ 5,000 would be provided for bad debts. Stock would be valued at ₹ 2, 49,400.

(iv) Capital accounts of old partners would be adjusted in the profit sharing ratio on the basis of Chandra's capital by bringing in or taking out cash.

Pass necessary journal entries and prepare Partner's Capital account and Balance Sheet of the new firm.

Or — 8

X, Y and Z are partners sharing profits and losses in the ratio of 3:2:1. Their Balance Sheet as 31st March, 2007 was as follows:

Liabilities	₹	Assets	₹
Sundry Creditors	51,000	Buildings	2,00,000
Employee's Provident Fund	9,000	Machinery	80,000
Capitals: X 1,52,000 Y 1,48,000 Z 84,000	3,84,000	Sundry Debtors 1,00,000 Less provision 10,000	90,000
		Stock	40,000
		Cash at bank	22,000
		Profit & Loss a/c	12,000
	4,44,000		4,44,000

X retired on that date and it was decided to make the following adjustments:

(i) Stock to be depreciated by 40% and sale of old papers and materials realised ₹ 1,000.

(ii) Provision for doubtful debts to be increased to 17% of Sundry Debtors.

(iii) Machinery be depreciated by 40% and Buildings be appreciated by 20%.

(iv) Partners paid ₹ 10,000 to the family of an employee who died of heart- attack.

(v) Goodwill is valued at ₹ 30,000.

(vi) Y and Z decided to share future profits in the ratio of 3:2 and not to show goodwill in the books.

(vii) Y and Z would introduce sufficient capital to pay off X and have thereafter a sum of ₹ 25,000 as working capital in the manner that their capitals would be in proportion of their new profit sharing ratio.

Pass journal entries and Balance Sheet of the new firm.

	Part B: Analysis of financial statements	
18.	A mutual fund company received a dividend of ₹ 20, 00,000 on its investments in another company's share, where and why will it appear in cash flow statement?	1
19.	Bills receivable endorsed to trade payables would result into inflow, outflow or no flow of cash. Give reason in support of your answer.	1
20	(a) How are the following items shown in the Balance Sheet of a company: (i) Debenture Redemption Reserve (ii) Outstanding Expenses (iii) Capital Advances (b) Why would an investor prefer to invest partly in the Shares and partly in the Debentures of a company?	4
21	Current Ratio 2.5, Quick ratio 1.5, working capital ₹ 1, 20,000, Gross profit @ 25% on Revenue from operations was ₹ 1, 00,000, Inventory Turnover Ratio 3 Times. Calculate Opening inventory, Current liabilities, Current assets and Quick assets.	
	Or	4
	The Debt- Equity ratio of a company is 1:1. State giving reason which of the following would improve, reduce or not change the ratio: (a) Purchase of Machinery for cash. (b) Purchase of Stock-in-trade on credit. (c) Sale of stock-in-trade at a profit. (d) Redemption of debentures at a premium.	

22\. From the following information, prepare Comparative Income Statement for the years ended 31st March, 2016 and 2017:

Particulars	31st March 2017 (₹)	31st March 2016(₹)
Revenue from operations	9,00,000	6,00,000
Other Incomes	1,08,000	1,20,000
Cost of Material consumed	5,40,000	3,00,000
Other expenses	90,000	60,000
Tax Rate	40%	40%

Or 4

From the following information, prepare a Comparative Statement of Profit and loss of V Ltd. for the year ended 31st March 2018:

Particulars	31st March,2017	31st March, 2018
Revenue from Operations	₹ 20,00,000	₹ 10,00,000
Cost of Material Consumed	₹ 15,00,000	₹ 6,00,000
Other Expenses	12% of Cost of Material Consumed	10% of cost of material consumed
Tax rate	40%	30%

23. You are required to prepare a Cash Flow Statement for the year 2016-17 from the following Balance Sheets and additional information:

Balance Sheet of Star Ltd. as at31st March, 2017 and 31st March 2016

Particulars	Note no	31st March 2017	31st March 2018
Equity and Liabilities			
1. Shareholder's Funds			
a. Share Capital		5,00,000	4,00,000
b. Reserves and Surplus	1	3,20,000	2,50,000
2. Non-Current Liabilities			
Long term borrowings	2	2,00,000	1,00,000
3. Current Liabilities			
Trade payables		1,50,000	90,000
		11,70,000	8,40,000
Assets			
1. Non-Current Assets			
a. Fixed assets	3	7,00,000	5,00,000
b. Non-current investments		70,000	50,000
2. Current Assets			
a. Inventories		60,000	90,000
b. Trade receivable		1,20,000	70,000
c. Cash and bank balance		2,20,000	1,30,000
		11,70,000	8,40,000

Notes to Accounts:-

Particulars	31st March 2017	31st March 2016
1. Reserves and Surplus. Securities Premium Reserve General Reserve Surplus. i.e. Balance in Statement of Profit and Loss	 5,000 1,00,000 2,15,000	 ……. 80,000 1,70,000
	3,20,000	2,50,000
2. Long –term Borrowings 10% Debentures	 2,00,000	 1,00,000
3. Fixed assets Tangible assets: Machinery (cost) Less Accumulated depreciation	 8,50,000 1,50,000	 6,10,000 1,10,000
	7,00,000	5,00,000

Additional information:

(i) Machinery costing ₹ 1, 00,000 (accumulated depreciation ₹ 70,000) was sold at a loss of 20%.

(ii) Equity shares were issued at a premium of 15% on 1st April, 2016.

(iii) Additional debentures were issued on 1st October, 2016 at a discount of 10%. The company wrote off the discount on issue of debentures from securities premium reserve.

(iv) Interim dividend paid during the year amounted to ₹ 25,000.

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