



SAMPLE PAPER 1 TERM 2
Class 12 - Accountancy

Time Allowed: 2 hours

Maximum Marks: 40

General Instructions:

1. This question paper comprises two Parts – A and B. There are 12 questions in the question paper. All questions are compulsory.
2. Part-A is compulsory for all candidates.
3. Part- B has two options i.e. (i) Analysis of Financial Statements and (ii) Computerized Accounting. Students must attempt only one of the given options.
4. Question nos. 1 to 3 and 10 are short answer type–I questions carrying 2 marks each.
5. Question nos. 4 to 6 and 11 are short answer type–II questions carrying 3 marks each.
6. Question nos. 7 to 9 and 12 are long answer-type questions carrying 5 marks each.
7. There is no overall choice. However, an internal choice has been provided in 3 questions of three marks and 1 question of five marks.

Part A

1. a. Show the following information in financial statements of a 'Not-for-Profit' Organisation: **[2]**

Details	Amount (₹)
Match Expenses	8,00,000
Match Fund	4,00,000
Donation for Match Fund	2,40,000
Sale of Match tickets	3,60,000

- b. What will be the effect, if match expenses go up by ₹ 2,50,000 other things remaining the same?
2. How will you deal with the realisation expenses of the firm of Rashim and Bindiya in the following cases: **[2]**
- i. Realisation expenses amount to ₹ 1,00,000,
 - ii. Realisation expenses amounting to ₹ 30,000 are paid by Rashim, a partner.
 - iii. Realisation expenses are to be borne by Rashim and he will be paid ₹ 70,000 as remuneration for completing the dissolution process. The actual expenses incurred by Rashim were ₹ 1,20,000.
3. X, Y and Z were partners in a firm sharing profits in the ratio of 5 : 3 : 2. The firm closes its books on 31st March, every year. On 30th September, 2016, Z died. The Partnership Deed provided that on the death of a partner his executors will be entitled to the following: **[2]**

- i. Balance in his Capital Account and Interest on Capital @ 12% per annum. On 1st April, 2016, balance in Z's Capital Account was ₹ 80,000.
- ii. His share in the profits of the firm in the year of his death, which will be calculated on the basis of rate of net profit on sales of the previous year which was 25%. The sales of the firm till 30th September, 2016 were ₹ 4,00,000.
- iii. His share in the goodwill of the firm. The goodwill of the firm on Z's death was valued at ₹ 3,00,000.

The Partnership Deed also provided that the following deductions will be made from the amount payable to the executor of the deceased partner:

- a. His drawings in the year of his death. Z had withdrawn ₹ 30,000 till 30th September, 2016.
- b. Interest on drawings @ 12% per annum which was calculated as ₹ 2,000.

The accountant of the firm prepared Z's Capital Account to be presented to his executor but in a hurry did not complete it. Z's Capital Account as prepared by the firm's accountant is presented below:

Z's CAPITAL ACCOUNT

Dr.			Cr.		
Date	Particulars	₹	Date	Particulars	₹
2016			2016		
Sept. 30	?	30,000	April 1	?	80,000
Sept. 30	?	2,000	Sept. 30	?	4,800
Sept. 30	?	?	Sept. 30	?	20,000
			Sept. 30	?	?
			Sept. 30	?	?
		1,64,800			1,64,800

You are required to complete Z's Capital Account.

4. From the following receipts and payments account of Sonic Club and from the given additional information, prepare the expenditure account of salaries for the year ending 31st December, 2013 and show the salaries item in the income and expenditure account and the balance sheet as at 31st December, 2012 and 31st December, 2013. [3]

An Extract of Receipts and Payments Account

for the year ending 31st December 2013

Dr			Cr
Receipts	Amt (Rs.)	Payments	Amt (Rs.)
		By Salaries	
		2012	20,000
		2013	2,80,000
		2014	18,000

Additional Information

		Amt (Rs.)
(i)	Salaries outstanding on 31st December, 2012	25,000
(ii)	Salaries outstanding on 31st December, 2013	45,000
(iii)	Salaries paid in advance on 31st December, 2012	10,000

OR

Glaxo Club's Balance Sheet as at 1st April, 2018 was as under:

Liabilities	₹	Assets	₹
Capital Fund	2,00,000	Sports Equipments	50,000
Tournament Fund	60,000	Ground	1,20,000
Subscriptions in Advance	6,000	Billiards Tables	60,000
Salaries Unpaid	11,000	Subscriptions Outstanding	8,000
		Cash and Bank Balances	39,000
	2,77,000		2,77,000

Receipts and Payments Account for the year ended 31st March 2019 was:

RECEIPTS AND PAYMENTS ACCOUNT for the year ended 31st March, 2019

Dr.		Cr.	
Receipts	₹	Payments	₹
To Opening Balance	39,000	By Wages and Salaries	60,000
To Subscriptions	1,81,000	By Unkeep of Grounds	10,000
To Sale of Old Materials	1,500	By Stationery	15,000
To Sale of Sports Materials	6,000	By Audit Fee	2,000
(Book value ₹10,000)		By Expenses on Tournament	65,000
To Entrance Fees	2,000	By Sports Equipments	20,000
To Life Membership Fees	50,000	By 5% Investments	40,000
To Donations for Tournament	20,000	(On 1st October, 2018)	
		By Cash and Bank Balances	87,500
	2,99,500		2,99,500

Subscriptions still to be received are ₹5,500 but subscriptions already received include ₹4,000 for next year. Salaries still unpaid are ₹6,000. Sports Equipments are now valued at ₹45,000. Prepare Income and Expenditure Account and the Balance Sheet, after charging 10% depreciation on Billiards Tables.

5. The balance sheet of Sudha, Rahim, and Kartik who were sharing profits in the ratio of 3 : 3: 4 [3] as on 31st March 2019 was as follows:

Balance Sheet

as at 31st March 2019

Liabilities		Amt (Rs.)	Assets	Amt (Rs.)
General Reserve		10,000	Cash	16,000
Bills Payable		5,000	Stock	44,000
Loan		12,000	Investments	47,000
Capital A/cs			Land and Building	60,000
Sudha	60,000		Sudha's Loan	10,000
Rahim	50,000			
Kartik	<u>40,000</u>	1,50,000		
		<u>1,77,000</u>		<u>1,77,000</u>

Sudha died on 30th June 2012. The partnership deed provided for the following on the death of a partner

- i. Goodwill of the firm to be valued at two years' purchase of average profits for the last three years.
- ii. Sudha's share of profit or loss until the date of death was to be calculated on the basis of sales.

Sales for the year ended 31st March 2019 amounted to Rs. 4,00,000 and that from 1st April to 30th June 2019 amounted to Rs. 1,50,000. The profit for the year ended 31st March 2019 was calculated as Rs. 1,00,000.

- iii. Interest on capital was to be provided @ 6% per annum.
- iv. The average profits for the last three years were Rs. 42,000.
- v. According to Sudha's will, the executors should donate her share to 'Matri Chhaya, an orphanage for girls'.

Prepare Sudha's capital account to be rendered to her executor. Also identify the value being highlighted in the question.

6. Suvidha Ltd. purchased machinery for ₹1,98,000 from Suppliers Ltd. The payment was made by issue of 12% debentures of ₹100 each. Pass necessary journal entries for the purchase of machinery and issue of debentures when [3]
- i. Debentures are issued at par.
 - ii. Debentures are issued at 10% discount.
 - iii. Debentures are issued at 10% premium.

OR

What is meant by Debentures issued at Par but Redeemable at Premium?

7. P, Q and R are partners sharing profits and losses in the ratio of 3 : 3 : 2 respectively. Their respective capitals are in their profit-sharing proportions. On 1st April, 2018, the total capital of the firm and the balance of General Reserve are ₹ 80,000 and ₹ 20,000 respectively. During the year 2018-19, the firm made a profit of ₹ 28,000 before charging interest on capital @ 5%. The drawings of the partners are P—₹ 8,000; Q—₹ 7,000; and R—₹ 5,000. On 31st March, 2019, [5]

their liabilities were ₹ 18,000.

On this date, they decided to dissolve the firm. The assets realised ₹ 1,08,600 and realisation expenses amounted to ₹ 1,800.

Prepare necessary Ledger Accounts to close the books of the firm.

OR

A, B and C were partners sharing profits and losses in the ratio of 5 : 3 : 2. Their Balance Sheet as at 1st April, 2018 was as follows:

Liabilities		₹	Assets	₹
Sundry Creditors		10,000	Cash	2,000
Employee's Provident Fund		5,000	Sundry Debtors	8,000
Reserve Fund		6,000	Stock	40,000
Workmen's Compensation			Furniture	13,000
Reserve		2,000	Patents	4,000
Capitals:			Building	60,000
A	50,000		Goodwill	6,000
B	35,000			
C	25,000	1,10,000		
		1,33,000		1,33,000

C retires on above date and the partners agreed that:

- i. Goodwill is to be valued at two year's purchase of the average profits of last four years. Profits for the years ending 31st March were: 2015: ₹ 14,400, 2016: ₹ 20,000, 2017: ₹ 10,000 (Loss), 2018: ₹ 15,600.
- ii. 5% provision for doubtful debts to be made on debtors.
- iii. Stock be appreciated by 10%.
- iv. Patents are valueless.
- v. Buildings be appreciated by 20%.
- vi. Sundry Creditors to be paid ₹ 2,000 more than the book value.

Pass Journal entries and prepare Revaluation Account, Capital Accounts and the Balance Sheet of the new firm.

8. A Company had ₹10,00,000, 12% Debentures outstanding as on 1st April, 2017. During the year [5] company took a loan of ₹2,00,000 from the State Bank of India for which the Company placed with the bank debentures for ₹2,50,000 as Collateral Security. Pass journal entries, if any. Also show how the Debentures and Bank Loan will appear in the Company's Balance Sheet as at 31st March, 2018.
9. The following is the receipts and paym ints account of the Rajasthan Society for the year [5] ending 31st March, 2014:

Receipts	₹	Payments	₹
To Balance b/d	3,000	By Honorarium to Clerk	10,000

To Subscriptions:			By Cost of Car	80,000
Arrear	600		By Car Expenses	4,200
Current	70,000		By Building advance	25,000
Advance	500	71,100	By Charities	2,000
To Donations		17,500	By Meeting Expenses	5,400
To Entrance Fees		15,000	By Electricity	4,800
To Endowment Fund Receipts		14,000	By Medicines etc.	800
To Life Membership Fees		6,000	By Investments	20,000
To Rent of the Hall		8,700	By Expenses on Charity show	6,200
To Grant from local authority		4,000	By Insurance Premium	1,200
To Proceeds of charity show		16,800	By Balance c/d	400
To Sundries		1,200		
To Interest on Investments		2,700		
		1,60,000		1,60,000

Additional Information:-

- There are 600 members each paying a monthly subscription of ₹ 10; ₹ 800 being in arrear for 2012-13 at the beginning of the year.
- A donation of ₹ 2,500 was wrongly included in subscriptions of the current year.
- Entire Donation and 2/3 of Entrance fee are to be capitalised.
- Insurance Premium was paid in advance for three months.
- Interest on Investments ₹ 300 though accrued was not actually received.
- A bill of medicine purchased during the year amounting to ₹ 200 was outstanding.
- Gujarati cultural association owed ₹ 2,000 for the use of society hall.

You are required to prepare an Income and Expenditure Account for the year ended 31st March, 2014 and a Balance Sheet as at that date.

Part-B

10. From the following information, calculate the net cash flow from Financing Activities:

[2]

Particulars	31.03.2014 Rs.	31.03.2015 Rs.
Equity Share Capital	10,00,000	16,00,000
9% Debentures	1,50,000	1,00,000
Proposed Dividend	3,00,000	3,50,000
Dividend Payable	50,000
10% Preference Share Capital	2,00,000	3,00,000

Additional Information

- Interest paid on Debentures Rs.12,500.

ii. During the year 2014-2015, company issued bonus shares to equity shareholders in the ratio of 2 : 1 by capitalizing reserve.

iii. The interim dividend of Rs. 75,000 has been paid during the year.

iv. 9% Debentures were redeemed as 5% premium.

11. From the following information provided, prepare a comparative statement for the period 2008 and 2009. [3]

Particulars	2008 Amt (Rs.)	2009 Amt (Rs.)
Revenue from Operations	6,00,000	8,00,000
Gross Profit	40% on Revenue from Operations	50% on Revenue from Operations
Administrative Expenses	20% of Gross Profit	15% of Gross Profit
Income Tax	50%	50%

OR

From the following information prepare a comparative statement of profit and loss of V Ltd for the year ended 31st March, 2015.

Particulars	31st March, 2015 Amt. (Rs.)	31st March, 2014 Amt. (Rs.)
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%

Prepare comparative statement of profit and loss.

12. Balance Sheets of Kewal Ltd. as at 31st March 2007 and 31st March 2006 were: [5]

Particulars	31st March 2007(Rs.)	31st March 2006(Rs.)
I. EQUITY AND LIABILITIES		
1. Shareholders Funds		
(a) Share Capital	10,00,000	7,00,000
(b) Reserves and Surplus: Surplus i.e, Balance in Statement of Profit and Loss	2,50,000	1,50,000
2. Current Liabilities		
Short - term Provisions: Proposed Dividend	50,000	40,000
	13,00,000	8,90,000
II. ASSETS		

1. Non - Current Assets		
Fixed Assets(Tangible) : Plant and Machinery	8,00,000	5,00,000
2. Current Assets		
(a) Inventories(Stock)	1,00,000	75,000
(b) Cash and Cash Equivalentents	4,00,000	3,15,000
	13,00,000	8,90,000

Additional Information :

1. Rs 50,000 depreciation has been charged to Plant and Machinery during the year 2007.
2. A piece of machinery costing Rs. 12,000 (book value Rs. 5,000) was sold at 60% profit on book value.

Prepare a Cash Flow Statement.

For solutions click here: <https://youtu.be/AwZF5iLU7ZQ>