

SAMPLE QUESTION PAPER
ACCOUNTANCY
Class - XII
Set - II

Time Allowed - 3 Hrs.

Max. Marks - 80

General Instructions :-

1. *This question paper contains three parts A, B and C.*
2. *Part A is compulsory for all candidates.*
3. *Candidates can attempt only one part of the remaining part B and C.*
4. *All parts of a question should be attempted at one place.*

Part A

Accounting for Not for Profit Organizations, Partnership Firms and Companies

1. Name the account which shows the classified summary of transactions of a Cash Book in a not-for-profit organisation. (1)
2. List two items that may appear on the Credit side of a partner's fixed capital account. (1)
3. Give two circumstances in which sacrificing ratio may be applied. (1)
4. Name any two factors affecting goodwill of a partnership firm. (1)
5. What is the nature of Interest on Debentures? (1)
6. On the basis of following information, calculate the amount of stationery to be shown in Income and Expenditure Account for the year ended 31st March, 2007. (3)

	Rs.
Stock of stationery on 1.4.2006	50,000
Stock of stationery on 31.3.2007	40,000
Amount paid for stationery during the year	2,00,000
Creditors for stationery on 1.4.2006	20,000
Creditors for stationery on 31.3.2007	10,000

7. State the exceptions to the creation of Debenture Redemption Reserve as per SEBI Guidelines. (3)
8. Akash Ltd. issued 1,00,000 shares of Rs. 10 each, payable as follows : Rs. 2 on application payable on 1st March, 2006; Rs. 3 on allotment payable on 1st May, 2006; Rs. 2 on first call payable on 1st August, 2006 and Rs. 3 on second and final call payable on 1st December, 2006. All these shares were subscribed for and amounts duly received. Akriti, who had 8,000 shares, paid the amount of both the calls alongwith allotment.

Suniti, who had 4,000 shares, paid the amount of second and final call with the first call. Calculate the amount of interest on calls-in-advance payable to Akriti and Suniti.

The Company adopts Table A. (3)

9. 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)

10. P, Q and R are partners sharing profits and losses in the ratio of 5:3:2. From 1st January, 2006, they decide to share profits and losses in equal proportion. The partnership deed provides that in the event of any change in profit sharing ratio, the goodwill should be valued at three years' purchase of the average of five years' profits. The profits and losses of the preceding five years are:

Profits : 2001 - Rs. 60,000 2002 Rs. 1,50,000 2003 - Rs. 1,70,000 2004 - Rs. 1,90,000.

Loss : 2005 - Rs. 70,000.

Give the necessary journal entry to record the above change. (4)

11. A company took a loan of Rs. 5,00,000 from State Bank of India and issued 10% debentures of Rs. 8,00,000 of Rs. 100 each as a collateral security. Explain how will you deal with issue of debentures in the books of company. (4)

12. (a) Alpha Ltd. has 5,000 8% Debentures of Rs. 100 each due for redemption on March 31, 2007. Assume that Debenture Redemption Reserve has a balance of Rs. 1,90,000 on that date. Record the necessary entries at the time of redemption of debentures.

(b) What journal entries should be made for the issue of debentures in the following cases:

(i) X Limited issued 30,000 12% Debentures of Rs. 100 each at par, redeemable at a premium of 5%.

(ii) Y Limited issued 50,000 12% Debentures of Rs 100 each at a premium of 5%, redeemable at par. (3+3=6)

13. From the following extract of Receipts and Payments Account of Sonic club and the given additional information, show the Salaries items in the Income and Expenditure Account for the year ending 31st Dec. 2006 and the Balance Sheet as on 31st December, 2005 and 31st December, 2006. (6)

**An Extract of Receipts and Payments Account
for the year ending 31st December, 2006**

Receipts	Rs.	Payment	Rs.
		By Salaries	
		2005	20,000
		2006	2,80,000
		2007	18,000

Additional Information :

	Rs.
a) Salaries outstanding on 31.12.2005	25,000
b) Salaries outstanding on 31.12.2006	45,000
c) Salaries paid in advance on 31.12.2005	10,000

14. A and B Share profits and losses in the ratio of 3:2. They have decided to dissolve the firm. Assets and external liabilities have been transferred to Realization A/c. Pass the journal entries to effect the following :
- a) Bank Loan of Rs. 12,000 is paid off.
 - b) A was to bear all expenses of realisation for which he is given a commission of Rs. 400/-
 - c) Deferred Advertisement Expenditure A/c appeared in the books at Rs. 28,000.
 - d) Stock worth Rs. 1,600 was taken over by B at Rs. 1,200.
 - e) An unrecorded computer realised Rs. 7000.
 - f) There was an outstanding bill for repairs for Rs. 2000, which was paid off.
- (6)

15. Metallic Ltd. invited applications for 40,000 equity shares of Rs. 50 each issued at a premium of Rs. 10 per share. The amount was payable as follows :
- On application and allotment Rs. 20 per share. Balance (including premium)- on first and final call.
- Applications for 70,000 shares were received. Applications for 20,000 shares were rejected and pro-rata allotment was made to the remaining applicants. First and final call was made and duly received except on 400 shares allotted to Nitesh and his shares were forfeited.
- Journalise the above transactions. (8)

OR

- Arti Limited invited applications for issuing 80,000 shares of Rs. 10 each at a premium of Rs. 4 per share. The amount was payable as follows
- On Application - Rs. 5 per share
On Allotment - Rs. 9 per share
(Including Premium)
- Applications were received for 1,40,000 shares.
Allotment was made on the following basis :
- (i) To applicants for 80,000 shares - 60,000 shares
 - (ii) To applicants for 60,000 shares - 20,000 shares

Money overpaid on applications was utilized towards sum due on allotment.

Rajiv, belonging to category (i),/had applied for 1,200 Shares failed to pay his dues and his shares were forfeited.

Pass journal entries in the books of Arti Limited to record the above transactions. (8)

16. Rajat and Ravi are partners in a firm sharing profits and losses in the ratio of 7:3. Their Balance Sheet as at 31st March, 2007 is as follows :

Liabilities	Rs.	Assets	Rs.
Creditors	60,000	Cash in hand	36,000
Reserve	10,000	Cash at Bank	90,000
Capital Accounts		Debtors	44,000
Rajat 1,00,000		Stock	50,000
Ravi <u>80,000</u>	1,80,000	Furniture	30,000
	<u>2,50,000</u>		<u>2,50,000</u>

On 1st April, 2007, they admit Rohan on the following terms :

- Goodwill is valued at Rs. 40,000 and Rohan is to bring in the necessary amount in cash as premium for goodwill and Rs. 60,000 as Capital for 1/4 share in profits.
- Stock is to be reduced by 40% and furniture is to be reduced to 40%.
- Capitals of the partners shall be proportionate to their Profit Sharing Ratio taking Rohan's Capital as base. Adjustments of Capitals to be made by cash.

Prepare Revaluation Account, Partners' Capital Accounts and Cash Account. (8)

OR

The Balance Sheet of X, Y and Z who were sharing profits in the ratio of 5 : 3 : 2 as at March 31, 2007 :

Liabilities	Amount	Assets	Amount
Creditors	50,000	Cash at Bank	40,000
Employees' Provident Fund	10,000	Sundry Debtors	1,00,000
Profit & Loss A/c	85,000	Stock	80,000
Capital A/cs :		Fixed Assets	60,000
X 40,000			
Y 62,000			
Z 33,000	1,35,000		
	<u>2,80,000</u>		<u>2,80,000</u>

X retired on March 31, 2007 and Y and Z decided to share profits in future in the ratio of 2:3 respectively.

The other terms on retirement were as follows :

- Goodwill of the firm is to be valued at Rs. 80,000.
- Fixed Assets are to be valued at Rs. 57,500
- Make a provision for doubtful debts at 5% on debtors
- A liability for claim, included in creditors for Rs. 10,000, is settled at Rs. 8000.

The amount to be paid to X by Y and Z in such a way that their Capitals are proportionate to their profit sharing ratio and leave a balance of Rs. 15,000 in the Bank Account.

Prepare Profit and Loss Adjustment Account and Partners' Capital Accounts. (8)

Part B

Financial Statement Analysis

17. Assuming that the Debt - Equity Ratio is 1:2, state giving reason, whether the ratio will improve, decline or will have no change in case equity shares are issued for cash. (1)
18. Mention the net amount of 'Source' or 'Use' of cash when a fixed asset (having book value of Rs. 15,000) is sold at a loss of Rs. 5,000. (1)
19. Dividend paid by a trading company is classified under which kind of activity while preparing cash flow statement. (1)
20. Show the major headings into which the assets side of company's Balance Sheet is organised and presented as per Schedule VI Part I of the Companies Act, 1956. (3)
21. Prepare the Common Size Income Statement from the following information : (4)

Particulars	March 31, 2006	March 31, 2007
Net Sales	1,00,000	Rs. 1,00,000
Cost of Goods Sold	70% of sales	74.8% of sales
Operating Expenses	8,000	9,800
Income Tax Rate	50%	50%

22. A company's Stock Turnover is 5 times. Stock at the end is Rs. 20,000 more than that at the beginning. Sales are Rs. 8,00,000. Rate of Gross Profit on cost $\frac{1}{4}$; Current Liabilities Rs. 2,40,000. Acid Test Ratio 0.75.
Calculate Current Ratio. (4)

23. The Balance Sheets of Kewal Ltd. as on 31st December, 2006 and 31st December, 2007 were as follows

Liabilities	31.12.07 Rs.	31.12.06 Rs.	Assets	31.12.07 Rs.	31.12.06 Rs.
Share Capital	10,00,000	7,00,000	Plant and Machinery	8,00,000	5,00,000
P/L Account	2,50,000	1,50,000	Stock	1,00,000	75,000
Proposed Dividend	50,000	40,000	Cash	4,00,000	3,15,000
	13,00,000	8,90,000		13,00,000	8,90,000

Additional Information :-

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

Prepare Cash Flow Statement.

(6)

Part C

Computerised Accounting