

BAL BHARATI PUBLIC SCHOOL

Class XII

Subject –Accountancy SAMPLE PAPER– (2020-21)

Maximum Marks: 80

Time Allowed: 3 hrs

General Instructions--

1. This question paper contains two parts A and B.
2. All parts of the question should be attempted at one place.

PART –A

(Accounting For Not For Profit Organisation, Partnership firms and Companies)

- 1 On April 1, 2018, G Ltd. issued 8,000 , 7% Debentures of ₹100 each at 5% discount, 10,000, 9% Debentures of ₹ 50 each at 5% premium and ₹ 5,00,000 , 10% Debentures as collateral security. Interest payable on 30th September, 2018 will be _____. **1**
a) ₹ 1,51,000
b) ₹ 75,500
c) ₹ 50,500
d) ₹ 1,01,000
- 2 A and B are partners with capitals of ₹ 3,00,000 and ₹ 2,00,000 respectively. Normal rate of return is 15% and goodwill is calculated at 2 years purchase of super profit is valued at ₹1,00,000. What will be average profit of the firm? **1**
a) ₹ 1,25,000
b) ₹ 25,000
c) ₹ 1,75,000
d) ₹ 60,000
- 3 At the time of death of a partner, provision for bad and doubtful was ₹ 4,000 and debtors were ₹ 60,000 which were considered good. The provision for doubtful debt will be _____ to Revaluation A/C. **1**
- 4 Ram withdrew a fixed amount at the beginning of each quarter. If interest on his drawings during 2019-20 @ 10% p.a. amounts to ₹ 6,000 , his quarterly drawing was _____. **1**
- 5 A, B and C were partners in a firm sharing profits and losses in the ratio 2:2:1. The capital balances are ₹ 50,000 for A, ₹ 70,000 for B , ₹ 35,000 for C. B decided to retired from the firm and balance in reserve on the date was ₹ 25,000. If the goodwill of the firm was valued at ₹ 30,000 and profit on revaluation was ₹ 7,500 then, what amount will be payable to B? **1**
a) ₹ 70,820
b) ₹ 76,000
c) ₹ 75,000
d) ₹ 95,000

- 6** On dissolution of a firm, Sundry Creditors amounted to ₹1,00,000 out of which ₹ 5,000 were untraceable and creditors of ₹ 20,000 were given an unrecorded computer of ₹ 10,000 in full settlement of his claim and remaining were paid at 80%. On payment to creditors Realisation account will be _____. **1**
- a) Debited by ₹ 68,000
b) Credited by ₹ 68,000
c) Debited by ₹ 60,000
d) Credited by ₹ 60,000
- 7** A and B are partners in the ratio of 3:2. Their capitals are ₹ 6,00,000 and ₹ 3,00,000 respectively. Interest on capital is allowed @ 8% p.a.. Firm earned a profit of ₹ 45,000 for the year ended 31st March, 2019. The amount of Interest on capital will be: **1**
- a) A ₹ 48,000 ;B ₹ 24,000
b) A ₹ 27,000; B ₹ 18,000
c) A ₹ 30,000; B ₹ 15,000
d) No interest will be allowed
- 8** If book value and the market value of investment are same, Investment Fluctuation Reserve at the time of Admission of a Partner is distributed among _____ in their _____. **1**
- 9** When realisation expenses are paid by the firm on behalf of a partner , such expenses are debited to : **1**
- a) Realisation A/c
b) Bank A/C
c) Partner's capital A/C
d) Partner's Loan A/C
- 10** On dissolution of a firm, its balance Sheet revealed total creditors ₹ 50,000, Total Capital ₹ 48,000, Cash balance ₹ 3,000. Its assets were realised at 12% less. Loss on realisation will be:- **1**
- a) ₹ 6,000
b) ₹ 11,760
c) ₹ 11,400
d) ₹ 3,600
- 11** If a share of ₹ 100 on which ₹ 60 has been paid, is forfeited, it can be reissued at a minimum price of --- **1**
- a) ₹ 60
b) ₹ 100
c) ₹ 40
d) ₹ 140
- 12** Rent paid during the year was ₹ 6,500. Calculate amount to be shown in Income and Expenditure A/C from the following information- **1**

	1.4.2019(₹)	31.3.2020 (₹)
Outstanding Rent	800	700
Prepaid Rent	400	500

- a) ₹ 6,500
- b) ₹ 6,400
- c) ₹ 6,300
- d) ₹ 6,200

- 13** A, B, C and D are partners sharing profits in the ratio of 4:3:2:1. They admit E as a new partner for $\frac{1}{10}$ th share. It is agreed that C and D will retain their original shares. What will be new profit sharing ratio? **1**
- a) 4:3:2:1:1
 - b) 24:18:14:7:7
 - c) 7:5:4:2:2
 - d) 36:27:18:9:10

- 14** From the following information calculate the amount of Sports Material to be debited to Income and Expenditure A/C for the year ended March 31,2020 :- **3**

Particulars	₹
Opening Stock of Sports material	21,000
Closing Stock of Sports material	24,000
Opening Creditors of Sports material	23,500
Closing Creditors of Sports material	27,000

During the year, the creditors for Sports material were paid ₹ 1,10,000.

OR

Give any three differences between Receipt and Payment Account and Income and Expenditure Account.

- 15** X, Y and Z are partners sharing profits in the ratio 3:1:1. The net profit for the year ending March 31, 2019 was ₹ 60,000 and same was distributed among them in their agreed ratio. It was subsequently discovered that the under mentioned transactions were not recorded in the books --- **4**
- (a) Interest on capital @ 5% p.a.
 - (b) Interest on drawings amounting to X- ₹ 700, Y- ₹ 500 and Z- ₹ 300.
 - (c) Partner salary X- ₹ 1,000 p.a. and Y- ₹ 1,500 p.a.
- The capital accounts of partners were fixed as X – ₹ 1,00,000 Y – ₹ 80,000 and Z – ₹ 60,000.
- Pass the necessary adjustment entry to rectify the above omission.

- 16** Pass the necessary Journal Entries for the following transactions on the dissolution of the **4**

firm of A, B and C who were sharing profits in the ratio of 4:3:3 after the transfer of all the assets (other than cash) and external liabilities to Realisation A/C :-

- a) R, a creditor to whom ₹ 6,000 was to be paid, accepted office equipment of ₹ 10,000 and the balance was paid by him in cash.
- b) C's loan of ₹ 10,000 was discharged along with accrued interest of ₹ 200 (not yet recorded)
- c) Sundry assets were of ₹ 1,17,000. B is to take over some sundry assets at ₹ 72,000 (being 10% less than the book value). C is to take over remaining sundry assets at 80% of the book value.
- d) An unrecorded computer of ₹ 5,000 was taken over by A at 10% discount.

OR

X and Y are partners in the firm who decided to dissolve the firm. Assets and Liabilities are transferred to Realisation account. Pass necessary journal entries—

- b) Aman, an old customer whose account of ₹ 2000 was written off as bad in the previous year paid 40% of the amount.
- c) There were 300 shares of ₹ 10 each in ABC Ltd which were acquired for ₹ 3,200 were now valued at ₹ 8 each. These were taken over by the partners in the profit sharing ratio.
- e) Land and Building (Book value ₹ 1, 60,000) was sold for ₹ 3,00,000 through a broker who charged 2% commission on the deal.
- f) Plant and machinery (Book value ₹ 60,000) was handed over to the creditors of ₹ 70,000 in full settlement of his claim.

- 17** A,B and C are equal partners with a capital of ₹ 3,00,000 each. A died due to heart failure on April 1, 2018. The profit on revaluation of assets was ₹ 30,000. A's share of goodwill was ₹ 40,000. General Reserve had a balance of ₹ 1,00,000 and Advertisement Suspense ₹ 20,000 appeared in the books. It was decided by B and C that entire profit on revaluation of assets and liabilities and balance of General Reserve after setting aside Advertisement Suspense be credited to A's account besides his share of goodwill and it should be paid in cash to legal heirs of A. **4**
Pass necessary journal entries to record above transactions

- 18** A Company offered 50,00,000 equity shares of ₹ 10 each to the public for subscription at 20% premium payable as under: **4**
On application ₹ 2
On allotment (with premium) ₹ 5
On first call ₹ 3
On second and final call ₹ 2
Applications were oversubscribed by 1,00,000 shares. All the shareholders were allotted on pro-rata basis. Company did not make the second and final call. All money due were received except allotment money and first call on 4500 shares held by 'X' and first call on

1,000 shares held by 'Y'. Company forfeited shares of 'X' and re-issued half of them as fully paid to 'S' for ₹ 20,000.

Show how share capital will be shown in the Balance-Sheet of the company including notes to accounts.

19 a) Complete the missing information:-

6

Date	Particulars	L.f.	Amount (₹.) Debit	Amount (₹.) Credit
	----- Dr To ----- (being application and allotment money received on 2,000 12% debentures of ₹ 100 each issued at a premium of 5% and redeemable at a premium of 10%)		-----	-----
	----- Dr. ----- Dr. To ----- To ----- To ----- (being -----)		----- -----	----- ----- ----- -----

b) S Ltd. acquired assets of ₹ 12,00,000 and liabilities worth ₹ 1,40,000 from P & Co. at an agreed value of ₹ 11,00,000 .S Ltd. issued 12% Debentures of ₹ 10 each at a premium of 10% in full satisfaction of purchase consideration . The Debentures are redeemable after 3 years at a premium of 5 %. Pass journal Entries to record the issue of Debentures

20 Following is the Receipt and Payment Account of Modern Club, New Delhi for the year ending March 31,2020 ----

6

Receipts	₹	Payments	₹
To balance b/d	2,300	By match expenses	6,800
To subscription	56,400	By rent	9,600
To interest	300	By salaries	24,000
To donations	6,000	By sundry expenses	3,600
To donation for building fund	50,000	By investment	30,000
To miscellaneous receipts	430	By newspapers	750

To sale of grass	100	By sports equipments	32,000
To match fund	10,000	By balance c/d	18,780
	1,25,530		1,25,530

Subscriptions in arrears at the end of 2019 were ₹ 4,000 and at the end of 2020 were ₹ 6,000. Salaries outstanding on March 31, 2019 and on March 31, 2020 were ₹ 2,000 and ₹ 2,500 respectively. On March 31, 2019, the club had Investment worth ₹ 12,000 Furniture ₹ 10,000 and Sports equipment valued at ₹ 20,000.

Prepare Income and Expenditure A/C for the year ending March 31, 2020 after depreciating Furniture by 20% and Sports Equipment by 25%.

- 21** Following is Balance Sheet of A and B who share profits in the ratio of 3:2 -
Balance Sheet of A and B
as on April 1, 2019

8

Liabilities	₹	Assets	₹
Sundry creditors	20,000	Cash in hand	3,000
Capital A/C		Debtors	12,000
A 30,000	50,000		
B 20,000		Stock	15,000
		Furniture	10,000
		Plant and Machinery	30,000
	70,000		70,000

On that date C is admitted into the partnership on the following terms:

1. C is to bring in ₹ 15,000 as capital and ₹ 5,000 as premium for goodwill for $\frac{1}{6}$ th share.
2. The value of stock is reduced by 10% while plant and machinery is appreciated by 10%.
3. Furniture is devalued at ₹ 9,000.
4. A provision for doubtful debts is to be created on sundry debtors at 5% and ₹ 200 is to be provided for an electricity bill.
5. Investment worth ₹ 1,000 (not mentioned in the balance sheet) is to be taken into account.
6. A creditor of ₹ 100 is not likely to claim his money and is to be written off.

Pass journal entries to record above transactions.

OR

The Balance Sheet of Ashish, Suresh and Lokesh who were sharing profits in the ratio of 5: 3: 2 is given below as on March 31, 2019.

Balance Sheet
As at March 31, 2019

Liabilities	₹	Assets	₹
Capitals:		Land	4,00,000
Ashish 7,20,000			
Suresh 4,15,000			
Lokesh 3,45,000	14,80,000		
Reserve Fund	1,80,000	Building	3,80,000
Sundry Creditors	1,24,000	Plant & Machinery	4,65,000
Outstanding Expresses	16,000	Furniture & Fittings	77,000
		Stock	1,85,000
		Sundry Debtors	1,72,000
		Cash in hand	1,21,000
	18,00,000		18,00,000

Suresh retires on June 30, 2019 and the following adjustments are agreed upon his retirement-

1. Stock was valued at ₹ 1,72,000.
2. Furniture and fittings were valued at ₹ 80,000.
3. Profit share of Suresh till the date of his retirement is to be calculated on the basis of firm's last year profit which is ₹ 2,00,000.
4. An amount of ₹ 10,000 due from Mr. Deepak, a debtor, was doubtful and a provision for the same was required.
5. Goodwill of the firm was valued at ₹ 2,00,000.
6. Suresh was paid ₹ 40,000 immediately on retirement and the balance was transferred to his loan account.
7. Ashish and Lokesh were to share future profits in the ratio of 3:2.

Prepare Revaluation Account, Capital Account

- 22** R Ltd. Invited applications for issuing 2,00,000 Equity shares of ₹ 100 each at a premium of ₹ 60 per share. The amount was payable as follows: **8**

On Application ₹ 30 (including ₹ 10 premium)
On Allotment ₹ 70 (including ₹ 50 premium)
On first and final call balance

Applications for 1,90,000 shares were received. Shares were allotted to all the applicants and the company received all money due on allotment except from Jain who had been allotted 1,000 shares and his shares were immediately forfeited. Afterwards first and final call was made. Gupta did not pay the first and final call on his 2,000 allotted shares. His shares were also forfeited. 50% of the forfeited shares of both Jain and Gupta were reissued for ₹ 90 per share fully paid –up.

Pass necessary Journal entries in the books of R Ltd. for the above transaction.

OR

Record the Journal entries for forfeiture and reissue of shares in the following cases:

- (i) X Ltd. forfeited 20 shares of ₹ 10 each, ₹ 7 called up, on which a shareholder had paid application and allotment money of ₹ 5 per share. Out of these, 15 shares were reissued to Naresh as ₹ 7 per share paid up for ₹ 8 per share.
- (ii) Y Ltd. forfeited 90 shares of ₹ 10 each, ₹ 8 called up issued at a premium of ₹ 2

per share to 'R' for non- payment of allotment money of ₹ 5 per share (including premium). Out of these, 80 shares were reissued to Sanjay as ₹ 8 called up for ₹ 10 per share.

- (iii) A company forfeited 240 shares of ₹10 each issued to Ram at a premium of 20%. Ram had applied for 300 shares and had not paid anything after paying ₹ 6 per share including premium on application. 180 shares were reissued at ₹ 11 per share fully paid up.

PART B (Analysis of Financial Statements)

- 23** State whether following statement is True or False **1**
Liquidity of the business refers to the ability of the business to pay its long term liabilities.
- 24** Dividend of ₹ 1,00,000 was declared by a company. It paid ₹ 85,000 and balance is payable. Under which head ₹ 15,000 will be shown in the Balance Sheet? **1**
- 25** Calculate Fixed Assets from the following : **1**
Share capital ₹ 7,00,000, Reserve and Surplus ₹ 3,00,000, Current Assets ₹ 1,50,000, Proprietary Ratio 0.8:1.
a) ₹ 12,50,000
b) ₹ 11,00,000
c) ₹ 14,00,000
d) ₹ 6,50,000
- 26** Define cash as per Accounting Standard 3. **1**
- 27** A company's liquid assets are ₹ 6,00,000, inventory is ₹ 1,50,000 and its current liabilities are ₹ 4,00,000. Subsequently, it purchased goods for ₹1,00,000 on credit. Quick ratio will be _____. **1**
a) 1.5:1
b) 1.2:1
c) 1.4:1
d) 1.7:1
- 28** Cash deposit by customer in HDFC Bank will be :- **1**
a) Cash flow from operating activities
b) Cash flow from investing activities
c) Cash flow from financing activities
d) No cash flow
- 29** State any two objectives of Financial Statement Analysis. **1**
- 30** Calculate Operating Ratio and Net profit Ratio from the following information- **3**

	₹
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Purchases	28,00,000
Wages	7,40,000
Carriage inwards	3,00,000
Administrative expenses	1,68,000
Selling expenses	72,000
Income tax	2,00,000
Profit on sale of fixed assets	40,000
Revenue from operation	48,00,000
Opening inventory	6,00,000
Closing inventory	8,40,000

OR

From the following information ,calculate :-

- Cost of revenue from operation
- Opening and closing inventory
- Current Assets
- Quick Assets

Inventory Turnover Ratio 8 times
Inventory at the end is ₹ 6,000 more than the inventory in the beginning
Revenue from operation ₹ 2,40,000
Gross profit 25% on cost
Current Liabilities ₹ 80,000
Quick ratio .8:1

31 . Prepare Comparative Income statement from the following information for the years ended March 31, 2018 and 2019.

4

Particulars	March 31, 2019 (₹)	March 31, 2018 (₹)
Revenue from operations	80,00,000	70,00,000
Cost of material consumed	50% of sales	60% of sales
Other Expenses	12% of Gross profit	15% of Gross Profit
Income Tax rate	50%	50%

OR

- a) If Operating Cycle is 15 months and payment is received in 16 months, how will you classify the asset?
- b) Under what heads and sub heads the following items will appear in the Financial Statement of a Company as per Schedule III of the Companies Act, 2013?
- 1) Leave encashment expenses
 - 2) Sale of scrap
 - 3) Shares in Listed companies

32 From the following balance sheet of Jain Ltd. As at 31.3.2018 and 31.3.2019 , prepare a cash flow statement:

6

Particulars	Note. No.	31.3.2019(₹)	31.3.2018 (₹)
I. Equity and Liabilities			
1. Shareholders' Fund			
(a) Share Capital	1	7,00,000	5,00,000
(b) Reserves and Surplus	2	2,50,000	3,25,000
2. Non Current liabilities:			
Long term Borrowings	3	2,00,000	2,50,000
Total		11,50,000	10,75,000
II. Assets			
1. Non Current Assets:			
(a) Fixed Assets			
Tangible Assets	4	5,00,000	3,00,000
(b) Non Current Investments		2,00,000	1,40,000
2. Current Assets			
(a) Inventories		1,50,000	2,00,000
(b) Trade receivables		1,80,000	1,50,000
(c) Cash and cash equivalents		1,20,000	2,85,000
Total		11,50,000	10,75,000

Notes to Accounts:

Particulars	31.3.2019(₹)	31.3.2018 (₹)
1. Share capital		
Equity share capital	6,00,000	3,00,000
12% preference share capital	1,00,000	2,00,000
	7,00,000	5,00,000
2. Reserves and Surplus		
Surplus i.e. Balance in statement of profit and loss	2,50,000	3,25,000
	2,50,000	3,25,000
3. Long Term Borrowings		

9% Debentures	2,00,000	2,50,000
4. Tangible Assets:		
Machinery	7,00,000	4,50,000
Less : Accumulated Depreciation	(2,00,000)	(1,50,000)
	5,00,000	3,00,000

Additional Information:

During the year Machinery costing ₹ 1,00,000 on which accumulated depreciation was ₹ 70,000, was sold at a profit of 20%.