

Sample Paper – 2010

Class – XII

Subject – Accountancy

The Question paper is divided in two parts. All the questions are compulsory.

PART – A-

1. What are the features of Receipts and Payments Account? 1
2. What is meant by Guarantee of profit to a partner? 1
3. Mention any two provisions of the Partnership Act, in the Absence of Partnership deed? 1
4. Why is P & L appropriation A/c prepared by partnership firm? 1
5. What do you mean by limited liability? 1

6. From the following informations calculate the amount of subscriptions for the year 2008-09.

	Rs.
subscriptions received during the year	90000
subscriptions outstanding 31 March 2008	20000
subscriptions outstanding 31 March 2009	20000
subscriptions received in advance on 31 March 2008	20000
subscriptions received in advance on 31 March 2009	20000

- subscription of Rs. 5000 are still in arrears for the year 2007-08. 3

7. X limited forfeited 100 shares of Rs. 10 each, Rs. 6 called up, issued at a discount of 10% to Mahesh on which he had paid Rs. 2 per share. Out of these 80 shares were reissued at Rs. 6/- per share to Suresh. Rs. 8 paid up. 3

8. B Ltd. issued 2,00,000 shares of rs. 10 each payable as follows :

Rs. 2.50 on Application (on 1 Jan)
Rs. 2.50 on Allotment (on 1 April)
Rs. 3.00 on First Call (on 1 July)
Rs. 2.00 on Second & Final Call (on 1 Oct)

All the shares were subscribed and all the sums were duly received. Shareholder, Aditya who had 1,000 shares paid the amount of first and second calls with the allotment.

Interest was paid to Mr. Aditya on 1 Oct 2009.

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9. A & B started a partnership business on 1 January, 2008. Their capital contributions were Rs. 2,00,000 and Rs. 1,50,000 respectively. The partnership deed provided inter alias that :

- a) Interest on capitals at 10% p.a.
- b) A to get a salary of Rs. 2,000 p.m. and B Rs. 3,000 p.m.
- c) Profits are to shared in the ratio of 3:2.

The profits for the year ended 31 Dec, 2008 before making above appropriations were Rs. 2,16,000. Interest on drawings amounted to Rs. 2,200 for A and Rs. 2,500 for B. 3

10.

(2 x 2)= 4

A) A & B are partners with capitals of Rs. 18,000 and Rs. 16,000 respectively. They admit C as a partner with 1/5 share in the profits of the firm. C brings Rs. 16,000 as his share of capital. Give Journal entries to record goodwill.

B) A, B & C are partners sharing profit and losses in the ratio of 6 :5 :3. They admit D into the firm. The new partner gets 3/7th share, equally from all the three partners. Calculate new and sacrificing ratio.

11. Journalise the following transactions assuming that the face value of each debenture is Rs. 100.

- i) 150 debentures issued at Rs. 95 each, repayable at Rs. 100.
- ii) 100 debentures issued at Rs. 95 each, repayable at Rs. 105.
- iii) 80 debentures issued at Rs. 100 each, repayable at Rs. 105.
- iv) 120 debentures issued at Rs. 105 each, repayable at Rs. 100.

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12). From the following Receipts and Payments account of a club and from the information, prepare an Income and Expenditure account for the year ended 31st December, 2004 and the Balance Sheet as on that date:

Receipts and Payments Account
for the year ended 31st Dec., 2008

Receipts	Amount	Payments	Amount
To Balance b/d	350	By Salaries	1400
To Subscriptions:		By General Expenses	300
2007 250		By Electric Charges	200
2008 1000		By Books	500
2009 <u>200</u>	1450	By Newspaper	400
To Rent received from		By Balance c/d	200

the use of hall	700		
To Profit from entertainment	400		
To Sales of newspapers	100		
	3000		3000

- (a) The club has 50 members each paying an annual subscription of Rs. 25, subscriptions outstanding on 31st December, 2007 were Rs. 300.
 (b) On 31st December, 2008 salaries outstanding amounted to Rs. 100. Salaries paid in 2008 included Rs. 300 for the year 2007.
 (c) On 1-1-2008 the Club owned building valued at Rs. 10000, furniture Rs. 1000 and books Rs. 1,000.
 (d) Provide depreciation on Furniture at 10 per cent. 6

13. X, Y & Z were partners in a firm sharing profits in the ratio of 5 : 3 : 2. On 31st March, 2008 their Balance Sheet was as under:

BALANCE SHEET

Liabilities		Amount	Assets		Amount
Creditors		7000	Buildings		20000
Reserves		10000	Machinery		30000
X's Capital	30000		Stock		10000
Y's Capital	25000		Patents		6000
Z's Capital	<u>15000</u>	70000	Cash		21000
		87000			87000

Z died on 1st Oct. 2008. It was agreed between his executors and the remaining partners that:

- a) Goodwill be valued at 2 years' purchase of the average profits of the previous five years, which were 2003 : Rs. 15000; 2004 : Rs. 13000; 2005 : Rs. 12000; 2006 : Rs. 15000; 2007 Rs. 20000;
 b) Patents be valued at Rs. 8000; Machinery at Rs. 28000; Buildings at Rs. 30000.
 c) For the purpose of calculating Z's share of profit for the year 2008, it was agreed that the same may be calculated based on the average profit of the last 4 years.
 d) Interest on capital be provided at 10% p.a.
 e) A sum of Rs. 10000 was paid to his executors immediately.

Prepare Z's Capital Account and his executors account at the time of his death. 6

14. (3 x 2) = 6

- a) X Finance Ltd. has issued 10000 12% debentures in 2000, each Rs. 100, interest payable on June 30 and December 31, every year till the date of redemption. It

redeemed 1000 debenture by paying back the money on 31st Dec., 2003. On the same date it also converted 2000 debentures into 19,800 equity shares of Rs. 10/- issued at par. Give journal entries for recording these transactions on December 31, 2003, in the books of X Finance Ltd.

b) A Company issued debentures of the face value of Rs. 100000 at a discount of 6% on 1st January, 2005. These debentures are redeemable by annual drawings of Rs. 20000 made on 31st December, each year. The directors decided to write off discount based on the debentures outstanding each year. Calculate the amount of discount to be written off in each year. Give journal entries.

15. A & B are partners in a firm sharing profits and losses in the ratio of 3 : 2. Their Balance Sheet was as follows on 1st January, 2002.

BALANCE SHEET

Liabilities	Amount	Assets	Amount
Sundry Creditors	15000	Plant	30000
Capital Accounts :		Patents	10000
A 30000		Stock	20000
B <u>25000</u>	55000	Debtors	18000
General Reserve	40000	Cash	32000
	110000		110000

C is admitted as a partner on the above date on the following terms:

- i) He will pay Rs. 10000 as goodwill for one-fourth share in the profits of the firm.
- ii) The assets are to be valued as under :
 - Plant at Rs. 32000;
 - Stock at Rs. 18000;
 - Debtors at book figure less a provision of 5 percent for Bad Debts.
- iii) It was found that the creditors included a sum of Rs. 1400 which was not to be paid but it was also found that there was a liability for compensation to workers amounting to Rs. 2000.
- iv) C was to introduce Rs. 20000 as capital and the capital of other partners were to be adjusted in the new profits sharing ratio. For this purpose, current accounts were to be opened.

Prepare Revaluation Account, Capital Accounts of all partners. Bank Account and the Balance Sheet of the firm.

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OR

Jyoti, Ruchi and Yogesh were sharing profit and loss in the proportion of their capitals. Their Balance Sheet as on December 31, 2008 was as under :

Liabilities	Amount	Assets	Amount
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Sundry Creditors	21600	Building	100000
Capital Accounts:		Machinery	48000
Jyoti	80000	Stock	18000
Ruchi	60000	Debtors	20000
Yogesh	<u>40000</u>	Less: Provision	<u>400</u>
	180000	Bank	8000
		Cash	8000
	201600		201600

Ruchi decided to retire due to old age. They agreed to the following adjustments in the books of Accounts to decide Ruchi's share :

- Building to be appreciated by 20%.
- Provision for bad and doubtful debts is to be increased to 5% on debtors.
- Out of total insurance premium paid by Rs. 3000 is to be treated as prepaid insurance. This amount was earlier debited to Profit & Loss A/c.
- Machinery is to be depreciated by 20%.
- Goodwill of the entire firm is to be valued at Rs. 72000. Ruchi's share is to be adjusted in the accounts of Jyoti and Yogesh.
- Jyoti and Yogesh also decide that total capital of the firm after Ruchi's retirement will be Rs. 180000 in their profit sharing ratio, i.e., actual cash to be brought in or paid to the partners as the case may be.

You are required to prepare Revaluation A/c, Partners's Capital Accounts and the Balance Sheet of Jyoti and Yogesh. 8

16. A company issued for public subscription 75,000 equity shares of Rs. 10 each at a premium of Rs. 2 per share payable as under :

On application Rs. 2 per share, on allotment Rs. 5 per share (including Premium) on 1st call Rs. 2 per share and on second call Rs. 3 per share.

Applications were received for 112500 shares. Shares were allotted to the applicants for 90000 shares, the remaining applications being rejected. Money over paid on application was utilised towards sum due on allotment.

A, to whom 3000 shares were allotted failed to pay the allotment money and two calls and B to whom 3750 shares were allotted failed to pay two calls. All these shares were forfeited after the final call. 5000 shares including all shares of A were reissued as fully paid shares for Rs. 7.50 per share. 8

Give journal entries to record the above transactions in the books of the company.

OR

Rama Ltd. issued 90000 equity shares of Rs. 10 each at a discount of Re. 1 per share (to be adjusted on allotment) payable as follows :

- Rs. 3 per share on application
- Rs. 2 per share on allotment
- Rs. 4 per share on 1st call

The subscription list was closed on 1st January, 2008 by which date applications for 120000 shares were received. Allotment was made as follows :

- List I. Applicants of 15000 shares were allotted in full.
- List II. Applicants 45000 shares were allotted 30000 shares on pro-rata basis.
- List III. Applicants 60000 shares were allotted 45000 shares on pro-rata basis.

All the shareholders paid the amount due on allotment and call except A (who was allotted 3000 shares under List II) and B (who applied for 6000 shares under List III). They did not pay any money due on allotment and 1st call. Their shares were forfeited and reissued at Rs. 6 per share fully paid.

Pass the necessary journal entries to record the above transactions. 8

PART – B –

- 17. Name the statement prepared to ascertain short term financial position of the business. 1
- 18. What is the ideal proprietary ratio? 1
- 19. Name two items shown under the heading Reserve and Surplus. 1
- 20. What do you mean by Accounting ratios? Give any three limitations of ratio analysis? 2
- 21. Prepare a Comparative Income Statement with the help of the following information : 4

particulars	2006	2007
Sales	2000000	3000000
Gross Profit	40%	30%
Indirect Expenses	50% of G.P.	40% of G.P.
Income Tax	50%	50%

- 22. Balance Sheet of A Limited is given below :

BALANCE SHEET

Liabilities	Amount	Assets	Amount
Paid up Equity :		Building	600000
Share Capital	400000	Machinery	120000
15% debentures	200000	Debtors	650000
P/L A/c (for the current		Stock	350000
		Bank	60000

year after taxes)	300000		
General Reserve	300000		
Current Liabilities	580000		
	1780000		1780000

Additional Information :

Net Sales for the current year is Rs. 5760000.

Compute the following :

- i) Net profit ratio
- ii) Current ratio
- iii) Fixed assets turnover ratio
- iv) Debt equity ratio.

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23. The Balance Sheet of M/s Kailash and Sons as on March 31, 2007 and 2008 were as follows :

BALANCE SHEET

Liabilities	Amount		Assets	Amount	
	2007	2008		2007	2008
Creditors	40000	44000	Cash	10000	7000
Mr. Kailash's loan	25000	-	Debtors	30000	50000
Loan from SBI	40000	50000	Stock	35000	25000
Capital	225000	253000	Machinery	80000	55000
			Land	40000	50000
			Building	135000	160000
	330000	347000		330000	347000

During the year a machine costing Rs. 10000 (accumulated depreciation Rs. 3000) was sold for Rs. 5000. The provision for depreciation against machinery as on 31st March, 2007 was Rs. 25000 and on 31st March, 2008 was Rs. 40000. Net Profit for the year 2008 amounted to Rs. 45000.

You are required to prepare Cash Flow Statement.

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