



Roop Nagar Public School, Jhalawar

SAMPLE PAPER

SUB: ACCOUNTANCY CLASS: XII TIME: 3 HOURS MM: 80

- ❖ *Note: Show proper working notes and draw applicable formats.*
- ❖ *Marking scheme: Q1 to Q6 are of 1 mark each; Q7 to Q10 are of 3 marks each; Q11 to Q13 are of 4 marks each; Q14 to Q16 are of 6 marks each; Q17 and Q18 are of 8 marks each.*

PART A

1. A partner granted loan to the firm on 1st July 2015 of Rs.1,00,000. The deed is silent regarding the treatment of interest on loan. Accounts are closed on 31st March. Will interest on loan be given to the partner or not? If yes than how much?
2. Manager of a partnership firm is entitled for commission@10% on net profit after charging all appropriations and commissions. The net profit before charging Salary to partners (amounted Rs.25,000) but after charging Interest on capital (amounted to Rs.20,000) was Rs.1,13,000. Calculate Manager's Commission.
3. What do you mean by Minimum Subscription?
4. A Joint stock company has Rs.30,000 in its Securities Premium Reserve. State for what purposes the company can utilize this fund?
5. What are the laws related to Investment and creation of DRR when Debentures are redeemed by Lump sum or Draw of lots method according to section 18(7) (C) of Companies Act ?
6. If drawings are shown in balance sheet on asset side than will they be added back to the closing capital to find opening capital. State reason for your answer.
7. A, B and C entered into a partnership on October 1 2004 to share profits and losses in the ratio 3:2:1. A however personally guaranteed that C's share of profits after charging Interest on capital @ 5% p.a , will not be less than Rs.30,000 in a year. The capitals were A- 3,00,000 ; B- 2,00,000 ; C- 1,00,000. The profit for the period ended on 31st March 2005 was Rs.1,20,000. Show the distribution of profits.
8. Shiv and Shankar were in partnership in 3:2 . Their respective fixed capitals were Rs.1,70,000 and 2,10,000. The deed provided for Interest on capital @ 12% p.a and Interest on drawings @ 18% p.a . Shiv withdrew Rs.12,000 on 12/06/2006 and Shankar withdrew Rs.18,000 on 30/09/2006. The profit for the year ended on 31/03/2007 was Rs.97,000 which was distributed among the partners without providing for the above adjustments. Pass adjustment entry.
9. SSS ltd forfeited 1000 equity shares of Rs.100 each for the non payment of first call of Rs.20 and second call of Rs. 25 per share. State:
 - (a) Can these shares be reissued?
 - (b) If yes, than the minimum amount at which these shares can be reissued?

(c) If these shares are reissued at Rs.50 per share fully paid up calculate capital reserve.

10. Nirmal Ltd issued 50,000 shares of Rs.10 each payable as on application Rs.2 ; on allotment Rs.3 ; First call Rs.3 and balance on Final call. Applications were received for 70,000 shares and allotment was made as follows:-
(a) Refuse allotment to 10,000 shares. (B) allot 20,000 share to Mohan who had applied for similar number . (c) Remaining shares on PRORATA basis.
Moahn failed to pay allotment money and Sohan who belonged to category C was allotted 3000 shares paid his entire balance at the time of allotment.
Calculate the amount received on allotment.

11. (A) Prakash Ltd purchased assets worth Rs. 2,20,000 and liabilities of Rs.40,000 of Ajay Ltd for purchase consideration of Rs.1,92,000. Prakash Ltd paid the amount by issuing 12% debentures of Rs.100 each at a premium of Rs.20 per debenture. Pass entries.
(B) Prakash Ltd took a loan of Rs.2,00,000 from Bank and issued 3000 12 % debentures of Rs.100 each as collateral security. Pass Entries.

12. A, B and C were partners in 3:2:1. The firm closes its accounts on 31st March every year. B died on 12/06/2015. On B's death the goodwill of the firm was valued at Rs.60,000. His share of profits till the date of his death were to be calculated on the basis of previous year's profit which were Rs.1,50,000. Fill in the missing information:-

A's Capital A/c	Dr.	_____	
C'S Capital A/c	Dr.	_____	
	To B's Capital A/c		_____
(for share of goodwill)			
P/L Suspense A/c	Dr.	_____	
	To B's Capital A/c		_____
(for share in current year's profit)			

13. On 31st March 2015 F ltd had outstanding debentures of Rs.1,00,000 15% debentures of Rs.100 issued at a premium of 5% redeemable at a premium of 10%. Pass entries for Redemption if redemption is done by Lump sum method.
14. Angad, Raman and Harshit were partners in a firm. They decided to dissolve the firm. Pass entries for the following transactions at the time of dissolution:
- There was a stock of Rs.90,000. Raman took 50% of the stock at 10% discount and remaining stock was sold at a profit of 40% on book value.
 - P/L A/c showed a credit balance of Rs.15,000 which was distributed among the partners.
 - Machinery which was not recorded in the books was sold for Rs.2000.
 - Angad was paid only Rs.5000 (in full settlement) for his loan to firm of Rs. 5500.
 - Realization expenses amounted to Rs.5000 paid by Harshit on behalf of firm.
 - There were 100 shares of Rs.10 each in D.C.M ltd acquired at cost of Rs.1200 which had been written off completely from the books. These shares were valued at Rs.9 each and divided among the partners in their profit sharing ratio.

15. A, B and C were partners in 5:3:2 respectively. Their summarized Balance Sheet is:

Liabilities	Amount	Assets	Amount
Capitals:		Goodwill	80,000
A	2,80,000	Machinery	3,60,000
B	2,00,000	Debtors	1,40,000
C	1,20,000	Stock	1,80,000
Current Liabilities	1,84,000	Cash	24,000
	7,84,000		7,84,000

C retired on 1-04-2009 on following terms:

- Machinery be revalued at Rs.4,80,000
- C's Interest in the firm was valued at Rs.1,88,000 after taking into consideration revaluation of assets, liabilities and accumulated profits /losses.
- The entire sum payable to C was to be brought by A and B in such a way that their capital should be in there New profit sharing ratio 2:1 and leave a cash balance of Rs.17,000 in firm.

Calculate C's share of goodwill, Prepare Revaluation A/c, Partners' Capital A/c, Cash A/c and Balance Sheet.

16. Pass entries as directed:

- Issued 60,000 9% debentures of Rs.25 each at a premium of Rs.50 per debenture to be redeemed at a premium of Rs.60 per debenture.(issue and redemption entries)
- Purchased 3000 9% own debenture of Rs.100 each at Rs.97 each for immediate cancellation. (only redemption entries)

17. Shyam Ltd invited applications for issuing 80,000 equity shares of Rs.10 each at a premium of Rs.40 per share payable as follows:

Application - Rs.35 per share (including premium of Rs.30 of premium)

Allotment -Rs.8 per share (including Rs.4 of premium)

Final Call – Balance amount with balance premium.

Applications were received for 77,000 shares and allotment was made to all applicants. Sundaram to whom 7000 shares were allotted failed to pay allotment money and his shares were forfeited immediately after allotment. Afterwards first and final call was made. Satyam who was the holder of 500 shares failed to pay the final call. His shares were also forfeited. Out of the forfeited shares 1000 shares were reissued at Rs.50 per share as fully paid up. The reissued shares included all the shares of Satyam. Pass entries.

OR

X Ltd issued 40,000 equity shares of Rs.10 each at a premium of 2.50 per share payable as follows:

Application Rs.2 per share

Allotment Rs.4.50 per share (including premium)

Final call Rs.6 pr share

Owing to heavy subscription, the allotment was made on PRORATA basis as follows:

- (a) Applicants of 20,000 shares were allotted 10,000 shares.
- (b) Applicants of 56,000 shares were allotted 14,000 shares
- (c) Applicants of 48,000 shares were allotted 16,000 shares.

It was decided that excess amount received on application would be utilized on allotment and the surplus would be refunded.

Ram , to whom 1000 shares were allotted , who belonged to category (a) failed to pay allotment and call money. His shares were forfeited after the final call. Pass entries.

18. A and B were partners in 3:2. Their Balance sheet on 31st March 2014 was:-

Liabilities	Amount	Assets	Amount
Capitals		Goodwill	5,000
A	60,000	Plant & Machinery	65,000
B	50,000	Furniture	15,000
General Reserve	10,000	Investment	20,000
Sundry Creditors	50,000	Stock	20,000
		Sundry Debtors	30,000
		Cash in Hand	15,000
	1,70,000		1,70,000

C, a young woman entrepreneur, was admitted on following terms:-

1. He brings Rs.15,000 as his share of goodwill in cash and Rs.40,000 for capital.
2. Investments were appreciated by 20% and furniture was depreciated by 10%.
3. One customer who owed the firm Rs.2000 become insolvent and nothing could be realized from him.
4. Creditors would be written back by Rs.2000.
5. Interest accrued on investments Rs.2000
6. Outstanding bills for repairs Rs.1000 will be provided for.
7. The capitals of all partners shall be in proportion to their new profit sharing ratio 5:3:2 and for this adjustments were to be made by opening current accounts.

Prepare Revaluation A/c, Partners capital A/c and new Balance Sheet. Also identify the values shown by admitting a young woman entrepreneur.

OR

A and B were partners trading on artificial limbs. They admitted C as a new partner. C lost his one hand in an accident. A and B decided to give him one artificial hand free of cost. The balance sheet on 31st March 2013 was:

Liabilities	Amount	Assets	Amount
Provision for Doubtful Debts	40,000	Cash	1,00,000
Workmen Compensation Fund	56,000	Sundry debtors	8,00,000
Outstanding Expenses	30,000	Stock	2,00,000
Creditors	3,00,000	Machinery	3,86,000
Capitals : A	5,00,000	Profit & Loss A/c	40,000
B	6,00,000		
	15,26,000		15,26,000

C was admitted on following terms:

1. C will bring Rs.4,00,000 as his share of capital but nothing for goodwill.
2. The new ratio was 3:2:1
3. Claim on account of workmen fund was Rs.30,000
4. To write off bad debts amounted to Rs.40,000
5. Creditors were to be paid Rs.20,000 more.
6. Outstanding expenses be brought down to Rs.12,000
7. Rs.20,000 to be provided for unforeseen liability.
8. Goodwill of the firm was valued at Rs.1,80,000.

Prepare Revaluation A/c , Capital A/C and Balance sheet. Identify the value which the partners communicated to the society by donating free artificial limb.

PART B

Marking scheme: Q1 to Q2 are of 1 mark each; Q3 and Q4 are of 4 marks each and Q5 is of 6 mark:

1. What is the significance of Debt equity ratio?
2. Purchased fixed assets on long term differed payment basis will affect the Debt equity ratio in what way? Give reason
3. The Current Ratio and Liquid ratio are 2.1:1 and 1.9:1 respectively. Current assets included inventory of Rs.16,000. Calculate Liquid assets and working capital.
4. Calculate Interest coverage Ratio from the following:

Net profit after Interest and Tax	Rs. 2,10,000
Rate of Income Tax	30%
10% Debentures	Rs. 1,00,000
8% Public deposits	Rs. 2,50,000
5. Current Assets 1,00,000 ; Current Liabilities 70,000; Total revenue from operations 2,00,000 ; Cost of revenue from operations 1,50,000; Inventory turnover ratio 5 times.
If the closing inventory is Rs.4000 more than the opening inventory, calculate
(a) Opening Inventory (b) Liquid Ratio (c) Average age of inventor