KENDRIYA VIDYALAYA CHOPAN

1ST PRE –BOARD EXAMINATION 2016-17

SUBJECT-ACCOUNTANCY

CLASS: XII
TIME:- 3 HOURS **MAX.MARKS:-80**

General Instructions:-

1. This question paper contains two Parts A and B.
2. Do all parts of a question at one place.
3. Marks are given against the questions.

Part – A
(Partnership and Company Accounts)

Q1. .... Interest on capital is valid. If partnership deed is silent on this matter. (1)

(a) 5% (b) 6% (c) No Interest (d) None of these.

Q 2.If at the time of admission, there is some unrecorded liability, it will be: (1)

(a) Debited to Revaluation A/C (b) Credited to Revaluation A/C

(b) Transferred to old partners Capital A/c (d) Transferred to all partners Capital A/c

Q3. Goodwill is................ (1)

(a) Tangible assets (b) Intangible assets (c) Fictitious assets (d) Fixed assets

Q 4. .... DRR is mandatory, when debentures redeemed out of profit ? (1)

(a) 50% (b) 25% (c) No Need to create (D) None of these.

Q 5.Share capital account debited on forfeiture of shares by: (1)

(a) Face value (b) called up value (c) issue price (D) None of these.

Q6. G and S are partner sharing P&L in the ratio of 2:1. From April 2011, they decided to share theprofit in the ratio of 3:2.on that date profit &Loss a/c shows a debit balance of Rs.1, 80,000.Record the necessary journal entry for the distribution of the balance in the profit &Loss a/c. (3)

Q7**.** Rohit Ltd. purchased the assets of S Ltd. For Rs. 5, 00,000.it also agreed to take over the liabilities of S Ltd. Amounting to Rs.2, 00,000 for a purchase consideration of Rs.2,70,000. The payment of S ltd was made by issue of 9% Debentures of Rs.100 each at 10% discount. Pass the necessary journal entries in the books of Rohit Ltd. (3)

Q 8. Sunil Industries Ltd.has 4,00,000 7% debentures of Rs.100 each on April 1, 2007 redeemable at 5% premiumin lump sum on 31st March 2008 .
Record necessary journal entries on redemption of debentures. (3)

Q 9. A,B and C are partners their profit sharing ratio is 7:3:2.from Jan 2010 thy decide to share the profit &Loss in the ratio of 8:4:3.Goodwill is to be valued at the average of three years profits preceding the date of change in the profit sharing ratio. The profit for 2006,2007,2008,2009

were Rs. 52, 000, Rs.48, 000 Rs.60,000 Rs.90,000 respectively.
Pass necessary journal entries. (4)

Q 10 The Relience Petrochemical Ltd.earned a profit of Rs.200 Crore in year 2014.instead of distributing all profit among shareholders Co. decided to donate Rs.2 Crore to an NGO who works for the welfare of child labour and their rehabilitation and Rs.5 Crore to protect the environment . Identify and write any four values involved in this decision.(4)

Q11. S Ltd. forfeited 150 equity shares of Rs.10 each issued at a premium of Rs.5 per share for non-payment of allotment money of Rs.8 per share (including premium of Rs.5 per share) and the first call of Rs.2 per share. The final call of Rs.3 per share has not yet made. Out of these, 100 equity shares were re-issued at a Rs.14 per share fully paid.
Pass necessary journal entries. (4)

Q12. A and B are partners sharing profits in the ratio of 3:2 with capitals of Rs.50, 000 and Rs.30,000.interest on capital is agreed @ 6% per annum. B is to be allowed an annual salary of Rs.2,500. During 2011,the profit of the year prior to calculation of interest on capital but after charging B 'salary amounted Rs.12,500.
Prepare an account showing the allocation of profits and partners' capital accounts.(6)

Q13. Following is the balance sheet of Anju and Manju who are partners in a firm sharing profits in the ratio of 3:2.as at 31st march 2014.

Liabilities	Amount(Rs.)	Assets	Amount (Rs.)
Creditors	31,500	Plant& machinery	21,000
General Reserves	1,250	Stock	3,000
Anju capital	5,000	Debtors 10,000	
Manju capital	4,000	less-provision 500	9,500
		Bank	5,750
		Profit and loss A/C	2,500
	41,750		41,750

The firm was dissolve on 31March 2014.Plant& machinery realised Rs.16,000 and Stock Rs.2, 500,Rs.9000 were collected from debtors. Creditors were Rs.30,000 in settlement.
Prepare Realisation A/c, Partners Capital A/c and Bank A/c. (6)

Q 14. Rishika and Geetikawere partners. The partnership deed provide inter alia:
1) That the accounts be balanced on 31st December each year.
2) That profits be divided as follows:-Rishika one half, Geetika one third and carried to reserve account one sixth.
3) That in the event of death of a partner, her executor will be entitled to the followings:
   a) The capital to her credit at the date of death.
   b) Her proportion of profits to the date of death based on the average profit of the last three completed years.
   c) Her share of goodwill based on the three years purchase of the average profits for the three completed preceding years.

On 31st December, 2013 the Trial Balance was as under:

particulrs	Debit	Credit
Rishika's share capital	-	90,000
Geetika's share capital	-	60,000
Reserves	-	30,000
Bills receivale	50,000	-
Investments	40,000	-
Cash	110,000	-
creditors	-	20,000

The profits for the three years were: 2010-Rs 4,200, 2011- Rs3, 900, and 2012-Rs4, 500. Nishika died on 31st May, 2014 Show the calculation of:-

1) Nishika's share of profit
2) Share of goodwill and
3) Draw up Nishika's executor's account as would appear in the firm's ledger transferring the amount to her executor's loan account. (6)

Q15. Following is the balance sheet of A and B their ratio are 3/4 and 1/4 on 31st Dec 2013.

Liabilities	**Amount(Rs.)**	**Assets**	**Amount (Rs.)**
Creditors	37,500	Cash at bank	22,500
General Reserves	4,000	B/R	3,000
A 'capital	30,000	Debtors	16,000
B's capital	16,000	Stock	20,000
		Office Furniture	1,000
		Land Building	25,000
	87,500		87,500

They agreed to take C into partnership on 1 st January 2014 on the following terms-

a) That C pays Rs. 14000 as his capital for a fifth share in the future profits.
b) That a goodwill account be valued in the books of the firm at Rs. 20000.
c) That stock and furniture be reduced by 10% and 5% provision for doubtful debts be created on debtors.
d) That the value of land and building be appreciated by 20%.
e) That the capital accounts of the partners be readjusted on the basis of their profit sharing arrangement and any excess or deficiency be transferred to their current accounts.
   Prepare revaluation account, partners' capital accounts and the balance sheet of the new firm. (8)

OR

A, B and C are partner in a firm sharing profits and losses in the ratio of 3:2:1.their Balance Sheet as at 31st march, is as under:

Liabilities	**Amount**	**Assets**	**Amount**
Creditors	30,000	Cash in Hand	18,000
B/P	16,000	Debtors 25,000	
General Reserves	12,000	Less-Provisio 3,000	22,000
A 'capital	40,000	Stock	18,000
B's capital	40,000	Furniture	30,000
C's Capital	30,000	Machinery	70,000
		Goodwill	10,000
total	168,000	total	168,000

B retires on 1st April, 2012 on the following terms:

(a) Provision for doubtful debt be raised by Rs.1,000.
(b) Stock to be depreciated by 10% and furniture by 5%.
(c)There is an outstanding claim of damage of Rs.1,100 and it is to be provided for.
(d) Creditors will be written back by Rs.6, 000.
(e) Goodwill of the firm is valued at Rs.22, 000.
(f) B is paid full in with the cash broughtin by A and C in such a manner that their capitals are proportion to their profit-sharing ratio and cash in hand remains at Rs.10, 000.

Prepare revaluation account, Partners capital accounts and the balance sheet of A and C. (8)

Q 16. A Ltd. Company offered to the public10,000 shares of Rs.10 each on the following terms:Rs.2 on application;Rs.3 on allotment and Balance on the final call. The applications were received for 12,000 shares. Applications for 2,000 shares were refused allotment by the company and their application money returned. The rest were allotted shares in the company. All the amount was received on due dates, except that, a holder holding 100 shares failed to pay the call money.

Pass journal entries and show share capital in Balance sheet.

OR

P Ltd. Has authorised capital of Rs.5, 00,000, divided into the 50,000 shares of Rs.10 each. The company issued a prospectus, inviting application for 30,000 shares of Rs.10 each, at a premium of Rs.2 per share, payable as follows:

Rs.3 on application;
Rs.6 on allotment (with premium)
Rs.2 on the first call
Rs.1 on second and final call.

The company received application for 45,000 shares and pro rata allotment was made in respect of applications of 40,000 shares and remaining applications were rejected. Money over paid on application was employed on account of sum on allotment. All the calls were made.

B, to whom 300 shares were allotted, fails to pay the two calls. The company decided to forfeit the shares allotted to B. These shares were subsequently re-issued to C as fully paid for Rs.33,000.

Pass necessary journal entries in the books of the company. (8)

Part –B
(Financial Statement Analysis)

Q 17. You area Debenture holder of a company. Mention any two ratio's that you would like to calculate, to analyse the financial position of a company. (1)

Q 18. What are the uses of cash flow statement? (1)

Q 19. UTI mutual fund purchased Rs.5Crore as investment, what type of activity is this while preparing cash flow statement? (1)

Q 20. List items presented under the heading shareholders fund. (3)

Q 21. From the following information, Prepare comparative Income Statement of X Ltd. (4)

Particulars	**2010(Rs.)**	**2011(Rs.)**
Revenue from operation (Sales)	10,00,000	12,00,000
Cost of goods sold	7,00,000	8,72,000
Office Expenses	1,60,000	1,50,00
Selling Expenses	60,000	90,000
Rate of income tax	50%	50%

Q 22. From the information given below, calculate the following ratios: (4)

(1) Gross Profit Ratio
(2) Working Capital Ratio
(3) Debt-Equity Ratio, and
(4) Proprietary Ratio.

Information:

Particulars	(Rs.)

Net Sales	5,00,000
Cost of goods sold	3,00,000
Current Assets	2,00,000
Current Liabilities	1,40,000
Paid-up Capital	2,50,000
13% Debentures	1,00,000

Q 23. From the following Balance Sheet of Aman Ltd., Prepare a Cash Flow Statement. (6)

Equity and Liabilities	**31.12.2012 (Rs.)**	**31.12.2013 (Rs.)**
Shareholder's Fund:		
Equity Share Capital	3,00,000	4,00,000
Reserves and Surplus:		
Profit and Loss Balance	85,000	1,10,000
Non-Current Liabilities:		
Bank Loan	1,00,000	75,000
Current Liabilities:		
Trade Payables (Creditors)	3,10,000	2,95,000
Short term provisions (Proposed Dividend)	45,000	60,000
Total	8,40,000	9,40,000
Assets	**31.12.2012**	**31.12.2013**
Non-Current assets : 2012 2013	Rs.	Rs.
Fixed assets 4,00,000 5,50,000		
Accumulated Dep. (80,000) (1,35,000)	3,20,000	4,15,000
Current Assets:		
Stock	2,00,000	2,25,000
Trade Receivables:		
Debtors	2,10,000	1,90,000
B/R	80,000	1,10,000
Bank	30,000	---
Total	8,40,000	9,40,000

Additional Information:

A piece of machinery costing Rs.60, 000 on which accumulated depreciation was Rs.15, 000was sold for Rs.30, 000.