

CBSE
Class XII Accountancy
Delhi Board Paper_Set1_2013

Time: 3 Hrs

Max. Marks: 80

General Instructions:

- 1) This question paper contains two parts **A** and **B**
- 2) Part **A** is **compulsory** for all
- 3) All parts of a question should be attempted at one place

Section A

- (i) This section consists of **18** questions.
- (ii) All question are compulsory.
- (iii) Question Nos. **1** to **7** are very short – answer questions carrying **1** mark each.
- (iv) Question Nos. **8** to **10** carry **3** marks each.
- (v) Question Nos. **11** and **14** carry **4** marks each.
- (vi) Question Nos. **15** to **16** carry **6** marks each.
- (vii) Question Nos. **17** and **18** Carry **8** marks each.

Section B

- (i) This section consists of **7** questions
- (ii) All questions are compulsory
- (iii) Question Nos. **19** and **21** are very short – answer carrying **1** mark each
- (iv) Question Nos. **22** carry **3** marks
- (v) Question Nos. **23** to **24** carry **4** marks
- (vi) Question No. **25** carries **6** marks

Section – A

1. When the partner capitals are fixed, where the drawing made by a partner will be recorded?
2. State the ratio in which the partners share profits or losses on revaluation of assets and liabilities, when there is a change in profit sharing ratio amongst existing partners?
3. Name the account which is opened to credit the share of profit of the deceased partner, till the time of his death to his Capital account.
4. Give the journal entry to distribute Workman Compensation Reserve' of ₹60,000 at the time of retirement of Sajjan, when there is not claim against it. The firm has three partners Rajat, Sajjan and Kavita.
5. What is meant by 'Securities Premium'?
6. What rate of interest the company pays on calls - in advance if it has not prepared its own Articles of Association?
7. What is meant by issue of debentures as a collateral security?
8. Mona, Nisha and Priyanka are partners in a firm. They contributed ₹50,000 each as capital three years ago. At that time Priyanka agreed to look after the business as Mona and Nisha were busy. The profits for the past three years were ₹15,000, ₹25,000 and ₹50,000 respectively. While going through the books of

accounts Mona noticed that the profit had been distributed in the ratio of 1:1:2. When the enquired from Priyanka about this, Priyanka answered that since she looked after the business she should get more profit. Mona disagreed and it was decided to distribute profit equally retrospectively for the last three years.

- a. You are required to make necessary corrections in the books of accounts of Mona, Nisha and Priyanka by passing an adjustment entry.
 - b. Identify the value which was not practiced by Priyanka while distributing profits.
9. Pass the necessary journal entries for issue of 1,000, 7% Debentures of ₹100 each in the following cases:
 - (a) Issued at 5% premium redeemable at a premium of 10%.
 - (b) Issued at a discount of 5% redeemable at par.
 10. Taneja Constructions Ltd. has an outstanding balance of ₹5,00,000, 7% debentures of ₹100 each redeemable at a premium of 10%. According to the terms of redemption, the company redeemed 30% of the above debentures by converting them into shares of ₹50 each at a premium of 20%. Record the entries for redemption of debentures in the books of Taneja Constructions Ltd.
 11. Abhay and Beena are partners in a firm. They admit Chetan as a partner with $\frac{1}{4}$ th shares in the profits of the firm. Chetan brings ₹2,00,000 as his share of capital. The value of the total assets of the firm is ₹4,00,000 and outside liabilities are valued at ₹1,00,000 on that date. Give the necessary entry to record goodwill at the time of Chetan's admission. Also show your working notes.
 12. Naresh, David and Aslam are partners sharing profits in the ratio of 5:3:7. On April 1st, 2012, Naresh gave a notice to retire from the firm. David and Aslam decided to share future profits in the ratio of 2 : 3. The adjusted capital accounts of David and Aslam show a balance of ₹33,000 and ₹70,500 respectively. The total amount to be paid to Naresh is ₹90,500. This amount is to be paid by David and Aslam in such a way that their capitals become proportionate to their new profit sharing ratio. Pass necessary journal entries for the above transactions in the books of the firm. Show your working clearly.
 13. Madhav Ltd. issued fully paid equity shares of ₹80 each at a discount of ₹5 per share for the purchase of a running business from Gupta Bros. for a sum of ₹15,00,000. The assets and liabilities consisted of the following : Plant ₹5,00,000; Trucks ₹7,00,000; Stock ₹3,00,000; Machinery ₹6,00,000 and Sundry Creditors ₹5,00,000. You are required to pass necessary journal entries for the above transactions in the books of Madhav Ltd.
 14. The authorized capital of Suhani Ltd. is ₹45,00,000 divided into 30,000 shares of ₹150 each. Out of these company issued 15,000 shares of ₹150 each at a premium of ₹10 per share. The amount was payable as follows: ₹50 per share on application, ₹40 per share on allotment (including premium), ₹30 per share on first call and balance on final call. Public applied for 14,000 shares. All the money was duly received. Prepare an extract of Balance Sheet of Suhani Ltd. as per Revised Schedule VI Part - I of the Companies Act 1956 disclosing the above information. Also prepare 'notes to accounts' for the same.
 15. Ali, Bimal and Deepak are partners in a firm. On 1st April, 2011 their capital accounts stood at ₹4,00,000, ₹3,00,000 and ₹2,00,000 respectively. They shared profits and losses in the proportion of 5 : 3 : 2. Partners are entitled to interest on capital @10% per annum and salary to Bimal and Deepak @ ₹2,000 per month and ₹3,000 per quarter respectively as per the provisions of the partnership deed. Bimal's share of profit (excluding interest on capital but including salary) is guaranteed at a minimum of ₹50,000 p.a. Any deficiency arising on that account shall be met by Deepak. The profits of the firm for the year ended 31st March, 2012 amounted to ₹2,00,000. Prepare Profit & Loss Account for the year ended on 31st March, 2012.
 16. The Balance Sheet of Sudha, Rahim and Kartik who were sharing profit in the ratio of 3:3:4. On 31st march, 2012 their Balance Sheet was as follows:

(6)

Liabilities	₹	Assets	₹
General Reserve	10,000	Cash	16,000
Bills Payable	5,000	Stock	44,000
Loan		Investments Land & Building	47,000

Capital : Sudha	60,000		Sudha's loan	10,000
Rahim	50,000			
Kartik	40,000	1,50,000		
		1,77,000		1,77,000

Sudha died on June 30th 2012. The partnership deed provided for the following on the death of a partner:

- Goodwill of the firm be valued at two years purchase of average profits for the last three years.
- Sudha's share of profit or loss till the date of her death was to be calculated on the basis of sales. Sales for the year ended 31st March, 2012 amounted to ₹4,00,000 and that from 1st April to 30th June 2012 to ₹1,50,000. The profit for the year ended 31st March, 2012 was ₹1,00,000.
- Interest on capital was to be provided @ 6% p.a.
- The average profits of the last three years were ₹42,000.
- According to Sudha's will, the executors should donate her share to "Matri Chhaya - an orphanage for girls".

Prepare Sudha's Capital Account to be rendered to her executor. Also identify the value being highlighted in the question.

17. Moneyplus Company issued for public subscription 75,000 shares of the value of ₹10 each at a discount of 10% payable as follows: Rs 2 per share on application, ₹3 per share on allotment and ₹4 per share on call. The company received applications for 1,50,000 shares. The allotment was done as under:
- Applicants of 15,000 shares were allotted 5,000 shares.
 - Applicants of 70,000 shares were allotted 40,000 shares.
 - Remaining applicants were allotted 30,000 shares.

Money in excess to allotment was returned. Hari, a shareholder who had applied for 3,500 shares out of group B failed to pay allotment and call money. Rohan, a shareholder who was allotted 3,000 shares paid the call money along with the allotment. Rohan also belonged to group B. Pass necessary journal entries to record the above transactions in the books of the company. Show your working notes clearly.

OR

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

- X Ltd. forfeited 20 shares of ₹10 each, ₹7 called up on which the shareholder had paid application and allotment money of ₹5 per share. Out of these, 15 shares were re-issued to Naresh as ₹7 per share paid up for ₹8 per share.
- 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 re-issued to Sanjay as ₹8 called up for ₹10 per share.
- Z Ltd. forfeited 300 shares of ₹10 each issued at a discount of ₹1 per share for non-payment of first and final call of ₹3 per share. Out of these 200 shares were reissued at ₹3 per share fully paid up.

18. Sahaj and Nimish are partners in a firm. They share profits and losses in the ratio of 2 : 1. Since both of them are specially abled, sometimes they find it difficult to run the business on their own. Gauri, a common friend decides to help them. Therefore, they admitted her into partnership for a $\frac{1}{3}$ rd share. She brought her share of goodwill in cash and proportionate capital. At the time of Gauri's admission, the Balance sheet of Sahaj and Nimish was as under:

Liabilities	₹	₹	Assets	₹
Capital Accounts:			Machinery	1,20,000
Sahaj	1,20,000		Furniture	80,000
Nimish	80,000	2,00,000	Stock	50,000
General Reserve		30,000	Sundry Debtors	30,000
Creditors		30,000	Cash	20,000
Employee's Provident Fund		40,000		
		3,00,000		3,00,000

It was decided to:

- Reduce the value of stock by ₹5,000.
- Depreciate furniture by 10% and appreciate machinery by 5%.
- ₹3,000 of the debtors proved bad. A provision of 5% was to be created on Sundry Debtors for doubtful debts.
- Goodwill of the firm was valued at ₹45,000.

Prepare Revaluation Account, Partners' Capital Accounts and Balance Sheet of the reconstituted firm. Identify the value being conveyed in the question.

OR

Prachi, Ritika and Ishita were partners in a firm sharing profits and losses in the ratio of 5 : 3 : 2. In spite of repeated reminders by the authorities, they kept dumping hazardous material into a nearby river. The court ordered for the dissolution of their partnership firm on 31st March 2012. Prachi was deputed to realise the assets and pay the liabilities. She was paid ₹1,000 as commission for her services. The financial position of the firm was as follows:

Liabilities	₹	Assets	₹
Creditors		Furniture	37,000
Investment Fluctuation Fund	2,00,000	Stock	5,500
Capitals	30,000	Investments	15,000
Prachi	30,000	Cash	9,000
Ritika	40,000	Ishita's Capital	18,000
	84,500		84,500

Section – B

19. Under which type of activity will you classify 'Dividend received by a financial company' while preparing Cash Flow Statement?

20. What is meant by 'Cash from Operating Activities'?

21. State any objective of Financial Statement Analysis'.

22. Under which heads and sub-heads the following items will appear in the Balance Sheet of a company as per revised Schedule VI, Part-I of the Companies Act 1956.

- i. Premium on Redemption of Debentures
- ii. Loose Tools
- iii. Balance with Banks

23. (a) Compute Working Capital Turnover Ratio using the following information.

Particulars	₹
Cash Sales	1,30,00
Credit Sales	3,80,000
Sales Returns	10,000
Liquid Assets	1,40,000
Current Liabilities	1,05,000
Inventory	90,000

(b) Calculate Debt Equity Ratio

Particulars	₹
Total Assets	3,50,000
Total Debts	2,50,000
Current Liabilities	80,000

24. From the Following Statements of Profit and Loss Suntrack Ltd., for the years ended 31st March 2011 and 2012, prepare a 'Comparative Statement of Profit and Loss'.

Particulars	Note No.	2011-12	2010-11
Revenue from Operations		20,00,00	12,00,000
Other Incomes		12,00,000	9,00,000
Expenses		13,00,000	10,00,000

25. Following is the Balance Sheet of Wisben Ltd. As on 31st March, 2012

Balance Sheet of Tiger Super Steel Ltd.

Particulars	Note No.	2012 ₹	2011 ₹
I. Equity and Liabilities			
1. Shareholders' Funds			
a. Share Capital		7,00,000	6,00,000
b. Reserves and Surplus (Profit & Loss Balance)		2,00,000	1,10,000
2. Non-Current Liabilities			
a. Long Term-Borrowing		3,00,000	2,00,000
3. Current Liabilities			
a. Trade Payables		30,000	25,000
Total		12,30,000	9,35,000
II. Assets			
1. Non- Current assets			
a. Fixed assets			
i. Tangible assets		11,00,000	8,00,000
b. Non -Current Investment			
2. Current assets			
a. Inventory		70,000	60,000
b. Trade Receivable		32,000	40,000
c. Cash and Cash Equivalents		28,000	35,000
Total		12,30,000	9,35,000

Adjustments:

During the year a piece of machinery of the book value of ₹80,000 was sold for ₹65,000. Depreciation provided on tangible assets during the year amounted to ₹2,00,000.

Prepare a Cash Flow Statement.