

Term -II (2021-22)
Sample Question Paper - Accountancy (055)
Class - XII

Time Allowed: 2 Hours

Max. Marks: 40

General Instructions:

1. This question paper comprises of two Parts – A and B. There are 12 questions in the question paper. All questions are compulsory.
2. Question nos. 1 to 3 and 10 are short answer type–I questions carrying 2 marks each.
3. Question nos. 4 to 6 and 11 are short answer type–II questions carrying 3 marks each.
4. Question nos. 7 to 9 and 12 are long answer type questions carrying 5 marks each.
5. There is no overall choice. However, an internal choice has been provided in 3 questions of three marks and 1 question of five marks.

Part A <i>(Accounting for Not-for-Profit organizations, Partnership firms and Companies)</i>		2
1.	<p>VIJAYA, an Ex-Indian cricketer decided to start a cricket academy to train the young enthusiastic players. With the support and guidance of his family he started the Star cricket academy at Sindhu township area on 1st April 2020. Land was donated by his grandfather worth Rs.10,00,000 as per his will. His father Shankar donated Rs.5,00,000 for the construction and running the academy. He spent Rs.3,00,000 for construction of the pavilion. 200 players of Sindhu town joined the academy and they paid yearly subscription of Rs.1200 each. 10 players paid in advance for the next year 2021 -22. Vijaya appointed a well experienced coach for them, the coach's fee amounted to Rs.1,20,000 p.a. The maintenance expenses amounted to Rs.75,000. Bats and balls purchased during the year amounted to Rs.15,000. Closing stock of bats and balls amounted to Rs.1000.</p> <p>Based on the above information you are required to answer the following questions.</p>	
	a) How will you treat the land donated by his grandfather?	
	b) Find the amount of subscription received as per Receipts and payments Account of Star cricket club.	
	c) What amount should be charged to the Income and Expenditure account for bats and balls consumed during the year?	
	d) Donation received for purchase of sports equipment will be treated as revenue income (True / False)	
2.	Give two circumstances when court can order dissolution of partnership firm.	2

3.	<p>(i) A, B and C are partners in a firm sharing profit and losses in the ratio of 3:2:1. B died on 1st April, 2018. C, son of B, is of the opinion that he is the rightful owner of his father's share of profits, and the profits of the firm should be now shared between A and C equally. A does not agree. Settle the dispute between A and C by giving reason.</p> <p>(ii) What journal entry is passed to record the profit credited to a partner in the event of his / her death?</p>	2										
4.	<p>Show how Subscriptions will be shown in Balance Sheet as at 31st March 2020 and Income and Expenditure A/c for the year ended 31st March 2020 from following extract of Receipts and Payments Account</p> <p>Receipts</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">To Subscriptions</td> <td style="width: 40%; text-align: right;">Rs.</td> </tr> <tr> <td>2018-19---</td> <td style="text-align: right;">3,000</td> </tr> <tr> <td>2019-20---</td> <td style="text-align: right;">24,000</td> </tr> <tr> <td>2020-21---</td> <td style="text-align: right;">7,000</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black;">34,000</td> </tr> </table> <p>Subscriptions received in advance as at 31st March 2019: for 2019-20- Rs.5,000 and 2020-21-- Rs.7,000</p> <p>Subscriptions outstanding as on 31st March 2019 Rs.5,000</p> <p>Subscriptions outstanding for the year 2019-20- Rs.4000</p> <p style="text-align: center;">OR</p> <p>Present the following items in the Balance Sheet of King's Club as at 31st March 2020</p> <p>Capital Fund ---Rs.5,40,000</p> <p>Buildings Fund ----Rs.3,00,000</p> <p>Donations Received for Building Fund---- Rs.2,00,000</p> <p>10% Building Fund Investment (Face Value 5,00,000)---- Rs.3,00,000</p> <p>Interest received on building fund ----Rs.20,000</p>	To Subscriptions	Rs.	2018-19---	3,000	2019-20---	24,000	2020-21---	7,000		34,000	3
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5.	<p>Naresh, Raj and Biswajit were equal partners. Raj decided to retire from the firm on 31st March 2020. On the date of his retirement, Balance sheet of the firm showed the following:</p> <p>General Reserve Rs.36,000; Profit / loss A/c (Dr.) Rs.15,000; Goodwill Rs.18,000.</p> <p>Pass necessary journal entries at the time of Raj's retirement.</p>	3										
6.	<p>Corn India Ltd purchased machinery from Born India Ltd. was made as follows:</p> <p>(i) By issuing 10,000, 12% Debentures of Rs.10 each at a premium of 20%.</p> <p>(ii) By issuing 1,000, 9% Debentures of Rs.100 each at a discount of 5%.</p> <p>(iii) Balance by giving a bank draft of Rs.37, 000.</p> <p>Pass necessary Journal entries in the books of Corn India Ltd. for the purchase of machinery and payment to Born India Ltd.</p> <p style="text-align: center;">OR</p>	3										

	<p>Rohit Ltd. issued 50,000, 8% debentures of ₹ 100 each at a discount of 9% on July 1, 2019. The company has balance of ₹ 5, 00,000 in securities premium reserve. Pass necessary journal entries for issue of debentures and to write-off discount/Loss on issue of debentures. The debentures are redeemable after 5 years at a premium of 7%.</p>																																					
7.	<p>Give the necessary journal entries for the following transactions on dissolution of the firm of C & Trisha on 31st March, 2019 after the various assets (other than cash) and the third party liabilities has been transferred to the Realisation Account. They shared profits & losses in the ratio of 2:1.</p> <p>(i) Krisha was to get remuneration of Rs.8,000 for completing the dissolution process. She also agreed to bear all realization expenses. Realization expenses of Rs.8,000 were paid by her from the firm's cash.</p> <p>(ii) Trisha took over furniture at Rs.12,000 & Debtors amounting to Rs.8,000 at Rs.6,000.</p> <p>(iii) Creditors of Rs.15,000, accepted Stock of Rs.13,500 at book value.</p> <p>(iv) Bills Payable of Rs.10,000 were discharged at a discount of 5%</p> <p>(v) Loss on realization Rs.9,000</p> <p>(vi) Krisha's husband's loan of Rs.1,20,000 was paid at Rs.1,00,000.</p> <p style="text-align: center;">OR</p> <p>Sushma, Gautam and Kanika were partners in a firm sharing profits in the ratio of 5 : 3 : 2. On 31st March, 2018, their Balance Sheet was as follows:</p> <p style="text-align: center;">Balance Sheet of Sushma, Gautam and Kanika as at 31st March, 2018</p> <table border="1" data-bbox="293 1232 1299 1590"> <thead> <tr> <th>Liabilities</th> <th>Amount(Rs.)</th> <th>Assets</th> <th>Amount(Rs.)</th> </tr> </thead> <tbody> <tr> <td>Capital :</td> <td></td> <td>Stock</td> <td>2,40,000</td> </tr> <tr> <td>Sushma 3,00,000</td> <td></td> <td>Debtors</td> <td>1,60,000</td> </tr> <tr> <td>Gautam 2,50,000</td> <td></td> <td>Bank Balance</td> <td>1,40,000</td> </tr> <tr> <td>Kanika 3,50,000</td> <td>9,00,000</td> <td>Investments</td> <td>2,00,000</td> </tr> <tr> <td>Employees' Provident Fund</td> <td>60,000</td> <td>Fixed Assets</td> <td>3,60,000</td> </tr> <tr> <td>Creditors</td> <td>40,000</td> <td></td> <td></td> </tr> <tr> <td>Profit and Loss Account</td> <td>1,00,000</td> <td></td> <td></td> </tr> <tr> <td></td> <td>11,00,000</td> <td></td> <td>11,00,000</td> </tr> </tbody> </table> <p>On the above date, Sushma retired and it was agreed that:</p> <p>(i) Fixed Assets will be reduced to Rs.2,90,000.</p> <p>(ii) A provision of 5% on debtors for bad and doubtful debts will be created.</p> <p>(iii) Stock was to be valued at Rs.2,18,000. Sushma took over the stock at this value.</p> <p>(iv) Goodwill of the firm on Sushma's retirement was valued at Rs.8,00,000. Sushma's share of goodwill was treated by debiting Gautam and Kanika's Capital Accounts.</p> <p>(v) Gautam and Kanika will share the future profits in the ratio of 2 : 3.</p>	Liabilities	Amount(Rs.)	Assets	Amount(Rs.)	Capital :		Stock	2,40,000	Sushma 3,00,000		Debtors	1,60,000	Gautam 2,50,000		Bank Balance	1,40,000	Kanika 3,50,000	9,00,000	Investments	2,00,000	Employees' Provident Fund	60,000	Fixed Assets	3,60,000	Creditors	40,000			Profit and Loss Account	1,00,000				11,00,000		11,00,000	5
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8.	<p>Pass necessary journal entries for the following transactions in books of Apex Company and show presentation in the balance sheet of the company: (ignore writing off loss on issue of debenture entry)</p> <p>a) M Ltd. issued ₹ 5,00,000, 12% Debentures of ₹ 100 each at a premium of 10% redeemable at a premium of 5%.</p> <p>b) Issue of 15,000 12% debentures of ₹ 100 each as collateral in favour of State Bank of India. (Company opted to pass necessary entry for issue of debentures)</p>	5																																																
9.	<p>From the following Receipts and Payments Account of Samara Club, prepare an Income and Expenditure Account for the year ended 31st March,2020.</p> <p>Receipts and Payments Account of Samara Club for the year ended 31st March, 2020</p> <table border="1" data-bbox="312 752 1230 1223"> <thead> <tr> <th style="text-align: center;">Receipts</th> <th style="text-align: center;">₹</th> <th style="text-align: center;">Payments</th> <th style="text-align: center;">₹</th> </tr> </thead> <tbody> <tr> <td>To Balance b/d</td> <td style="text-align: right;">9,000</td> <td>By Rent</td> <td style="text-align: right;">29,000</td> </tr> <tr> <td>To Subscription:</td> <td></td> <td>By Investments</td> <td style="text-align: right;">20,000</td> </tr> <tr> <td>2018-19 10,000</td> <td></td> <td>By Honorarium</td> <td style="text-align: right;">4,000</td> </tr> <tr> <td>2019-20 52,000</td> <td></td> <td>By Machinery</td> <td style="text-align: right;">40,000</td> </tr> <tr> <td>2020-21 14,000</td> <td></td> <td>(Purchased on</td> <td></td> </tr> <tr> <td style="text-align: right;">-----</td> <td></td> <td>1.12.2019)</td> <td></td> </tr> <tr> <td></td> <td style="text-align: right;">66,000</td> <td>By Balance c/d</td> <td style="text-align: right;">14,600</td> </tr> <tr> <td>To Sale of old furniture (Book value of 3,000)</td> <td style="text-align: right;">3,600</td> <td></td> <td></td> </tr> <tr> <td>To Government Grants</td> <td style="text-align: right;">25,000</td> <td></td> <td></td> </tr> <tr> <td>To Interest on Investments</td> <td style="text-align: right;">4,000</td> <td></td> <td></td> </tr> <tr> <td></td> <td style="text-align: right;">1,07,600</td> <td></td> <td style="text-align: right;">1,07,600</td> </tr> </tbody> </table> <p>Additional information:</p> <p>(i)The club had 60 members, each paying an annual subscription of ₹1,000. Subscription of ₹5,000 was still in arrears for the year 2018-19.</p> <p>(ii)On 31st March, 2020 prepaid rent was ₹4,000.</p> <p>(iii)Interest was accrued on investments amounting to ₹1,000.</p> <p>(iv)The Club had machinery amounting to ₹80,000 on 1st April,2019. Depreciate machinery @ 10% p.a</p>	Receipts	₹	Payments	₹	To Balance b/d	9,000	By Rent	29,000	To Subscription:		By Investments	20,000	2018-19 10,000		By Honorarium	4,000	2019-20 52,000		By Machinery	40,000	2020-21 14,000		(Purchased on		-----		1.12.2019)			66,000	By Balance c/d	14,600	To Sale of old furniture (Book value of 3,000)	3,600			To Government Grants	25,000			To Interest on Investments	4,000				1,07,600		1,07,600	5
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	<p>Part-B (Analysis of Financial Statements)</p>																																																	
10.	<p>(i) Mutual Fund Company receives a dividend of 50 lakhs on its investments in other company's shares. It a cash flow from activity for the company. (Operating / Investing / Financing)</p> <p>(ii) Which of the following is not a part of Cash and Cash Equivalents?</p> <p>a) Calls in advance</p> <p>b) Marketable Securities</p> <p>c) Cheques in hand</p> <p>d) Cash Credit</p>	2																																																

11. Prepare a comparative statement of profit and loss from the following information:

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Particulars	31st March 2015 Rs	31st March 2014 Rs
Revenue from operations	200% of raw material consumed	175 % of raw material
Cost of material consumed	5,00,000	3,00,000
Other expenses	5% of revenue from operations	5% of revenue from operations
Rate of Income tax	50% of net profit before tax	50% of net profit before tax

OR

From the following Balance Sheet of Force Ltd, prepare a Common-size Balance Sheet:

Particulars	Note No.	31st March 2019 (Rs.)	31st March 2018 (Rs.)
I. EQUITY AND LIABILITIES			
1. Shareholder's Funds:			
(a) Share Capital		2,00,000	1,50,000
(b) Reserve and surplus		1,00,000	1,25,000
2. Current Liabilities:			
(a) Trade Payables		50,000	25,000
		<hr/>	<hr/>
		3,50,000	3,00,000
		<hr/>	<hr/>
II. ASSETS			
1. Non-Current Assets:			
(a) Fixed Assets:			
(i) Tangible Assets			
(ii) Intangible Assets			
		87,500	99,000
2. Current Assets:			
(a) Inventory		35,000	30,000
(b) Cash and Cash Equivalents			
(c) Other Current Assets		52,500	60,000
		42,000	36,000
		1,33,000	75,000
		<hr/>	<hr/>
		3,50,000	3,00,000

12. From the following Balance Sheet of Axe Ltd. as at 31st March, 2019, prepare a Cash Flow Statement.

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Axe Ltd.
Balance Sheet as at 31.3.2019

Sr. No.	Particulars	Note No.	Amount(Rs.) as at 31.3.2019	Amount(Rs.) as at 31.3.2018
	I – Equity and Liabilities :			
1.	Shareholder’s Funds :			
	(a) Share Capital		6,30,000	5,60,000
	(b) Reserves and Surplus	1	3,80,000	1,82,000
	Current Liabilities :			
2.	(a) Trade Payables		2,08,000	1,82,000
	(b) Other Current Liabilities		14,000	28,000
	Total		12,32,000	9,52,000
	II – Assets :			
	Non-Current Assets :			
1.	(a) Fixed Assets :			
	(i) Tangible Assets	2	3,92,000	2,80,000
	Current Assets :			
	(a) Inventories		1,26,000	1,82,000
2.	(b) Trade Receivables		6,30,000	4,20,000
	(c) Cash and Cash Equivalents		84,000	70,000
	Total		12,32,000	9,52,000

Notes to Accounts :

Note No.	Particulars	Amount(Rs.) as at 31.3.2019	Amount(Rs.) as at 31.3.2018
1.	Reserves and Surplus:		
	Balance in the Statement of Profit and Loss	2,00,000	1,00,000
	General Reserve	1,80,000	82,000
		3,80,000	1,82,000
2.	Tangible Assets :		
	Machinery Cost	4,50,000	3,60,000
	Accumulated Depreciation	(58,000)	(80,000)
		3,92,000	2,80,000

Additional Information:

An old machinery costing Rs.42,000, on which accumulated depreciation was Rs.28,000 was sold for Rs.56,000.