

MAX. MM:40

PRE-BOARD EXAMINATION

TIME: 2 HOURS

ACCOUNTANCY (055)

CLASS 12 -TERM- II (2022)

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.) Both the parts are compulsory for all candidates.
- 3.) Question numbers 1 to 3 and 10 are short answer type – I questions carrying 2 marks each.
- 4.) Question number 4 to 6 and 11 are short answer type – II questions carrying 3 marks each.
- 5.) Question numbers 7 to 9 and 12 are long answer type questions carrying 5 marks each.
- 6.) 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:

(Accounting for Not-For-Profit Organisations, Partnership Firms and Companies)

1. Calculate the amount of stationery to be posted to Income and Expenditure Account of Indian culture society for the year ending 31st March 2020 from the following information:

PARTICULARS	1.4.2019 (₹)	31.3.2020(₹)
Stock of stationery	10,500	9,000
Creditors for stationery	5,500	11,500

Stationery purchased during the year ended 31st March 2020 was ₹ 37,500. (2)

2. Distinguish between ‘Dissolution of Partnership’ and ‘Dissolution of Partnership Firm’ based on:

- (i) Court’s intervention
- (ii) Closure of books (2)

3. A, B and C are partners sharing profits in the ratio of 3 : 2 : 1 . Goodwill is appearing in the books at a value of ₹ 30,000. B retires and at the time of B's retirement, goodwill is valued at ₹ 42,000. A and C decided to share future profits in the ratio of 2 : 1 . Record the necessary journal entries, if goodwill is adjusted through partners' capital accounts.

(2)

4. Sambhavana Club has 1,250 members each paying an annual subscription of ₹ 100. During the year ended 31st March 2020 the club did not receive subscription from 45 members and received subscription in advance from 46 members for the year ending 31st March 2021. On 31st March 2019 the outstanding subscriptions were ₹ 10,000 and subscriptions

received in advance were ₹ 2,000. Calculate the amount of subscription that will be debited to the Receipts and Payment Account for the year ended 31st March 2020.

(3)

OR

Present the following items in the Balance Sheet of King Club as at 31st March 2020.

DETAILS	AMOUNT (₹)
Capital fund (1st April 2019)	5,40,000
Building fund (1st April 2019)	2,40,000
Donation received for Building	3,00,000
10% Building fund Investment (1st April 2019)	2,40,000
Interest received on Building fund Investments	24,000

Additional information : Expenditure on construction of building (₹) 1,80,000.

Construction work is in progress and has not been completed.

5. P, Q and R were partners in a firm sharing profits in the ratio of 5 : 4 : 1. The profit of the firm for the year ending on March 31st 2020 was ₹ 2,00,000 . Q dies on June 30th 2020. The sales during the year 2019-20 were ₹ 16,00,000 and sales from April 1st 2020 to June 30th 2020 was ₹ 3,00,000. You are required to :
- Calculate Q's share in Profit.
 - Pass journal entry to record Q' s share in profit for the intervening period in the year of death.
- (3)

6. Supreme Limited purchased buildings worth ₹ 3,00,000, machinery worth ₹ 2,80,000 and furniture worth ₹ 20,000 from Divine company and took over its liabilities of ₹ 40,000 for a purchase consideration of ₹ 6.30,000. Supreme Limited paid the purchase consideration by issuing 12% debentures of ₹ 100 each at a premium of 5%. Record necessary journal entries in the books of Supreme Limited. (3)

OR

A Lord & Company took a loan of ₹ 5,00,000 from Indian Overseas Bank and issued 10% debentures of ₹ 6,00,000 of ₹ 100 each as collateral security in addition to the principal security.

Pass necessary journal entries for the above transactions, if the company decided to record the issue of 10% debentures as collateral security and show the presentation in the Balance Sheet of the Lord & Company.

7. Give the necessary journal entries for the following transactions on dissolution of the firm of Sanghi and Sathi on 31st March 2020, after the various assets (other than cash) and the third party liabilities have been transferred to Realisation Account. They shared profits and losses in the ratio of 3 : 2.

- (i) Parmarth, an old customer whose account for ₹ 80,000 was written off as bad debt in the previous year, paid 90%.
- (ii) Creditors of ₹ 80,000, accepted furniture valued at ₹ 78,000 in full settlement of their claim.
- (iii) Land and Building was sold for ₹ 3,00,000 through a broker who charged 2 % commission.
- (iv) There were 500 shares of ₹ 40 each in Bright Limited, acquired at a cost of ₹ 22,000 and had been written off completely from the books. These shares are now valued at ₹ 50 each and divided among the partners in their profit sharing ratio.
- (v) Profit on realisation was ₹ 90,000. (5)

OR

X, Y and Z are partners. X retires on 31st March 2020. On that date the Balance Sheet shows the following balances :

Reserve Fund ₹ 60,000, Workmen's Compensation Fund ₹ 30,000, Investment Fluctuation Fund ₹ 20,000, Investments ₹ 1,00,000, Stock ₹ 16,000, Patents ₹ 12,000, Machinery ₹ 2,00,000 and Goodwill ₹ 30,000.

The following is agreed upon between the partners on X's retirement :

- (i) There is no liability on account of workmen's compensation fund.
- (ii) Reserve fund is not to be distributed.
- (iii) Investments are valued at ₹ 92,000.
- (iv) Stock is undervalued by 20%
- (v) Patents are valueless.
- (vi) Machinery is depreciated by 20%.
- (vii) Goodwill is valued at ₹ 1,20,000

Record the necessary journal entries to the above effect, assuming that Goodwill is to be adjusted through the partners' capital accounts.

8. Deity Limited has the following balances in its Balance Sheet on 31st March 2021 :

Securities Premium Reserve	35,000
Capital Reserve	10,000

On 1st April 2021 , Company issued 10,000 fresh 8% Debentures of ₹ 100 each at a premium of 5% to be redeemable at a premium of 10% after 5 years. The entire amount was payable on application. The issue was oversubscribed to the extent of 10,000 debentures and the allotment was made proportionately to all the applicants.

Use of Security Premium is restricted to as per the Section 52(2) of the Companies Act, 2013. You are required to answer the following questions:

- (i) How much amount is received by the company on application and allotment ?
- (ii) How much loss on issue of debentures is to be debited at the time of adjustment of application money and allotment of Debentures ?
- (iii) How much amount is refunded by the company ?
- (iv) Give the entry for writing off loss on issue of Debentures.
- (v) Prepare Loss on Issue of Debentures Account. (5)

9. From the following Receipt and Payment Account and additional information relating to Perfect Spots Club, prepare Income and Expenditure Account for the year ended March 31st 2020.

Receipt and Payment Account

Receipts	Amount (₹)	Payments	Amount (₹)
To Balance b/d (cash in hand)	9,000	By Balance b/d (bank overdraft)	8,000
To Members subscriptions	1,25,000	By Upkeep of field and pavilion	
To Members admission fee	7,500	By Tournament expenses	57,500
To Sale of old sports materials	1,250	By Rates and insurance	
To Hire of ground	14,000	By Telephone	20,000
To Subscription for tournament	30,000	By Postage and courier charges	5,000
To Life membership fee	10,000	By Printing and stationery	1,750
To Donations	3,00,000	By Miscellaneous expenses	2,000
		By Secretary's honorarium	
		By Grass seeds	13,000
		By Investments	2,200
		By Purchase of sports materials	15,000
		By Balance c/d	1,300
			3,00,000
			34,000
			37,000
	4,96,750		496,750

Additional Information : Assets at the beginning of the year were : Play ground ₹ 2,50,000, Stock of sports material ₹ 42,500, Printing and stationery ₹ 5,500, Subscriptions receivable ₹ 14,000. Donations are on account of tournament, to be kept in Reserve for a permanent Pavilion. Subscriptions due on March 31st 2020 were ₹ 21,000. Write off 50% of sports materials and 30% of printing and stationery. (5)

PART –B
(Analysis of Financial Statement)

- 10.** State whether the following transactions will result in inflow outflow or no flow of cash while preparing cash flow statement:
- (i) Issued ₹ 20,000 9% debentures to the vendors of machinery.

(ii) Payment of Interim Dividend of ₹ 30,000

(2)

11. From the following statement of profit and loss of Saras Company Limited, prepare comparative statement of profit and loss for the year ended March 31st 2019 and 2020:

Particulars	Note No.	2018-19 (₹)	2019-20 (₹)
Revenue from operations		8,00,000	10,00,000
Employee benefit expenses		4,00,000	5,00,000
Other expenses		1,00,000	50,000
Tax rate 40%			

(3)

OR

From the following Balance Sheet of Parag Limited as at 31st March 2019 and 31st March 2020, prepare a Common size Balance Sheet:

Particulars	31.3.2020 (₹)	31.3.2019 (₹)
I. Equity and Liabilities		
Shareholders Funds	6,00,000	5,00,000
Non-current liabilities	3,00,000	3,00,000
Current liabilities	3,50,000	2,00,000
Total	12,50,000	10,00,000
II. Assets		
Non -Current Assets	6,50,000	6,00,000
Current Assets	6,00,000	4,00,000
Total	12,50,000	10,00,000

12. From the following Balance Sheet of Alaknanda Limited, prepare Cash Flow Statement for the year ended 31st March 2020:

Particulars	Note No.	31.3.2020 (₹)	31.3.2019 (₹)
I. EQUITY AND LIABILITIES			
1. Shareholders' Funds			
(a) Share Capital		7,00,000	5,00,000
(b) Reserve and surplus (Balance in statement of profit and loss)		4,70,000	2,50,000
2. Non-current Liabilities			
Long term borrowings (8% Debentures)		4,00,000	6,00,000
3. Current Liabilities			
Trade payables		9,00,000	6,00,000
Total		24,70,000	19,50,000

II. ASSETS			
1. Non- current assets			
(a) Fixed assets		7,00,000	5,00,000
(i) Tangible (Plant)		1,70,000	2,50,000
(ii) Intangible (Goodwill)			
2. Current assets			
(a) Inventories		6,00,000	5,00,000
(b) Trade Receivables		6,00,000	4,00,000
(c) Cash and cash equivalents		4,00,000	3,00,000
Total		24,70,000	19,50,000

Additional information: Depreciation charged on plant amounted to ₹ 80,000

(5)

