

**KENDRIYA VIDYALAYA SANGATHAN  
LUCKNOW REGION  
PRE-BOARD EXAMINATION 2019-20  
CLASS XII - ACCOUNTANCY**

**TIME : 3 Hrs.**

**M.M.:-80**

**General Instructions :**

- i. This question paper contains two parts - A and B.
- ii. Both the parts are compulsory for all.
- iii. All parts of a question should be attempted at one place.
- iv. All the workings should be the part of your answer.

**PART A**

**(ACCOUNTING FOR NOT-FOR-PROFIT ORGANISATIONS, PARTNERSHIP FIRMS  
AND COMPANIES)**

1. A, B and C are partners sharing profits and losses in the ratio 6 : 3 : 3, they agreed to take D, as new partner with 1/8th Share of profits. The new profit sharing ratio will be:
  - a. 14 : 7 : 7 : 4
  - b. 1 : 1 : 1 : 1
  - c. 12 : 27 : 36 : 42
  - d. 12 : 36 : 27 : 42. (1)
2. Donation can be
  - a. General donation
  - b. Specific donation
  - c. Both a & b
  - d. None of the above. (1)
3. Goodwill is valued with a purpose to compensate \_\_\_\_\_ partner(s) by the \_\_\_\_\_ partners. (1)
4. Radhey and Shyam were partners in a firm. They wanted to admit five more members in a firm. List any two categories of individuals other than minors who cannot be admitted by them. (1)
5. The old profit sharing ratio among R ,S and T were 2:2:1. The new profit sharing after S's retirement is 3:2. The gaining ratio of R and T is
  - a. 3:2
  - b. 2:1
  - c. 1:1
  - d. 2:3 (1)

6. In case partners have guaranteed profit to a partner and deficiency of profit. The deficiency happens it is borne by
- All the partners in new profit sharing ratio
  - Remaining partners in the ratio in which they have given guarantee
  - All the partners in sacrificing ratio.
  - All the partners in old profit sharing ratio. (1)
7. Revaluation account is prepared \_\_\_\_\_ the value of assets.
- to revise
  - not to revise
  - to distribute
  - None of the above. (1)
8. Karan Ltd. issued 10,000 Debentures of 10 each. It received applications for 12,500 Debentures. This is a case of \_\_\_\_\_. (1)
9. Nivedita, a partner in a partnership firm withdrew ₹ 12,000 in the beginning of each quarter. For how many months would interest on drawings be charged? (1)
10. What rate of interest the company pays on calls-in-advance, if it has not prepared its own articles of association? (1)
11. On dissolution of firm, unrecorded liabilities when paid are shown in \_\_\_\_\_ . (1)
12. Is a retiring partner liable for firm's act after his retirement? (1)
13. State two main rights acquired by a newly admitted partner. (1)
14. Show how will you deal with the following items while preparing final accounts, for the year ending on March 31<sup>st</sup>, 2019 in each of the following alternative cases: (3)
- Prize awarded ₹ 12,000.
  - Prize awarded ₹ 12,000, Prize fund as at 31<sup>st</sup> March, 2018 ₹ 25,000
15. On 1<sup>st</sup> April, 2019 Shishir Ltd. was formed with an authorised capital of ₹ 10,00,000 divided into 1,00,000 Equity shares of ₹ 10 each. The company issued prospectus inviting applications for 90,000 Equity shares. The company received applications for 85,000 shares. During the first year, ₹ 8 per share were called. Ram holding 1,000 shares and Shyam holding 2,000 shares did not pay the first call of ₹ 2 per share. Shyam's shares were forfeited after the first call and later on 1,500 of the forfeited shares were reissued at ₹ 6 per share, ₹ 8 called-up. Show the followings.
- Share capitals in the Balance Sheet of the company as per schedule 3 part I of the Companies Act 2013.

ii. Also prepare Notes to Account for the same. (4)

16. Maanika, Bhavi and Komal are partners sharing profits in the ratio of 6:4:1. Komal is guaranteed a minimum profit of ₹ 2,00,000. The firm incurred a loss of ₹22,00,000 for the year ended 31st March,2018. Pass necessary journal entry regarding deficiency borne by Maanika and Bhavi and prepare Profit and Loss Appropriation Account. (4)

Or

The partners of a firm, Alia, Bhanu and Chand distributed the profits for the year ended 31st March, 2017, ₹ 80,000 in the ratio of 3:3:2 without providing for the following adjustments:

- a) Alia and Chand were entitled to a salary of ₹ 1,500 each p.m.  
b) Bhanu was entitled for a salary of ₹ 4,000 p.a. Pass the necessary Journal entry for the above adjustments in the books of the firm. Show working clearly. (4)

17. Hari, Mohan and Sohan were partners in a firm sharing profits in 2:2:1 ratio. The firm closes its books on 31<sup>st</sup> March every year. Mohan died on 24<sup>th</sup> August,2019. On Mohan's death, the goodwill of the firm was valued at 75,000. The partnership deed provided that on the death of a partner, his share in the profit of the firm in the year of his death will be calculated on the basis of last year's profit. The profit of the firm for the year ended 31<sup>st</sup> March, 2019 was 2,00,000.

Calculate Mohan's share of profit till the time of his death and pass necessary journal entries for the treatment of goodwill and share of profit. (4)

18. Pass the necessary journal entries for the following transactions on the dissolution of the firm of Sudha And shiva after the various Assets (other than cash) and outside liabilities have been transferred to realisation account:

- i. A debtor whose debt of ₹ 9,000 was written off in the books paid ₹ 7,500 in full settlement.  
ii. Sundry creditors ₹ 10,000 were paid at 9% discount.  
iii. Realisation expenses ₹ 3,400 were paid by Sudha for which she was allowed ₹ 3,000.  
iv. Loss on realisation 9,400 was divided between Sudha and Shiva in 3:2 ratio. (4)

19. Following is the receipt and payments account of Rohtagi Trust. (6)

Receipt and Payments account

For the year ended 31<sup>st</sup> December 2019

Receipt	Amt.	Payments	Amt.
To cash in hand	14,000	By rent	6,000
To cash at bank	60,000	By salary	12,000
To subscription:		By Postage	300
2018	5,000	By Electricity charges	6,000
2019	83,000	By furniture	20,000
2020	3,000	By books	3,000
To sale of investment	90,000	By Defence Bonds	1,50,000
To interest on investment	2,000	By help to needy students	22,000
To sale of furniture	3,200	By cash in hand	10,900
(B.V. 3,000)		By cash at bank	30,000
	2,60,200		2,60,200

**Prepare Income and Expenditure Account for the year ended 31<sup>st</sup> December, 2019 after the following adjustments.**

- i. Subscriptions for 2019 still owing were 7,000.
- ii. Interest due on defence bonds was 7,000.
- iii. Rent still owing was 1,000.
- iv. The book value of investment sold was 80,000; and 30,000 of the investment were still in hand.
- v. Subscription received in 2019 includes 400 from a life member.
- vi. The total furniture on 1<sup>st</sup> January 2019 was worth 12,000.
- vii. Salary paid for the year 2020 is 2,000.

20.

- i. Divyani Ltd. company purchased furniture of 2,20,000 from M/s K Furniture's. 50% of the amount was paid by accepting a bill of exchange and for the balance the company issued 9% Debentures of 100 each at a premium of 10% in favour of M/s K furniture. Pass necessary journal entries in the books of Divyani Ltd. for the above transaction. (3)
- ii. FB Ltd has total redeemable debentures of ₹ 5,00,000. It decides to redeem these debentures in two instalments of ₹ 3,00,000 and ₹ 2,00,000 on December 31st 2018 and March 31st 2020 respectively. Assuming that the Company has sufficient funds in Debenture Redemption Reserve Account, pass necessary journal entries for the year ending March 31st 2020. (3)

21. Mohan and Mahesh were partners in a firm sharing profits in the ratio of 3:2 on 1<sup>st</sup> April 2019 they admitted Nusrat as a partner in the firm. The Balance Sheet of Mohan and Mahesh on that date was as under

**Balance Sheet**  
As at 1<sup>st</sup> April 2019

Liabilities	Amt.	Assets	Amt.
Creditors	2,10,000	Cash in hand	1,40,000
Workmen's compensation fund	2,50,000	debtors	1,60,000
General reserve	1,60,000	stock	1,20,000
Capital A/c's		machinery	1,00,000
Mohan	1,00,000	Building	2,80,000
Mahesh	80,000		
	8,00,000		8,00,000

It was agreed that;

- i. The value of building and stock be appreciated 3,80,000 and 1,60,000 respectively.
- ii. The liability of Workmen's compensation fund was determined at 2,30,000
- iii. Nusrat brought in her share of goodwill 1,00,000 in cash.
- iv. Nusrat was to bring further cash as would make her capital equal to 20% of the combined capital of Mohan and Mahesh after above revaluation and adjustment are carried out.
- v. The future profit sharing ratio between Mohan, Mahesh and Nusrat will be 2:2:1.

Prepare revaluation account, partner's capital accounts and balance sheet of the new firm. (8)

Or

X, Y and Z were partners in a firm sharing profits in the ratio of 5:3:2. On 31<sup>st</sup> March 2019 their Balance Sheet was as follows:

**Balance Sheet**  
As at 31<sup>st</sup> March 2019

Liabilities	Amt.	Assets	Amt.
Creditors	21,000	Land & building	62,000
Investment fluctuation fund	10,000	Debtors 40,000	37,000
		Less: prov. 3,000	
P/L A/c	40,000	stock	15,000
Capital A/c's		machinery	12,000

X	50,000	Motor vans	20,000
Y	40,000	Investments	19,000
Z	20,000	Cash	16,000
	1,81,000		1,81,000

On the above date, Y retired and X and Z agreed to continue the business on the following terms:

- i. Goodwill of the firm be valued at 51,000.
- ii. There was a claim of 4,000 for Workmen's compensation.
- iii. Provision for Bad debts was to be reduced to 1,000.
- iv. Y will be paid 8,200 in cash and the balance will be transferred to in his loan account which will be paid in four equal yearly instalments together with interest @ 10% p.a.
- v. The new profit sharing ratio between X and Z will be 3:2 and their capitals will be in their new profit sharing ratio. The capital adjustments will be done by opening current accounts.

Prepare revaluation account, partner's capital accounts and balance sheet of the new firm. (8)

22. Sangam Ltd. invited applications for issuing 80,000 shares of ₹ 100 each at a premium of ₹ 20. The amount was payable as follows

On application ₹ 20 per share; on allotment ₹ 60 per share (including premium) and balance on first and final call.

Applications for 1,20,000 shares were received. Allotment was made on pro-rata basis to all the applicants. Excess money received on applications was adjusted on sums due to allotment. Sitaram who had applied for 6,000 shares failed to pay the allotment money and Harnam did not pay the first and final call on 800 shares allotted to him. The shares of Sitaram and Harnam were forfeited. 4,200 of these shares were reissued for ₹ 100 per share as fully paid-up. The re-issued shares includes all the forfeited shares of Harnam. Pass necessary journal entries in the books of sangam ltd. (8)

Or

- a. X Ltd. forfeited 10 shares of ₹ 10 each, ₹ 7 called up on which the shareholder had paid application and allotment money of ₹ 5 per share. Out of these, 8 shares were re-issued to Y for ₹8 per share at ₹ 8 per paid up per share. Record the journal entries for forfeiture and reissue of shares by opening call in arrear, call in advance account. (3)
- b. L Ltd forfeited Mr M's shares who has applied for 600 shares and was allotted 400 shares failed to pay allotment money of ₹ 4 per share

including premium of ₹ 2 on which he had paid application money of ₹ 2 only. Pass necessary journal entries for forfeiture of shares by opening call in arrear, call in advance account. (2)

- c. Crown Ltd forfeited 50 shares of ₹ 10 each, for non- payment of final call money of ₹ 3 per share. Out of these 20 shares were reissued to Taj at ₹ 8 per share. Record the journal entries for forfeiture and reissue of shares assuming that the company maintains call in arrear, call in advance account. (3)

## PART B

### (FINANCIAL STATEMENT ANALYSIS)

23. Which of the following activity is an example of cash inflow? (1)
- Cash sales of goods.
  - Cash purchase of goods.
  - Cash paid to creditors.
  - Income tax paid.
24. While preparing cash flow statement, Dev Ltd. a company engages in the business of financing has shown interest earned under investing activity. Is the treatment correct? (1)
25. Current ratio of a company is 2:1. Company sold goods worth ₹ 50,000 for cash it will.. (1)
- Improve the ratio.
  - Reduce the ratio.
  - No change.
  - None of the above.
26. Debt Equity Ratio of a company is 1:2. Purchase of a Fixed asset for ₹ 5,00,000 on long term deferred payment basis will increase, decrease or not change the ratio? (1)
27. The most commonly used tools for financial analysis are (1)
- Horizontal analysis.
  - Vertical analysis.
  - Ratio analysis.
  - All off the above.
28. The ..... Ratio is primarily measures of return. (1)
- Liquidity.
  - Activity.
  - Debt.

d. Profitability.

29. External users of financial statements are (1)
- Banks.
  - Suppliers,
  - Both (a) and (b).
  - Directors of the company.

30. From the following details calculate Interest Coverage Ratio: (3)
- Net profit after tax - ₹ 7,00,000  
6% debentures of ₹ 20,00,000  
Tax Rate 30%

Or

Under which major heads and sub-heads will the following items be placed in the Balance Sheet of the company as per Schedule III, Part I of the Companies Act, 2013? (3)

- Debentures with maturity period in current financial year
- Securities Premium Reserve
- Provident Fund

31. Following information is extracted from the Statement of Profit and Loss of Jigyasha Finance Ltd. For the year ended 31st March 2018 and 31st March 2019. Fill in the missing figures.

Comparative Statement of Profit and Loss  
for the years ended 31st March 2018 and 31st March 2019

(4)

Particulars	2017-18 (₹)	2018-19 (₹)	Absolute Increase/ Decrease (₹)	Percentage Increase/ Decrease (%)
Revenue from operation	20,00,000	?	4,00,000	20%
Other Income	?	1,20,000	?	20%
Total Revenue	?	25,20,000	?	20%
Less: Employee Benefit expenses	1,00,000	1,20,000	20,000	?
Profit before tax	20,00,000	24,00,000	4,00,000	?
Less : Tax 50%	10,00,000	12,00,000	2,00,000	?
Profit after tax	10,00,000	12,00,000	2,00,000	20%

Or



From the following Balance Sheet of Jai Ltd. Prepare a Common Size Statement.

(4)

**Balance Sheet As at 31<sup>st</sup> March 2019**

Particular	Note No.	31.03.2019 (₹)	31.03.2018 (₹)
<b>I.EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital		2,50,000	2,00,000
(b) Reserves and Surplus:		80,000	60,000
<b>2. Non-Current Liabilities</b>			
<b>3. Current Liabilities</b>			
(a) Trade Payables (creditors)		70,000	40,000
<b>Total</b>		<b><u>4,00,000</u></b>	<b><u>3,00,000</u></b>
<b>II.ASSETS</b>			
<b>1. Non-Current Assets</b>			
<b>(a) Fixed Assets</b>			
i. Tangible Assets		1,60,000	1,20,000
ii. Intangible Assets		20,000	30,000
<b>2. Current Assets</b>			
(a) Inventories (Stock)		80,000	30,000
(b) Trade Receivables		1,20,000	1,00,000
(c) Cash and cash Equivalents:		20,000	20,000
<b>Total</b>		<b><u>4,00,000</u></b>	<b><u>3,00,000</u></b>

32. From the following Balance Sheets of Naman Ltd. prepare a cash flow statement as per AS-3 (Revised)

Particular	Note No.	31.03.2019 (₹)	31.03.2018 (₹)
<b>I.EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital		6,30,000	5,60,000
(b) Reserves and Surplus:			
Statement of Profit and loss		3,08,000	1,82,000
<b>2. Current Liabilities</b>			
(a) Trade Payables (creditors)		2,80,000	1,82,000

<b>Total</b>		<b><u>12,18,000</u></b>	<b><u>9,24,000</u></b>
<b>II.ASSETS</b>			
<b>1. Non-Current Assets</b>			
(a) Fixed Assets(Tangible)		3,92,000	2,80,000
<b>2. Current Assets</b>			
(a) Inventories (Stock)		98,000	1,40,000
(b) Trade Receivables -Debtors		6,30,000	4,20,000
(c) Cash and cash Equivalents:		98,000	84,000
<b>Total</b>		<b><u>12,18,000</u></b>	<b><u>9,24,000</u></b>

Additional Information:

- (i) An old Machinery having book value of ₹ 42,000 was sold for (₹) 56,000  
(ii) Depreciation provided on machinery during the year was (₹) 28,000      **(6)**