



MAITRI VIDYA NIKETAN, EMSSS, RISALI, BHILAI
MODEL EXAMINATION (2022-23)
CLASS XII ACCOUNTANCY(055)

Time: 3 Hours

Maximum Marks: 80

General Instructions:

1. This question paper contains 34 questions. All questions are compulsory.
2. This question paper is divided into two parts, Part A and B.
3. Part - A is from Accounting for Partnership Firms and Companies
4. Part - B is related to Analysis of Financial Statements
5. Question 1 to 16 and 27 to 30 carries 1 mark each.
6. Questions 17 to 20, 31 and 32 carries 3 marks each.
7. Questions from 21, 22 and 33 carries 4 marks each
8. Questions from 23 to 26 and 34 carries 6 marks each

PART A

(Accounting for Partnership Firms and Companies)

1. W, X and Y are partners sharing profits in 3:2:1. They agreed to admit Z into the firm. W, X and Y agreed to give $\frac{1}{3}$ rd, $\frac{1}{6}$ th, $\frac{1}{9}$ th share of their profit. The share of profit of Z will be:
(a) $\frac{1}{11}$ (b) $\frac{13}{48}$ (c) $\frac{11}{35}$ (d) $\frac{13}{54}$
2. Assertion: Ram spends thrice the time that Yami devoted to business. Ram claims that he should get salary of Rs.5,000/- p.m. for extra time spent.
Reason: As there is no partnership deed Partnership Act 1932 applies and as per the Act partners will not be allowed any salary or remuneration.
(A) Both A and R true and R is the correct explanation of A.
(B) Both A and R are true but R is not the correct explanation of A
(C) A is true and R is false
(D) A is false and R is true
3. Aim Ltd wants to issue 10,000, 8% debentures of Rs 100 each at a discount. The Companies Act 2013, has specified the maximum amount of discount that can be allowed on issue of debenture is -----
a. 80,000. b. 10,000. c. 25,000. d. maximum discount not specified
4. The Net profits of Kamini were Rs. 20,000. Gulafsa the manager was to be given the commission of Rs 6,000; the distribution of profits will be done as:
(A) Rs. 10,000 to each. (B) Rs. 7,000 to each.
(C) Rs. 13,000 to each. (D) None of the above
5. X, Y and Z are partners in a firm. At the time of division of profit for the year there was dispute between the partners. Profit before interest on partner's capital was Rs. 6,00,000 and Z demanded minimum profit of Rs. 5,00,000 as his financial position was not good. However, there was no written agreement on this point. How will the profit be distributed?
(a) Other partners will pay Z the minimum profit and will share the loss equally
(b) Other partners will pay Z the minimum profit and will share the loss in capital ratio.
(c) X and Y will take Rs. 50,000 each and Z will take Rs. 5,00,000.
(d) Rs. 2,00,000 to each of the partners.
6. Raj Ltd purchased assets of Rs 9,90,000 from Y Ltd. Payment was made by issuing 8% debentures of Rs 100 at a discount of 10%. Discount on issue of debenture A/c will be debited with—
a. Rs 1,10,000 b. Rs 90,000 c. Rs 99,000 d. Rs 10,000
7. A company issued 4,000 equity shares of rupees 10 each at par payable as under: On application Rs.3, on allotment Rs.2; on first call Rs.4 and on final call Rs. 1 per share. Applicants were received for 16,000 shares. Application for 6,000 shares were rejected and pro-rata allotment was made to the applicants for 10,000 shares. How much amount will be received in cash on first call, when excess application money is adjusted towards amount due on allotments and calls :

(a) Rs.6,000 (b) nil (c) Rs.16,000 (d) Rs.10,000

8. A, B and C were partners in a firm sharing profit and losses in the ratio of 2:2:1. The capital balance are Rs. 50,000 for A, Rs. 70,000 for B, Rs. 35,000 for C. B decided to retire from the firm and balance in reserve on the date was Rs. 25,000. If goodwill of the firm was valued at Rs. 30,000 and profit on revaluation was Rs. 7,500, then, what amount will be payable to B?

a) Rs. 70,820 (b) Rs. 76,000 (c) Rs. 75,000 (d) Rs. 95,000 OR

P, Q, and R are partners in 6 : 4 : 2. R is guaranteed that his share of profit will not be less than rs.70,000. Any deficiency will be borne by P and Q in the ratio of 4 : 2. Firm's profit was rs.2,40,000. Share of P will be :

(A) Rs.1,00,000 (B) Rs.1,10,000 (C) Rs.1,20,000 (D) Rs.1,02,000

Read the following hypothetical situation, Answer Question No. 9 and 10

Abhishek and Aishwarya were partners in a fast food corner. They sold fast food items across the counter and did home delivery too. For this purpose they needed a delivery van, a few scooters and an additional person to support. Their initial fixed capital contribution was 3,50,000 and 2,00,000 respectively. Abhishek spends twice time that of Aishwarya to the business. He wants a salary of Rs. 10,000 per month for extra time spend by him. Aishwarya has advanced 1,00,000 to the firm and want 6% interest per annum. They both have withdrawn 20,000 from the business for personal use for which Abhishek was asking to interest on drawing @ 5% to the business. They earned annual profit of Rs. 2,00,000.

9. Profit shared by Abhishek and Aishwarya are :

(B) 1,00,000 each (B) Equally
C) 50,000 each D) None of these

10. "Aishwarya has advanced 1,00,000 to the firm and want 6% interest per annum", interest received by Aishwarya on advances will be :

(C) 6,000 (B) 7,000 (C) 8,000 (D) 9,000

11. Shalu, Shan & Julie are partners sharing profits in the ratio of 6 : 4 : 1. Julie is guaranteed a minimum profit of Rs. 20,000. The firm incurred a loss of Rs. 2,20,000 for the year ended 31st March, 2021. What amount of deficiency will be borne by Shalu and Shan.

(D) Rs. 10,000 each.
(E) Rs. 20,000 each.
(F) Rs. 24,000 by Shalu & Rs. 16,000 by Shan. (D) Rs. 12,000 by Shalu & Rs. 8,000 by Shan.

12. A company forfeited 3,000 shares of Rs.10 each (which were issued at par) held by Kishore for non-payment of allotment money of Rs.5 per share. The called up value per share was Rs.8. On forfeiture, the amount debited to share capital:

(a) Rs.30,000
(b) Rs.24,000
(c) Rs.15,000
(d) Rs.6,000

13. Balance of Forfeited Shares Account after reissue of forfeited shares is transferred to :

(a) Profit & Loss A/c (b) Capital Reserve Account

(c)General Reserve Account (d)None of these

14 .A and S are partners sharing profits in the ratio of 3:2. They admit B for 1/4th share who contributed Rs.30,000 for his share of goodwill. The total value of goodwill of the firm will be:

- (a) Rs.1,50,000 (b) Rs.1,20,000
(c) Rs.1,00,000 (d) Rs.1,60,000

15.A partner withdrew Rs. 4,000 per month from 1st July, 2016, on beginning of every month. Accounts are closed at 31st March, 2017. Calculate interest on drawings while rate of interest is 10% per annum.

(G) Rs. 1,600 (B) Rs. 1,800 (C) Rs. 1,500 (D) Rs. 2,200

16.In case of dissolution A one of the partner was paid only RS5000 for his loan to the firm which amounted to Rs5500. Rs 500 will be recorded in which account and on which side: A. Realisation account credit side correct

B. Realisation account debit side

C. loan account debit side

D. All the above

Q17.Ajay, Bhawna and Q2 A,B and C are partners distributed the profits for the year ended 31st March 2020 Rs 80000 in the ratio of 3:3:2 without providing for the following adjustments:

(3)

- a. A and C were entitled to a salary of Rs 1500p.m.
b. B was entitled for commission of Rs 4000 p.a.

Pass necessary adjustment entries.

Q18.The firm had assets of Rs 3000000 and liabilities of Rs 2400000.The normal rate of return of the firm is 10% p.a.Goodwill of the firm is valued at Rs 36000 which is four times the super profit of the firm.Calculate the average profit of the firm. (4)

Q19 Pass necessary Journal entries for 'issue of Debentures' for the following: (4)

- (i) Jiva Ltd issued 750, 12% debentures of Rs 100 each at a discount of 10% redeemable at a premium of 5%.
(ii) Sonu Ltd issued 800, 9% debentures of Rs 100 each at a premium of Rs 20 per debenture redeemable at a premium of Rs 10 per debenture.

Q5. Aman, Sumit and Nirav were partners in a firm sharing profits in the ratio of 2:2:1. On 31st March 2020, their Balance Sheet was as follows :-

Liabilities	Rs.	Assets	Rs.
Creditors	300000	Bank	150000
General Reserve	150000	Stock	150000
Capital A/c.		Debtors	200000
Aman 200000		Land and Building	450000
Sumit 200000			
Nirav <u>100000</u>			
	500000		
	950000		950000

Sumit died on 30th June, 2019. The Partnership Deep provided for following on the death of a partner.

- i) Goodwill of the firm was to be valued at 2 years' purchase of the average profit of last 5 years. The profits for the year ended 31st March 2016, 31st March 2017, 31st March 2018 and 31st March 2019 were Rs. 40000, Rs. 60000, Rs. 120000 and Rs. 180000 respectively. Loss for the year ended 31st March 2020 was Rs. 150000. ii)

Sumit's share in the profit or loss till the date of his death was to be calculated on the basis of the profit or loss for the year ended 31st March 2020. Profit for the year was Rs 500000.

(iii) Interest on Capital @ 12% p.a.

Prepare Sumit's Capital Account at the time of his death to be presented to his executor. (4)

Q6. X, Y and Z were partners in a firm sharing profits in the ratio of 4:1:5 on 31st March 2020 was as follows :-

Liabilities	Rs.	Assets	Rs.
Capital A/c.		Building	300000
X 140000		Machinery	40000
Y <u>60000</u>	300000	Furniture	13200
Z <u>100000</u>		Stock	10800
General Reserve	14000	Debtors 27400	26600
Bank Loan	43400	Less : Provision <u>800</u>	
Sundry Creditors	38000	Cash at Bank	4800
	395400		395400

Following was agreed upon

- Debtors realized Rs. 27000. Building realized Rs. 290000.
- Furniture was taken over by X for Rs 7900.
- Z took over 50% of the machinery at 5% less than the book value and remaining was sold at 50% profit
- Sundry Creditors were paid at 5% discount.
- Realisation Expenses amounted to Rs. 700. paid by Z.
- Bank loan was paid with interest Rs 950.

Prepare Realisation Account and Partner's Capital A/c

(6)

Q8.. R and S are partners in a firm sharing profits in the ratio of 3:1. Their Balance Sheet as on 31st March 2020 was as follows :-

(6)

Balance Sheet of R and S (as on 31st March 2020)

Liabilities	Rs.	Assets	Rs.
Sundry Creditors Bills	50000	Cash	90000
Payable	30000	Debtors	80000
Capital A/c.		Stock	140000
R 400000		Furniture	60000
S <u>100000</u>		Machinery	210000
	500000		
	580000		580000

On 1st April, 2019, T was admitted for 3/8th share in the profits on the following terms :-

- T will bring Rs. 210000 as his capital and Rs. 50000 as his share of goodwill premium.
- Provision for doubtful debts will be maintained at 5% on debtors.
- Stock was revalued at 2,10,000, furniture by Rs 5000 and machinery by 10%.

Prepare Revaluation A/c, Partners' Capital A/C and Balance Sheet.

OR

Q .The Balance Sheet of X, Y and Z sharing profits and losses in the ratio of 3:2:1as at 31st March 2020 is given below :-

Balance Sheet of X, Y & Z (as at 31st March 2020)

Liabilities	Rs.	Assets	Rs.
Sundry Creditors	126000	Bank	41000
Provident Fund	30000	Debtors	300000
General Reserve Capital	90000	Less : Provision	<u>10000</u>
A/c.		Stock	250000
X	400000	Investments	100000
Y	365000	Machinery	480000
Z	<u>200000</u>	Patents	50000
	1211000		1211000

Z retired on the above date and its was agreed that :-

- Debtors of Rs. 6000 will be written off as bad debts and a provision of 5% on debtors for doubtful debts will be maintained.
- Patents will be reduced by 20% and machinery will be reduced by 10%.
- Goodwill of the firm on Z's retirement was valued at Rs. 270000.
- Z took over investment for Rs 158000.
- Liability on account of Provident fund was estimated at Rs 24000.

Prepare Revaluation A/c, Partners' Capital A/C and Balance Sheet.

Q9. Sree Ltd. issued 120000 shares of Rs 10 each at a premium of Rs 2 per share payable as Rs 2 on Application, Rs 5 on Allotment (including premium), and balance on final call. Applications were received for 150000 shares. Allotment was made on prorata basis against allotment. Shubham who applied for 3000 shares failed to pay allotment money and final call money, Sudhir who was allotted 2400 shares failed to pay final call money .Shares of both were forfeited and reissued at Rs 9 per

share.Pass necessary Journal entries.

(8)

OR

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

- X Ltd. Forfeited 30 shares of Rs. 10 each, Rs. 8 called-up on which the shareholder had paid application and allotment money of Rs. 6 per share. Amount not received on call is transferred to Calls-in-Arrears Account. Out of these, 25 shares were reissued Rs. 8 per share paid-up for Rs. 7 per share.
- W Ltd. Forfeited 80 shares of Rs. 10 each, Rs. 8 called-up issued at a premium of Rs. 2 per share to 'A' for non-payment of allotment money of Rs. 5 per share (including premium). Out of these, 70 shares were reissued to 'S' for Rs. 8 called-up for Rs. 11 per share.
- D Ltd. Forfeited 400 shares of Rs. 100 each issued at Rs 10 premium (to be paid at the time of allotment) for non-payment of first call of Rs. 20 per share. The second and final call of Rs. 20 per share was not yet made. 300 of these shares were reissued at Rs. 80 paid-up for Rs.
- PART -B**

Q10.From the information given below, prepare Comparative Statement of Profit and Loss :- (4)

Particulars	31 st March 2020	31 st March 2019
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*Revenue from Operations	Rs. 4000000	Rs. 2500000
*EmployeeBenefitExpenses	10% of Revenue from Operations	10% of Revenue from Operations
*Other Expenses	Rs. 600000	Rs. 500000
*Income Tax	40%	40%

PART – B Analysis of Financial Statements

Q27.11% Debentures redeemable within 12 months of the date of balance sheet will be shown under:

- (a) Short term borrowings (b) Short terms provisions
(c) Other current liability (d) Trade payables **OR**

Net Profit can be greater than Operating Profit when:

- (a) Cost of Revenue from Operations is more than Operating Expenses
(b) Operating Expenses are more than Non-operating Expenses
(c) Non-operating Expenses are more than Non-operating Income
(D) Non-operating Expenses are less than Non-operating Income

Q 28. From the following information, Calculate Return on Investment: Net Profit after Interest and Tax Rs. 4,50,000, 10% Debentures 15,00,000 Tax

@ 10% Capital employed Rs.26,00,000 (

- A) 17.31% (B) 25% (C) 15.85% (D) 10.98%

Q29. If the amount of goodwill is ₹40,000 at the beginning of a year and ₹48,000 at the end of that year then while preparing cash flow statement its effect on cash flow will be :

- B) Cash used (Payment) in Investing Activities ₹8,000 (B) Cash received from operating activities ₹8,000
(C) Cash used (Payment) from Operating Activities ₹8,000 (D) Cash used (Payment) from Financial Activities ₹8,000

OR

XY Ltd. Has balance in Provision for Tax Account of Rs 1,00,000 and Rs 1,50,000 as on 31st March, 2019 and 2020 respectively. It made a provision for tax during the year of Rs 1,30,000. The amount of tax paid during the year was

- A. Rs 1,00,000 B. Rs 1,20,000
C. Rs 80,000 D. Rs 1,50,000

30. From the following information, the net amount of Cash Flow from Financing Activities:

	1st April,	31st March,
	2018 (₹)	2019 (₹)
Long-term Loan	2,00,000	2,50,000

During the year, the company repaid a loan of ₹1,00,000.

- a) ₹ 50,000 b) ₹ 1,00,000 c) ₹ 90,000 d) ₹ 1,12,000

Under which major headings and sub-headings will the following items be shown in the balance sheet of a company as per schedule III part I of the companies Act, 2013;

Q33 (a) The net profit after interest and tax of a company was Rs. 1,20,000; Rate of income tax is 40%. The company has 10% debentures of Rs. 1,00,000. Calculate interest coverage ratio.

(b) From the following information related to a company calculate inventory turnover ratio : Opening inventory Rs. 20,000; Closing inventory Rs. 22,000; Purchases Rs. 80,000; Wages Rs. 9,000; Carriage outwards Rs. 2,000; Returns outwards Rs. 1,000; Revenue from operations Rs. 80,000; Carriage inwards Rs. 4,000; Rent Rs. 5,000.

Or. . (a) Current liabilities of a company are Rs 75000, if current ratio is 4:1 and liquid ratio is 1:1, Calculate value of current assets, liquid assets and inventory.

(b) Rs 240000 is the cost of revenue from operations, Inventory turnover 8 times; Inventory in the beginning is 1.5 times more than the inventory at the end, Calculate the values of opening and closing inventory.

(4)

Q34. You are required to prepare Cash Flow Statement [as per AS-3 for the year ended 31st March 2020 from the following Balance Sheet :-

Balance Sheet of Ashley Ltd.
(as at 31st March 2019)

Particulars	Note No.	31 st March 2020 (Rs.)	31 st March 2019 (Rs.)
I. EQUITY & LIABILITIES			
1. Shareholders' Funds			
(a) Share Capital (Equity Share Capital)		450000	350000
(b) Reserves & Surplus (Statement of Profit and Loss)		125000	50000
2. Non-Current Liabilities			
Long-term Borrowing (12% Debentures)		225000	175000
3. Current Liabilities			
(a) Short-term Borrowing (Bank Overdraft)		75000	37500
(b) Short-term Provisions		100000	62500
	1		
Total		975000	675000
II. ASSETS			
1. Non-Current Assets			
Fixed Assets :			
a) Tangible Assets	2	732500	452500
b) Intangible Assets (Goodwill)		50000	75000
c) Non current Investment		75000	50000
2. Current Assets			
a) Current Investment		20000	35000
b) Inventories		61000	36000
c) Cash and Bank Balance (Cash at Bank)		36500	26500
Total		975000	675000

Note to Accounts

Particulars	31 st March 2020 (Rs.)	31 st March 2019 (Rs.)

1. Short-term Provisions		
Proposed Dividend	100000	62500
2. Tangible Assets		
Plant and Machinery	837500	522500
Less : Accumulated Depreciation	(105000)	(70000)

Additional Information :-

- i) Rs 50000,12% debentures were issued on 31.3.2020
- ii) During the year a part of the machine, costing Rs. 40000, accumulated depreciation thereon being Rs. 20000, was sold at a loss of Rs. 5000. (6) -----

