CBSE XII – 2011
Subject – Accountancy

Time Allowed: 3 hours **M.M.:80**

PART-A
PARTNERSHIP AND COMPANY ACCOUNTS

1. The final accounts of a 'Not-for-profit organisation'consist of……………………….. (1)
2. Differentiate between Fixed Capital and Fluctuating capital account (1)
3. A and B are partners sharing profits in 5:3 ratio admitted C for 1/10 share which he acquired equally for A and B. Calculate new profit sharing ratio? (1)
4. Divyam withdrew Rs. 10,00,000 during the year for personal use. Calculate average period and the interest on drawings. If interest is to be charged on drawings @ 8% per annum. (1)
5. Interest on calls-in-arrears and calls in advance is charged/Allowed according to "Table A" at………………… , ………………………… (1)
6. Extracts of Receipt and Payment Account for the year ended March 31, 2010 are given below:Receipt

Subscriptions	(Rs.)
2008-09	2,500
2009-10	26,750
2010-11	1,000
	30,250

Additional Information:
Total number of members: 230. Annual membership fee: Rs. 125.
Subscriptions outstandings on April 1, 2009: Rs. 2,750.
Prepare a statement showing all relevant items of subscriptions viz., income, advance, outstandings, etc.: (3)

7. Kumar Ltd purchases assets of Rs.6,30,000 from Bhanu Oil Ltd. Kumar Ltd. issued equity share of Rs.100 each fully paid in consideration. What journal entries will be made, if the share are issued, (a) at par, (b) at discount of 10 % and (c) at premium of 20%. (3)
8. X, Y and Z are partner sharing profits in the ratio of 4:3:2. X dies on 31st May 1999. The sales and profit during 1998 were Rs. 1,20,000 and Rs. 30,000 respectively. Sale from 1st January1999 to 31st May 1999 amounted to Rs. 20,000. Calculate X share of profit till the date of death with the help of appropriate method. (3)
9. A firm's profits during 2008, 2009, 2010 and 2011 were Rs. 16,000; Rs. 20,000; Rs. 24,000 and Rs. 32,000 respectively. The firm has capital investment of Rs. 1,00,000. A fair rate of return on investment is 18% p.a. Compute goodwill based on three years' purchase of the average super profits for the last four years (4)
10. Sahil, Pankaj and Rahul are partners sharing profits in the ratio of 4 : 3 : 3. After all adjustments, on Sahil's retirement with respect to general reserve, goodwill and revaluation etc., the balances in their capital accounts stood at Rs. 70,000, Rs. 60,000 and Rs. 50,000 respectively. It was decided that the amount payable to Sahil will be brought by Pankaj and Rahul in such a way as to make their capitals proportionate to their profit

sharing ratio. Calculate the amount to be brought by Pankaj and Rahul and record necessary journal entries for the same. Also record necessary entry for payment to Sahil. After Sahil's retirement, the new profit sharing ratio between Pankaj and Rahul is 3 : 3, i.e. 1 : 1. (4)

11. X Limited has an authorise capital of Rs. 10,00,000 divided into equity shares of Rs. 10 each. The company invited applications for 50,000 shares. Applications for 40,000 shares were received. All calls were made and were duly received except the final call of Rs. 2 per share on 1000 shares. 500 of the shares on which the final call was not received were forfeited. Show how Share Capital will appear in the Balance Sheet of the company as per Schedule VI Part - I of the Companies Act. 1956? (4)
12. A) XYZ Ltd. issued 200, 15% debentures of Rs.100 each on January 01, 2002 at discount of 10% redeemable at premium of 10% out of profits. Give journal entries at the time of issue and redemption of debentures if debentures are to be redeemed in lump sum at the end of 4th year. The directors decided to transfer the minimum amount to Debenture Redemption Reserve on December, 31 2002 (3)
    B) Describe the various methods of treating goodwill in the books of accounts of a partnership concern at the time of admission of a new partner with illustration (3)
13. The following is the Receipts &payments Account of the Social Club in respect of the year ended 31-3-99.

RECEIPTS		Rs	PAYMENTS	Rs
To balance of cash on 1- 4-98		10,250	By salaries	20,800
			By stationery	4,000
To subscriptions			By rates	6,000
1997-98	450		By telephone	1,000
1998-99	21, 100		By Investments	12,500
1999-2000	750	22,300	By sundry expenses	9.500
To profit on Sports Meet		15,500	By balance of Cash on	4250
To Income from Investment		10,000		
		58,050		58,050

The following additional information is provided to you.

1.There are 450 members each paying an annual subscription of Rs 50: Rs. 500 were in arrears for 1997-98 as on 1-4-1998.

2. On 31-3-99, the rates were prepaid to 30 june 1999, the rates paid every year being Rs. 6,000.

3.There is an outstanding telephone bill for Rs.350 on 31-3-99.

4.Outstanding sundry expenses as on 31-3-98 totalled Rs.700.

5.Stock of stationery on 31-3-98 was Rs.500,on 31-3-99 was Rs.900.

6.On 31-3-98 ,building stood in the books at Rs. 1,00,000 and it was subject to depreciation at 5% p.a.

7.Investments on 31st March,1998 stood at Rs. 2,00,000. (6)

14 Ram Shyam and Mohan was partner in a firm sharing profits and losses in the ratio of 5:3:2. Due to difference opinion, they decide to dissolve the partnership with effect from 1st April 2010, on which date the firm's Balance sheet was as under:

Liabilities	Rs.	Assets	Rs.
Capital accounts		Plant and Machinery	80,000
- Ram 60,000		Furniture and Fixture	45,000
- Shyam 40,000		Motor Car	25,000
- Mohan 30,000	1,30,000	Stock in Trade	30,000
Current accounts		Sundry Debtors	71,000
- Ram 8,000		Cash at Bank	14,000
- Shyam 10,000	18,000	Mohans Current account	3,000
Sundry Creditors	1,20,000		
	2,68,000		2,68,000

The following information is given:

i) Plant costing Rs. 40,000 was taken over by Ram at a agreed valuation of Rs. 45,000 and the remaining machinery realized Rs. 50,200.
ii) Furniture and Fixture realized Rs.40,000
iii) Motor Car was taken over by Shyam for Rs. 30,000
iv) Sundry debtors included bad debts of Rs. 1,200 and the rest were realized subject, to cash discount of 10%.
v) Stock worth Rs. 5,000 was taken over by Mohan and the rest realized at 20% above the book value
vi) The creditor for Rs. 2,000 was untraceable and rest of the creditors accepted payment allowing 15% discount.
vii) Realization expenses Rs. 5,000.

You are required to show the realization account the capital account of partner on the dissolution, showing final payment to them. (6)

15. Journalise the following transaction in the books Bhushan Oil Ltd: (8)

(a) 200 shares of Rs.100 each issued at a discount of Rs.10 were forfeited for the non payment of allotment money of Rs.50 per share. The first and final call of Rs.20 per share on these share were not made. The forfeited share were reissued at Rs.70 per share as fully paid-up.

(b) 150 shares of Rs.10 each issued at a premium of Rs.4 per share payable with allotment were forfeited for non-payment of allotment money of Rs.8 per share including premium. The first and final call of Rs.4 per share were not made. The forfeited share were reissued at Rs.15 per share fully paid-up.

(c) 400 share of Rs.50 each issued at par were forfeited for non-payment of final call of Rs.10 per share. These share were reissued at Rs.45 per share fully paid-up.

OR

Prince Limited issued a prospectus inviting applications for 2,00,000 equity shares of Rs.10 each at a premium of Rs.3 per share payable as follows :

With Application Rs.2

On Allotment (including premium) Rs.5

On First Call Rs.3

On Second Call Rs.3
Applications were received for 30,000 shares and allotment was made on prorate basis. Money overpaid on applications was adjusted to the amount due on allotment. Mr. 'Mohit' whom 400 shares were allotted, failed to pay the allotment money and the first call, and her shares were forfeited after the first call. Mr. 'Joly', whom 600 shares were allotted, failed to pay for the two calls and hence, his shares were forfeited. Of the shares forfeited, 800 shares were reissued to Supriya as fully paid for Rs.9 per share, the whole of Mr. Mohit's shares being included. Record journal entries in the books of the Company and prepare the Balance Sheet. (8)

16. Ajay and Vijay are in partnership sharing profits in the proportion of 3/15 and 2/15 respectively. Their balance sheet is as follows:

Liabilities		Rs.	Assets		Rs.
Capital:			Cash		650
Ajay	2000		Debtors	1000	
Vijay	1000		Less: Reserve	400	
		3000			600
Creditors		400	Stock		1,500
			Plant		650
		3,400			3,400

They decided to admit Pardeep to 1/3 share upon terms that he is to pay into the business Rs. 1,000 as goodwill and sufficient capital to give him 1/3 share of the total capital of the new firm. It was agreed that the Reserve for Bad debts be reduced to Rs. 100. That the stock be revalued at Rs. 2,000 and that the plant be reduced to Rs. 500.
Show the balance sheet of the new partnership (8)

OR

A,B,C sharing profit and loses in the ratio of 3:2:1 respectively. On 31st Dec 1991 The B\S of the firm stood as follows:

Liabilities			Assets	
S . Creditors		13,590	Cash	5,900
Capital Accounts :			Debtors	8,000
A	15,000		Stock	11,690
B	10.000		Building	23,000
C	10,000			
		35,000		
		48,590		48,590

B retired on the above mentioned date on the following terms :

a) Building be appreciated by Rs. 7,000.
b) Provision for bad debts be made at 5% on debtors.
c) Goodwill of the firm be valued at Rs. 9,000 and adjustment in this respect be made without raising Goodwill account.
d) Rs.5,000 be paid immediately and the balance transferred to his loan account carrying interest @6 % p.a

Pass journal entries and show B\S after B's retirement

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PART-B
ANALYSIS OF FINANCIAL STATEMENTS

16. From the following information, calculate cash flows from financing activities:

	(Rs.) 1-4-2010	(Rs.)1-4-2011
Long-term Loans	2,00,000	2,50,000

During the year, the company repaid a loan of Rs. 1,00,000. (1)

17. Rama and Co. supplies you the following information regarding the year ending Dec 31, 2007. Cash Sale Rs. 80,000; credit sales Rs. 2,00,000 ; return inward Rs. 10,000; opening stock Rs. 25,000; closing Stock Rs. 30,000; Gross profit ratio is 25%. Find out inventory turnover. (1)

18. What are the objectives of preparing cash flow statement? (1)

19. From the following details, calculate (i) Opening stock, (ii) Closing stock:
    Stock turnover ratio 6 times.
    Gross profit 20% on sales.
    Sales Rs. 1,80,000.
    Closing Stock is Rs. 15,000 in excess of opening stock. (3)

20. Describe with illustrations:
    a) Current Ratio
    b) Inventory Turnover Ratio
    c) Operating Ratio
    e) Debt to Equity Ratio. (4)

21. Prepare a comparative income statement of X Ltd., with the help of the following information (4)

	2007 Rs.	2008 Rs.
Sales	1,00,000	2,00,000
Cost of goods sold	60% of Sales	70% of Sales
Indirect expenses	10% of Gross Profit	
Rate of Income Tax	50% of Net Profit before Tax	

23. Prepare a Cash Flow Statement from the following Balance Sheets of Modern Garments Ltd.

Liabilities	**31.12.2007 Rs.**	**1.1.2007 Rs.**	**Assets**	**31.12.2007 Rs.**	**1.1.2007 Rs.**
Share Capital	2,80,000	2,50,000	Goodwill	42,000	60,000
12% Debentures	-	30,000	Land and Building	50,000	2,00,000
General Reserve	1,25,000	1,00,000	Plant and Machinery	3,15,000	1,50,000
P and L A/c	67,000	40,000	Investments	30,000	62,000
Provision for taxation	30,000	22,000	Stock	80,000	1,20,000
Creditors	83,000	1,76,000	Debtors	1,00,000	66,000
Outstanding Expenses	10,000	-	Preliminary Expense	-	20,000
Bank Overdraft	40,000	70,000	Cash	18,000	10,000
	6,35,000	6,88,000		6,35,000	6,88,000

Additional Information :

i) Depreciation charged on plant and machinery during the year was Rs. 40,000

ii) Investments were sold at profit Rs. 5000.

iii) Income Tax amounting to Rs. 50,000 was paid during the year. (6)

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