



S R SAMPLE PAPER 1

Class 12 - Accountancy

Time Allowed: 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 compulsory for all candidates.**
4. Part - B has two options i.e. **(i) Analysis of Financial Statements and (ii) Computerised Accounting.** Students must attempt only one of the given options.
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
9. There is no overall choice. However, an internal choice has been provided in 7 questions of **one mark**, 2 questions of **three marks**, 1 question of **four marks** and 2 questions of **six marks**.

Part A:- Accounting for Partnership Firms and Companies

1. Premium brought by the new partner will be shared by the existing partners in: [1]
 - a) Sacrificing Ratio
 - b) Old Ratio
 - c) New Ratio
 - d) Gain Ratio
2. **Assertion (A):** Capital is the amount introduced in cash or in-kind by the partners. [1]
Reason (R): A Capital Account is opened in the name of each partner and the introduction is debited to this account.
 - a) Both A and R are 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 but R is false.
 - d) A is false but R is true.
3. Ankit Ltd. decided to issue 75,000 equity shares of ₹ 10 each at a premium of 20%. The whole amount was payable on application. Applications for 1,00,000 shares were received. [1]
Applications for 5,000 shares were rejected and shares were allotted to the remaining applicants on pro-rata basis.
Amount refunded by the company will be:
 - a) 2,40,000
 - b) 50,000
 - c) 60,000
 - d) 3,00,000

OR

Vinod Limited issued 12%, 1,000 Debentures @ 100 each at a premium of 10%. What will be the first journal entry?

- | | |
|---|--|
| a) 12% Debentures A/c ... Dr. 1,10,000
To Debentures App. & Allot. A/c 1,10,000 | b) Bank A/c ... Dr. 1,10,000
To Debentures App. & Allot. A/c 1,00,000
To Securities premium 10,000 |
| c) Bank A/c ... Dr. 1,10,000
To 12% Debentures App. & Allot. A/c
1,10,000
(Being Application money received) | d) Bank A/c ... Dr. 1,00,000
To Debentures App. & Allot. A/c 1,00,000 |

4. Current assets do not include: [1]

- | | |
|---------------------|--------------|
| a) Bills Receivable | b) Inventory |
| c) Prepaid Expenses | d) Goodwill |
- OR

Which of the following statement is not correct?

- | | |
|--|---|
| a) Interest on Partner's loan is not paid if firm is in loss. | b) A minor can be admitted as a partner but his rights and liabilities are same of adult partner. |
| c) Interest on drawings is calculated whether firm is in profit or loss. | d) Guaranteed amount will be given to the partner whether firm is in profit or loss. |

5. Anu, Bindu and Siya were partners in a firm sharing profits and losses in the ratio of 2 : 2 : 1. Siya was guaranteed that her share of profit will not be less than ₹ 50,000. The firm's profit for the year ended 31st March, 2022 was ₹ 2,00,000. The amount of deficiency to be borne by Anu was: [1]

- | | |
|-------------|------------|
| a) ₹ 10,000 | b) ₹ 2,500 |
| c) ₹ 75,000 | d) ₹ 5,000 |

6. Sunbeam Limited issued 4,000, 6% Debentures of ₹ 100 each at ₹ 95 per debenture. 6% Debentures account will be credited by: [1]

- | | |
|---------------|---------------|
| a) ₹ 4,00,000 | b) ₹ 3,80,000 |
| c) ₹ 20,000 | d) ₹ 4,40,000 |

OR

Under which head the amount of discount which is unamortized or cannot be written off, is shown in the balance sheet?

- | | |
|----------------------------------|------------------------------|
| a) Other Non-current Liabilities | b) Other current liabilities |
| c) Other current assets | d) Other Non-current Assets |

7. **Assertion (A):** Calls made but not received from the shareholders are Calls-in-Arrears and is always transferred to Calls-in-Arrears Account and shown under Shares Subscribed but not Fully Paid-up as deduction in the Note to Accounts on Share Capital. [1]

Reason (R): Amount not received against Calls are Calls-in-Arrears but it is not always transferred to Calls-in-

Arrears Account. The amount not received is shown under Shares Subscribed but not Fully Paid-up as Deduction.

- a) Both A and R are 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 but R is false. d) A is false but R is true.

8. Increase in the value of assets at the time of retirement of a partner is: [1]

- a) Credited to profit and loss account b) Credited to Revaluation Account
 c) Debited to Revaluation Account d) Debited to Profit and Loss Account

OR

Ravi and Yogesh are partners sharing profits and losses in the ratio of 2 : 3 with the capitals of ₹ 5,00,000 and ₹ 6,00,000 respectively. On 1st January 2023, Ravi and Yogesh granted loans of ₹ 20,000 and ₹ 10,000 respectively to the firm. Determine the amount of loss to be borne by each partner for the year ended 31st March 2022 if the loss before interest for the year amounted to ₹ 2,500.

- a) Share of Loss Ravi - ₹ 1,000 Yogesh - ₹ 1,500 b) Share of Loss Ravi - ₹ 820 Yogesh - ₹ 1,230
 c) Share of Loss Ravi - ₹ 1,250 Yogesh - ₹ 1,250 d) Share of Loss Ravi - ₹ 1,180 Yogesh - ₹ 1,770

Question No. 9 to 10 are based on the given text. Read the text carefully and answer the questions: [2]

Ankit and Balvant are partners sharing profits equally. Business is being carried from the property owned by Ankit on a yearly rent of ₹ 24,000. Ankit is to get salary of ₹ 1,20,000 p.a. and Balvant is to get commission @ 5% on net sales, which was ₹ 30,00,000. Profits for the year ended 31st March, 2019 before providing rent was ₹ 5,00,000.

9. What is the amount of commission payable to Balvant?

- a) ₹ 1,50,000 b) ₹ 2,00,000
 c) ₹ 1,00,000 d) ₹ 1,20,000

10. What is the profit after charging rent?

- a) ₹5,00,000 b) ₹ 3,00,000
 c) ₹ 4,76,000 d) ₹ 4,00,000

11. Sometimes a partner may be guaranteed a minimum amount of his share in profits by [1]

- a) Always by two partners b) All partners
 c) Both All partners and in agreed ratio by all old partners d) In agreed ratio by all old partners

12. Pro-rata allotment of shares is made when there is: [1]

- a) Equal subscription b) Over subscription
 c) Under subscription d) As and when desired by directors

13. Balwant Ltd Purchased Machinery from Gagan Ltd. by paying as follows: [1]

Through Bank Draft	₹ 3,00,000

Profit and Loss Appropriation (2022-23)	8,00,000		
	<u>30,00,000</u>		<u>30,00,000</u>

During the year Ram's drawings were ₹ 30,000. Profits during year ended 31st March, 2023 is ₹ 10,00,000.

Calculate interest on capital @ 5% p.a for the year ending March 31st, 2023.

OR

Sajal and Kajal are partners sharing profits and losses in the ratio of 2 :1. On 1st April, 2018 their Capitals were: Sajal-₹ 50,000 and Kajal-₹ 40,000. Prepare Profit and Loss Appropriation Account and the Partners' Capital Accounts at the end of the year after considering the following items:

- i. Interest on Capital is to be allowed @ 5% p.a.
- ii. Interest on the loan advanced by Kajal for the whole year, the amount of loan being ₹ 30,000.
- iii. Interest on partners' drawings @ 6% p.a. Drawings: Sajal ₹ 10,000 and Kajal ₹ 8,000.
- iv. 10% of the divisible profit is to be transferred to Reserve.

Net profit for the year ended 31st March, 2019 is ₹ 68,460.

Note: Net profit means net profit after debit of interest on loan by the partner.

19. Ram Ltd. issued 4,000, 8% Debentures of ₹ 200 each at a premium of 6% payable as ₹ 80 on application and ₹ 132 on the allotment. Debentures are redeemable after 7 years. Record entries assuming all the money is duly received. [3]

OR

Journalise the following transactions in the books of Reshma Ltd.:

200 shares of ₹ 10 each issued at a premium of ₹ 5 each payable with allotment were forfeited for the non payment of allotment money of ₹ 8 per share including premium. The first and final call on these shares at ₹ 3 per share was not made. The forfeited shares were re-issued @ ₹ 12 per share fully paid up.

20. A partnership firm earned net profits during the last three years ended 31st March, as follows: [3]
2017 - ₹ 16,000; 2018 - ₹ 22,000; 2019 - ₹ 20,000.

The capital investment in the firm throughout the above-mentioned period has been ₹ 80,000. Having regard to the risk involved, 10% is considered to be a fair return on the capital. Calculate value of goodwill on the basis of two years' purchase of average super profit earned during the above-mentioned three years.

21. Sankalp Ltd. issued 50,000 shares of ₹ 10 each credited as fully paid to the promoters for their services. It also issued 30,000 shares of ₹ 10 each credited as fully paid to the underwriters for their commission. Give journal entries. [4]
22. How deficiency of creditors is paid off at the time of dissolution of the firm. [4]
23. Mira Ltd. invited applications for issuing 2,00,000 equity shares of ₹ 10 each at a premium of ₹ 3 per share. The amount was payable as follows: [6]

On Application	₹ 4 per share
On Allotment	₹ 6 per share (including premium ₹ 3)
On First and Final Call	Balance

Applications were received for 3,00,000 shares and allotment was made on pro-rata basis to all the applicants. Money overpaid on applications was utilised towards sums due on allotment. Sanjay, who applied for 6,000 shares failed to pay the allotment money while Rahul holding 2,000 shares paid the first and final call money with allotment. Sanjay's shares were forfeited immediately after allotment. Thereafter, first and final call was

made and was duly received. Half of the forfeited shares were reissued to Veena as fully paid for ₹ 9 per share. Pass the necessary journal entries to record the above transactions in the books of Mira Ltd.

OR

KS Ltd invited applications for issuing 1,60,000 equity shares of Rs. 10 each at a premium of ₹6 per share. The amount was payable as follows

On application — ₹4 per share (including premium ₹1 per share)

On allotment — ₹6 per share (including premium ₹3 per share)

On first and final call — Balance

Applications for 3,20,000 shares were received. Applications for 80,000 shares were rejected and application money refunded. Shares were allotted on pro-rata basis to the remaining applicants. Excess money received with applications was adjusted towards sum due on allotment. Jain holding 800 shares failed to pay the allotment money. His shares were forfeited immediately after allotment. Afterwards the final call was made. Gupta who had applied for 1,200 shares failed to pay the final call. These shares were also forfeited. Out of the forfeited shares 1,000 shares were re-issued at ₹8 per share fully paid up. The re-issued shares included all the forfeited shares of Jain.

Pass necessary journal entries for the above transactions in the books of KS Ltd.

24. R and S are partners in their capital ratio.

[6]

Balance Sheet of R and S as at 31 March, 2021

Liabilities		Rs.	Assets	Rs.
Capital A/cs:			Building	20000
R	30000		Machinery	13500
S	<u>25000</u>	55000	Furniture	1750
Current A/cs:			Vehicles	1350
R	2000		Stock	14100
S	<u>1800</u>	3800	B/R	13060
Creditors		19000	Debtors	27500
B/P		16000	Bank	1590
			Cash	950
		<u>93800</u>		<u>93800</u>

On the above date, they admitted A into Partnership on the following terms:

- A to bring in Rs. 20000 as capital and Rs. 6600 for goodwill for his 1/4th share.
- Provision for doubtful debts created at 2%.
- Stock to be written down by 5%.
- Building are to be valued at Rs. 22400; Machinery Rs. 11800; Furniture Rs. 1540 and Vehicles Rs. 800.

Prepare necessary accounts and Balance Sheet of the new firm.

OR

Raj, Kamal and Mohit are partners in a firm, sharing profits and losses in the ratio of 3 : 5 : 2. On 31st March, 2022, their Balance Sheet was as under:

BALANCE SHEET

as at 31st March, 2022

Liabilities		₹	Assets	₹
Creditors		39,200	Land and Building	48,000
General Reserve		16,000	Plant	72,000
Capital A/cs:			Inventory	34,000
Raj	76,800		Trade Marks	26,400
Kamal	69,600		Bills Receivables	39,200
Mohit	<u>54,000</u>	2,00,400	Cash in Hand	24,000
			Advertisement Suspense	12,000
		2,55,600		2,55,600

Kamal died on 30th September, 2022. An agreement was reached amongst Raj, Mohit and Kamal's legal representative that:

- i. Goodwill to be valued at 2 year's purchase of the average profits of the previous three years, which were:

Year:	2019-20	2020-21	2021-22
Profit:	₹ 31,200	₹ 28,800	₹ 36,000

- ii. Trade marks to be revalued at ₹ 19,200; plant at 80% of its book value and land building at ₹ 57,600.
 iii. Kamal's share of profit to the date of his death to be calculated on the basis of previous year's profit.
 iv. Interest on capital to be provided @ 10% per annum.
 v. ₹ 60,080 to be paid in cash to Kamal's legal representative and balance to be transferred to the legal representative's loan account.

You are required to prepare:

- i. Revaluation Account.
 ii. Kamal's Capital Account, and
 iii. Kamal's Legal Representative's Account.

25. A, B and C were partners sharing profits in the ratio of 4 : 3 : 2. Their Balance Sheet as at 31st March, 2018 was [6]
 as follows:

Liabilities		₹	Assets	₹
Sundry Creditor		20,000	Cash	6,400
Expenses Owing		5,000	Debtors	20,000
Reserve Fund		18,000	Less: Provision	400
Capitals:			Stock	30,000
A	60,000		Patents	8,000
B	50,000		Machinery	1,20,000
C	40,000	1,50,000	Goodwill	9,000

		1,93,000			1,93,000
--	--	----------	--	--	----------

B retired on the above date upon the following terms:

- i. Goodwill of the firm be valued at ₹ 63,000.
- ii. Machinery be written down by 10% and the patents written up by 25%.
- iii. Provision for doubtful debts be brought upto 5% on debtors and a provision of $2\frac{1}{2}\%$ on creditors be made for discount.
- iv. Expenses owing are to be brought down to ₹ 3,900.
- v. B is to be paid ₹ 30,000 immediately, which is to be contributed by A and C in their new profit sharing ratio which is 3 : 2.

Give journal entries to record the above and the Balance Sheet of the firm after B's retirement.

26. Himanshu Ltd. issued on 1st July, 2022, 20,000, 7% Debentures of ₹ 100 each for subscription at 10% premium, payable ₹ 40 on application; ₹ 40 (including premium) on allotment and balance on first and final call. The debentures were subscribed and allotted. The company has not made first and final call during the year ended 31st March 2023. Interest was payable on 31st March each year. [6]

Pass the Journal entries for issue of debentures and interest for the year ended 31st March, 2023 and transfer the interest to Statement of Profit & Loss.

Part B :- Analysis of Financial Statements

27. Financial Analysis can be used for [1]

- | | |
|------------------------|--------------------|
| a) Dividend Decisions | b) Credit Analysis |
| c) Securities Analysis | d) All of these |

OR

Raw materials purchased is shown in the Statement of Profit and Loss as:

- | | |
|--------------------------------|--|
| a) Cost of Materials Consumed | b) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade |
| c) Purchases of Stock-in-Trade | d) Other expenses |

28. Current ratio of Elpis Pvt. Ltd. is 3 : 2. Accountant wants to maintain it at 2 : 1. Following options are available: [1]

- i. He can repay bills payable
- ii. He can purchase goods on credit
- iii. He can take short-term loan

Choose the correct option:

- | | |
|------------------------------------|-------------------------------------|
| a) Only (i) and (iii) are correct. | b) Only (ii) and (iii) are correct. |
| c) Only (i) is correct. | d) Only (ii) is correct. |

29. Which activity are the main revenue-generating activities of the enterprises? [1]

- | | |
|---|---|
| a) Cash flow from investment activities | b) Cash flow from operating activities |
| c) Non Cash transactions | d) Cash flow from management activities |

OR

Which of the following transaction is untrue regarding the limitations of the cash flow statement?

- | | |
|---|--|
| a) To help in short-term financial planning | b) It is not used for judging the profitability of enterprises |
|---|--|

- c) To ascertain the net changes in cash and cash equivalents
- d) To ascertain the liquidity of enterprises

30. Which of the following is not included in Cash and Cash Equivalents? [1]

- i. Balance with Banks
- ii. Bank deposits with 100 days of maturity
- iii. Cheques and Drafts on hand
- iv. Cash on hand

- a) i and ii
- b) iii and iv
- c) only ii
- d) iv and i

31. Under what headings will you show the following items in the Financial Statements of a Company: [3]

- i. Goodwill
- ii. Unclaimed Dividends
- iii. Provision for Tax
- iv. Securities Premium Reserve
- v. Loose Tools
- vi. Sale of Products
- vii. Interest paid on Overdraft
- viii. Business promotion exp.

32. Calculate Fixed Assets turnover ratio- [3]

Cost of goods sold : Rs 16,80,000

Gross profit = Rs 5,60,000

Capital employed = Rs 43,00,000

Working capital = Rs 80,000

33. Convert the following statement of profit and loss of BCR Co. Ltd. into the comparative statement of profit and loss of BCR Co. Ltd.: [4]

Particulars	Note No.	2015-16 (₹)	2016-17 (₹)
(i) Revenue from operations		60,00,000	75,00,000
(ii) Other incomes		1,50,000	1,20,000
(iii) Expenses		44,00,000	50,60,000
(iv) Income tax		35%	40%

OR

From the following Information, prepare a Comparative Statement of Profit and Loss:

Particulars	31st March, 2019	31st March, 2018
Revenue from Operations	₹30,00,000	₹20,00,000
Other Income (% of Revenue from Operations)	12%	20%
Expenses (% of Operating Revenue)	70%	60%
Tax Rate	40%	40%

34. There was Nil net cash flow from operating activities of HCD Ltd. during the year ending 31st March, 2023. [6]

From the following Balance Sheet of HCD Ltd. as at 31st March, 2023, prepare a Cash Flow Statement:

HCD Ltd.

Balance Sheet as at 31st March, 2023

	Particulars	Note No.	31.3.2023 ₹	31.3.2022 ₹
I	Equity and Liabilities:			
1.	Shareholders Funds:			
(a)	Share Capital		19,00,000	11,00,000
(b)	Reserves and Surplus	1	1,60,000	2,00,000
2.	Non-Current Liabilities:			
	Long-term Borrowings	2	1,00,000	4,00,000
3.	Current Liabilities:			
(a)	Short-Term Borrowings	3	2,50,000	2,30,000
(b)	Short-Term Provisions	4	1,90,000	2,70,000
	Total		26,00,000	22,00,000
II	Assets:			
1.	Non-Curren Assets:			
	(a) Property, Plant and Equipment and Intangible			
(i)	Property, Plant and Equipment	5	15,00,000	11,00,000
(ii)	Intangible Assets	6	2,80,000	1,70,000
2.	Current Assets:			
(a)	Current Investments		1,30,000	2,90,000
(b)	Trade Receivables		3,90,000	4,10,000
(c)	Cash and Cash Equivalents		3,00,000	2,30,000
	Total		26,00,000	22,00,000

Notes to Accounts:

Note No.	Particulars	31.3.2023 (₹)	31.3.2022 (₹)
1.	Reserves and Surplus:		
	Surplus (Balance in the Statement of Profit and Loss)	1,60,000	2,00,000
2.	Long-term Borrowings:		
	8% Debentures	1,00,000	4,00,000
3.	Short-term Borrowings:		
	Bank overdraft	2,50,000	2,30,000

4.	Short-term Provisions:		
	Provision for Tax	1,90,000	2,70,000
5.	Tangible Assets:		
	Plant and Machinery	16,30,000	11,70,000
	Accumulated Depreciation	(1,30,000)	(70,000)
		15,00,000	11,00,000
6.	Intangible Assets:		
	Goodwill	2,80,000	1,70,000

Additional information:

1. A machinery of the book value of ₹ 60,000, (depreciation provided thereon ₹ 20,000) was sold at a loss of ₹ 6,000.
2. 8% Debentures were redeemed on 1st July, 2022.

TO GET THE SOLUTIONS FOR THIS PAPER AT RS 25

CLICK HERE OR GO TO THE LINK

<https://cbsestudymaterial.myinstamojo.com/product/4729236/sample-paper-solution-1-accounts>