



**PERFECTIO - 2016**

**Sample Paper for CBSE**

**Class XII**

**Accountancy**

**By**

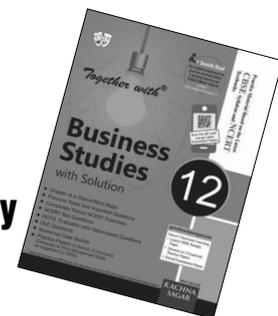
**Dr. Vikas Vijay**  
**(Accounts Guru™)**

*M Com, B Ed, CWA(I), M Phil, Ph D, LLB*

☎ + 91-9810278915



**Author of *Together with®* Accountancy  
and Business Studies**



**G D GOENKA PUBLIC SCHOOL, Block A, 'Vipul World', Sector 48, Gurgaon**  
M.: + 91-9818800801/9818900901, T.: + 91-8826293374/8826293375, Email: school@gdgoenka.gurgaon.com

**Series RAC**

Code No. **RSPL**

Roll No.

--	--	--	--	--	--	--

Candidates must write the Code on the title page of the answer-book.

- Please check that this question paper contains **11** printed pages.
- Code number given on the right hand side of the question paper should be written on the title page of the answer-book by the candidate.
- Please check that this question paper contains **23** questions.
- **Please write down the Serial Number of the question before attempting it.**
- 15 minutes time has been allotted to read this question paper.

## **ACCOUNTANCY**

*Time Allowed : 3 hours*

*Maximum Marks : 80*

### **General Instructions :**

- This question paper contains **two** parts **A** and **B**.*
- Part **A** is compulsory for all.*
- Part **B** has two options – Option – **I** Analysis of Financial Statements and Option – **II** Computerized Accounting.*
- Attempt only **one** option of Part **B**.*
- All parts of a question should be attempted at one place.*

**PART – A**

**(Accounting for Partnership Firms and Companies)**

1. 'Vijay & Vijay Associates' a partnership firm run by Chartered Accountants is having 51 partners. Is this firm legal or not as per Section 464 of Companies Act 2013 read along with Rule 10 of Companies (Miscellaneous) Rule 2014. 1
  
2. X, Y and Z who are presently sharing profits and losses in the ratio of 2:2:1, decide to share future profit and losses in the ratio of 2:3:5. Give the Journal entry to distribute 'Investment Fluctuation Reserve' of ₹ 8,000 at the time of change in profit sharing ratio, when Investment (market value ₹ 38,000) appears at ₹ 40,000. 1
  
3. Name any two companies exempted from creation of debenture redemption reserve and mention any two specific securities in which debenture redemption investment can be made. 1
  
4. Ajay, Neeraj and Kamal are partners sharing profits and losses in the ratio of 5:3:2. They decided that the future profit sharing ratio between Neeraj and Kamal shall be the same as existing between Ajay and Neeraj. Calculate new profit sharing ratio and sacrificing ratio. 1
  
5. Give any two differences between Sweat Equity shares and Employees Stock Option Plan. 1
  
6. State the order in which the following liabilities will be paid off at the time of Dissolution of a Partnership firm as per Section 48 of Indian Partnership Act.  
  - (i) Amount of ₹ 8,500 owed by firm towards Mr Yogesh, a partner.
  - (ii) Amount of ₹ 6,000 due to Mr. Lalit who supplied raw material to the firm on credit.
  - (iii) Amount of ₹ 20,000 due against loan borrowed for purchase of machinery secured against Business Premises. 1
  
7. Compute the value of firm's goodwill on the basis of 2 years purchase of average profit for last 4 years which were ₹ 58,000, ₹ 9,000(loss), ₹ 62,000 and ₹ 46,000. There was an abnormal loss of ₹ 5,000 in first year and an abnormal gain of ₹ 10,000 in 2nd year. Due to demonetization of money, it was decided to reduce partners annual salary by ₹ 4,000 in future. The firm got its building insured against which the insurance premium to be paid in future amounted to ₹ 16,000 on per annum basis. 3

8. Riya Ltd. purchased Machinery worth ₹ 14,25,000 from M/s Technical Engineers Ltd. Payment to the vendor was made by issuing 10,000 equity shares of ₹ 100 each at a premium of 10% and the balance by accepting bill of exchange in favour of the vendor payable after 3 months.
- Pass necessary Journal entries in the books of Riya Ltd. 3
9. Gopalan Ltd. purchased 500 of its own 8% Debentures of ₹ 1,000 each at ₹ 987 per debenture. It also purchased another lot of 600 debentures of the same series at ₹ 986 per debenture. Expense on purchase amounted to ₹ 2,500 at the time of purchase of first lot of debentures and ₹ 1,000 at the time of purchase of second lot of debentures. The debentures were purchased for the purpose of cancellation. Record necessary Journal entries in the books of the company. 3
- \*10. Mamta and Seema are partners in a firm with capitals of ₹ 5,00,000 each who share profits and losses in the ratio of 3:2. They admit Rakhee, a physically challenged engineer as a partner with 1/4th share in the profits of the firm. Rakhee brings ₹ 8,00,000 as her share of capital. The Profit and Loss Account shows a credit balance of ₹ 4,00,000 as on the date of admission.
- (i) Give journal entry to record goodwill of Rakhee's admission.
- (ii) Indicate any two values in admitting Rakhee as a partner. 3
11. Kanodia Ltd. granted 3,000 options of ₹ 10 each on 1st April, 2012 at ₹ 35 per share when the market price was ₹ 85 per share. The vesting period was 3 years. The maximum exercise price period was 1 year. All the 3,000 option was exercised by the employees on 30th June, 2015.
- Required:
- (i) Calculate the value of option.
- (ii) Calculate the amount to be charged as expense each year.
- (iii) Give journal entry when option is exercised by all the employees. 4
12. Amit and Sumit are partners sharing profits and losses in the ratio of 3:2. Firm pays ₹ 1,000 per month as salary to their manager, Neha, who has graduated and who deposited ₹ 30,000 with the firm carrying interest at 8% p.a. On 1st January, 2014, it was decided to treat Neha as their partner w.e.f. 1st January, 2010 at 1/5th share in profit. It was decided to treat her deposit as capital carrying interest @ 6% p.a. like capital of other partners.

\*Value Based Question

The firm's profits and losses after above adjustments were as under:

2010 - Profit	60,000
2011 - Loss	10,000
2012 - Profit	80,000
2013 - Profit	89,600

Record the necessary journal entries.

4

13. (a) A and B are partners sharing profits in the ratio of 5:4. They admit C for 1/3rd share, which he acquires in equal proportion from both. Find new profit sharing ratio and sacrificing ratio.

- (b) Radha, Rukmini and Krishan are partners in a firm. Rukmini retires and her claim including her capital and her share of goodwill is ₹ 80,000. She is paid in kind, an unrecorded investment valued at ₹ 40,000 which was not recorded in the books of the firm till the date of retirement and the balance in cash. Give the journal entries for recording the payment to Rukmini in the books of the firm.

6

14. (a) Pass necessary journal entries for the above redemption of 5,000, 10% Debentures of ₹ 100 each issued at a par to be redeemed as follows:

- (i) Redeemable at a premium of 10%, by conversion into equity shares issued at par.  
(ii) Redeemable at a premium of 10%, by conversion into 8% preference shares issued at a premium of 25%.

- (b) SSS Ltd. issued 25,000, 10% Debentures of ₹ 100 each. Give journal entries in the following cases when:

- (i) The debentures were issued at a premium of 20% redeemable at premium of 10%.

- (ii) The debentures were issued as a collateral security to Bank against a bank loan of ₹ 20,00,000.

6

15. A, B and C are partners in a firm sharing profits in the ratio of 2:1:2. Their fixed capitals were ₹ 2,00,000; ₹ 1,50,000 and ₹ 2,00,000 respectively. The firm closes its books on 31st March each year. On 31-03-2016, B died. The executor of deceased partner, according to the agreement, was entitled for the following:

- (i) Interest on capital from the first day of the accounting year till the date of his death @10% p.a.

- (ii) His share of goodwill. The goodwill of the firm on B's death was valued at ₹ 3,00,000.
- (iii) His share of profit on the basis of profit of last year. The profit of the firm for the year ended 31-03 -2016 was ₹ 1,50,000.

B's executor was paid the sum due in two equal annual instalments with interest @10% p.a.

Prepare B's Capital A/c as on 31-03-2016 to be presented to his executor and his executor's loan account for the year ending 31-03-2017 and 31-03-2018.

6

16. A, B and C are partners sharing profits and losses in the ratio of 3:2:1. They decided to dissolve their firm on 1st January, 2015. Complete the Realisation Account, Loan Account, Capital Accounts and Bank Account from the information given below:

Dr.		Realisation Account		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)		
To Sundry Assets:		By Sundry Liabilities:			
Stock A/c           59,400		Prov. for Bad debts   3,000			
Debtors A/c       57,000		Creditors           46,200			
Plant and machinery       1,31,100	2,47,500	Bills payable       10,800		60,000	
To Bank A/c (Bal. Fig.) (liabilities paid off)	.....	By .....		.....	
To .....	.....	By Bank A/c (assets realised):			
		Stock               45,000			
		Goodwill           12,000			
		Debtors           34,200			
		Plant and Machinery       90,000		.....	
		By Capital A/cs: (loss on realisation)			
		A                   .....			
		B                   .....			
		C                   9,450		.....	
	.....			.....	

**Dr. Loan Account Cr.**

Particulars	Amount (₹)	Particulars	Amount (₹)
To .....	.....	By Balance b/d	.....
	.....		.....

**Dr. Capital Accounts Cr.**

Particulars	A	B	C	Particulars	A	B	C
To .....	.....	.....	.....	By .....	.....	.....	.....
To Bank A/c (final payment)	.....	.....	.....	By Workmen Comp. Fund	.....	3,000	.....
				By Bank A/c (amount brought in)		3,900	
	.....	<b>18,900</b>	.....		<b>64,500</b>	.....	<b>61,500</b>

**Dr. Bank Account Cr.**

Particulars	Amount (₹)	Particulars	Amount (₹)
To Balance b/d	.....	By Realisation (liabilities paid)	.....
To Realisation A/c (sale of unrecorded asset)	15,000	By Realisation A/c (exp)	2,400
To .....	.....	By Loan from A A/c	57,000
To .....	.....	By .....	.....
		By .....	.....
	.....		.....

**OR**

D and E were partners in a firm sharing profits in 3:1 ratio. On 1-4-2016, they admitted F as a new partner for 1/4<sup>th</sup> share in the firm which he acquired from D. Their Balance Sheet as at that date was as follows:

Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	54,000	Cash	76,000
General Reserve	32,000	Land and building	50,000
Capitals:		Machinery	60,000
D	1,70,000	Stock	15,000
E	32,000	Book Debs	40,000
		(-) Prov for bad debts	3,000
		Investment	50,000
	<b>2,88,000</b>		<b>2,88,000</b>

F will bring ₹ 40,000 as his capital and the other terms agreed upon were:

- (i) Goodwill of the firm was valued at ₹ 24,000.
- (ii) Land and building were valued at ₹ 70,000.
- (iii) Provision for bad debts was found excess by ₹ 800.
- (iv) An unrecorded investment of ₹ 2,400 was sold at ₹ 2,000.
- (v) The capital of the partners be adjusted on the basis of F's contribution of capital to the firm.
- (vi) Excess or shortfall, if any, to be transferred to current accounts.

Prepare Revaluation Account, Partners' Capital Account and the Balance Sheet of the new firm.

8

17. Monisha Ltd. issued for public subscription 1,00,000 equity shares of ₹ 10 each at a premium of 20% payable as follows:

On Application	₹ 2
On Allotment	₹ 4(including premium)
On First Call	₹ 5
On Second and Final call	₹ 1

Applications were received for 1,90,000 shares. The shares were allotted on pro-rata basis to the applicants for 1,50,000. Money overpaid on application was appropriated towards payment due on allotment and money refunded where no allotment was made.

- (i) Asha to whom 1,000 shares were allotted, expressed her inability to pay allotment money. These shares were forfeited just after allotment.

- (ii) Mohan who applied for 3,000 shares, did not pay the allotment and first call money. These shares were forfeited before demanding the final call.
- (iii) Sohan did not pay the two calls on his 4,000 shares. These shares were forfeited after the second and final call.

All the forfeited shares were reissued to Rakesh as fully paid up at ₹ 8 per share.

Pass Journal entries required to record the above transactions.

**OR**

XYZ Ltd. invited applications for the issue of 60,000 equity shares of ₹ 10 each at a premium of ₹ 3 per share payable as ₹ 6 (including premium of ₹ 1) on application, ₹ 2 (including premium of ₹ 1) on allotment and ₹ 3 (including premium of ₹ 1) on first call and balance on final call. The prospectus provided that in case of partial allotment, money received in excess on application would be adjusted towards the amounts due on allotment.

The company received applications for 90,000 shares out of which applications for 18,000 shares were rejected outrightly and other applicants were allotted shares on pro-rata basis. Alok to whom 500 shares were issued failed to pay allotment money and on his failure to pay first call, his shares were forfeited. Alia, the holder of 600 shares, failed to pay the two calls and her shares were forfeited after the second call. Of the forfeited shares, 800 shares were sold to Sahil credited as fully paid for ₹ 9 per share (including all shares of Alok).

Pass necessary Journal entries to record the above transactions.

**8**

**PART – B**

**(Analysis of Financial Statements)**

- 18.** Instalment of ₹ 50,000 (including ₹ 10,000 interest) paid against the Car purchased by a company on 'Finance or Installment Basis'. State the heads under which this payment will be shown while preparing Cash Flow Statement. **1**
- 19.** Define Current investment. Also explain with reason how would the sale of marketable securities worth ₹ 10,000 at a profit of 20%, will be treated while preparing Cash Flow Statement. **1**

20. (a) Give any one difference between Commitment and Contingent Liability. Also explain how does Financial Statement Analysis is affected by 'Window Dressing'.

(b) Under what headings will you show the following items in the financial statements of a company:

- (i) Interest accrued and due on secured and unsecured loan
- (ii) Bank charges
- (iii) Provision for warranty
- (iv) Sale of scrap

4

21. (a) From the following information, compute 'Debt to Equity ratio'

Long term Borrowings	₹ 2,00,000
Long term Provisions	₹ 1,00,000
Current liabilities	₹ 50,000
Non current assets	₹ 3,60,000
Current assets	₹ 90,000

(b) Current ratio of XYZ Ltd. is 2:1. State with reason which of the following transactions would (i) increase (ii) decrease or (iii) not change the ratio:

- (i) Included in the trade payables was a bill payable of ₹ 6,000 which was met on maturity.
- (ii) Company issued 1,00,000 equity shares of ₹ 10 each to the vendors of machinery purchased.

4

\*22. R K Apparels Ltd., a garment manufacturing company, has a mission statement of 'Quality with reasonable price'. The company was started two years back and within such a short span of time, the company was able to capture 50% of the market share in sale of readymade garments. The net profit got doubled and its shares prices increased tremendously. This performance is the result of hard work and dedication of its managers and other staff members. Due to this grand success, the company decided to give scholarship of 6 months school fees of children of their staff members and a five days family holiday trip to Goa. This news really motivated the staff and they were encouraged to do better in future.

---

\*Value Based Question

From the following information, prepare a Comparative statement of profit and loss of the company for the years ended 31st March 2015 and 2016 and also mention two values highlighted above.

**R K Apparels Ltd.**  
**Statement of Profit and Loss**

<b>Particulars</b>	<b>2015-16</b>	<b>2014-15</b>
Revenue from operations	12,00,000	8,00,000
Other Income	3,00,000	2,00,000
Cost of material consumed	5,50,000	4,50,000
Other Expenses	1,50,000	1,50,000
Tax	25%	25%

4

- 23.** From the following statement, calculate the cash generated from operating activities :

**Statement of Profit and Loss**  
**for the year ending March 31st, 2016**

<b>Particulars</b>	<b>(₹)</b>
I. Revenue from operations	80,000
II. Add : Other Income :	
Profit on sale of machinery	10,000
Dividend received	4,000
Interest received	5,000
III. Total Revenue (I + II)	99,000
IV. Less : Expenses :	
(a) Employee Benefit Expenses (Salaries)	(15,000)
(b) Depreciation	(20,000)
(c) Goodwill written off	(10,000)
(d) Other Expenses : Rent	(5,000)
(e) Loss on Sale of Building	(5,000)
Total Expenses (a + b + c + d)	(55,000)
V. Profit before Tax (III – IV)	44,000
VI. Less : Provision for Tax	(10,000)
VII. Profit after Tax (V – VI)	34,000

**Additional Information:**

	<b>2015-16</b>	<b>2014-15</b>
(a) Provision for Tax	25,000	20,000
(b) Proposed dividend	18,000	12,000
(c) Inventory	6,000	8,000
(d) Creditors	4,500	3,000

**6**



SOLUTIONS OF THE PAPER AVAILABLE ON [gowebrachnasagar.com](http://gowebrachnasagar.com)