BK BIRLA CENTRE FOR EDUCATION

SARALA BIRLA GROUP OF SCHOOLS
SENIOR SECONDARY CO-ED DAY CUM BOYS' RESIDENTIAL SCHOOL

PRE BOARD-2 (2024-25)

ACCOUNTANCY (055)

Class : **XII Commerce** Duration: **3hrs.**
Date : **9/12/2024** Max. Marks: **80**
Name : ______ Exam No.:

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, 31and 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	X and Y are partners sharing profits in the ratio of 3: 2. Z is admitted for $\frac{1}{4}$ th share in profits which he acquires equally from X and Y. The new ratio will be: a) 3 : 3 : 2 b) 19 : 11 : 10 c) 9 : 6 : 5 d) 3 : 2 : 4	**[1]**
2	**Assertion (A):** Rohit, a partner in the firm gave loan of Rs.5,00,000 to the firm without an agreement as to rate of interest. At the year end, the remaining partners agreed to allow Interest on Loan by Rohit @ 8% p.a. **Reason (R):** In the absence of Partnership Deed, provisions of the Partnership Act, 1932 apply. Thus, Interest on Loan to Partner should be charged @ 6% p.a. and not @ 8% p.a. 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.	**[1]**

3	On 1st April, 2020, Girish Ltd. was formed with an authorized capital of Rs.5,00,000 divided into 50,000 Equity shares of Rs.10 each. The company invited applications for 38,000 equity shares and received applications for 35,000 equity shares. All the amount due on allotment and First and Final call received except a shareholder Balwant (to whom 1,000 shares were allotted) did not pay the First and Final call of Rs.2 per share. Balwant's shares were forfeited after the First and Final call and out of his forfeited shares 700 were reissued at Rs.8 per share fully paid up. Share capital to be shown in the balance sheet is: a) Rs.3,52,400 b) Rs.3,47,600 c) Rs.3,44,600 d) Rs.3,49,400 **OR** On 1st April, 2015. M Ltd. issued 10,000, 9% Debentures of Rs.100 each at a discount of 5%, redeemable at a premium of 5%. Calculate the Loss on Issue of Debentures. a) Rs.50,000 b) Rs. 90,000 c) Rs.1,00,000 d) Rs. 1,40,000	**[1]**
4	What is the meaning of change in the profit - sharing ratio: a) In which all partner including the deceased partner executor partner share future profit and loss b) Purchase of shares of profit by one partner form another partner c) In which all partner including the new partner share future profit and loss d) In which all partner including the retired partner share future profit and loss **OR** For the firm, interest on capital is: a) income b) capital receipt c) capital payment d) loss	**[1]**
5	Profit and Loss Appropriation Account is prepared to: a) Find out Net Profit b) Find out Divisible Profit c) Create Reserve Fund d) Distribute expenses	**[1]**
6	What journal entry will be passed when purchase consideration is equal to net assets while purchasing business from vendor: a) Sundry Assets A/c Dr. To Sundry Liabilities A/c To Vendor's A/c b) Capital Reserve A/c Dr. To Vendor's A/c c) Sundry Assets A/c Dr. Goodwill A/c Dr. To Vendor's A/c d) Sundry Assets A/c Dr. To Capital Reserve A/c To Vendor's A/c **OR**	**[1]**

	Supreme Ltd. issued 1,000, 11% Debentures of Rs.100 each at par, redeemable after five years at a premium of 10%. The minimum amount invested in Debenture Redemption Investments will be: a) Rs. 27,500 b) Rs.25,000 c) Rs.15,000 d) Rs.16,500	
7	**Assertion (A):** BlueFlowers Ltd. had issued 10,000, Equity Shares of Rs.10 each. It received the nominal (face) value of the shares except First & Final Call of Rs. 3 per share on 1,000 shares. These 1,000 Equity Shares will be shown as **Subscribed but not fully paid - up** under **Subscribed Capital**. **Reason (R):** The company has not received Rs. 3 per share on 1,000 Equity Shares. Hence, these shares are not fully paid - up. They will be shown as **Subscribed but not fully paid - up** under **Subscribed Capital**. 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.	**[1]**
8	AB and C are partners sharing profit in the ratio of $\frac{1}{2}:\frac{3}{10}:\frac{1}{5}$. Calculate the new profit sharing ratio between A and B if C retires. a) 3:5 b) 1:1 c) 5:3 d) Capital ratio **OR** If firm gives guarantee to a partner then who will sacrifice for this guarantee? a) All partners in profit or loss sharing ratio b) Only that partner who has maximum profit c) All partners equally d) All of these	**[1]**
	Question No. 9 to 10 are based on the given text. Read the text carefully and answer the questions: X and Y are partners sharing profits and losses in the ratio of 7:3. Their capital accounts as at 1st April, 2018 stood at X: Rs.5,00,000 and Y: Rs.4,00,000. Partners are allowed interest on capital @ 5% p.a. Drawings of the partners during the year ended 31st March, 2019 were Rs. 72,000 and Rs. 50,000 respectively. Profit for the year before allowing interest on capital and salary to Y @ Rs.5,000 p.m. was Rs.8,00,000. 10% of the net profit is to be transferred to General Reserve.	**[2]**
9	What is the amount to be transferred to General reserve? a) Rs.80,000 b) Rs. 40,000 c) Rs.2,00,000 d) Rs. 1,60,000	
10	How much amount of interest on capital payable to both the partners?	

	a) Rs. 45,000 b) Rs. 60,000 c) Rs. 75,000 d) Rs.1,00,000	
11	Yash and Prashant are partners. They have provided the following information on 31st March 2021: Net Profit: 10,00,000 Partners salary: 2,00,000 Interest on capital (all partners): 1,40,000 Prashant is entitled to a commission of 10% of the net profit after charging interest on capital, salary and his commission. Prashant's Commission will be: a) 1,00,000 b) 66,000 c) 60,000 d) 80,000	[1]
12	Divya Ltd. forfeited 7,000 equity shares of Rs.100 each issued at a premium of 10%, for non - payment of first and final call of Rs.40 per share. The maximum amount of discount at which these shares can be reissued will be: a) Rs.3,50,000 b) Rs.4,20,000 c) Rs.4,90,000 d) Rs. 2,80,000	[1]
13	Match the following: (a) Minimum Subscription — (i) Pro-rata allotment (b) Over Subscription — (ii) The number of shares applied for, is equal to the number of shares offered for subscription (c) Full Subscription — (iii) The number of shares applied for, is less than the number of shares offered for subscription (d) Under subscription — (iv) It is the amount stated in the prospectus as the minimum amount that must be subscribed a) (a) - (iii), (b) - (ii), (c) - (i), (d) - (iv) b) (a) - (iv), (b) - (ii), (c) - (iii), (d) - (i) c) (a) - (ii), (b) - (i), (c) - (iv), (d) - (iii) d) (a) - (iv), (b) - (i), (c) - (ii), (d) - (iii)	[1]
14	In the absence of agreement, partners are not entitled to: a) Both (b) and (d) b) commission c) equal share in profit d) salary	[1]
15	Atul, Beena and Sita were partners in a firm sharing profits and losses in the ratio of 8 : 7 : 5. Damini was admitted as a new partner for $\frac{1}{5}th$ share in the profits which she acquired entirely from Atul. The new profit sharing ratio after Damini's admission will be: : a) 7 : 5 : 8 : 4 b) 4 : 7 : 5 : 4 c) 8 : 7 : 5 : 4 d) 7 : 7 : 5 : 1 **OR** A and B are partners sharing profit or loss in the ratio of 4 : 1. A surrenders $\frac{1}{4}$ of his share and B surrenders $\frac{1}{2}$ of his share in favour of C, a new partner. What will be the C's share? a) $\frac{1}{5}$ b) $\frac{3}{4}$ c) $\frac{3}{10}$ d) $\frac{1}{10}$	[1]
16	What should be the journal entry when A takes over loan payable to Mrs. A Rs. 20,000	[1]

	a) <table><tr><td>Realisation A/c</td><td>Dr.</td><td>20,000</td><td></td></tr><tr><td>To A's Capital A/c</td><td></td><td></td><td>20,000</td></tr></table> b) <table><tr><td>Bank A/c</td><td>Dr.</td><td>58,000</td><td></td></tr><tr><td>To A's Capital A/c</td><td></td><td></td><td>58,000</td></tr></table> c) <table><tr><td>Realisation A/c</td><td>Dr.</td><td>58,000</td><td></td></tr><tr><td>To Bank A/c</td><td></td><td></td><td>58,000</td></tr></table> d) <table><tr><td>Loan A/c</td><td>Dr.</td><td>58,000</td><td></td></tr><tr><td>To A's Capital A/c</td><td></td><td></td><td>58,000</td></tr></table>	
17	L, M and N were partners in a firm sharing profits in the ratio of 2 : 3 : 5. From 1st April, 2023 they decided to share the profits in the ratio of 1 : 2 : 2. On this date, the Balance Sheet showed a credit balance of Rs.1,17,000 in General Reserve and a debit balance of Rs.35,000 in Profit and Loss account. The goodwill of the firm was valued at Rs.5,00,000. The revaluation of assets and reassessment of liabilities resulted into a gain of Rs.30,000.Pass necessary journal entries for the above transactions on the reconstitution of the firm.	**[3]**
18	John and Mathew share profits and losses in the ratio of 3:2. They admit Mohanty into their firm to$\frac{1}{6}$ share in profits. John personally guaranteed that Mohanty's share of profit, after charging interest on capital @ 10 per cent per annum would not be less than Rs.30,000 in any year. The capital provided was as follows: John Rs.2,50,000, Mathew Rs.2,00,000 and Mohanty Rs. 1,50,000. The profit for the year ending March 31, 2015 amounted to Rs.1,50,000 before providing interest on capital. Show the Profit & Loss Appropriation Account if new profit sharing ratio is 3:2:1. **OR** Pinki, Deepati and Kaku are partner's sharing profits in the ratio of 5:4:1. Kaku is given a guarantee that his share of profits in any given year would not be less than Rs.5,000. Deficiency, if any, would be borne by Pinki and Deepti equally. Profits for the year amounted to Rs.40,000. Record necessary journal entries in the books of the firm showing the distribution of profit.	**[3]**
19	Aman Ltd. issued Rs. 2,00,000, 10% Debentures at a discount of 5%. The terms of the issue provide the repayment at the end of 4 years. Aman Ltd. has a balance of Rs.5,00,000 in Securities Premium. Pass the Journal entries for issue of debentures and writing off the discount. **OR** Give the meaning of Share Capital. How is it presented in the Balance Sheet of a company?	**[3]**
20	A firm earns profit of Rs.5,00,000. Normal Rate of Return in a similar type of business is 10%. The value of total assets (excluding goodwill) and total outsiders' liabilities as on the date of goodwill are Rs.55,00,000 and Rs.14,00,000 respectively. Calculate value of goodwill according to Capitalisation of Super Profit Method as well as Capitalisation of Average Profit Method.	**[3]**

21 K Ltd. took over the assets of Rs.15,00,000 and liabilities of Rs.5,00,000 of P Ltd. for a purchase consideration of Rs.13,68,500. Rs 25,500 were paid by issuing a promissory note in favour of P Ltd. payable after two months and the balance was paid by issue of equity shares of Rs. 100 each at a premium of 25%. Pass necessary Journal entries for the above transactions in the books of K Ltd. **[4]**

22 Mona and Sona were partners in a firm sharing profits in the ratio of 2 : 3. On 31st March, 2019, their Balance Sheet was as under: **[4]**

Balance Sheet of Mona and Sona as at 31st March, 2019

Liabilities		Amount (₹)	Assets		Amount (₹)
Capitals:			Land and Building		6,00,000
Mona	4,00,000		Stock		2,00,000
Sona	6,00,000	10,00,000	Debtors	3,10,000	
Employees' Provident Fund		2,00,000	Less: Provision for bad debts	10,000	3,00,000
Creditors		2,10,000	Bank		3,10,000
		14,10,000			14,10,000

The firm was dissolved on 1st April, 2019 and the assets and liabilities were settled as follows:

1. Half of the creditors accepted 50% of the stock. Remaining creditors were paid in full.
2. The remaining stock was realised at 90% and debtors realised 80% of their book value.
3. Sona took over the responsibility to realise the assets and discharge the liabilities at a remuneration of Rs.20,000 and was to bear all expenses of realisation. She paid realisation expenses of Rs. 18,000 out of her personal account.
4. Land and Building realised Rs.7,00,000.

Prepare Realisation Account.

23 Manohar Ltd. issued a prospectus inviting applications for 3,00,000 shares of Rs.10 each at a premium of Rs.4 per share, payable as follows: **[6]**

On Application	₹ 4 (including ₹ 1 premium)
On Allotment	₹ 3 (including ₹ 1 premium)
On First Call	₹ 4 (including ₹ 1 premium)
On Second & Final Call	₹ 3 (including ₹ 1 premium)

Applications were received for 3,80,000 shares and pro - rata allotment was made on the applications for 3,50,000 shares. It was decided to utilise excess application money towards the sums due on allotment.

X, to whom 6,000 shares were allotted, failed to pay the allotment money and his shares were forfeited after allotment. Y, who applied for 10,500 shares failed to pay the two calls and on his such failure, his shares were forfeited.

Z, who was allotted 3,000 shares did not pay final call. Prepare Journal.

OR

Sunrise Company Limited offered for public subscription 10,000 shares of Rs.10 each at Rs.11 per share. Money was payable as follows: Rs.3 on application Rs.4 on allotment (including premium) Rs. 4 on first and final call.

Applications were received for 12,000 shares and the directors made pro - rata allotment. Mr. Ahmad, an applicant for 120 shares, could not pay the allotment and call money, and Mr. Basu, a holder of 200 shares, failed to pay the call. All these shares were forfeited.

Out of the forfeited shares, 150 shares (the whole of Mr. Ahmad's shares being included) were issued at Rs. 8 per share. Record journal entries for the above transactions and prepare the share forfeiture account.

24 Madhuri and Arsh were partners in firm sharing profits and losses in the ratio of 3: 1. **[6]**

Balance Sheet of Madhuri and Arsh as at 31st March 2019

Capital		Machinery	4,30,000
Madhuri 3,00,000		Investment	1,50,000
Arsh 2,00,000	5,00,000		
		Debtors 1,20,000	
Workmen's Compensation Reserve	60,000	Less: PDD 10,000	1,10,000
Creditors	1,90,000	Stock	1,40,000
Employee Provident Fund	1,10,000	Cash	30,000
	8,60,000		8,60,000

On 1st April 2019, they admitted Jyoti into a partnership for $\frac{1}{4}$ thshare in the profits of the firm. Jyoti brought proportionate capital and Rs. 40,000 as her share of goodwill premium. The following terms were agreed upon:

1. Provision for doubtful debts was to be maintained at 10% on debtors.
2. The stock was undervalued by Rs.10,000.
3. 20% of the investments were taken over by Arsh at book value.
4. Claim on account of workmen's compensation amounted to Rs.70,000.
5. Creditors included a sum of Rs.29,000 which was not likely to be claimed.

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

OR

Radha, Manas and Arnav were partners in a firm sharing profits and losses in the ratio of 3 : 1 : 1. Their Balance Sheet as at 31st March, 2019 was as follows:

Balance Sheet ofRadha, Manas and Arnav as at 31st March, 2019

Capital		Furniture	4,60,000
Radha 4,00,000		Investment	2,00,000

Manas 3,00,000		Stock		2,40,000
Arnav 2,00,000	9,00,000			
		Debtors	2,20,000	
Investment Fluctuation Fund	1,10,000	Less: PDD	10,000	2,10,000
Creditors	2,50,000	Cash		1,50,000
	12,60,000			12,60,000

Manas retired on 1^{st} April, 2019. It was agreed that:

1. Stock was to be appreciated by 20%
2. Provision for doubtful debts was to be increased to Rs.15,000.
3. Value of furniture was to be reduced by Rs.3,000.
4. Market value of investments was Rs.1,90,000.
5. Goodwill of the firm was valued at Rs.2,00,000 and Manas's share was adjusted in the accounts of Radha and Arnav.
6. Manas was paid Rs. 68,000 in cash and the balance was transferred to his loan account.
7. Capitals of Radha and Arnav were to be in proportion to their new profit sharing ratio. Surplus/deficit, if any, in their capital accounts was to be adjusted through current accounts.

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

25 'G', 'E' and 'F' were partners in the firm sharing profits in the ratio of 7: 2: 1. **[6]**

Balance Sheet of 'G', 'E' and as on 31st march 2011

Liabilities		Amt(Rs.)	Assets	Amt(Rs.)
Capitals:			Goodwill	40,000
G	70,000		Land and Buildings	60,000
E	20,000		Machinery	40,000
F	10,000	1,00,000	Stock	7,000
General Reserve		20,000	Debtors	12,000
Loan from 'E'		30,000	Cash	5,000
Creditors		14,000		
		1,64,000		1,64,000

'E' died on 24th August 2011. Partnership deed provides for the settlement of claims on the death of a partner in addition to his capital as under:

1. The share of profit of deceased partner to be computed up to the date of death on the basis of average profits of the past three years which were 180,000.
2. His share in profit/loss on revaluation of assets and reassessment of liabilities which were as follows:

   Land and Buildings were revalued at Rs. 94,000, Machinery at Rs. 38,000 and Stock at Rs. 5,000. A provision of $2\frac{1}{2}$% was to be created on debtors for bad and doubtful debts.

	3. The net amount payable to ‘E’s executor was transferred to his Loan Account, to be paid later on. Prepare Revaluation Account, Partners’ Capital Accounts and Balance Sheet of ‘G’ and ‘F	
26	Satnam Ltd. purchased Building worth Rs. 5,00,000, Plant worth Rs. 4,60,000 and Furniture worth Rs. 2,20,000 from Gurnam Ltd. for a purchase consideration of ₹ 12,60,000. Satnam Ltd. paid the purchase consideration by issuing 10% debentures of Rs.100 each. Pass the necessary journal entries in the books of Satnam Ltd. for the acquisition of assets and issue of 10% debentures when: 1. Debentures were issued at par. 2. Debentures were issued at premium of 25%. 3. Debentures were issued at a discount of 10%.	**[6]**
	Part B :- Analysis of Financial Statements	
27	Analysis of financial statements is significant: a) for creditors b) for Managers c) All of these d) for Employees **OR** Security Deposits are presented in the Balance Sheet of the company under the subhead: a) Fixed Assets b) Other Non - Current Assets c) Long - term Loans and Advances d) Other Current Liabilities	**[1]**
28	Credit Revenue from Operations 24,00,000; Trade receivable turnover ratio 6 times; trade receivable beginning of the year 3,00,000. Trade Receivable at the end of the year will be: a) 8,00,000 b) 5,00,000 c) 1,00,000 d) 3,00,000	**[1]**
29	Dividend paid by a financial enterprise will come under which kind of activity from the following while preparing cash flow statement: a) Investing Activity b) Operating Activity c) Both (b) and (c) d) Financing Activity **OR** Dividend paid by a manufacturing company is classified under which kind of activity while preparing cash flow statement? a) Cash Flow from Operating Activities b) Cash Flow from Investing Activities c) Cash Flow from Financing Activities d) No Cash Flow	**[1]**
30	Which of the following transactions will not result in flow of cash: a) Issue of shares Rs.20,00,000 b) Cash withdrawn from the bankRs.7,000	**[1]**

c) Purchase of investments Rs. 60,000 d) Payment of wages Rs. 11,000

31 From the following information for the year ended 31st March, 2023, prepare Note to Accounts on Employees Benefit Expenses: **[3]**

Wages Rs. 2,40,000; Salaries Rs. 3,60,000;Entertainment Expenses Rs.15,000;Bonus Rs. 50,000; Gratuity Paid Rs. 1,20,000; Conveyance Expenses Rs.25,000; and Medical Expenses Rs. 40,000.

32 Calculate the amount of Opening Trade Receivables and Closing Trade Receivables from the following particulars: **[3]**

Cost of Revenue from Operations (Cost of Goods Sold): Rs.9,00,000;Gross Profit on Revenue from Operations (Sales): 25%; Cash Revenue from Operations: 20% of Credit Revenue from Operations; Trade Receivables Turnover Ratio: 5 Times

Closing Trade Receivables were 3 times than that in the beginning.

33 Prepare a **Common Size Statement of Profit and Loss** of Neurosci Ltd. for the year ended 31 st March, 2023 from the following information: **[4]**

Particulars	2022 - 23 (₹)	2021 - 22 (₹)
Revenue from operations	40,00,000	20,00,000
Purchase of stock in trade	4,00,000	2,00,000
Other expenses	40,000	20,000
Tax rate 50%		

OR

Prepare a Comparative Statement of Profit & Loss from the following:

Particulars	31.3.2023	31.3.2022
	₹	₹
Revenue from Operations	50,00,000	30,00,000
Finance Costs	30,00,000	27,00,000
Employee Benefit Expenses	4,00,000	3,00,000
Other Expenses	40,000	50,000
Income Tax 40% of Net Profit		

34 Private Ltd. has Machinery and Furniture written down values of which on 1st April, 2022 were Rs.8,60,000 and Rs.1,75,000 respectively on 31st March, 2023 they were Rs.9,50,000 and Rs.1,25,000 respectively. Depreciation for the year was Rs.40,000 for Machinery and Rs.20,000 for furniture. **[6]**

In the beginning of the year, an item of machinery was sold for Rs.25,000 which had a written down value of Rs.20,000. Furniture was sold for a loss of Rs.5,000.

Calculate Cash Flow from Investing Activities. Prepare the required ledgers