XII- ACCOUNTANCY

Time : 3 hrs. **M.M : 80**

Q.1 Give one difference between Convertible and Non-Convertible Debentures . (1)

Q.2 Alka, Barkha and Charu are partners in a firm. They contributed Rs. 2,00,000 1,50,000 & Rs. 100000 each. The firm earned a profit of Rs. 1,50,000, distribute profit. (1)

Q.3 Any change in relationship among existing partner and keeping at least one of the existing in the firm is called;

a) Revaluation of Partnership b) Reconstitution of firm

c) Dissolution of Firm d) None of these. (1)

Q.4 A and B are partners sharing 2:3. They decided to dissolve the firm and an unrecorded asset was sold for ` 30,000 it will be settled as:

a) Transferring it to realization account b) debit cash account

c) credit asset account d) debit realization account (1)

Q.5 M Ltd. Issued 50,000 shares of `100 each payable ` 20 on application, ` 30 on allotment and balance on first call the application was received for 60,000 shares a shareholder applied for 420 shares failed to pay allotment the default on allotment was:

a) 9,500 b)12,600 c)10,500 d)9,100

(1)

Q.6 A and B are partners sharing 3:2 . On April 1st 2013 they decided to admit c as a new partner sharing profits as 1/5th share. They had a reserve of ` 25,000 which they wanted to remain as it is in the new books .What would be the journal entry on C' s admission. (3)

Q.7 State any three conditions on issue of shares at discount? (3)

Q.8 Ajmer and Vishnu are partners sharing 3:2.they admit Jugraz as a new partner for 1/5th share, Jugraz was admitted with a guarantee of minimum profit of ` 1,00,000 .the firm

Earned a loss of ` 5,00,000. Any deficiency to be borne by Ajmer & Vishnu in the ratio of 4:1.Pass the necessary journal entries. (3)

Q.9 N Ltd. Was registered with an authorized capital of ` 5,00,000 divided into 25,000 shares of ` 20 each. The company issued 20,000 shares at a premium of ` 40 each application for 25,000 shares was received. Show the 'Share capital' in the **Balance Sheet** of N Ltd.as per schedule VI of the Companies Act 1956.Also prepare notes to accounts for the same. (3)

Q.10 Ramco Ltd. purchased a running business of K. Traders for Rs. 30,00,000 payable `. 6,00,000 by cheque and balance in form of Equity shares of `. 100 each at a discount of 10%. The business consist of – (3)

Plant & Machinery	` 6,00,000
Debtors	` 5,00,000
Creditor	` 3,00,000
Stock	` 9,00,000

Q.11 A B & C were partners sharing 2:2:1 They have capitals of `. 3,00,000, 2,00,000 & `. 1,00,000 respectively after distributing profit of ` 1,00,000 and Drawings adjusted A `. 30,000 B `. 20,000 & C `. 1,0000. Later on They come to know that Interest on capital @ 6% p. a has been omitted. Make necessary journal entry to rectify the error. (4)

Q.12 Following is the Balance sheet of G,E and F were partners sharing profits in the ratio of 7:2:1.The balance Sheet of the firm was as at 31st March 2011 was as follows:

Balance Sheet as at 31st March 2011

Liabilities	`	Assets	`
Capitals: G	70,000	Goodwill	40,000
E	20,000	Land & Building	60,000
F	10,000	Machinery	40,000
General Reserve	20,000	Stocks	7,000
E's Loan	30,000	Debtors	12,000
Creditors	14,000	Cash	5,000
	1,64,000		**1,64,000**

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

(i) The share of deceased partner in profits of the firm to be computed up to the date of death on the basis of average profits of the past three years which was ` 80,000.

(ii) Land & Building were revalued at ` 94, 000,Machinery at 10% less ,a provision 2 ½% was to be created on debtors for Bad and Doubtful debts.

(iii) The net amount payable to E's Executor were transferred to his loan account after realizing ` 42,000 on account of joint life policy from insurance company.

You are required to prepare E's executor account to be rendered to his executors. (4)

Q.13 a) A firm earns ` 10,000 as its annual profits, the rate of normal profit being 10%.The assets of the firm amounted to ` 80,000.The value of Goodwill is ` 45,000 calculated on the basis of 5 years purchase of super profits.Find the value of outsiders' Liabilities.

b) Jeet and Meet are partners sharing 2:1.Parmeet was admitted a new partner with 1/3rd share in profits. Jeet and Meet decided to share future profits in the ratio of 3:2.calculate new profit sharing ration and Sacrificing ratio. (6)

Q.14 a) Sucheta Ltd.issued 60,000 8% debentures at a premium of 5%on 1st April 2012.These were to be redeemed at par after 4 years. The interest on debentures was payable annually after deduction of tax at source @ 15 %.Pass necessary journal entries for the year ending 31st March 2013.

b) Walter Ltd. Issued 20,000 9% Debentures of ` 100 each to be redeemed after5 years at par .It was mentioned in the Debenture trust deed that the company can redeemed by purchase from open market any time after 3 years or can be by draw of lots. At the end of 3 years company purchased 500 debentures @ 95 each for immediate cancellation. The company has sufficient profits. Pass necessary journal entries related for purchase of debentures only. (6)

Q.15 Raja, Mohinder & Singh were partners sharing 5 : 3 : 2 on 31 March 2006 .

Their Balance Sheet was as follows :-

Liabilities	`	Assets	`
Capital – Raja	1,50,000	Leasehold proprieties	2,00,000
— Mohinder	2,00,000	Patents	50,000
— Singh	1,00,000	Machinery	2,00,000
Creditors	1,50,000	Stock	1,00,000
Workmen compensation reserve	20,000	Goodwill	30,000
Employees Provident Fund	10,000	Cash at bank	50,000
	6,30,000		**6,30,000**

Singh retires on the same date it was agreed that goodwill of the firm is valued at ` 1,50,000, Machinery at ` 2,40,000 Patents ` 40,000 Stock was found in excess by ` 10,000.The Liability on Provident fund was computed at ` 8,000. The amount payable to Singh was paid as ` 50,000 on 31 March 2006 and Balance to be paid Later on with interest @ 10% p.a. as Loan. Prepare Revaluation Account, Capital Account & Balance Sheet. (6)

Q.16 L & M were partners sharing 3 : 2. They admit N as a new partner for 1/5th share which is contributed by L & M equally. The Balance sheet on the date of admission was as follows :-

Liabilities	`	Assets		`
L's capital	3,00,000	Machinery		2,00,000
M's capital	2,00,000	Furniture & Building		1,50,000
Reserve fund	40,000	Stock		1,00,000
Bank loan	10,000	Debtors	54,000	
Creditors	60,000	Less prov. for d/d	4,000	50,000
		Cash at Bank		1,00,000
		Formation Expenses		10,000
	6,10,000			**6,10,000**

N will bring Rs 25,000 for goodwill, provision for D/D is to be reduced to Rs 1,000, Machinery need to be up valued by Rs 40,000.. There is an outstanding claim of Rs 5,000 to be accounted. N will bring propionate capital prepare necessary Accounts & Balance Sheet. (8)

Q.17 Surbhi Ltd issued 1,00,000 shares of Rs 10 each at a premium of Rs. 20 per share payable as under

Application	` 3
Allotment	` 22 (including premium)
1st Call	` 3
2nd Call	` 2

Over payments were received to the extent of 90,000 shares. Applicants of 10,000 shares were refused & Balance made pro-rata. Excess was adjusted on allotment only.

An applicant having 2,400 shares was failed to pay allotment. So, his shares were forfeited & reissued @ Rs 24 per share after allotment. Final call was not made. journalise. (8)

(Part — B)

Q.18 What is the common bench mark for current ratio? (1)

Q.19 State where the following will appear in cash flow statement.

(i) Cash received from sale of office equipment.

(ii) Interest received on calls in arrears . (1)

Q.20 a) Name sub heads under the head Non –current Liabilities in the equity and Liabilities part of balance Sheet as Per Schedule VI of the Companies Act. (3)

b) Give one difference between inter firm & Intra firm analysis. (1)

Q.21 Prepare a comparative Income statement from the following

	2006	**2007**
Revenue from operations	20,00,000	30,00,000
Profit on revenue from operations	40%	30%
Depreciation and other expenses	5% of RFO	4% of RFO
Tax rate	40%	50%

(4)

Q.22 From the following details, Calculate Inventory on the end:

Revenue from operations (credit 80%) ` 5,00,000 Net profit ` 1,60,000,administration expenses ` 30,000,Depreciation ` 30,000,office expenses `5,000.The inventory conversion period is of 73 days. (4)

Q.23 From the following prepare Cash Flow Statement:

Particulars	Note no.	` 2013-14	` 2012-13
Equity And Liabilities			
Shareholders funds			
a) Share capital	1	14,00,000	10,00,000
b)reserves & Surplus		5,00,000	4,00,000
2.Non-Current Liabilities			
Long Term borrowings		5,00,000	1,40,000
3.Current Liabilities::			
Trade payables		1,00,000	60,000
Short term Provisions		80,000	60,000
Total		**25,80,000**	**16,60,000**
Assets			
1.Non Current Assets			
a..Fixed assets:			
(i) Tangible assets		16,00,000	9,00,000

(ii) Intangible Assets		1,40,000	2,00,000
2.Current Assets			
a. Inventories		2,50,000	2,00,000
b. Trade Receivables		5,00,000	3,00,000
c. Cash & Equivalents		90,000	60,000
Total		**25,80,000**	**16,60,000**

(i) Short Term provisions are for Taxation. Provision made during the year was ` 50,000.

(ii) Intangible assets denote copyrights.

(iii) Depreciation charged on tangible assets was ` 1,00,000. (6)