

CBSE MIXED TEST PAPER-08

FIRST PRE-BOARD EXAMINATION

CLASS - XII ACCOUNTANCY

[Time : 1.5 hrs.]

[M. M.: 50]

General Instructions:

- (1) This questions paper contains two parts A & B.
- (2) All parts of the question should be attempted at one place.

PART - A (Partnership and Company Accounts)

- Q1. State where will the following appear in case capitals are fixed. [1]
(i) Drawing (ii) Fresh capital introduced
- Q2. Give one point of dissimilarity between Receipts and Payment A/c Income and Expenditure A/C. [1]
- Q3. At the time of admission of new partner, workmen's compensation reserve is appearing in the balance sheet as Rs.1, 000. Give journal entry if workmen's compensation of the time of admission is estimated at Rs. 800. [1]
- Q4. State the interest on drawing to be charged on Rs. 2, 00, 000 if it is drawn in the beginning of every month @ 10% p.a. [1]
- Q5. Give journal entry for recording deceased partner's share in profit from the closure of last balance sheet till the date of his death. [1]
- Q6. A, B and C sharing profit in the ration 3:2:1 respectively. C wants that profits be shared equally and it should be applicable retrospectively from the last three years. Other partners have no objection this. Profits for the last three year were Rs. 1, 20, 000 Rs. 94, 000 and Rs. 1, 10, 000 respectively Record adjustments by means of a journal entry. [3]
- Q7. Prize awarded during 2006-2007 Rs. 13, 000.
Prize fund as at 31.3.2006 Rs.62, 000.
Donation for prized received on 1.4.2006 Rs. 18, 000 which were invested in 9% Investment on the same day.
9% Prized and Fund Investments as at 31.3.2006 Rs. 62, 000.

Interest received on Prize Fund Investments during 2006-07 Rs.5, 000.

How will deal the above item while preparing Balance sheet as at 31.3.2007 [3]

Q8. Write a short note on 'Private Placement of Shares'. [3]

Q9. Hari, Ravi and Kavi were partners in a firm sharing profits in the ratio of 3:2:1. They admitted Guru as a new partner for $\frac{1}{7}$ share in the profits. The new profit sharing ratio will be 2:2:2:1 respectively. Guru brought Rs.3, 00, 000 for his capital and Rs.45, 000 for his $\frac{1}{7}$, share of goodwill. Pass necessary journal entries in the books of the firm for the above mentioned transactions. [4]

Q10. (a) B Ltd. redeemed 4, 000, 14% Debentures of Rs. 100 each, which were issued at par, at 10% premium by converting them into equity shares of Rs. 10 each issued at a discount of 4%
Journalise [4]

(b) Journalise the transactions given below:

(i) A debenture issued at Rs.100 repayable at rs105.

(ii) A debenture issued at Rs.105 repayable at Rs.100.

(Note: Face value of Debentures is Rs.100)

Q11. Jai Ltd. purchased sundry Assets costing Rs.2, 02, 500 it was agreed that the purchase consideration was to be paid by issue of 9% debentures. Assume the price has been paid by the issuance of:

(i) 2, 025 debentures of Rs.100 each;

(ii) 1, 500 debentures of Rs.100 each;

Journalise. [4]

Q12. From the following receipts & Payment Account of Baba Deep Singh Society. Prepare income and Expenditure Account for the year ended 31st March 2007 and the Balance Sheet at 31.03.07

RECEIPT AND PAYMENTS ACCOUNT
for the year ended 31st March, 2007

Dr.		Cr.	
Receipts	Rs.	Payment	Rs.
To Balance b/d		By Expenses on Entertainment show	1000
Cash in hand Rs.30, 000		By Investments	12, 000
Cash at Bank Rs.15, 000	45, 00	By Insurance	2, 500
To Subscriptions		By Sundry Expenses	500
2005-2006 Rs.700		By Office Expenses	900
2006-2007 Rs.1, 000		By Fax Machine	3, 000
2007-2008 Rs.500	2, 200	(Purchased on 1.10.2006)	
To Realisation from Entertainment show	3, 000	By Salaries	11, 100

To Donations	2,500	By Balance c/d	
To Miscellaneous Receipts	1,000	Cash in hand	Rs. 6,000
		Cash in Bank	Rs. 16,7000
	53,700		22,700

The following additional information is supplied to you:

- (1) On 31.3.2007, Subscription of Rs.2,800 (including Rs.500 for 2005-06) were in arrear and Insurance charges of Rs.500 were prepaid.
- (2) On 1.4.2006 the Club had the following assets and liabilities:
 - (a) Fax Machine Rs.5,000;
 - (b) Investment Rs.3,500
- (c) Salary Outstanding RS.1,000 and Insurance Prepaid Rs.300.
- (3) Depreciation is to be charged on Fax Machine @ 10% p.a.
- (4) Donation are to be capitalised

[6]

Q13. X, Y and Z were in partnership sharing profits in the ratio of 1:2:2. Their Balance Sheet as at 31st March 2007 was as follows:

**BALANCEMENT
as at 31.3.2007**

Liabilities	Rs.	Assets	Rs.
Capitals		Cash	26,000
X Rs.20,000		Debtors	20,000
Y RS.30,000		Furniture	15,000
Z Rs.40,000	90,000	Stock	25,000
Profit and Loss A/c	16,000	Investments	30,000
Creditors	19,000	Machinery	20,000
Bills Payable	11,000		
	1,36,000		1,36,000

All the partners decided to share profits in the ratio of 2:1:1 w.e.f. April 1, 2007 it was further agreed that:

- (1) Value of Stock and Machinery is to be reduced by Rs.3,000 and Rs.2,000 respectively;
- (2) Value of Furniture is to be increased to Rs.16,000
- (3) The Goodwill of firm should be valued at Rs.25,000

You are required to record the necessary journal entries to give effect to above arrangement without opening Revaluation Account.

Q14. The following is the Balance Sheet of A and B who had been sharing profits in proportion of 3:2

[6]

**BALANCE SHEET
as at 31.3.2007**

Liabilities	Rs.	Assets	Rs.
Bank Loan	1, 15, 000	Cash	1, 90, 000
Sundry Creditors	50, 000	Sundry Debtors Rs.12, 000	
Capital		Less: Provision Rs. 2, 000	10, 000
Accounts:		Stock	20, 000
A Rs.1, 25, 000		Land	1, 30, 000
B Rs.1, 50, 000	2, 75, 00	Goodwill	30, 000
		Furniture	60, 000
	4, 40, 000		4, 40, 000

On the same date, C is admitted for $\frac{1}{6}$ th share partnership on the following terms;

- (1) Land was found under valued by Rs.10, 000.
- (2) Provision for Doubtful Debts should be raised to Rs. 4, 000.
- (3) C will pay Rs. 1, 00, 000 as his share of capital and the capitals of old partners will be adjusted on the basis of new partners capital and his share in the business actual to be brought in or withdrawn by old partners, as the case may be
- (4) Goodwill of the firm is valued at Rs.60, 000 and brings necessary amount for his share of goodwill in cash.
- (5) Prepare Revaluation Account, Capital Account and Balance Sheet of new firm.

Q15. A, B and C were partners having Profit and Losses in the ratio $\frac{1}{2}$, $\frac{3}{10}$, and $\frac{1}{5}$. Their Balance Sheet was as follows:

BALANCE SHEET
as at 1st April, 2007

Liabilities	Rs.	Assets	Rs.
Bank Loan	1, 13, 250	Book Debts	62, 500
Sundry Creditors	1, 750	Fixed Assets	1, 22, 500
Profit and Loss A/c	7, 500	Bill Receivables	27, 500
Capitals			
A Rs.50, 000			
B Rs.25, 000			
C Rs.20, 000	95, 000		
	2, 17, 500		2, 17, 500

B retired on the same date and the following adjustments were made:

- (a) Fixed Assets were found over valued by Rs.20, 000
- (b) Outstanding Bill for repair was worth Rs.15, 000
- (c) Goodwill was valued at Rs. 47, 500

B was to be paid immediately by Cash brought in by A and C so as to make their capital in new profit sharing ratio which was 3:2 Prepare Revolution Account, Partner's Capital Accounts and the Balance sheet of the new firm.

- Q16. Mustfa Ltd. issued a prospectus inviting applications for 1, 00, 000 shares of Rs.10 each at a discount of [8]
Rs.2 per share payable
Rs.2 on application
Rs.3 on allotment
Rs.2 on First call
Rs.1 on final call

Application were received for 1, 20, 000 shares. Allotment was made as under:

- (a) To application for 20, 000 shares – in full
- (b) To application for 40, 000 shares – 30, 000 shares
- (c) To applicants for 60, 000 shares -50, 000 shares

The shares were fully called and paid up except amount on allotment, first and final call no paid by those who applied for 2, 000 shares out of the group applying for 40, 000 shares. These shares were forfeited by the directors and 1, 200 shares of them were re-issued @ 7 per share. Show the journal entries in the books of Mustfa Ltd.

OR

Pass journal entries for forfeiture and reissue in each of the following cases

- (a) Ram who had applied for 300 shares but was allotted 200 shares of Rs.20 each, failed to pay the allotment money of Rs.6 (including premium of Rs.2) an first call of Rs.5 and had paid just the application money of Rs.5 each. Thus, his shares were forfeited and 100 of these shares were reissued for Rs.19 per share fully paidup.
- (b) S Ltd. forfeited 300 shares of Rs.10 Each of A, who had applied for 70 shares on account of non payment of allotment money of Rs.5 (including premium of Rs.2) and fist all of Rs.2 only Rs. per share was received on application. These shares were reissued as fully paid for Rs.8 per share
- (c) A company forfeited 200 shares of B of Rs.10 each issued at a premium of Re.1 per share to be paid along with allotment. B had applied for 400 shares and had paid the application money of Rs.3 per share. He failed to pay the allotment money of Rs.3 and first call of rs.5. 150 of these shares were reissued for Rs.8 per share fully paidup.
- (d) A company forfeited 100 shares of Rs.10 each fully called up issued at 10% discount on which only Rs.3 per share was received with application. Amount of Rs.2 on allotment Rs.2 on first call and Rs.2 call and Rs.2 on final call were not received, thus these were forfeited. Out of these, 70 shares were reissued as fully paid share at Rs.8 per share.

PART – B
(Analysis of Financial Statement)

- Q17. State two items of Reserves and Surplus. [1]
- Q18. How will you categorized dividends received in case of non financial enterprises? [1]

Q19. In a non-financial enterprises cash receipts form customers in Rs.2, 00, 000 and cash paid to suppliers and employees is Rs.15, 000. State the amount of Cash flows from Operating Activities. [1]

Q20. Net Profit before Interest & Tax Rs.6, 00, 000, Equity Share Capital (20, 000 shares of Rs.10 each) Rs.2, 00, 000; 10% Preference Share Capital Rs.90, 000; 8% Debentures of Rs.1, 50, 000; Tax Rate 50% calculate Earning per Share. [3]

Q21. From the following data, prepare statement of profits in Comparative form. You are also required to interpret the results and give suitable comments.

Particulars	Year II	Year I
Sale	50, 00, 000	45, 00, 000
Gross Profit	26%	46%
Indirect Expenses	9, 90, 000	9, 40, 000
Salaries	1, 00, 000	1, 00, 000
Income Tax Rate	50%	50%

Q22. Following information is given to you: [4]

- Stock turnover Ratio 5 Times
 - Stock at the end Rs.8, 000 more than the stock in the beginning
 - Sales Rs.4, 00, 000
 - Gross Profit Ratio 25% on cost
- Calculate (a) Cost of Goods Sold (b) Opening Stock and Closing Stock

Q23. From the following Balance Sheet of Mittal Ltd. as at 31st December, prepare Cash flow statement for the year ended 31st December. 2007 as per AS – 3 (Revised) [6]

Liabilities	2006 Rs.	2007 Rs.	Assets	2006 Rs.	2007 Rs.
Equity Share Capital	1, 500, 000	2, 00, 000	Fixed Assets	3, 25, 000	3, 25, 000
9% preference Share Capital	1, 10, 000	50, 000	10% investments	20, 000	45, 000
8% Debentures	1, 80, 000	1, 00, 000	Current Assets	50, 000	1, 37, 500
Reserves & surplus	50, 000	1, 00, 000	Bank	15, 000	20, 000
Current Liabilities	30, 000	85, 000	Discount to issue Of Equity Shares	10, 000	7, 500
	4, 20, 000	5, 35, 000		4, 20, 000	5, 35, 000

Additional Information:

- During the year 2007 at part of the Machine costing Rs.40, 000 (Accumulated depreciation there on Rs.25, 000) was sold for Rs.7, 500
- Depreciation charged during the year 2007 was Rs.25, 000.
- Debentures were issued on 01. 12.2007
- Fresh investments were made on 1.1.2007.