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| **PB1/ACQP/1223/B 05-DEC-2023** | | | | | | |
| **PREBOARD EXAMINATION – I (2023-24)** | | | | | | |
| **Subject: ACCOUNTANCY**  **Grade: XII** | | Max. Marks:80Time:3 Hour | | | | |
| **Name:** | | | | **Section:** | **Roll 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 Partnership & Company accounts***  ***4. Part - B Analysis of Financial Statements***  ***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.*** | | | | | | |
|  | **PART A**  **(Accounting for Partnership firms and Companies)** | | | | |  |
| 1 | A, B and C are partners in a firm. Net profit before appropriations is ₹ 5,58,000. Total interest on capital and salary to the partners amounted to ₹ 60,000 and ₹ 1,20,000 respectively. A and C are entitled to get a commission 4% each on net profit after taking into consideration salaries, interest on capital and all commission. Calculate commission payable to A and C | | | | | 1 |
|  | 1. ₹ 15,120 each | | 1. ₹ 14,000 each | | |  |
|  | 1. ₹ 14,538 to A and ₹ 13,979 to C | | 1. ₹ 14,538 each | | |  |
| 2. | **Assertion (A):** Rent to a Partner is transferred to the debit of Profit and Loss Account but is not transferred to the debit of Profit and Loss Appropriation Account  **Reason (R):** Rent to a Partner is an expense which is a charge against profits and not an appropriation of profit. Hence, it is transferred to the debit of Profit and Loss Account.  In the context of above two statements, which of the following is correct? | | | | | 1 |
|  | 1. Assertion (A) and Reason (R) are correct but the Reason (R) is not the correct explanation of (A) Assertion | | 1. Both Assertion (A) and Reason (R) are correct and Reason (R) is the correct explanation of Assertion (A). | | |  |
|  | C. Assertion (A) is correct but the Reason  (R) is not correct. | | D.Assertion (A) is not correct but the  Reason (R) is correct. | | |  |
| 3 | Sobha Enterprises earned a profit of ₹3,20,000, interest on capital to be provided to partners is ₹1,80,000, interest on loan taken from partner is ₹20,000 and profit-sharing ratio of partners is 7 : 5. Sequence the following in correct way:   1. Distribute profits between partners in profit-sharing ratio. 2. Charge interest on loan to Profit & Loss A/c. 3. Calculate the net profit and transfer to Profit & Loss Appropriation A/c. 4. Provide interest on capital.   Choose the correct option: | | | | | 1 |
|  | 1. A, C, D and B | | 1. B, A, D and C | | |  |
|  | 1. B, D, C and A | | 1. B, C, D and A | | |  |
| 4 | Vikas and Ajit were partners of a firm sharing profits and losses in the ratio of 5 : 4 with capitals of ₹2,50,000 and ₹2,00,000 respectively. Vinod was admitted for 1/5th share as a partner on 1st April, 2022 for which he would have to bring capital in proportion to his capital along with his share of goodwill of ₹ 27,000. On the date of admission assets were revalued and liabilities were reassessed, which resulted into Gain (Profit) of ₹36,000. Find the amount of capital brought by Vinod. | | | | | 1 |
|  | 1. ₹ 1,02,600 | | 1. ₹ 1,28,250 | | |  |
|  | 1. ₹ 90,000 | | 1. ₹ 97,200. | | |  |
| 5 | A and B are in a partnership sharing profits and losses as 3: 2. C is admitted for  1/4th share. Afterwards D enters for 20 paisa in a rupee. The new profit sharing ratio after D's admission will be : | | | | | 1 |
|  | A. (A) 9:6:5:5 | | B. (B) 6:9:5:5 | | |  |
|  | C. (C) 3:2:4:5 | | D. (D) 3:2:5:5 | | |  |
| 6 | Ram, Rahim and Shyam had profit-sharing ratio as 3: 2: 1. Ram retired and his share in firm was valued at ₹ 8,400 which he sold to Shyam for ₹. 4,800 and to Rahim for ₹ 3,600. The profit for the year after Ram’s retirement was ₹33,600. Calculate and distribute the profit between partners. | | | | | 1 |
|  | 1. ₹ 16,800, ₹11,200, ₹ 5,600 | | 1. ₹19, 200, ₹ 14,400 | | |  |
|  | 1. ₹ 18,400, ₹ 15.200 | | 1. ₹ 14.400, ₹. 19,200 | | |  |
| 7 | A company Forfeited 1,000 shares of ₹ 10 each ,₹ 7 called up . For  the non-payment of ₹2 First call .All these shares were reissued at ₹ 5 per  share . What will be Amount credited to share capital account at reissue: | | | | | 1 |
|  | 1. ₹7,000 | | 1. ₹10,000 | | |  |
|  | C.₹5,000 | | D. ₹2,000 | | |  |
| 8 | For which of the following purposes securities premium cannot be used: | | | | | 1 |
|  | 1. In writing off the discount on debentures of the company | | 1. in writing off the preliminary expenses of the company | | |  |
|  | 1. issuing bonus shares | | 1. in redeeming debentures | | |  |
|  | **Read the following question, answer Q.9 & Q.10**  Ravi and Bhava are partners in the ratio of 5 : 3. Their capitals are ₹ 20,00,000 and ₹15,00,000 respectively. As per the Partnership Deed, they are allowed interest on capital @6% p.a. Interest charged on drawings of Ravi and Bhava were ₹2,500 and ₹1,500 respectively. Firm incurred a loss of ₹ 60,000 for the year ended 31st March, 2021. The partners need to know few details regarding the following: | | | | |  |
| 9 | Interest on Capital due to Ravi and Bhava is equal to \_\_\_\_\_ | | | | | I |
|  | 1. ₹2,40,000 debited to Profit & Loss Account. | | 1. ₹2,40,000 debited to Profit & Loss Appropriation Account. | | |  |
|  | 1. ₹2,40,000 credited to Profit & Loss Appropriation Account | | 1. Nil. | | |  |
| 10 | Loss transferred to the Capital Accounts of Ravi and Bhava would be \_\_\_\_\_\_\_\_ and \_\_\_\_\_\_\_. | | | | | 1 |
|  | 1. ₹25,000; ₹15,000 | | **B.** ₹15,000; ₹25,000 | | |  |
|  | C. ₹35,000; ₹21,000 | | D. ₹45,000; ₹27,000 | | |  |
| 11 | X and Y are partners sharing profits equally. X withdrew ₹2,000 at the end of each month for 6 months ended 31st March, 2022. Interest on X’s drawings @6% p.a. for the year ended 31st March, 2022 will be : | | | | | 1 |
|  | 1. ₹150 | | B. ₹310. | | |  |
|  | C. ₹610. | | D. ₹580. | | |  |
| 12 | In the Balance Sheet, Total Debtors appear at ₹ 50,000 and Provision for Doubtful Debts appear at ₹1,500. How much is the amount realised from Debtors, if bad debts amount to ₹10,000 and remaining debtors are realised at a discount of 5%. | | | | | 1 |
|  | 1. ₹ 38,000 | | 1. ₹ 36,500 | | |  |
|  | 1. ₹ 36,575 | | 1. ₹ 39,500 | | |  |
| 13 | Total capital specified in capital clause is ₹ 50,00,000 which is divided in 35,000 equity shares of ₹ 100 each and 15,000, 10% preference shares of ₹ 100 each. The company issued 10,000 equity shares and 5,000 preference shares. The public subscribed for 9,000 equity shares and 4,500 preference shares out of the issued shares. What will be the subscribed capital amount? | | | | | 1 |
|  | 1. ₹ 50,00,000 | | 1. ₹ 50,000 | | |  |
|  | 1. ₹ 9,00,000 | | 1. ₹ 13,50,000 | | |  |
| 14 | If a share of face value ₹ 10, issued at a premium of ₹ 2 per share which is payable along with final call of ₹ 3, on which ₹ 7 paid up against ₹ 12 called up is forfeited and reissued. The share can be reissued at least for ₹ | | | | | 1 |
|  | A. 10 | | B. 7 | | |  |
|  | 1. 3 | | 1. 12 | | |  |
| 15 | X, Y and Z are partners sharing profits in ratio 3 : 2 : 1.X died on 10th April 2022. The sales and profit of 2021 were ₹ 3,00,000 and ₹ 45,000 respectively. Sales from 1st January, 2022 to April 10, 2022 was ₹ 1,20,000. Find share of profit payable to X | | | | | 1 |
|  | 1. 18,000 | | 1. 9,000 | | |  |
|  | 1. 4,500 | | 1. None of these | | |  |
| 16 | X Ltd issued 1,000, 11% debentures of ₹ 100 as collateral security in favour of State Bank of India against 12% Bank loan. The interest payable on debentures is | | | | | 1 |
|  | 1. ₹ 11,000 | | B.₹ 12,000 | | |  |
|  | C. No interest to be paid | | D.₹ 23,000 | | |  |
| 17 | X, Y and Z are in Partnership, sharing profits and losses in the ratio of 3 : 2 : 1, respectively. Z’s share in the profit is guaranteed by X and Y to be a minimum of Rs 8,000. The net profit for the year ended March 31, 2017 was Rs 30,000. Prepare Profit and Loss Appropriation Account, indicating the amount finally due to each partner. | | | | | 3 |
| 18 | Azad and Benny are equal partners. Their capitals are Rs 40,000 and Rs 80,000, respectively. After the accounts for the year have been prepared it is discovered that interest at 5% p.a. as provided in the partnership agreement, has not been credited to the capital accounts before distribution of profits. It is decided to make an adjustment entry at the beginning of the next year. Record the necessary journal entry. | | | | | 3 |
| 19 | A, B, C and D are partners sharing profits in the ratio of 3 : 3 : 2 : 2 respectively. D retires and A, B and C decide to share the future profits in the ratio of 3 : 2 : 1. Goodwill of the firm is valued at Rs 6,00,000. Goodwill already appears in the books at Rs 4,50,000. The profit for the 1st year after D’s retirement amount to Rs 12,00,000. Give the necessary journal entries to record goodwill and to distribute the profits. Show your calculations clearly. | | | | | 3 |
| 20 | Blue Prints Ltd., purchased building worth Rs 1,50,000, machinery worth Rs 1,40,000 and furniture worth Rs 10,000 from XYZ Co., and took over its liabilities of Rs 20,000 for a purchase consideration of Rs 3,15,000. Blue Prints Ltd., paid the purchase consideration by issuing 12% debentures of Rs 100 each at a premium of 5%. Record necessary journal entries. | | | | | 3 |
| 21 | Prasant and Nilesh are partners sharing profits and losses in the ratio of 3 : 2. Sumit was admitted as a partner for l/4th share. Goodwill valued at Rs 80,000. The following assets were brought in by Sumit as his Capital and his share of Goodwill: Cash Rs 15,000; Stock Rs 24,000; Furniture Rs 30,000 and Machinery Rs 36,000. Give necessary entries in the books of the firm and new profit-sharing ratio of the firm | | | | | 4 |
| 22 | Jute Ltd. had an authorized capital of 2,00,000 equity shares of ₹10 each. The company offered to the public for subscription 1,00,000 shares. Applications were received for 97,000 shares. The amount was payable as follow: On application ₹ 2 per share and ₹ 4 each on allotment and first and final call. A shareholder holding 600 shares failed to pay the allotment money. His shares were forfeited. The company did not make the first and final call. Present the share capital in the Balance Sheet of the company as per Schedule III of the Companies Act, 2013. Also prepare Notes to accounts. Balance Sheet of Jute Ltd. ( an extract) | | | | | 4 |
| 23 | Following is the Balance Sheet of Prateek, Rockey and Kushal as on March 31, 2017.   |  |  |  |  |  | | --- | --- | --- | --- | --- | | **Books of Prateek, Rockey, and Kushal** | | | | | | **Balance Sheet as on March 31, 2017** | | | | | | **Liabilities** |  | **Amount Rs** | **Assets** | **Amount Rs** | | Sundry Creditors |  | 16,000 | Bills Receivable | 16,000 | | General Reserve |  | 16,000 | Furniture | 22,600 | | Capital Accounts: |  |  | Stock | 20,400 | | Prateek | 30,000 |  | Sundry Debtors | 22,000 | | Rockey | 20,000 |  | Cash at Bank | 18,000 | | Kushal | 20,000 | 70,000 | Cash in Hand | 3,000 | |  |  | **1,02,000** |  | **1,02,000** |   Rockey died on June 30, 2017. Under the terms of the partnership deed, the executors of a deceased partner were entitled to:   * 1. Amount standing to the credit of the Partner’s Capital account.   2. Interest on capital at 5% per annum.   3. Share of goodwill on the basis of twice the average of the past three years’ profit and   4. Share of profit from the closing date of the last financial year to the date of death on the basis of last year’s profit.   Profits for the year ending on March 31, 2015, March 31, 2016 and March 31, 2017 were Rs 12,000, Rs 16,000 and Rs 14,000 respectively. Profits were shared in the ratio of capitals. Draw up Rockey’s capital account to be rendered to his executor. | | | | | 6 |
| 24 | MN Ltd. issued 40,000 shares of Rs.10 each at a premium of 10% , payable on application `2, on allotment `4 (including premium ` 1), first call ` 3 and balance on final call. The issue was oversubscribed to the extent of 50,000 shares and allotment was made as follows:   1. 20,000 shares to the applicants of 50,000 shares. 2. Full allotment to the applicants of 20,000 shares. 3. Remaining applications were rejected.   P to whom 2,000 shares were allotted in group (i) failed to pay allotment and calls money. Q who had applied for 4,000 shares on pro-rata basis failed to pay first and final call money. These shares were forfeited. Out of forfeited, 2,500 shares were reissued at ` 8 per share as fully paid. The reissued shares included all the forfeited shares of P.  Give Journal entries for above transactions in the books of the company.  **OR**   1. XY Ltd. forfeited 400 shares of ₹100 each, issued at 10% premium (to be paid at the time of allotment) for non-payment of allotment money of ₹ 30 (including premium) and first call of ₹ 30 per share. The second and final call of ₹ 20 has not yet been called. Out of these, 160 shares were re-issued as ₹ 80 paid-up for ₹ 70 per share. Journalise. 2. K Ltd. issued 60,000 shares of ₹10 each at a premium of 10% payable as, ₹2 per share on application, on allotment ₹5 (including premium) and ₹2 each on first and final call. Applications were received for 90,000 shares. It was decided to: 3. Refuse allotment to the applications for 10,000 shares. 4. Allot 10,000 shares to R who had applied for similar number. 5. Allot the remaining shares on pro-rata basis.   R failed to pay the allotment money. T who belonged to the category ‘c’ and had applied for 4,200 shares paid both the calls with allotment. Calculate the amount received on allotment. | | | | | 6 |
| 25 | Madan and Mohan are partners in a firm sharing profits and losses in the ratio of  3 : 2. Their Balance Sheet as on 31st March, 2020 is as follows:   |  |  |  |  | | --- | --- | --- | --- | | **Liabilities** | **₹** | **Assets** | ₹ | | Creditors  Workmen's Compensation Reserve  General Reserve  Madan's Capital  Mohan's Capital | 28,000  12,000  20,000  60,000  40,000 | Cash at Bank  Debtors 65,000  Less: Provision for 5,000  Doubtful Debts  Stock  Investments  Patents | 10,000  60,000  30,000  50,000  10,000 | | **1,60,000** | **1,60,000** |   The partners agreed to take Gopal as a partner for 1/4th share with effect from 1st  April, 2020 on the following terms:   1. Gopal shall bring ₹ 25,000 as his share of premium for goodwill. 2. That unaccounted accrued income of ₹ 500 be provided for. 3. Market value of the investments was ₹ 45,000. 4. A debtor whose dues of ₹ 1,000 were written off as bad debts paid ₹ 800 in full   settlement.   1. A claim of ₹ 2,000 on account of workmen’s compensation to be provided for. 2. Patents are undervalued by ₹ 5,000. 3. Gopal to bring in capital equal to 1/4th of the total capital of the new firm after all adjustments.   Prepare Revaluation Account and Capital Accounts of the Partners of the new firm.  **OR**  Atul, Bilal and Charu are partners sharing profits in the ratio of 4 :3 : 1. Their Balance Sheet as on 31st March, 2022 is as follows:   |  |  |  |  | | --- | --- | --- | --- | | Liabilities | Amt. (₹) | Assets | Amt. (₹) | | Capitals:  Atul  Bilal  Charu  Sundry Creditors | 80,000  60,000  50,000  48,000  **2,38,000** | Building  Patents  Debtors  Stock  Bank | 1,40,000  30,000  30,000  26,000  12,000  **2,38,000** |   Bilal retires from the firm on the above date. The following terms were agreed upon:   1. Goodwill of the firm was valued at ₹ 48,000. 2. Stock was found to be overvalued by ₹ 2,000. 3. A provision @ 5% is to be created for bad and doubtful debts. 4. Building is to be appreciated by ₹ 60,000. 5. A liability against workmen compensation is to be created for ₹ 8,100. 6. Bilal is paid the full amount with cash brought in by Atul and Charu in such a manner that their capital are in proportion to their future profit sharing ratio, i.e. equal and Cash at Bank remains at ₹ 15,000.   Prepare Revaluation A/c and Partners’ Capital Accounts. | | | | | 6 |
| 26 | Anu Ltd. (pharmaceutical company) appointed marketing expert, Mr. Vimal as the CEO of the company, with a target to penetrate their roots in the rural regions. Mr. Vimal discussed the ways and means to achieve target of the company with financial, production and marketing departmental heads and asked the finance manager to prepare the budget. After reviewing the suggestions given by all the departmental heads, the finance manager proposed requirement of an additional fund of ₹52,50,000. Anu Ltd. is a zero-debt company. To avail the benefits of financial leverage, the finance manager proposed to include debt in the capital structure. After deliberations, on April1,2020, the board of directors had decided to issue 6% Debentures of ₹100 each to the public at a premium of 5%, redeemable after 5 years at ₹110 per share. You are required to answer the following questions:   1. Calculate the number of debentures to be issued to raise additional funds. 2. Pass Journal entry for the allotment of debentures. 3. Pass Journal entry to write off loss on issue of debentures. 4. Calculate the amount of annual fixed obligation associated with debentures. 5. Prepare Loss on Issue of Debentures Account | | | | | 6 |
|  | **PART – B**  **Analysis of Financial Statements** | | | | |  |
| 27 | Chitra Enterprises Limited has prepared cash flow statement which represent cash inflow and outflow for  the company. Which of the following is an example of cash from investing activities of Chitra Enterprises  Limited? | | | | | 1 |
|  | 1. Advances made by financial enterprise | | 1. Cash advances and loans made to third party | | |  |
|  | 1. Cash advances and loans made by financial firms | | 1. None of the above | | |  |
| 28 | Paid Rs.4,00,000 to acquire shares in Divya Technologies Limited and received a dividend of ` 40,000 after  acquisition. These transactions will result in | | | | | 1 |
|  | 1. cash used in investing activities ` 3,60,000 | | 1. cash generated from financing activities ` 3,60,000 | | |  |
|  | 1. cash used in investing activities ` 4,00,000 | | 1. cash generated from financing activities ` 4,40,000 | | |  |
| 29 | Which of the following liabilities are taken into account for acid test ratio?  (i)Redeemable Debentures (ii) Outstanding Expenses (iii) Bills Payable (iv) Bank Overdraft  (v) Trade Creditors | | | | | 1 |
|  | 1. (i), (ii), (iii), (iv) and (v) | | 1. (v), (iv), (iii) and (ii) | | |  |
|  | 1. (v), (iii) and (ii) | | 1. (i), (iii), (iv) and (v) | | |  |
| 30 | A company issued capital. A shareholder paid all money on allotment while first call is not called by company. Where will you show this advance in balance sheet of the company? | | | | | 1 |
|  | 1. Long-term liability | | 1. Current assets | | |  |
|  | 1. Current liability | | 1. None of these | | |  |
| 31 | of Name the ‘Major head’ and ‘Sub-head’ in which the following items will be presented in the balance sheet  of a company as per Schedule III, part-I of the Companies Act, 2013.  (i) Public Deposits  (ii) Interest accrued but not due  (iii) Goodwill  (iv) Stores and spares  (v) Debentures maturing current financial year  (vi) Securities Premium | | | | | 3 |
| 32 | From the following information, calculate Return on Investment.  Equity Share Capital Rs.10,00,000; Profit after Interest and Tax Rs. 2,60,000; 12% Debentures Rs. 4,00,000; General Reserve Rs.75,000; Creditors Rs.75,000; Land and Building Rs.12,50,000; Debtors Rs.1,20,000; Plant and Machinery Rs.3,50,000; Bank Rs.90,000. Revenue from Operations for the year was Rs.25,00,000 and Tax paid 35%. | | | | | 3 |
| 33 | Following particulars are related to the Statement of Profit & Loss of Assam Tea Ltd. for two consecutive years:   |  |  |  | | --- | --- | --- | | **Particulars** | **31.3.2023** | **31.3.2022** | |  | ₹ | ₹ | | Revenue from Operations | 75,00,000 | 60,00,000 | | Other Incomes | 1,20,000 | 1,50,000 | | Expenses | 50,60,000 | 44,00,000 | | Income Tax | 40% | 35% |   You are required to prepare a Comparative Statement of Profit & Loss. | | | | | 4 |
| 34 | From the following information, prepare Cash Flow Statement of *A & Co*. Ltd.:  BALANCE SHEETS as at 31st March 2022   |  |  |  |  | | --- | --- | --- | --- | | **Particulars** | **Note No.** | **31st March 2022,** | **31st March, 2021** | | **I. EQUITY AND LIABILITIES**  **1. Shareholders’ Funds** |  |  |  | | (*a*) Share Capital |  | 4,00,000 | 3,00,000 | | (*b*) Reserves and Surplus | 1 | (5,000) | 35,000 | | **2. Non-Current Liabilities** |  |  |  | | Long-term Borrowings | 2 | 1,20,000 | 1,40,000 | | **3. Current Liabilities** | 3 | 45,000 | 25,000 | | **Total** |  | **5,60,000** | **5,00,000** | | **II. ASSETS** |  |  |  | | **1. Non-Current Assets** |  |  |  | | (*a*) Tangible Fixed Assets (Net) |  | 3,00,000 | 2,70,000 | | (*b*) Non-Current Investments |  | 1,05,000 | 1,10,000 | | **2. Current Assets** |  |  |  | | (*a*) Trade Receivables |  | 1,20,000 | 80,000 | | (*b*) Cash and Cash Equivalents |  | 30,000 | 30,000 | | (*c*) Other Current Assets |  | 5,000 | 10,000 | | **Total** |  | **5,60,000** | **5,00,000** |   **Notes to Accounts**   |  |  |  | | --- | --- | --- | | Particulars | 31st March, 2022 | 31st March, 2021 | | **1. Reserves and Surplus**  Surplus, *i.e.*, Balance in Statement of Profit and Loss | (15,000) | 35,000 | | Securities Premium Reserve | 10,000 | …….. | |  | (5,000) | 35,000 | | 1. **Long-term Borrowings**   10% Debentures | 1,20,000 | 1,40,000 | | 1. **Current Liabilities**   Trade Payables | 45,000 | 15,000 | | Bank Overdraft | ... | 10,000 | | Total | 45,000 | 25,000 |   *Additional Information:*   * 1. Debentures were redeemed on 1st April, 2021.   2. During the year, a machine included in Fixed Assets ₹ 60,000 was purchased   and another machine having book value of ₹ 18,000 was sold at a loss of ₹ 2,000. | | | | | 6 |

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