

# Pratap Public School, Karnal

Pre-Board Examination - 2021-2022

Class - XII

Subject - Accountancy

Time : 2 Hours

M.M :40

Name ..... Roll No. .... Section .....

## General Instructions:-

- This question paper comprises two Parts — A and B. There are 12 questions in the question paper. All questions are compulsory.
- Question nos. 1 to 3 and 10 are short answer type- I questions carrying 2 marks each.
- Question nos. 4 to 6 and 11 are short answer type—II questions carrying 3 marks each.
- Question nos. 7 to 9 and 12 are long answer type questions carrying 5 marks each.
- There is no overall choice. However, an internal choice has been provided in 3 questions of three marks and 1 question of five marks.

## (Part A)

### (Accounting for Not-for-Profit organizations, Partnership firms and Companies)

1. Following information is provided by Vinod Welfare Club on 31.3.2021:

Details	Amount
Creditors for Stationery purchased:	
On 1.4.2020 .....	48,000
On 31.3.2021 .....	38,400
Stock of Stationery:	
On 1.4.2020 .....	64,000
On 31.3.2021 .....	92,800

#### Additional Information:

- ◆ During the year 2020-21 payment made Rs. 2,01,600 to the creditors for stationery.
  - ◆ Stationery purchased in cash during the year was 25% of the total purchase of stationery.
- Calculate the stationery consumed during the year. (2)

2. X, Y and Z were partners. They decided to Dissolve the partnership firm on 31st March 2021. Give entries in the following Cases:
- X had given a loan to the firm Rs.70,000 and Debit balance in his Capital Account is Rs.65,000.
  - Z had given a loan to the firm Rs.45,000 and Debit balance in his capital account is Rs. 55,000. (2)



3. X, Y and Z were partners in a firm sharing profits in the ratio of 5:3:2. Y decided to retire from the firm. General Reserve appeared in their books at Rs. 20,000. On the date of retirement of Y, Goodwill of the firm was valued at Rs. 1,20,000. The new profit-sharing ratio decided among X and Z was 2:3. X and Z wants to keep the General Reserve in their Balance Sheet and adjustment was made for the same. Give entries related to goodwill and General Reserve. (2)
4. Vinod Welfare Club has provided the following information on 31st March 2021:

Receipts	Amount	Payments	Amount
To Subscription received during the year:			
For the year 2019-20	50,000		
For the year 2020-21	7,00,000		
For the year 2021-22	65,000		

- ◆ On 31st March 2020 Subscriptions received in advance Rs. 45,000. Subscriptions in arrears as at 31st March 2020 were Rs. 75,000 out of which Rs.10,000 were no longer recoverable, hence, is to be written off.
  - ◆ Subscriptions in Arrears for the current year 2020-21 were Rs. 57,000.
- Prepare Subscription Account from the above information and find out the amount of subscription to be credited to Income and Expenditure Account. (3)

OR

How will you show the following items in the Balance Sheet of Vinod Welfare Club?

Particulars	Amount
Capital Fund 1.4.2020	19,40,000
Building Fund 1.4.2020	9,00,000
Donation for Building	5,00,000
10% p.a. Building Fund Investment (1.4.2020)	6,00,000
Expenditure on construction of Building	10,60,000
Interest received on Building Fund Investment	48,000
Life Membership Fees (Source: Ultimate Book of Accountancy)	1,00,000
Deficit (31.3.2021 shown by Income & Expenditure Account)	(70,000)

Construction work is on progress and may take 2 more years for completion.



5. X, Y and Z were partners in a firm. Due to Covid –19 Pandemic, X died on 30th June 2021 and according to the agreement, the share of profits of a deceased partner up to the date of his death is to be calculated on the basis of the average profit for the last 5 years plus 10%. Books are closed on 31st March every year. The Profits/loss of last 5 years were as follows:

Year	31.3.2017	31.3.2018	31.3.2019	31.3.2020	31.3.2021
Profit :	49,000	63,000	56,000	(35,000)	56,000
				Loss	

Calculate X's Share of profit up to the date of his death and give entry. (3)

6. Vinod Ltd. took over assets of Rs. 35,00,000 and liabilities of Rs. 6,30,000 of Kumar Ltd. for Rs. 26,60,000. Vinod Ltd. issued 9% Debentures of Rs. 100 each at a discount of 5% in full satisfaction of the purchase consideration in favor of Kumar Ltd.

(i) Give necessary journal entries related to issue of Debentures

(ii) Vinod Ltd. writes off all capital losses in the year they take place. (3)

OR

Pushpa Ltd. issued 11,000,8% Debentures of Rs. 100 each as collateral security for loan of Rs. 9,50,000 from ICICI Bank. The company was unable to repay the loan on which interest is also outstanding Rs.1,50,000 as on 31st March 2021. On 31st March 2021 ICICI Bank exercised the right vested in it by way of debentures being issued as collateral security. Give entries in the books of Pushpa Ltd. for issue of debentures and loan taken.

(Not for vested right) Prepare Balance sheet also.

7. Madhav, Madhusudan and Mukund were partners in Jaganath Associates

They decided to dissolve the firm on 31st March 2021. Pass necessary journal entries for the following transactions after various assets (other than cash) and third-party liabilities have been transferred to realization account:

- Old machine fully written off was sold for Rs. 42,000 while a payment of Rs. 6,000 is made to bank for a bill discounted being dishonoured.
- Madhusudan accepted an unrecorded asset of Rs. 80,000 at Rs.75, 000 and the balance through cheque, against the payment of his loan to the firm of Rs1,00,000.
- Stock of book value of Rs. 30,000 was taken by Madhav, Madhusudan and Mukund in their profit sharing ratio.
- The firm had paid realization expenses amounting to Rs. 5,000 on behalf of Mukund.
- There was a vehicle loan of Rs. 2,00,000 which was paid by surrender of asset to the bank at an agreed value of Rs. 1,40,000 and the shortfall was met from firm's bank account.

(5)

OR



Manoj, Hari and Karan are partners in a firm sharing profits and losses in the ratio of 4:2:1. Their Balance Sheet as at 31st March 2021:

Liabilities	Amount	Assets	Amount
Sundry Creditors	32,600	Plant and Machinery	20,000
Bills Payable	4,000	Goodwill	7,000
General Reserve	8,400	Stock	38,000
Capital Accounts:		Bank	20,000
Manoj 16,000			
Hari : 14,000			
Karan 10,000	40,000		
	85,000		85,000

Hari retired from the business on the above-mentioned date. The remaining, partners decided to carry on the business on the following terms:

- General Reserve not to be distributed
- Out of the total insurance premium paid, an amount of Rs. 7,000 to be treated as prepaid insurance. The amount was earlier debited to Profit and Loss Account.
- Hari to be paid Rs. 24,400 in full settlement.

You are required to prepare Partners Capital Accounts.

8. Vinod Ltd. Issued 9% debentures of Nominal value of Rs. 50 each as follows:

- Debentures of Nominal value of Rs. 2,00,000 and received 95% of the Nominal value after allowing a discount to the applicants.
- Issued debentures at a discount of 10% to Satish Ltd., for purchase of fixed assets of Rs. 9,90,000.
- Took a loan from HDFC Bank Rs. 4,00,000 and issued 9,000,9% debentures as collateral security.

You are required to answer the following questions: -

- How much Total discount is allowed by Vinod Ltd. in Case (i) and Case (ii)
- Number of Debentures issued to Satish Ltd.
- Give entry for bank loan and issue of debentures as collateral security.
- Give entry for writing off Discount on issue of Debentures.
- Prepare Debentures Account.



9. Following is the Receipt and Payment account of Rohan Welfare Club:

Receipts and Payment Account (31.3.2021)

Receipts	Amount	Payments	Amount
To Balance b/d: Cash in hand	14,000	By Rent	6,000
Bank Balance	60,000	By Salaries	12,000
To Subscription:		By Postage	300
For the year 2020      5,000		By Electricity charges	6,000
For the year 2021      83,000		By Furniture purchased	20,000
For the year 2022      3,000	91,000	By Books	3,000
To Sale of investment	90,000	By Defence Bonds	1,50,000
To Interest received on investment	2,000	By Help to needy students	22,000
To Sale of furniture	3,2000	By Balance c/d: Cash in hand	10,900
(Book value Rs.3,000)		Bank Balance	30,000
	2,60,200		2,60,200

Additional Information:

Prepare Income and expenditure account for the year ended 31st March 2021.

- (i) Subscription for 2021, still owing were Rs. 7,000. Interest due on defence bonds was Rs.7,000, Rent still owing was Rs. 1,000. The Book value of investment sold was Rs. 80,000, Rs. 30,000 of the investment were still in hand.
- (ii) Subscription received in 2021 included Rs. 400 from a life member. The total furniture on April 1, 2020, was worth Rs.12,000. Salary paid for the year 2022 is Rs.2,000. (5)

**Part-B**  
**(Analysis of Financial Statements)**

10. State whether the following transactions will result in inflow, outflow or no flow of cash while preparing cash flow statement:

- (i) Issue of fully paid Bonus shares
- (ii) Cash withdrawn from Bank for office use (2)

11. Prepare a Common Size Income Statement from the following:

Particulars	31.3.2021	31.3.2020
Revenue from Operations	4,00,000	3,00,000
Expenses	50% of Revenue from Operations	60% of Revenue from Operations

Interest on Investment Rs. 10,000 and tax @40% for both the years. (3)

OR



Following details provided by Vinod Ltd., for the year ended 31st March 2021:

Particulars	31.3.2021	31.3.2020
Revenue from operations	20,00,000	10,00,000
Purchase of Stock-in-Trade	12,00,000	6,00,000
Change in Inventories of Stock-in-Trade	25% of purchases of stock in trade	20% of purchase of stock in trade
Other Expenses	1,00,000	80,000
Tax Rate	40%	40%

Prepare Comparative Statement of Profit & Loss.

12. On the basis of information given by Aradhana Ltd., prepare Cash Flow Statement for the year ending 31<sup>st</sup> March, 2021:

Aradhana Ltd.

Balance Sheet as on 31st March, 2021

Particulars	Note No.	31st March, 2020	31 <sup>st</sup> March, 2021
I. Equity and Liabilities			
1. Shareholder's Funds			
(a) Share Capital		5,00,000	7,30,000
(b) Reserves and Surplus	1	3,50,000	3,70,000
2. Non-current Liabilities			
Long-term Borrowings	2	4,00,000	2,00,000
3. Current Liabilities			
(a) Trade Payables	3	3,60,000	4,60,000
(b) Short Term provisions	4	3,25,000	3,20,000
Total		<u>19,35,000</u>	<u>20,80,000</u>
II. Assets			
1. Non-current Assets			
(a) Fixed Assets			
(i) Tangible Assets	5	4,50,000	5,00,000
(ii) Intangible Assets	6	3,10,000	3,02,000
(b) Long-term Loans and Advances		4,00,000	4,30,000
2. Current Assets			
(a) Inventories		2,70,000	2,90,000
(b) Trade Receivables		2,40,000	2,60,000
(c) Cash and Cash Equivalents		2,65,000	2,98,000
Total		<u>19,35,000</u>	<u>20,80,000</u>



## Note to Accounts

Particulars	31st March 2020	31st March 2021
1. Reserves and Surplus Statement of Profit and loss	<u>3,50,000</u>	<u>3,70,000</u>
2. Long-term Borrowings 10% Debentures	<u>4,00,000</u>	<u>2,00,000</u>
3. Trade Payables Creditors Bills Payable	2,40,000 <u>1,20,000</u> <u>3,60,000</u>	2,60,000 <u>2,00,000</u> <u>4,60,000</u>
4. Short-Term Provisions Provision for Tax	<u>3,25,000</u>	<u>3,20,000</u>
5. Tangible Fixed Assets Machinery Less: Provision for Depreciation	5,50,000 <u>1,00,000</u> <u>4,50,000</u>	6,60,000 <u>1,60,000</u> <u>5,00,000</u>
6. Intangible Fixed Assets Patents	<u>3,10,000</u>	<u>3,02,000</u>

### Additional Information :-

1. Debentures were redeemed on 1<sup>st</sup> April, 2020.
2. Tax paid during the year Rs. 2, 80, 800.

(5)