

CBSE
Class XII Accountancy
Sample Paper - 1 [Updated 2019-20]

Time: 3 hrs

Max. Marks: 80

General Instructions:

- i. This question paper contains two parts – A and B.
- ii. Part A is compulsory for all.
- iii. Part B has two options – Analysis of Financial Statements and Computerised Accounting.
- iv. Attempt only one option of Part B.
- v. All parts of a question should be attempted at one place.

PART A (Accounting for Not-for-Profit Organizations, Partnership Firms and Companies)		
1	Explain what is collateral security?	1
2	A firm had an average profit of ₹30,000 and rate of return on capital investment is 12.5% p.a. The firm had assets worth of ₹5, 00,000 and liabilities of ₹2, 00,000. What would be the amount of goodwill valued on the basis of two years' purchase of super profit?	1
3	What steps can a company take other than rejecting applications in case of oversubscription?	1
4	Choose the correct answer from the options given below: P and Q are partners in the ratio of 1:1. They admit C for 1/5 th share and C brings only half of his share of goodwill i.e., ₹10,000 in cash. What would be the total amount of goodwill of the firm? a) ₹20,000 b) ₹25,000 c) ₹50,000 d) ₹1,00,000	1
5	X, Y and Z are partners sharing profits in the ratio of 1/2, 2/5 and 1/10. Find the new ratio of the remaining partners if Z retires.	1
6	Choose the correct answer from the options given below: What will be the amount of goodwill valued at two years' purchase of three years' average profit? The profit for the first year was ₹25,000, for second year twice the profit of first year and for third year one and a half times the profit of second year. a) ₹1,00,000 b) ₹2,00,000 c) ₹3,00,000 d) Cannot be determined	1
7	Adjustments for outstanding expenses, prepaid expenses or depreciation are not made in receipts and payments accounts. Why?	1
8	Choose the correct answer from the options given below: According to Sections 40 to 44 of the Indian Partnership Act, 1932, there are many modes to dissolve a firm. Which mode of dissolution of the firm is correct? a) Dissolution by Agreement	1

	<p>b) Dissolution by Notice c) Dissolution by Court d) All of the above</p>																																									
9	The portion of capital that can be called-up only on winding up of the company is known as _____.	1																																								
10	Complete the following statement: A plant costing ₹4, 50,000 is purchased and payment was made by issue of shares of ₹100 each at a premium of 20%. The Securities Premium Reserve A/c will be _____.	1																																								
11	Choose the correct answer from the options given below: Debenture holders are _____. a) Owners of the Company b) Debaters of the Company c) Promoters of the Company d) Lenders of the Company	1																																								
12	A company issued 1,000, 10% debentures of ₹100 each at a premium of 5%. The total amount of interest for one year will be _____.	1																																								
13	A and B are partners having capitals ₹2, 00,000 and ₹3, 00,000 respectively, sharing profit and losses in the ratio of 3:2. They admitted C as a new partner for 1/4 th share and he brought ₹2, 00,000 as his share of capital. What would be the amount of goodwill brought in by C?	1																																								
14	<p>In the year ended 31st March, 2018, subscriptions received were ₹2, 10,000. These subscriptions include ₹3,000 for the year ended 31st March, 2017 and ₹4,000 for the year ending 31st March, 2019. On 31st March, 2018, subscriptions due but not received were ₹5,000. The corresponding amount on 1st April, 2017 was ₹6,000. Determine the amount that should be credited to Income and Expenditure Account as subscriptions for the year ended 31st March, 2018.</p> <p style="text-align: center;">OR</p> <p>Active Sports Club is a Not-for-Profit Organisation which undertakes various sports activities for those who are interested in pursuing a sports carrier. The sports fund available with the club on 1st April, 2017 is Rs.2, 00,000 which is invested in bank deposit earning 10% returns. Expenses are incurred towards sports awards Rs.10, 000. Donation received is Rs.30, 000. Determine the amount of funds to be shown in the balance sheet along with its presentation in the books of Active Sports Club.</p>	3																																								
15	<p>Vinod, Ashish and Gaurav were partners sharing profits in the ratio of 4/7:2/7:1/7, respectively. Following was their Balance Sheet as on 31st March 2019:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 40%;">Liabilities</th> <th style="width: 10%;">₹</th> <th style="width: 40%;">Assets</th> <th style="width: 10%;">₹</th> </tr> </thead> <tbody> <tr> <td>Workmen Compensation Reserve</td> <td>14,000</td> <td>Preliminary Expenses</td> <td>14,000</td> </tr> <tr> <td>Capital:</td> <td></td> <td>Cash</td> <td>14,000</td> </tr> <tr> <td> Vinod</td> <td>60,000</td> <td>Stock</td> <td>30,000</td> </tr> <tr> <td> Ashish</td> <td>40,000</td> <td>Debtors</td> <td>22,000</td> </tr> <tr> <td> Gaurav</td> <td>30,000</td> <td>Building</td> <td>40,000</td> </tr> <tr> <td>Creditors</td> <td>30,000</td> <td>Plant</td> <td>53,000</td> </tr> <tr> <td>Bills Payable</td> <td>4,000</td> <td>Motor van</td> <td>26,000</td> </tr> <tr> <td>General Reserve</td> <td>21,000</td> <td></td> <td></td> </tr> <tr> <td></td> <td style="border-top: 1px solid black;">1,99,000</td> <td></td> <td style="border-top: 1px solid black;">1,99,000</td> </tr> </tbody> </table> <p>On the above date, Vinod retired and he donated half of his amount to an NGO</p>	Liabilities	₹	Assets	₹	Workmen Compensation Reserve	14,000	Preliminary Expenses	14,000	Capital:		Cash	14,000	Vinod	60,000	Stock	30,000	Ashish	40,000	Debtors	22,000	Gaurav	30,000	Building	40,000	Creditors	30,000	Plant	53,000	Bills Payable	4,000	Motor van	26,000	General Reserve	21,000				1,99,000		1,99,000	4
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	<p>working for the education of girls belonging to the backward class. It was agreed that:</p> <ol style="list-style-type: none"> Assets and liabilities were valued as Stock ₹18,000, Debtors ₹21,000, Building ₹51,200, Plant ₹50,000 and Creditors ₹28,000. Amount due to Vinod will be transferred to Vinod's loan account. <p>Prepare Revaluation Account and Vinod's Capital Account and identify any two values disclosed by Vinod.</p>													
16	<p>M, N and O are partners in a partnership firm where N is the partner who is entitled to guaranteed profits. N is guaranteed profit in the business by all remaining partners. In case where the actual profit as per the profit share is less than the guaranteed amount of profit, how should N be paid to assure him the guaranteed profit?</p> <p style="text-align: center;">OR</p> <p>Give any 2 effects and any 2 adjustments on the admission of a partner.</p>	4												
17	<p>ABC Firm wanted to admit a new partner and for this purpose goodwill of the firm is to be valued at two years purchase of super profits. At the time of admission of the new partner, Average Profits of the firm were calculated at ₹21,500 and Capital Employed at ₹2, 00,000. The normal rate of return in similar business is 10%. Find out the value of goodwill.</p>	4												
18	<p>Vinod, Deepak and Mukesh were partners in a firm sharing profits in the ratio of 4:4:2. The firm closes its books on 31st March every year. Deepak died on 24 August 2018. On Deepak's Death the goodwill of the firm was valued at ₹1, 50,000. The partnership deed provided that on the death of a partner his share in the profits of the firm in the year of his death will be calculated on the basis of last year's profit. The profit of the firm for the year ended 31st March 2018 was ₹4, 00,000. Give necessary journal entries and calculation of Deepak's Share of profit.</p>	4												
19	<p>Explain the difference between Receipts and Payments Account and Income and Expenditure Account.</p>	6												
20	<p>Manoj Ltd. has an authorised capital of ₹50, 00,000 divided into equity shares of ₹100 each. The company offered ₹42,000 shares to the public. The amount payable was as follows:</p> <p>On Application – ₹30 per share On Allotment – ₹40 per share (including premium) On First and Final Call – ₹50 per share</p> <p>Applications were received for 40,000 shares. All sums were duly received except the following: Lal, a holder of 100 shares, did not pay allotment and call money. Pal, a holder of 200 shares, did not pay call money.</p> <p>The company forfeited the shares of Lal and Pal. Subsequently, the forfeited shares were reissued for ₹70 per share as fully paid-up. Show the entries for the above transactions in the cash book and journal of the company.</p> <p style="text-align: center;">OR</p> <p>What do you mean by change in profit sharing ratio of partners and what are the issues that need to be dealt with at the time of such change?</p>	6												
21	<p>Vinod and Manthan are partners in a firm sharing profits in the ratio of 3:2. Their Balance Sheet on 1st April, 2019 was as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 35%;">Liabilities</th> <th style="width: 10%;">₹</th> <th style="width: 35%;">Assets</th> <th style="width: 20%;">₹</th> </tr> </thead> <tbody> <tr> <td>Capital A/c:</td> <td></td> <td>Plant</td> <td>60,000</td> </tr> <tr> <td>Vinod</td> <td>60,000</td> <td>Patents</td> <td>20,000</td> </tr> </tbody> </table>	Liabilities	₹	Assets	₹	Capital A/c:		Plant	60,000	Vinod	60,000	Patents	20,000	8
Liabilities	₹	Assets	₹											
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	<p>It is also given that on the date of Reena's death, Machinery is to be appreciated by Rs. 50,000 and Furniture was erroneously undervalued by Rs.15,000 which is to be rectified now.</p> <p>From the above details, find the amount that should be credited to Reena's Account as her goodwill. Also give journal entries for the same when Goodwill Account is not opened.</p>																					
	<p>PART B OPTION 1 (Analysis of Financial Statements)</p>																					
23	What is meant by outflow of cash while preparing the Cash Flow Statement?	1																				
24	<p>Choose the correct answer from the options given below: A sent 10,000 units of calculators to B at cost plus 30%. 2/3rd of the radios received were sold by B for Rs.6, 50,000 at 25% above Invoice price. What is the total cost of goods sent to B?</p> <p>a) 4,00,000 b) 4,50,000 c) 6,00,000 d) 8,50,000</p>	1																				
25	State the importance of financial analysis for labour unions.	1																				
26	According to Schedule III of the Companies Act, 2013, Goodwill will be presented in the Balance Sheet of a company under the major head _____.	1																				
27	Whether the following statement is True or False: 'A Common-size Statement is also known as 100% Statement.'	1																				
28	While preparing the Cash Flow Statement, the accountant of Vinod Ltd., a financing company showed 'Dividend received on Investments' as 'Investing Activity'. Was he correct in doing so? Give reason.	1																				
29	<p>Choose the correct answer from the options given below: With a set of given items in the Balance Sheet of a firm, Quick ratio and Current ratio are _____.</p> <p>a) Different b) Equal c) Proportionate d) None of these</p>	1																				
30	<p>From the following information, calculate return on capital employed or investment (ROI):</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 20px;">Share Capital</td> <td style="text-align: right;">₹2, 00,000</td> </tr> <tr> <td style="padding-left: 20px;">Reserves & Surplus</td> <td style="text-align: right;">₹2, 00,000</td> </tr> <tr> <td style="padding-left: 20px;">10% Debentures</td> <td style="text-align: right;">₹8, 00,000</td> </tr> <tr> <td style="padding-left: 20px;">Net Profit after interest & Tax</td> <td style="text-align: right;">₹2, 40,000</td> </tr> <tr> <td style="padding-left: 20px;">Tax</td> <td style="text-align: right;">₹2, 40,000</td> </tr> </table> <p style="text-align: center;">OR</p> <p>From the information given below, calculate the Net Profit Ratio for the company:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 20px;">Net Sales.....</td> <td style="text-align: right;">₹4, 00,000</td> </tr> <tr> <td style="padding-left: 20px;">Gross Profit Ratio.....</td> <td style="text-align: right;">20%</td> </tr> <tr> <td style="padding-left: 20px;">Operating Ratio.....</td> <td style="text-align: right;">90%</td> </tr> <tr> <td style="padding-left: 20px;">Non-Operating Expenses.....</td> <td style="text-align: right;">₹2,000</td> </tr> <tr> <td style="padding-left: 20px;">Non-Operating income.....</td> <td style="text-align: right;">₹50,000</td> </tr> </table>	Share Capital	₹2, 00,000	Reserves & Surplus	₹2, 00,000	10% Debentures	₹8, 00,000	Net Profit after interest & Tax	₹2, 40,000	Tax	₹2, 40,000	Net Sales.....	₹4, 00,000	Gross Profit Ratio.....	20%	Operating Ratio.....	90%	Non-Operating Expenses.....	₹2,000	Non-Operating income.....	₹50,000	3
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31	With the help of the following information from the books of Vinod Limited, prepare	4																				

Comparative Statement of Profit and loss for the year ended 31st March 2019:					
Particulars		2018-19	2017-18		
Revenue from operations		36,00,000	20,00,000		
a.	Cost of Material Consumed	1/3 of the Revenue from Operations	50% of the Revenue from Operations		
b.	Other expenses	20% of the cost of material consumed	10% of the cost of material consumed		
Tax Rate of 50%					
OR					
Discuss whether the following statement is correct. Justify the same. "Common size statement is known as 100% statement."					
32	Prepare the Cash Flow Statement from the following Balance Sheet of X Limited:				6
	Particulars	Note No.	31.3.2019 ₹	31.3.2018 ₹	
I	EQUITY & LIABILITIES				
1.	Shareholders' Funds				
	a. Share Capital				
	b. Reserves & Surplus		10,00,000	8,54,000	
2.	Non-Current Liabilities		3,50,000	2,00,000	
	a. Long-term Borrowings (Bank				
3.	Loan)		1,00,000	2,00,000	
	Current Liabilities				
	a. Trade Payables		60,000	56,000	
	b. Short-term Provisions	1	1,90,000	1,50,000	
	Total		17,00,000	14,60,000	
II	Assets:				
1.	Non-Current Assets				
	a. Fixed Assets				
	i. Tangible Assets (Machinery)		8,00,000	8,00,000	
	ii. Intangible Assets (Goodwill)		1,60,000	2,00,000	
	b. Non-current Investment		1,40,000	-----	
2.	Current Assets				
	a. Inventories		1,50,000	1,00,000	
	b. Trade Receivables		3,50,000	3,00,000	
	c. Cash & Cash Equivalents		1,00,000	60,000	
	Total		17,00,000	14,60,000	
Notes to Accounts:					
	Note No	Particulars	2019	2018	
	1	Short Term Provisions:			
		Proposed Dividend	1,00,000	80,000	
		Provision for Tax	90,000	70,000	
Additional Information:					

	<p>During the year machinery costing ₹2, 50,000 was purchased. Loss on sale of machinery amounted to ₹20,000. Depreciation ₹30,000 was charged on machinery. Prepare the Cash Flow Statement.</p>	
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