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SAMPLE PAPER SET - 03 (2024-25)

SUBJECT : ACCOUNTANCY (055)

Time : 03:00 Hours

CLASS - XII COMMERCE

M.M. : 80

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. Question 1 to 16 and 27 to 30 carries 1 mark each.
4. Questions 17 to 20, 31 and 32 carries 3 marks each.
5. Questions from 21, 22 and 33 carries 4 marks each
6. Questions from 23 to 26 and 34 carries 6 marks each

Section-A

1. A, B and C are partners sharing profits and losses in the ratio of 2:2:1. B is entitled to a commission of 15% on the net profits after charging such commission. The net profit before charging commission is Rs 9,20,000. The amount of commission payable to B will be:
(a) Rs 1,20,000 (b) Rs 1,38,000 (c) Rs 48,000 (d) Rs 55,000
2. Given below are two statements- Statement (A) and Statement (B).
Statement (A): In the absence of partnership deed, profits can be distributed in the capital ratio.
Statement (B): Interest on additional capital to a partner is provided @ 6% per annum.
Choose the correct alternative from the following:
(a) Both A and B are true. (b) A is true but B is false
(c) A is false but B is true (d) Both A and B are false
3. The maximum amount with which the company is registered is called _____.
(a) Authorized Capital (b) Issued Capital (c) Paid up Capital (d) Called up Capital

OR

Forfeiture of shares leads to reduction of _____ Capital.

- (a) Authorised (b) Issued (c) Subscribed (d) Called up
4. A, B, C were partners in the ratio of 5:3:2. On 31st March 2021, their books reflected a net profit of Rs 2,10,000. As per the terms of partnership deed, they were entitled for interest on capital which amounted to Rs 80,000; 60,000 and 40,000 respectively. Besides this, a salary of 60,000 each was payable to A and B
Calculate the ratio in which the profits would be appropriated.
(a) 1:1:1 (b) 5:3:2 (c) 7:6:2 (d) 4:3:2

OR

P, Q and R are the partners in a firm sharing profits and losses in the ratio of 2:2:1. For the year ended 31st March 2022 interest on capital was credited to them @ 10% p.a instead of 5% p.a. Their fixed capitals were Rs 2,00,000; 1,00,000; 50,000 respectively. The necessary adjustment entry to rectify the error will be:

Dada, Yuvi and Viru were partners sharing profits and losses in the ratio 3:2:1. Their books showed Workmen Compensation Reserve of Rs 1,00,000. Workmen Claim amounted to Rs 60,000. How it will affect the books of Accounts at the time of dissolution of firm?

- (a) Only Rs 40,000 will be distributed amongst partner's capital account
(b) Rs 1,00,000 will be credited to Realisation Account and Rs 60,000 will be paid off.
(c) Rs 60,000 will be credited to Realisation Account and will be even paid off. Balance Rs 40,000 will be distributed amongst partners.
(d) Only Rs 60,000 will be credited to Realisation Account and will be even paid off
9. Assertion :- Interest on Partner's Capital is to be given @ 12%p.a. , if the deed is silent about the rate.
Reason :- Interest on Partner's loan is to be given @ 6%p.a. , if the deed is silent about the rate.
(a) Assertion is correct & Reason is wrong
(b) Both Assertion & reason are correct
(c) Assertion is wrong & Reason is correct
(d) Both Assertion & reason are wrong
10. A machine having a book value of Rs. 1,60,000 sold for Rs 3,00,000 through a broker who charged 2% commission on the deal. The amount credited in the Realisation A/c would be:
(a) Rs 1,60,000 (b) Rs 3,00,000 (c) Rs 2,94,000 (d) Rs 1,40,000
11. If, at the time of change in profit sharing ratio, Provision for doubtful debt is to be reduced, it shall be credited to Revaluation A/c. True /False.
12. In which of the following situations under Companies Act 2013, allows for issue of shares at discount?
(a) Issued to vendors (b) Issue to public
(c) Issued as sweat equity (d) None of these
13. An equity share of Rs. 10 fully called up on which Rs. 6 has been paid was forfeited for the non payment of the balance amount. At which of the following minimum price can it be reissued?
(a) Rs. 4 (b) Rs. 10 (c) Rs. 16 (d) Rs. 6
14. Hiya and Tiya were partners in a firm sharing profits in the ratio of 3:2. Chia was admitted with 1/6th share in the profits of the firm. At the time of admission, Workmen Compensation Reserve appeared in the balance sheet of the firm at Rs. 32000. The claim on account of Workman Compensation was determined at Rs. 40000. Excess of claim over the reserve will be:
(a) Credited to revaluation account (b) Debited to revaluation account
(c) Credited to old partners capital account (d) Debited to old partners capital account
15. Rohit, Virat and Shikhar were partners sharing profits and losses in the ratio 3:1:1. Their Capital balance as on March 31, 2024 was Rs 3,00,000; Rs 2,70,000 and Rs 2,50,000 respectively. On the same date, they admitted Hardik as a new partner for 20% share. Hardik was to bring Rs 80,000 for his share of goodwill and 1/5 of the combined capital of all the partners of new firm. What will be the amount of capital brought in by Hardik on his admission as a new partner?
(a) Rs 2,25,000 (b) Rs 1,80,000 (c) Rs 2,60,000 (d) Rs 3,05,000

OR

A, B and C were partners sharing profits and losses equally. B died on 31 August, 2023 and total amount transferred to B's executors was Rs 13,20,000. B's executors were being paid Rs 1,20,000 immediately and balance was to be paid in four equal semi- annual instalments together with interest @ 10% p.a. Total amount of interest to be credited to B's executors Account for the year ended March 31, 2024 will be?

- (a) Rs 70,000 (b) Rs 67,500 (c) Rs 60,000 (d) Rs 77,000
16. Hailey and Saheli are partners sharing profits in the ratio 4:3. They admitted Naveli as a new partner for 3/7th share in profits which she acquired 2/7th from Hailey and one 1/7th from Saheli. The new profit sharing ratio of Hailey, Saheli and Naveli will be:
(a) 4:3:3 (b) 5:3:2 (c) 2:3:5 (d) 2:2:3

17. Rusting, a partner of a firm under dissolution was to get a remuneration 2% of the total assets realised other than cash and 10% of the amount distributed to the partners. Sundry assets (including Cash Rs 8,000) realised at Rs 1,16,000 and sundry liabilities to be paid Rs 31,340. Calculate Rustings's remuneration and Show your workings clearly. Also pass necessary journal entry for remuneration.
18. A and B were partners in a firm sharing profits in the ratio of 3:2. Their capitals were Rs.1,60,000 and Rs. 1,00,000 respectively. They admitted C on 1st April, 2024 as a new partner for 1/5th share in the future profits. C brought 1,20,000 as his capital. Calculate the value of goodwill of the firm and record necessary Journal entries for the above transactions on C's admission.

OR

Nirmala, Divisha and Sara were partners in a firm sharing profits and losses in the 3:4:3. Books were closed on 31st March every year. Sara died on 1st February, 2022. As per the partnership deed Sara's executors are entitled to her share of profit till the date of death on the basis of Sales turnover. Sales for the year ended 31st March 2021 was Rs 10,00,000 and profit for the same year was Rs 1,20,000. Sales show a positive trend of 20% and percentage of profit earning is reduced by 2%.

Journalise the transaction along with the working notes.

19. Pass necessary journal entries for the issue of 7,500, 9% debentures of Rs. 50 each at a discount of 6%, redeemable at a premium of 10%. Also write-off the loss, if any. Existing balance in securities premium was Rs 45,000.

OR

Sun Ltd. took the running business of Moon Ltd. having assets of Rs. 10,00,000 and liabilities of Rs. 1,70,000 by:

- (i) Issuing 8,000, 8% Debentures of Rs. 100 each at 5% premium redeemable after 6 years @ Rs 110, and
(ii) A cheque for Rs. 50,000.

Pass journal entries in the books of Sun Ltd.

20. Anshul, Babita and Chander were partners in a firm running a successful business of car accessories. They had agreed to share profits and losses in the ratio of 1/2 : 1/3 : 1/6 respectively. After running business successfully and without any disputes for 10 years, Babita decided to retire due to old age and the Anshul and Chander decided to share future profits and losses in the ratio of 3:2. The accountant passed the following journal entry for Babita share of goodwill and missed some information. Fill in the missing figures in the following Journal entry and calculate the gaining ratio.

Particulars	Dr.	Cr.
Anshul's Capital A/c	Dr	-----
Chander's Capital A/c	Dr	21,000
To Babita's Capital A/c		-----
(Babita's share of Goodwill debited to the amounts of continuing partners in their gaining ratio)		

21. The directors of a company forfeited 200 shares of Rs 10 each issued at a premium of Rs 3 per share, for the non payment of the first call of Rs 3 per share. The final call of Rs 2 per share has not been made yet. Half the forfeited shares were reissued at Rs 9; fully paid. Record the journal entries for the forfeiture and reissue of shares.

22. The Balance Sheet of Sindhu, Rahul and Kamlesh, who were sharing profits in the ratio of 3 : 3 : 4 respectively, as on 31st March, 2021 was as follows:

Liabilities		Rs	Assets		Rs
General Reserve		10,000	Cash		32,000
Bills Payable		20,000	Stock		88,000
Loan		24,000	Investments		94,000
Capitals:			Land and Building		1,20,000
Sindhu	1,20,000		Sindhu's Loan		20,000
Rahul	1,00,000				
Kamlesh	80,000	3,00,000			
		<u>3,54,000</u>			<u>3,54,000</u>

Sindhu died on 31st July 2021. The partnership deed provided for the following on the death of a partner :

- Goodwill of the firm be valued at two years' purchase of average profits for the last three years which were 80,000.
- Sindhu's share of profit till the date of his death was to be calculated on the basis of sales. Sales for the year ended 31st March, 2012 amounted to Rs 8,00,000 and that from 1st April to 31st July 2021 Rs 3,00,000. The profit for the year ended 31st March, 2021 was Rs 2,00,000.
- Interest on capital was to be provided @ 6% p.a.
- According to Sindhu's will, the executors should donate his share to 'Matri Chaya-an orphanage for girls'.

Prepare Sindhu's Capital Account to be rendered to his executor.

23. Quantum Ltd invited applications for issuing 1,00,000 equity shares of Rs 10 each at a premium of Rs 6 per share. The amount was payable as follows:

On application and allotment- Rs 8 per share (including premium of Rs 3)

On first and final call- Rs 8 per share Applications for 1,60,000 shares were received. Applications for 10,000 shares were rejected and pro-rata allotment was made to the remaining applicants. Excess money received on application and allotment was returned. Dhiraj who was allotted 200 shares, failed to pay the first and final call money. His shares were forfeited.

All the forfeited shares were reissued at Rs 5 per share fully paid up. Pass necessary journal entries in the books of Quantum Ltd.

OR

(a) Pass the necessary journal entries for 'Issue of Debenture' for the following:

- Arman Ltd. issued 750, 12% Debentures of Rs 100 each at a discount of 10% redeemable at a premium of 5%.
- Sohan Ltd. issued 800, 9% Debentures of Rs100 each at a premium of 20 per debenture redeemable at a premium of Rs 10 per Debenture.

(b) X Ltd. obtained a loan of Rs 4,00,000 from IDBI Bank. The company issued 5,000 9%. Debentures of Rs 100 each as a collateral security for the same. Show how these items will be presented in the Balance Sheet of the company when journal entry is not passed.

24. Sushma, Gautam and Kanishka were partners in a firm sharing profits in the ratio of 5:3:2. On 31st March 2018 their balance sheet was as follows:

Balance Sheet			
Liabilities	Amount	Assets	Amount (Rs.)
Creditors	60,000	Cash at Bank	1,40,000
Employees Provident Fund	40,000	Sunday Debtors	1,60,000
Profit and Loss Account	1,00,000	Stock	2,40,000
Capitals:		Investments	2,00,000
Sushma 300000		Fixed Assets	3,60,000
Gautam 250000			
Kanika 350000	9,00,000		
	<u>11,00,000</u>		<u>11,00,000</u>

On the above date, Sushma retired and it was agreed that:

- (i) Fixed assets will be reduced to Rs 2,90,000.
- (ii) To provide for doubtful debts at 5% on debtors.
- (iii) Stock was to be valued at Rs 2,18,000. Sushma took over the stock at this value.
- (iv) Goodwill of the firm on Sushma's retirement was valued at Rs 8,00,000.
- (v) Sushma was paid cash brought by Gautam and Kanishka in such a way that their capitals became in profit sharing ratio and a balance of Rs 58,000 was left in the bank.
- (vi) Gautam and Kanishka will share the future profits in the ratio of 2:3.

Prepare Revaluation Account and partners' capital accounts of the new firm.

OR

Romesh and Kiran were partners sharing profits and losses in the ratio of 3 : 2. On 1st April, 2022, Koyal was admitted for 1/5th share. Balance Sheet of Romesh and Kiran on 31st March, 2022 was as under:

Liabilities	Account (Rs)	Assets	Account (Rs)
Capital:		Plant and Machinery	18,000
Romesh	40,000	Furniture	40,000
Kiran	20,000	Profit & Loss A/c	25,000
Employees Provident Fund	10,000	Sundry Debtors	9,000
Workmen Compensation Fund	16,000	Cash in Hand	1,500
Sundry Creditors	7,500		
	<u>93,500</u>		<u>93,500</u>

On the above date Koyal was admitted with the following terms

- (a) Koyal will bring Rs 20,000 for her capital and Rs 5,000 for her share of goodwill premium.
- (b) Provision for doubtful debts is to be created @ 5%.
- (c) There was a liability of Rs 6,000 for workmen compensation.
- (d) There was a unrecorded furniture for Rs 5,000.

Pass necessary journal entries in case of Koyal's admission

25. Aditi and Kirti were partners in a firm sharing profits and losses in the ratio of 3:2. On 31st March 2022, the firm was dissolved. After the transfer of assets (other than cash in hand and at bank) and third party liabilities to the Realisation Account, the following information was provided:
- (i) Furniture of Rs 70,000 was sold for Rs 68,000 by auction and auctioneer's commission amounted to Rs 2000.
 - (ii) Aditi's loan of Rs 35000 was paid.
 - (iii) Out of the stock of Rs 80,000; Kirti took over 50% of the stock at a discount of 20% while the remaining stock was sold off at a profit of 30% on cost.
 - (iv) A bill receivable of Rs 3000 under discount was dishonoured as the acceptor had become insolvent and hence the bill had to be met by the firm.
 - (v) Profit and loss account showed a debit balance of Rs 56000.
 - (vi) Realisation expenses amounted to Rs 2,000, were paid by Aditi.
- Pass the necessary journal entries for the above transactions on the dissolution of the firm.

26.

Balance Sheet (Extract)			
Of XYZEE Ltd as at 31.03.2024 (as per schedule -III of Companies Act 2013)			
	Note no.	31.03.2023	31.03.2024
I- Equity & Liabilities			
1. Shareholders Funds			
a). Share Capital	1	44,90,000	54,90,000
b). Reserves and Surplus	2	2,00,000	3,60,000

Note no.1 (For year ending 31.03.2023)		
Share Capital		
1). Authorised Share Capital		
8,00,000 Equity Shares of Rs. 10 each		80,00,000
2). Issued Share Capital		
4,50,000 Equity Shares of Rs. 10 each		45,00,000
3). Subscribed Share Capital		
a). Subscribed and Fully paid		
Rs.10 per share on 4,45,000 Equity Shares	44,50,000	
b). Subscribed and not Fully paid		
Rs. 10 per share on 5,000 Equity shares	50,000	
Less not paid: Rs. 2 per share on 5,000 Equity shares	-10,000	44,90,000

Note no.1 (For year ending 31.03.2024)		
Share Capital		
1). Authorised Share Capital		
8,00,000 Equity Shares of Rs. 10 each		80,00,000
2). Issued Share Capital		
5,50,000 Equity Shares of Rs. 10 each		55,00,000
(Out of these 40,000 shares were issued to the vendors as consideration for Capital asset purchased)		
3). Subscribed Share Capital		
a). Subscribed and Fully paid		
Rs.10 per share on 5,45,000 Equity Shares	54,50,000	
c) Subscribed and not Fully paid		
Rs. 10 per share on 5,000 Equity shares	50,000	
Less not paid: Rs. 2 per share on 5,000 Equity shares	-10,000	54,90,000

Note no. 2 - Reserves and Surplus		
	31.03.2023	31.03.2024
Capital Reserve	Nil	40,000
Securities Premium	2,00,000	3,20,000

During the year the company took over the business of Quipa Ltd. with Assets of Rs. 12,00,000/- and Liabilities of Rs.7,30,000. Purchase consideration was paid in cash and by issue of equity shares at par. The entire transaction resulted in Capital reserve of Rs.40,000.

Q1. What is the total face value of Shares issued by the Company during the year 2023-24.

- (a) Rs.10,00,000 (b) Rs. 6,00,000 (c) Rs. 9,50,000 (d) Rs. 11,20,000

Q2. Shares issued for cash during the year were issued at . (assuming they were issued together)?

- (a) Rs.10 (b) Rs.8 (c) Rs.12 (d) Rs.11.20

Q3. On April 1, 2024, the company forfeited all the defaulting shares. What amount will appear in the Share Forfeiture account at the time of forfeiture ?

- (a) Rs.40,000 (b) Rs. 50,000 (c) Rs.10,000 (d) Rs. 60,000

Q4. What will be the number of Issued shares, as on April 1,2024, after the forfeiture of these shares ?

- (a) 5,45,000 shares (b) 5,50,000 shares (c) 4,45,000 shares (d) 5,05,000 shares

Q5. If 2,000 of the forfeited shares were issued at Rs. 14 per share, what will be the amount of securities premium and Capital reserve respectively as on April 1, 2024?

- (a) Rs, 3,20,000, Rs.40,000 (b) Rs.3,28,000, Rs.56,000
(c) Rs.3,28,000, Rs.80,000 (d) Rs.3,20,000, Rs.80,000

Q6. What will be the amount in the "Subscribed and Fully paid" after the reissue of these 2000 shares ?

- (a) Rs.54,50,000 (b) Rs.55,00,000 (c) Rs.54,70,000 (d) Rs.54,80,000

Part B:- Analysis of Financial Statements

27. Which of the following is not a tool of Analysis of Financial Statements?
- (a) Ratio Analysis (b) Statement of Profit & Loss
(c) Comparative statement (d) Cash flow statement

OR

This statement shows the absolute and relative changes in the final position for both current and previous year. Name it.....

- (a) Ratio Analysis (b) Common size statement
(c) Comparative statement (d) Cash flow statement
28. The Debt-equity ratio of AB Ltd. is 1:2. What is the effect of conversion of debentures into preference shares on this ratio and how?
29. Dividend received by a financial institution is classified as.....
- (a) Cash & cash equivalents
(b) Investing activity
(c) Financing activity
(d) Operating activity

OR

Which of the following will result in flow of cash?

- (a) Cheques of Rs 50,000 deposited in the bank.
(b) Rs 10,000 received from debtors
(c) Rs 1,00,000, 6% debentures issued to vendors of machinery
(d) Cash withdrawn from the bank Rs 50,000.
30. As on 31.03.2024, the following information of Orion Ltd. is available:
Net Profit Ratio: 32%
Operating Profit Ratio: 50%
On 1st April 2024, it was discovered that interest expense of Rs. 50,000 on a loan taken during the financial year 2023-24 was omitted from the records. After rectifying this omission, what will be the effect on the Net Profit Ratio and the Operating Profit Ratio?
- (a) Net Profit Ratio will decrease and Operating Profit Ratio will decrease
(b) Both Net Profit Ratio and Operating Profit Ratio will remain unchanged
(c) Net Profit Ratio will decrease and Operating Profit Ratio will remain unchanged
(d) Net Profit Ratio will remain unchanged and Operating Profit Ratio will decrease
31. Find the sub-heads under which the following items will appear in the balance sheet of a company as per Schedule III, Part I of Companies Act, 2013?
- (a) Loose tools (b) Goodwill
(c) Vehicles (d) Loans repayable on demands
(e) Bonds (f) Capital reserve

32. From the following information, prepare Comparative Statement of Profit and Loss:

Particulars	2022-23	2021-22
Revenue from Operations	Rs. 36,00,000	Rs. 24,00,000
Other Incomes (% of Revenue from Operations)	10%	25%
Expenses (% of Revenue from Operations)	50%	50%
Tax Rate	40%	40%

OR

Prepare Common-size Balance Sheet from the following information :

Particulars	31st March, 2024 (Rs)	31st March, 2023 (Rs)
Shareholders' Funds	18,00,000	12,00,000
Non-current Liabilities	6,00,000	6,00,000
Current Liabilities	6,00,000	2,00,000
Non-current Assets	21,00,000	14,00,000
Current Assets	9,00,000	6,00,000

33. (A) Viny Limited has a current ratio of 3.5:1 and quick ratio of 1.5:1. If the excess of current assets over quick assets as represented by stock is Rs 60, 000. Calculate Current Assets and Current Liabilities.

(B) From the following information, determine opening inventory and closing inventory:

Inventory Turnover Ratio = 5 times

Revenue from operations = Rs 29,25,000

Gross Profit on cost = 30%

Closing Stock = Rs 40,000 more than the opening inventory

OR

Debt to Capital Employed ratio is 0.3:1. State whether the following transactions, will improve, decline or will have no change on the Debt to Capital Employed Ratio. Also give reasons for the same.

(i) Sale of Equipments costing Rs 10,00,000 for Rs 9,00,000.

(ii) Purchased Goods on Credit for Rs 1,00,000 for a credit of 15 months, assuming operating cycle is of 18 months.

(iii) Conversion of Debentures into Equity Shares of Rs 2,00,000.

(iv) Tax Refund of Rs 50,000 during the year.

34. From the following information of Bikanerwala Sweets, prepare a Cash Flow Statement:

Balance Sheet as at 31.03.2022

Particulars	Note No.	No. 31 March 2022 (Rs)	31 March 2021 (Rs)
I. EQUITY AND LIABILITIES			
1. Shareholder's Funds :			
(a) Share Capital	1	1,35,000	1,30,000
(b) Reserves and Surplus	2	22,000	4,000
2. Non-Current Liabilities (10% Debentures)			
		25,000	21,000
3. Current Liabilities (Trade Payables)			
		12,500	8,500
Total		1,94,500	1,63,500
II. ASSETS			
1. Non-Current Assets :			
Property, Plant and Equipments and Intangible Assets:			
Property, Plant and Equipment : Tangible Fixed Assets (Net)		41,000	32,000
Intangible Assets (Goodwill)		8,000	10,500
Non-Current Investments		68,000	63,000
2. Current Assets :			
Current Investments		49,000	50,000
Cash & Cash Equivalents		4,000	2,000
Other Current Assets		24,500	6,000
Total		1,94,500	1,63,500

Notes to Accounts:

Particulars	31 March 2022 (Rs)	31 March 2021 (Rs)
31 March 2021 (Rs)		
Equity shares of Rs 10 each	1,35,000	1,30,000
2. Reserves and Surplus		
General Reserve	11,000	10,000
Surplus i.e. balance in Statement of Profit and Loss	11,000	(6,000)
	22,000	4,000

Additional information:

- (i) A machine costing Rs 3,000 (depreciation provided thereon Rs 400) was sold for Rs 2,800. Depreciation charged, during the year was Rs 4,400.
- (ii) Debentures were issued on 1st April, 2021.
- (iii) Interim dividend of Rs 30,000 has been paid during the year

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