MPBSE Class 12th Book Keeping & Accountancy - 2023 Question Paper

Time Allowed :3 Hour	Maximum Marks :80	Total Questions :23

General Instructions

Read the following instructions very carefully and strictly follow them:

1. Attempt all questions.
2. Read the instructions carefully.
3. Marks alloted to each question are indicated against it.

(1) (i) To which activity does the payment of dividend belong?

(1) Operating activity
(2) Investing activity
(3) Financing activity
(4) Bad debts

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(1) (ii) Which ratios are primarily measures of return?

(1) Liquidity
(2) Activity
(3) Debt
(4) Profitability

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(1) (iii) Which ratios provide information critical to the long-run operation of the firm?

(1) Liquidity
(2) Activity
(3) Solvency
(4) Profitability

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(1) (iv) Preparation of financial statements of a company is:

(1) Voluntary
(2) Compulsory
(3) Not essential

(4) None of these

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(1) (v) On admission of a partner, the general reserve in the old balance sheet is transferred to:

(1) All partners' capital accounts
(2) New partner's capital account
(3) Old partners' capital accounts
(4) None of these

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(1) (vi) Interest on partner's drawings in the absence of a partnership deed is:

(1) 6%
(2) 10%
(3) 8%
(4) No interest

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(2) Fill in the blanks:

(i) Partnership originates with ________.
(ii) In fixed capital method, the capital accounts always show ________ balance.
(iii) Premium brought by new partner is distributed to old partners in ________ ratio.
(iv) ________ type of goodwill fetches highest value.
(v) The annual reports of a company are issued to its ________.
(vi) Common size analysis is also known as ________ analysis.
(vii) Sale of property is ________ type of activity.

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(3) Match the columns:

A	B
(i) Debentureholders	(1) Sacrifice by old partners
(ii) Loss on Revaluation	(2) Internal liability
(iii) Equal profit loss sharing ratio	(3) Creditors of company
(iv) Loan by partner	(4) Owners of company
(v) Admission of new partner	(5) Dr. side of capital account
(vi) Shareholders	(6) Absence of partnership deed

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(4) (i) The return on debentures is called –

(4) (ii) The profit sharing ratio of A, B and C is $\frac{5}{10} : \frac{6}{20} : \frac{4}{20}$. What will be the new profit sharing ratio if C retires?

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(4) (iii) The change in the value of assets and liabilities on reconstitution is recorded in which account?

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(4) (iv) Which account is also prepared along with capital account in fixed capital method?

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(4) (v) How much interest is payable on the loan of a partner in the absence of partnership deed?

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(4) (vi) On the death of a partner, his claim is transferred to which account?

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(4) (vii) The balance of share forfeiture account is transferred to which account?

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(5) (i) Bank overdraft is transferred to Bank account on the dissolution of a firm.

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(5) (ii) Paid-up capital can exceed called-up capital.

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(5) (iii) Capital Reserves are created from Capital Profits.

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(5) (iv) Proposed dividend is shown as contingent liability.

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(5) (v) The financial statements of a business include Cash Flow Statement.

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(5) (vi) Debenture is a part of owned capital.

(6) **What is partnership deed?**

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(6) **Write any two characteristics of partnership.**

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(7) **Write any two circumstances when a court can issue order for dissolution of a firm.**

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(7) **Write any two circumstances for compulsory dissolution of a firm.**

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(8) **Anu, Vanu and Tanu are partners in the ratio of 4 : 3 : 2. Anu retires. Vanu and Tanu decide to share future profits in the ratio of 5 : 3. Calculate Gaining Ratio.**

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(8) **X, Y and Z are partners in the ratio of 3 : 2 : 1. X retires and his share is taken up by Y and Z in the ratio of 3 : 2. Calculate new profit sharing ratio.**

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(9) **Explain types of debentures from the point of view of convertibility.**

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(9) **Explain types of debentures from the point of view of security.**

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(10) **What is meant by Authorised Capital?**

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(10) **What is Un-called Capital?**

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(11) **Write two characteristics of Preference Shares.**

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(11) **What is meant by Share Capital?**

(12) What is meant by Forfeiture of Shares?

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(12) Which are two options available with the company in the condition of Over-subscription? Write.

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(13) Shree Ltd. purchased a machine worth Rs. 3,80,000 from Heavy Machine Ltd. As per the purchase agreement, Rs. 20,000 were paid in cash and the balance was settled by issuing shares of Rs. 100 each. Give necessary journal entries in the books of Shree Ltd.

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(13) ABC Ltd. purchased a building worth Rs. 5,40,000 from XYZ Ltd. and the payment was made by the issue of shares of Rs. 100 each issued at 20% premium. Give necessary journal entries in the books of ABC Ltd.

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(14) Write two objectives of Ratio Analysis.

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(14) Write two limitations of Ratio Analysis.

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(15) What is meant by 'Cash Equivalents'?

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(15) Write two examples of cash inflows by financing activities.

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(16) (i) Anshi and Ayushi are partners in the ratio of 3 : 2. They admit Aman for 3/10 share which he acquired 2/10 from Anshi and 1/10 from Ayushi. Calculate new profit sharing ratio.

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(16) (ii) A business has earned average profits of Rs. 1,00,000 during the last few years and the normal rate of return in similar business is 10%. If the total assets of the business are Rs. 10,00,000 and external liabilities are Rs. 1,80,000, calculate goodwill by the Capitalisation of Super Profits Method.

17.
Vimal and Nirmal are partners in the ratio of 3 : 2. They admit Sushil for $\frac{1}{3}$ share. Sushil brings Rs. 30,000 for his capital and also brings necessary amount of his share of goodwill in cash. On the date of admission, the goodwill of the firm is valued at Rs. 24,000. Goodwill already appears in the books at Rs. 12,000. Give necessary journal entries in the books of the firm.

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17. (OR)
Sonu and Sandeep are partners in the ratio of 3 : 2. They admit Neeraj for $\frac{1}{3}$ share in profits. Neeraj brings Rs. 30,000 for his capital but fails to bring his share of goodwill in cash. The goodwill of the firm is valued at Rs. 9,000. Give necessary journal entries.

18.
What are Bearer Debentures?

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18. (OR)
Shreyas Ltd. issued 10,000 debentures of Rs. 100 each. The public applied for 9,000 debentures which were fully allotted. All the money was received in lump-sum. Give necessary journal entries in the books of Shreyas Ltd.

20.
Akshay, Bhanu and Chakresh established a partnership firm on 01 April 2016 by investing Rs. 5,00,000, Rs. 4,00,000 and Rs. 3,00,000 as capital. Additional information: (i) Profit sharing ratio 3 : 2 : 1, (ii) 6% interest on capital, (iii) Akshay salary Rs. 1,20,000, (iv) Bhanu commission Rs. 50,000, (v) Drawings: Akshay Rs. 60,000, Bhanu Rs. 40,000, Chakresh Rs. 20,000, (vi) Interest on drawings: Akshay Rs. 2,700, Bhanu Rs. 1,800, Chakresh Rs. 900. Net Profit for the year was Rs. 3,56,600. Prepare Profit and Loss Appropriation Account.

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21. (OR)
Write journal entries for the revaluation of assets and liabilities and for adjustment of profit/loss on the Revaluation.

22.
Surabhi, a shareholder holding 5,000 shares of Rs. 10 each, did not pay the allotment money of Rs. 4 per share (including premium of Rs. 2) and the first and final call of Rs. 3 per share. Her shares were forfeited after first and final call.

Give journal entry for forfeiture of shares.

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22. (OR)
Write the uses of securities premium received on shares.

23.
Write any four advantages of preparing Cash Flow Statement.

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23. (OR)
Write examples of cash inflows and outflows from Investing activities.
