

CBSE Class 12 Accountancy 2020 - Set 67-3-3

Question Paper

Conducted by the Central Board of Secondary Education (CBSE)



Time Allowed: 3 Hours

Maximum Marks: 80

General Instructions

- (i) This question paper contains **32 questions**, divided into Part A and Part B.
- (ii) Part A is compulsory for all candidates.
- (iii) Part B has two options: **Option I - Analysis of Financial Statements** and **Option II - Computerised Accounting**. Attempt only one option.
- (iv) Questions 1 to 13 and 23 to 29 carry 1 mark each.
- (v) Questions 14 and 30 carry 3 marks each. Questions 15 to 18 and 31 carry 4 marks each.
- (vi) Questions 19, 20 and 32 carry 6 marks each. Questions 21 and 22 carry 8 marks each.
- (vii) Attempt one alternative where an internal choice is provided. Write all parts of an answer at one place.

1. Subscribed capital is:

- | | |
|---|---|
| (A) That part of authorised capital which is issued to the public for subscription. | (B) That part of issued capital which has been actually subscribed by the public. |
| (C) That part of subscribed capital which has been called up on the shares. | (D) That part of subscribed capital which has not yet been called up on the shares. |

2. Niyati and Aisha were partners in a firm sharing profit and losses in the ratio of 4 : 3. They admitted Bina as a new partner. Niyati sacrificed $\frac{1}{4}$ th from her share and Aisha sacrificed $\frac{1}{7}$ th from her share in favour of Bina. Bina's share in the profits of the firm will be :

- | | |
|---------------------|---------------------|
| (A) $\frac{2}{7}$ | (B) $\frac{10}{49}$ |
| (C) $\frac{11}{28}$ | (D) $\frac{7}{16}$ |

3. Which of the following statements is true for Receipts and Payments Account ?

- | | |
|--|---|
| (A) It is prepared on accrual basis. | (B) It records receipts and payments of revenue nature only. |
| (C) Depreciation is debited to this account. | (D) Receipts and payments may relate to current, preceding or succeeding periods. |

4. When debentures are issued at discount and are redeemable at premium, the amount of discount and premium on redemption is debited to _____ account.

5. Nitin, Varun and Asha were partners in a firm sharing profit and losses in the ratio of 7 : 2 : 1. Asha died on 30th November, 2019. According to the partnership agreement, her share of profits from the closure of last accounting year till the date of her death was to be calculated on the basis of aggregate profits of two completed years before her death. Profit of the firm for the years ending 31st March, 2018 and 31st March, 2019 were ₹ 36,000 and ₹ 84,000 respectively. The firm closes its books on 31st March every year. Asha's share of profit till the date of her death will be :

- | | |
|--------------|--------------|
| (A) ₹ 16,000 | (B) ₹ 4,000 |
| (C) ₹ 8,000 | (D) ₹ 12,000 |

6. Excess value of net assets over purchase consideration at the time of purchase of business is:

- | | |
|--|---------------------------------------|
| (A) Credited to the Capital Reserve. | (B) Debited to the Goodwill Account. |
| (C) Credited to the General Reserve Account. | (D) Credited to the Vendor's Account. |

7. First call amount received in advance from the shareholders before it is actually called up by the directors is:

- | | |
|--|---|
| (A) Debited to calls-in-advance account. | (B) Credited to share allotment account. |
| (C) Debited to first call account. | (D) Credited to calls-in-advance account. |

8. Senco Ltd. issued 5,000, 8% Debentures of ₹ 100 each at par, redeemable after four years at a premium of 10%. The minimum amount invested in Debenture Redemption Investments will be :

- | | |
|----------------|----------------|
| (A) ₹ 75,000 | (B) ₹ 82,500 |
| (C) ₹ 1,25,000 | (D) ₹ 1,37,500 |

9. Fill in the blanks for the transaction 'Interest on drawings' ₹ 4,000.

Journal

Date	Particulars	L. F.	Dr. (₹)	Cr. (₹)
	_____ Dr.		4,000	
	To _____			4,000
	(Being Interest on drawings charged)			

10. Unique Club had a Prize Fund of ₹ 9,00,000 on 1st April, 2018. It incurred expenses on prizes amounting to ₹ 9,10,000 during the year. The balance of Prize Fund in the Balance Sheet as on 31st March, 2019 will be :

- (A) ₹ 10,000 (B) ₹ 10,000
(C) ₹ 9,00,000 (D) Zero

11. Vinod Ltd. issued 40,000, 9% Debentures of ₹ 100 each as collateral security for a loan of ₹ 30,00,000 taken from Indian Bank. Fill in the blanks for the journal entry for issue of debentures as a collateral security :

**Vinod Ltd.
Journal**

Date	Particulars	L. F.	Dr. (₹)	Cr. (₹)
	 A/c Dr.			
	To A/c			
	(₹ 40,00,000 debentures issued as collateral security for a loan of ₹ 30,00,000)			

12. Vasudha and Veena were in partnership sharing profits and losses in the ratio of 3 : 1. They admitted Tilak as a new partner. Tilak brought ₹ 1,20,000 as his share of goodwill premium, which was entirely credited to Vasudha's capital account. On the date of admission, goodwill of the firm was valued at ₹ 4,80,000. Calculate the new profit sharing ratio of Vasudha, Veena and Tilak.

13. Which of the following is not a revenue receipt ?

- (A) Subscriptions (B) Endowment Fund
(C) Sale of Used Sports Material (D) Entrance Fees

14. From the following particulars relating to Shyamji Charitable Society, prepare a Receipts and Payments Account for the year ending 31st March, 2019:

Particulars	Amount (₹)
Cash in hand as on 1.4.2018	16,000
Cash at bank as on 1.4.2018	28,000
Subscriptions (including ₹ 11,000 for 2017-18)	60,000
Donations for building	2,90,000
Miscellaneous expenses	98,000
Locker rent	32,000
Entrance fees	41,000

OR

14. From the given information of a hospital, calculate the amount of medicines consumed during the year 2018-19:

Particulars	Amount (₹)
Payment for purchase of medicines	5,10,000
Creditors for medicines purchased on 1.4.2018	34,000
Creditors for medicines purchased on 31.3.2019	29,000
Stock of Medicines on 1.4.2018	86,000
Stock of Medicines on 31.3.2019	39,000
Advance to suppliers of medicines on 1.4.2018	26,000
Advance to suppliers of medicines on 31.3.2019	32,000

15. Sanya, Piya and Trisha were partners in a firm sharing profits and losses in the ratio of 3 : 3 : 4. On 31st March, 2019 their Balance Sheet was as follows :

Balance Sheet of Sanya, Piya and Trisha as at 31st March, 2019

Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	72,000	Furniture	6,10,000
Capitals : Sanya 4,00,000 Piya 2,00,000 Trisha 3,00,000	9,00,000	Stock Debtors Cash	2,20,000 92,000 50,000
	9,72,000		9,72,000

Trisha died on 1st July, 2019. The partnership deed provided for the following in the event of death of a partner :

- Goodwill of the firm to be valued at ₹ 2,40,000.
- Profits in the year of death of a partner will be taken as having accrued at the same rate as the previous year's profits. Profits for the year 2018-19 were ₹ 90,000.
- Half the amount was paid to Trisha's executors immediately.

Pass the necessary journal entries to record the above transactions in the books of the firm.

16. From the given Receipts and Payments Account and additional information of Friends Club for the year ended 31st March, 2019, prepare Income and Expenditure Account for the year ending 31st March, 2019.

Receipts and Payments Account of Friends Club for the year ending 31st March, 2019

Receipts	Amount (₹)	Payments	Amount (₹)
To Balance b/d	50,400	By Furniture (Purchased on 1.12.2018)	1,20,000
To Donations	44,000	By Salaries	1,00,000
To Sale of old sports material	2,000	By Secretary's honorarium	4,000
To Subscriptions : 2017-18 1,600 2018-19 60,000 2019-20 5,000	66,600	By Books	44,000
To Entrance fees	1,20,000	By Balance c/d	15,000
	2,83,000		2,83,000

Additional Information :

- On 1st April, 2018 the Club had the following balances of assets and liabilities : Furniture ₹ 1,00,000; Subscriptions in arrears ₹ 2,000 and Outstanding Salary ₹ 6,000.
- The Club had 75 members each paying an annual subscription of ₹ 1,000.
- Charge depreciation on Furniture @ 10% p.a.

17. Veena and Somesh were partners in a firm with capitals of ₹ 1,00,000 and ₹ 80,000 respectively. They admitted Nisha on 1st April, 2019 as a new partner for 1/4th share in the future profits of the firm. Nisha brought ₹ 90,000 as her capital. Nisha acquired her share as 1/12th from Veena and the remaining from Somesh. Calculate the value of goodwill of the firm and pass the necessary journal entries on Nisha's admission.

OR

17. Asha, Rina and Chahat were partners in a firm sharing profits and losses in the ratio of 2 : 2 : 1. Their Balance Sheet as at 31st March, 2019 was as follows:

Liabilities	Amount	Assets	Amount
Creditors	12,00,000	Plant and Machinery	14,80,000
General Reserve	2,00,000	Stock	2,20,000
Capitals: Asha 3,00,000 Rina 2,00,000 Chahat 1,00,000	6,00,000	Sundry Debtors 2,60,000 Less Provision for doubtful debts 20,000	2,40,000
		Bank	60,000
Total	20,00,000	Total	20,00,000

Asha, Rina and Chahat decided to share future profits equally with effect from 1st April, 2019. For this, it was agreed that:

- Goodwill of the firm be valued at ₹ 1,50,000.
- Bad debts amounted to ₹ 40,000. A provision for doubtful debts was to be made @ 5% on debtors.

Pass the necessary journal entries to record the above transactions in the books of the firm.

18. Neena and Sara were partners in a firm with fixed capitals of ₹ 5,00,000 and ₹ 4,00,000 respectively. It was discovered that interest on capital @ 6% p.a. was credited to the partners for the two years ending 31st March, 2018 and 31st March, 2019 whereas there was no such provision in the partnership deed. Their profit sharing ratio during the last two years was:

2017-18: 4 : 5

2018-19: 5 : 1

Showing your workings clearly, pass the necessary adjustment entry to rectify the error.

19. Aman and Anisha were partners in a firm sharing profits and losses in the ratio of 2 : 1. The firm was dissolved on 31st March, 2019. After transfer of assets (other than cash) and external liabilities to the Realization Account, the following transactions took place :

- Creditors worth ₹ 90,000 were settled by handing over the entire stock to them along with a payment of ₹ 15,000 by cheque.
- Investments of ₹ 50,000 were sold in the open market for ₹ 57,000 for which a commission of ₹ 1,000 was paid to the broker.
- Aman undertook to pay Mrs. Aman's loan ₹ 45,000.
- There was an old typewriter which had been written off completely from the books of the firm. It was taken over by Anisha at ₹ 4,000.
- Aman was appointed to look after the process of dissolution for which he was allowed a remuneration of ₹ 16,000. He agreed to bear the dissolution expenses. Actual expenses incurred by Aman were ₹ 15,000, which were paid off by the firm.
- Profit on realisation amounted to ₹ 30,000.

Pass the necessary journal entries to record the above transactions in the books of the firm.

20. Pass the necessary journal entries for the issue of debentures for the following transactions:

(i) Anand Ltd. issued 800, 9% Debentures of ₹ 500 each at a premium of 20%, to the vendors for machinery purchased from them costing ₹ 4,80,000.

(ii) Dawar Ltd. issued 5,000, 7% Debentures of ₹ 200 each at a premium of 5%, redeemable at a premium of 10%.

(iii) Novelty Ltd. issued 1,000, 8% Debentures of ₹ 100 each at a discount of 5%, redeemable at a premium of 10%.

OR

20. (i) On 1st April, 2019, Bright Ltd. issued 4,00,000, 6% Debentures of ₹ 100 each at a discount of 5%, redeemable after three years. The amount per debenture was payable as follows: On Application – ₹ 80 per debenture; On Allotment – Balance. The debentures were fully subscribed and all money was duly received. Pass necessary journal entries for issue of debentures.

(ii) Disha Ltd. took over assets of ₹ 8,00,000 and liabilities of ₹ 3,00,000 from Kriti Ltd. for a purchase consideration of ₹ 6,00,000. The payment was made by issue of 9% Debentures of ₹ 100 each at 20% premium. Pass the necessary journal entries for the above transactions in the books of Disha Ltd.

21. Rath Ltd. invited applications for issuing 1,00,000 shares of ₹ 10 each at a premium of ₹ 2 per share. Amount per share was payable as follows: On Application – ₹ 4 (including premium ₹ 1); On Allotment – ₹ 4 (including premium ₹ 1); On First and Final Call – Balance.

Applications were received for 1,50,000 shares and allotment was made to the applicants as follows:

(i) Applicants of 80,000 shares were allotted 60,000 shares.

(ii) Applicants of 50,000 shares were allotted 40,000 shares.

(iii) No shares were allotted to the remaining applicants and their application money was returned.

Yatin, who belonged to category (ii) and who had applied for 5,000 shares failed to pay the allotment and call money. His shares were forfeited. Later, half of Yatin's forfeited shares were reissued @ ₹ 18 per share as fully paid up. Pass the necessary journal entries to record the above transactions in the books of Rath Ltd.

OR

21. Eiko Ltd. invited applications for issuing 2,00,000 equity shares of ₹ 10 each at a premium of ₹ 3 per share. The amount was payable as follows: On Application – ₹ 4 per share; On Allotment – ₹ 6 per share (including premium ₹ 3); On First and Final Call – Balance.

Applications were received for 3,00,000 shares and allotment was made on pro-rata basis to all the applicants. Money overpaid on applications was utilised towards sums due on allotment.

Sunil, who applied for 6,000 shares failed to pay the allotment money while Rishab holding 2,000 shares paid the first and final call money with allotment. Sunil's shares were forfeited immediately after allotment. Thereafter, first and final call was made and was duly received. Half of the forfeited shares were reissued to Varsha as fully paid for ₹ 9 per share. Pass the necessary journal entries to record the above transactions in the books of Eiko Ltd.

22. Ashish and Nimish were partners in a firm sharing profits and losses in the ratio of 3 : 2. On 31st March, 2019 their Balance Sheet was as follows:

Liabilities	Amount	Assets	Amount
Capitals: Ashish 3,10,000 Nimish 2,90,000	6,00,000	Plant and Machinery	2,90,000
General Reserve	50,000	Furniture	2,20,000
Workmen's Compensation Fund	20,000	Debtors 90,000 Less Provision 1,000	89,000
Creditors	1,10,000	Stock	1,40,000
		Cash	41,000
Total	7,80,000	Total	7,80,000

On 1st April, 2019, Geeta was admitted into the partnership for 1/4th share in the profits on the following terms:

- Goodwill of the firm was valued at ₹ 2,00,000.
- Geeta brought ₹ 3,00,000 as her capital and her share of goodwill premium in cash.
- Bad debts amounted to ₹ 2,000. Create a provision for doubtful debts @ 5% on debtors.
- Furniture was found undervalued by ₹ 65,400.
- Stock was taken over by Nimish for ₹ 1,30,000.
- The liability against workmen's compensation fund was determined at ₹ 30,000.
- After the above adjustments, the capitals of Ashish and Nimish were to be adjusted taking Geeta's capital as the base. Excess or shortage was to be adjusted by opening current accounts.

Prepare Revaluation Account, Partners' Capital Accounts and the Balance Sheet of the firm after Geeta's admission.

OR

22. Radha, Manas and Arnav were partners in a firm sharing profits and losses in the ratio of 3 : 1 : 1. Their Balance Sheet as at 31st March, 2019 was as follows:

Liabilities	Amount	Assets	Amount
Capitals: Radha 4,00,000 Manas 3,00,000 Arnav 2,00,000	9,00,000	Furniture	4,60,000
Investment Fluctuation Fund	1,10,000	Investments	2,00,000
Creditors	2,50,000	Stock	2,40,000
		Debtors 2,20,000 Less provision 10,000	2,10,000
		Cash	1,50,000
Total	12,60,000	Total	12,60,000

Manas retired on 1st April, 2019. It was agreed that:

- Stock was to be appreciated by 20%.
- Provision for doubtful debts was to be increased to ₹ 15,000.
- Value of furniture was to be reduced by ₹ 3,000.
- Market value of investments was ₹ 1,90,000.
- Goodwill of the firm was valued at ₹ 2,00,000 and Manas's share was adjusted in the accounts of Radha and Arnav.
- Manas was paid ₹ 68,000 in cash and the balance was transferred to his loan account.
- Capitals of Radha and Arnav were to be in proportion to their new profit sharing ratio. Surplus/deficit, if any, in their capital accounts was to be adjusted through current accounts.

Prepare Revaluation Account, Partners' Capital Accounts and the Balance Sheet of the reconstituted firm.

23. How is Analysis of Financial Statements useful for the 'Top Management' ?

24. 'Loose Tools' appear in the company's Balance Sheet under the head/sub-head :

- | | |
|--------------------------|----------------------------|
| (A) Inventory | (B) Non-Current Assets |
| (C) Other Current Assets | (D) Stores and Spare Parts |

25. 'Security Deposits' appear in the Balance Sheet of a company under the sub-head _____ .

26. 'Sale of goods ₹ 23,000 for cash will not affect the operating ratio.' Is the statement correct ? Give reason.

27. For a company manufacturing garments, procurement of raw material, incurrence of manufacturing expenses, sale of garments are classified as _____ activities.

28. Paid ₹ 6,00,000 to acquire shares in R.T. Ltd. and received a dividend of ₹ 60,000 after acquisition. These transactions will result in :

- | | |
|---|--|
| (A) Cash used in investing activities ₹ 6,60,000. | (B) Cash generated from financing activities ₹ 6,60,000. |
| (C) Cash used in investing activities ₹ 5,40,000. | (D) Cash generated from financing activities ₹ 5,40,000. |

29. Give the meaning of 'Cash Flow Statement'.

30. Calculate the Current Ratio and Debt-Equity Ratio from the following information:

Non-Current Assets	₹ 16,00,000
Current Assets	₹ 4,00,000
Working Capital	₹ 2,00,000
Non-Current Liabilities	₹ 12,00,000

30. From the following information, determine the opening inventory and the closing inventory:

Inventory Turnover Ratio = 5 times

Revenue from Operations = ₹ 8,00,000

Gross Profit Ratio = 25%

Closing inventory was ₹ 20,000 more than the opening inventory.

31. From the following information obtained from the books of Vichar Ltd., prepare a Comparative Statement of Profit and Loss for the year ending 31st March, 2019:

Particulars	2018-19	2017-18
Revenue from operations	300% of cost of materials consumed	200% of cost of materials consumed
Cost of materials consumed	₹ 4,00,000	₹ 2,00,000
Other expenses	20% of cost of materials consumed	20% of cost of materials consumed
Tax rate	50%	50%

31. From the following Balance Sheet of Sanchi Ltd., as at 31st March, 2019, prepare a common size Balance Sheet:

Particulars	31.3.2019 (₹)	31.3.2018 (₹)
I - Equity and Liabilities:		
1. Shareholders Funds: (a) Share Capital	4,00,000	2,00,000
(b) Reserves and Surplus	1,00,000	70,000
2. Non-Current Liabilities: Long-term Borrowings	3,00,000	4,30,000
3. Current Liabilities: Trade Payables	2,00,000	3,00,000
Total	10,00,000	10,00,000
II - Assets: 1. Non-Current Assets: Tangible Assets	6,00,000	5,00,000
2. Current Assets: (a) Inventories	2,50,000	2,00,000
(b) Cash and Cash Equivalents	1,50,000	3,00,000
Total	10,00,000	10,00,000

32. There was 'Nil' net cash flow from operating activities of Ashok Ltd. during the year ending 31st March, 2019. From the following Balance Sheet of Ashok Ltd. as at 31st March, 2019, prepare a Cash Flow Statement:

Ashok Ltd. — Balance Sheet as at 31st March, 2019

32. (continued)

Particulars	Not e No.	31.3.2019 (₹)	31.3.2018 (₹)
I - Equity and Liabilities:			
1. Shareholders Funds: (a) Share Capital		19,00,000	11,00,000
(b) Reserves and Surplus	1	1,60,000	2,00,000
2. Non-Current Liabilities: Long-term Borrowings	2	1,00,000	4,00,000
3. Current Liabilities: (a) Short-Term Borrowings	3	2,50,000	2,30,000
(b) Short-Term Provisions	4	1,90,000	2,70,000
Total		26,00,000	22,00,000
II - Assets:			
1. Non-Current Assets: (i) Tangible Assets	5	15,00,000	11,00,000
(ii) Intangible Assets	6	2,80,000	1,70,000
2. Current Assets: (a) Current Investments		1,30,000	2,90,000
(b) Trade Receivables		3,90,000	4,10,000
(c) Cash and Cash Equivalents		3,00,000	2,30,000
Total		26,00,000	22,00,000

32. (continued)

Notes to Accounts:

1. Reserves and Surplus: Surplus 1,60,000 / 2,00,000
2. Long-term Borrowings: 8% Debentures 1,00,000 / 4,00,000
3. Short-term Borrowings: Bank overdraft 2,50,000 / 2,30,000
4. Short-term Provisions: Provision for Tax 1,90,000 / 2,70,000
5. Tangible Assets: Plant and Machinery 16,30,000 / 11,70,000; Accumulated Depreciation (1,30,000) / (70,000); Net 15,00,000 / 11,00,000
6. Intangible Assets: Goodwill 2,80,000 / 1,70,000

Additional information:

- (i) A machinery of the book value of ₹ 60,000, (depreciation provided thereon ₹ 20,000) was sold at a loss of ₹ 6,000.
- (ii) 8% Debentures were redeemed on 1st July, 2018.

23. A code which consists of alphabet or abbreviation as symbol to codify a piece of information is known as _____ .

24. Computerised Accounting system takes (i) _____ as inputs which are processed through (ii) _____ to generate reports.

25. A cell reference that holds either row or column constant when the formula or function is copied to another location is known as:

- | | |
|-----------------------------|--------------------------|
| (A) Absolute cell reference | (B) Ranges |
| (C) Relative cell reference | (D) Mixed cell reference |

26. The data is classified for creating groups of accounts in the heads of:

- | | |
|--|--|
| (A) Assets, Liabilities and Capital | (B) Assets, Owners' equity, Revenue and Expenses |
| (C) Assets, Capital, Liabilities, Revenue and Expenses | (D) Capital, Revenue and Expenses |

27. A1 : E2 in Excel refers to:

- | | |
|--|--|
| (A) Column on Excel sheet | (B) Row on Excel sheet |
| (C) Column between start and end points of Excel sheet | (D) Alphabets between A to E on Excel sheet. |

28. To expect a well formatted printable data from Access database, we use:

- | | |
|-----------|------------|
| (A) Table | (B) Query |
| (C) Form | (D) Report |

29. Which of the following is not a limitation of Computerised Accounting system?

- | | |
|---|--|
| (A) Data may be lost or corrupted due to power interruptions. | (B) Data is prone to hacking. |
| (C) Data is not made available to everybody. | (D) Unprogrammed and un-specified reports cannot be generated. |

30. Explain 'Null Values' and 'Complex Attributes'.

OR

30. Explain any two types of vouchers used for entry in Tally software with the help of examples.

31. Explain any two subsystems of accounting information system.

OR

31. What is meant by a graph? Explain any three of its advantages.

32. P.K. Associates have their offices in Kolkata and Ranchi. HRA for Kolkata is ₹ 12,000 and for Ranchi is ₹ 8,000. DA is calculated on Basic Pay (BP) as 12% for $BP \leq ₹ 18,000$ and 8% for $BP \geq ₹ 19,000$. Standard number of days are taken as 30 days per month.

Give the formulae and calculate the amount of Gross Salary using Excel for the following employees :

(i) Namit is working in Kolkata office. His Basic Pay is ₹ 32,000. He has availed sick leave for two days.

(ii) Geetika is working in Ranchi office. Her Basic Pay is ₹ 15,000. She has availed sick leave for three days.

- End of Question Paper -