

CBSE Class 12 Accountancy 2020 - Set 67-5-3



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. In case of retirement of a partner, profit or loss on revaluation of assets and re-assessment of liabilities is distributed among _____ partners in _____ ratio.

2. Vanya Ltd. forfeited 20,000 equity shares of ₹ 100 each for non-payment of first and final call of ₹ 40 per share. The maximum amount of discount at which these shares can be re-issued will be:

- (A) ₹ 8,00,000 (B) ₹ 12,00,000
(C) ₹ 20,00,000 (D) ₹ 20,000

3. What is meant by 'Subscribed Capital' ?

4. Bishan and Sudha were partners in a firm sharing profits and losses in the ratio of 5:3. Alena was admitted as a new partner. It was decided that the new profit sharing ratio of Bishan, Sudha and Alena will be 10:6:5. The sacrificing ratio of Bishan and Sudha will be :

- (A) 5 : 3 (B) 25 : 78
(C) 6 : 5 (D) 2 : 1

5. Which of the following is not a capital receipt?

- (A) Donations for tournament (B) Donations for building fund
(C) Life membership fee (D) Entrance fees

6. Mohit and Rohit were partners in a firm with capitals of ₹ 80,000 and ₹ 40,000 respectively. The firm earned a profit of ₹ 30,000 during the year. Mohit's share in the profit will be:

- (A) ₹ 20,000 (B) ₹ 10,000
(C) ₹ 15,000 (D) ₹ 18,000

7. _____ means any offer of securities to a select group of persons by a company other than by way of public offer.

8. On forfeiture of 100 shares of ₹ 50 each, ₹ 2,500 were credited to share forfeited account. These shares were re-issued at ₹ 25 per share fully paid up. The amount credited to 'Capital Reserve Account' will be :

- (A) ₹ 2,500 (B) ₹ 5,000
(C) No amount (D) ₹ 3,000

9. Disha and Abha were partners in a firm. Farad was admitted as a new partner for 1/5th share in the profits of the firm. Farad brought proportionate capital. Capitals of Disha and Abha after all adjustments were ₹ 64,000 and ₹ 46,000 respectively. Capital brought by Farad was:

- (A) ₹ 22,000 (B) ₹ 27,500
(C) ₹ 55,000 (D) ₹ 28,000

10. The business of a partnership firm may be carried on by all the partners or any one of them acting for all. One of the important implication of this statement is that every partner is entitled to participate in the conduct of the affairs of its business. State the second important implication of this statement.

11. Jaipur Club has a prize fund of ₹ 6,00,000. It incurs expenses on prizes amounting to ₹ 5,20,000. The expenses should be:

- (A) debited to income and expenditure account. (B) presented on the asset side of the balance sheet.
(C) debited to income and expenditure account and presented on the asset side of the balance sheet. (D) deducted from the prize fund on the liability side of the balance sheet.

12. No debenture redemption reserve is required for debentures issued by:

- (A) manufacturing companies (B) infrastructure companies
(C) banking companies (D) trading companies

13. For recording the issue of debentures as a collateral security by a journal entry _____ account is debited.

14. Kabir and Farid are partners in a firm sharing profits in the ratio of 3:1 on 1-4-2019 they admitted Manik into partnership for 1/4th share in the profits of the firm. Manik brought his share of goodwill premium in cash. Goodwill of the firm was valued on the basis of 2 years purchase of last three years average profits. The profits of last three years were :

2016-17 ₹ 90,000

2017-18 ₹ 1,30,000

2018-19 ₹ 86,000

During the year 2018-19 there was a loss of ₹ 20,000 due to fire which was not accounted for while calculating the profit.

Calculate the value of goodwill and pass the necessary journal entries for the treatment of goodwill.

OR

14. Raka, Seema and Mahesh were partners sharing profits and losses in the ratio of 5 : 3 : 2. With effect from 1st April, 2019, they mutually agreed to share profits and losses in the ratio of 2 : 2 : 1. On that date, there was a workmen's compensation fund of ₹ 90,000 in the books of the firm. It was agreed that:

- (i) Goodwill of the firm be valued at ₹ 70,000.
(ii) Claim for workmen's compensation amounted to ₹ 40,000.
(iii) Profit on revaluation of assets and re-assessment of liabilities amounted to ₹ 40,000.

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

15. How will the following items be treated while preparing the financial statements of a not-for-profit-organization for the year ended 31st March, 2019.

Particulars	As at 31-3-18 (₹)	As at 31-3-19 (₹)
Creditors for stationery	78,000	50,000
Stock of stationery	62,000	41,000

During 2018-19, payment made to creditors was ₹ 1,80,000.

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

Receipts and Payments Account of Shine Club for the year ended 31st March, 2019

Receipts	Amount	Payments	Amount
To balance b/d	50,000	By Furniture & equipments	1,22,000
To donations	45,000	By Salaries	32,000
To subscriptions: 2017-18 1,600; 2018-19 60,000; 2019-20 5,000	66,600	By balance c/d	13,400
To interest received	5,800		
Total	1,67,400		1,67,400

Additional Information:

- (i) Furniture and equipments were purchased on 1-10-2018. Depreciation @ 10% p.a. was to be provided on furniture and equipments.
(ii) Subscriptions in arrears for the year 2018-19 were ₹ 2,000.
(iii) Outstanding salary ₹ 6,000.

17. Nikita, Mankrit and Pulkit were partners in a firm sharing profits and losses in the ratio 4:3:2. Their balance sheet as on 31st March, 2019 was as follows :

Balance Sheet of Nikita, Mankrit and Pulkit as on 31st March 2019

Liabilities	Amount (₹)	Assets	Amount (₹)
Capitals : Nikita 4,00,000 Mankrit 3,00,000 Pulkit 2,00,000	9,00,000	Plant and Machinery Stock Sundry debtors Cash at bank	6,40,000 2,30,000 1,40,000 40,000
General Reserve	90,000		
Creditors	60,000		
	10,50,000		10,50,000

Mankrit died on 31st July, 2019. According to the partnership deed, the executors of the deceased partner were entitled to :

- Balance of partner's capital account
 - Salary @ ₹ 6,000 per quarter.
 - Share of goodwill calculated on the basis of twice the average of past three years' profits and share of profits from the closure of the last accounting year till the date of death calculated on the basis of average of three completed years' profits before death.
- Profits for 2016-17, 2017-18 and 2018-19 were ₹ 80,000, ₹ 90,000 and ₹ 1,00,000 respectively.
- Mankrit withdrew ₹ 6,000 on 15th May, 2019.

Prepare Mankrit's capital account to be rendered to her executors.

18. Puneet and Akshara were partners in a firm sharing profits and losses in the ratio of 2 : 3. The following was the balance sheet of the firm as on 31st March, 2019.

Liabilities	Amount (₹)	Assets	Amount (₹)
Capitals: Puneet 90,000 Akshara 1,10,000	2,00,000	Sundry Assets	2,00,000
Total	2,00,000	Total	2,00,000

The profits ₹ 40,000 for the year ended 31st March, 2019 were divided between the partners without allowing interest on capital @ 5% p.a. and commission to Akshara @ ₹ 1,000 per quarter. The drawings of the partners during the year were:

Puneet ₹ 2,500 per month
Akshara ₹ 10,000 per quarter

Showing your workings clearly, pass necessary adjustment entry in the books of the firm.

19. Muskaan, Priya and Rohan were partners in a firm sharing profits and losses in the ratio of 2:3:1. The firm was dissolved on 31-3-2019. After transfer of assets (other than cash) and external liabilities to realisation account, the following transactions took place :

- Furniture of ₹ 70,000 was sold for ₹ 74,000 by auction and auctioneer's commission amounted to ₹ 3,000.
- There was an unrecorded computer which was taken over by Priya for ₹ 7,000.
- Creditors were paid ₹ 44,000 in full settlement of their account of ₹ 49,000.
- Rohan's sister's loan ₹ 20,000 was paid off by Muskaan.
- Expenses on dissolution were ₹ 15,000 and paid by Rohan.
- Loss on dissolution amounted to ₹ 24,000.

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

20. (a) On 1st April, 2015, Mayfair Ltd. issued 4,000 9% debentures of ₹ 100 each at a discount of 5% redeemable at a premium of 8%. The debentures were redeemable on 31st March, 2019. The company created the necessary minimum amount of debenture redemption reserve and purchased the required amount of debenture redemption investments as per the provisions of Companies Act, 2013. Pass the necessary journal entries for redemption of debentures.

(b) Hero Ltd. purchased plant and machinery for ₹ 18,00,000 from Pearl Machines Ltd. payable ₹ 3,00,000 by drawing a promissory note and the balance by issue of 9% debentures of ₹ 100 each at a premium of 20%. Pass the necessary journal entries in the books of Hero Ltd. for the above transactions.

OR

20. (a) BGP Ltd. invited applications for issuing 15,000, 11% debentures of ₹ 100 each at a premium of ₹ 50 per debenture. The full amount was payable on application. Applications were received for 25,000 debentures. Applications for 5,000 debentures were rejected and the application money was refunded. Debentures were allotted to the remaining applicants on pro-rata basis. Pass the necessary journal entries for the above transactions in the books of BGP Ltd.

(b) Agam Ltd. issued 40,000 9% debentures of ₹ 100 each on April 1, 2018 at a discount of 10%, redeemable at a premium of 10%. Assuming that the interest was paid half yearly on September 30 and March 31 and the tax deducted at source was 10%, give journal entries relating to debenture interest for the half year ended March 31, 2019.

21. Premier Tools Ltd. invited applications for issuing 2,00,000 equity shares of ₹ 10 each at a premium of ₹ 2 per share. The amount was payable as follows: On application – ₹ 5 per share (including premium); On allotment – ₹ 3 per share; On first & final call – Balance.

Applications were received for 2,50,000 shares. Applications for 10,000 shares were rejected and pro-rata allotment was made to the remaining applicants. Over payments received on application were adjusted towards sums due on allotment. All calls were made and duly received except allotment and first and final call from Naveen who applied for 7,200 shares. His shares were forfeited. Half of the forfeited shares were reissued for ₹ 48,000 as fully paid. Pass the necessary journal entries for the above transactions in the books of Premier Tools Ltd. Open calls-in-arrears account wherever required.

OR

21. Concept Stationary Ltd. invited applications for issuing 3,00,000 shares of ₹ 10 each at a premium of ₹ 3 per share. The amounts were payable as follows: On application and allotment – ₹ 7 per share; On first & final call – balance (including premium of ₹ 3).

Applications were received for 4,00,000 shares & allotment was made as follows:

- (i) To applicants for 80,000 shares – 80,000 shares.
- (ii) To applicants for 40,000 shares – nil.
- (iii) Balance of the applicants were allotted shares on pro-rata basis.

Excess money received with applications was adjusted towards sums due on first and final call. Amit, who belonged to category (i) and was allotted 4,000 shares and Veni, who belonged to category (iii) and was allotted 4,400 shares failed to pay the first and final call money. Their shares were forfeited. The forfeited shares were re-issued at ₹ 7 per share fully paid-up. Pass necessary journal entries for the above transactions in the books of the company.

22. Achla and Bobby were partners in a firm sharing profits and losses in the ratio of 3 : 1. On 31st March, 2019, their balance sheet was as follows:

Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	1,10,000	Cash at bank	60,000
General Reserve	40,000	Debtors	40,000
Workmen's compensation reserve	50,000	Stock	45,000
Capitals: Achla 4,00,000 Bobby 2,00,000	6,00,000	Furniture	1,55,000
		Land & Building	5,00,000
Total	8,00,000	Total	8,00,000

On 1st April, 2019, they admitted Vihaan as a new partner for 1/5th share in the profits of the firm on the following terms:

- Vihaan brought ₹ 1,00,000 as his capital and the capitals of Achla and Bobby were to be adjusted on the basis of Vihaan's capital; any surplus or deficiency was to be adjusted by opening current accounts.
- Goodwill of the firm was valued at ₹ 4,00,000. Vihaan brought the necessary amount in cash for his share of goodwill premium, half of which was withdrawn by the old partners.
- Liability on account of workmen's compensation amounted to ₹ 80,000.
- Achla took over stock at ₹ 35,000.
- Land and building was to be appreciated by 20%.

Prepare Revaluation Account, Partner's Capital Accounts and the Balance Sheet of the reconstituted firm on Vihaan's admission.

OR

22. Gita, Radha and Garv were partners in a firm sharing profits and losses in the ratio of 3 : 5 : 2. On 31st March, 2019, their balance sheet was as follows:

Liabilities	Amount (₹)	Assets	Amount (₹)
Sundry Creditors	60,000	Cash	50,000
General Reserve	40,000	Stock	80,000
Capitals: Gita 3,00,000 Radha 2,00,000 Garv 1,00,000	6,00,000	Debtors	40,000
		Investments	30,000
		Buildings	5,00,000
Total	7,00,000	Total	7,00,000

Radha retired on the above date and it was agreed that:

- Goodwill of the firm be valued at ₹ 3,00,000 and Radha's share be adjusted through the capital accounts of Gita and Garv.
- Stock was to be appreciated by 20%.
- Buildings were found undervalued by ₹ 1,00,000.
- Investments were sold for ₹ 34,000.
- Capital of the new firm was fixed at ₹ 5,00,000 which will be in the new profit sharing ratio of the partners; the necessary adjustments for this purpose were to be made by opening current accounts of the partners.

Prepare Revaluation Account, Partner's Capital Accounts and the Balance Sheet of the reconstituted firm on Radha's retirement.

23. Short term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value are called _____.

24. What is meant by 'Cash Flow' ?

25. Which of the following is a limitation of financial analysis?

- | | |
|---|--|
| (A) It is just a study of reports of the company. | (B) It judges the ability of the firm to repay its debts. |
| (C) It identifies the reasons for change in financial position. | (D) It ascertains the relative importance of different components of the financial position of the firm. |

26. State giving reason, whether issue of shares for consideration other than cash will result into inflow, outflow or no flow of cash.

27. Which of the following is not a tool of financial analysis?

- | | |
|----------------------------------|------------------------------------|
| (A) Comparative income statement | (B) Comparative position statement |
| (C) Statement of profit and loss | (D) Cash flow statement |

28. As per Schedule III, Part I of the Companies Act, 2013 'Unpaid dividend' will be presented under which of the following head/sub-head, in the Balance Sheet of a company :

- | | |
|----------------------------|-------------------------|
| (A) Reserves and Surplus | (B) Current Liabilities |
| (C) Contingent Liabilities | (D) Shareholders Funds |

29. 'Interest accrued on investments' will be presented in the Balance Sheet of a company under the sub-head _____.

30. The fixed assets of a company were ₹ 35,00,000. Its current assets were ₹ 4,30,000 and current liabilities were ₹ 3,30,000. During the year ended 31-03-2019 the company earned net profit before tax ₹ 18,00,000. The tax rate was 30%. Calculate return on investment.

30. Inventory in the beginning ₹ 30,000

Inventory at the end ₹ 50,000

Net Purchases ₹ 5,00,000

Wages ₹ 25,000

Salaries ₹ 40,000

Revenue from operations ₹ 8,00,000

Carriage Inwards ₹ 5,000

Returns Outwards ₹ 30,000

Calculate Inventory Turnover Ratio.

31. Prepare common size statement of profit and loss from the following information :

Particulars	Note No.	2017-18	2016-17
Revenue from operations		₹ 16,00,000	₹ 8,00,000
Cost of material consumed (% of revenue from operations)		60%	50%
Operating expenses		₹ 80,000	₹ 40,000
Income tax rate		40%	30%

31. From the following Balance Sheets of Vinayak Ltd. as at 31st March, 2019, prepare a comparative Balance Sheet.

Vinayak Ltd.

Balance Sheet as at 31st March, 2019

Particulars	Note No.	31-3-19 (₹)	31-3-18 (₹)
Equity and Liabilities			
(1) Shareholders Funds			
(a) Share capital		21,00,000	20,00,000
(b) Reserves and Surplus		2,30,000	2,00,000
(2) Non-current liabilities			
Long term borrowing		5,60,000	2,00,000
(3) Current liabilities			
Trade payables		2,80,000	1,00,000
Total		31,70,000	25,00,000
Assets			
(1) Non-current Assets			
Fixed Assets			
(i) Tangible assets		21,00,000	20,00,000
(ii) Intangible assets		3,00,000	2,00,000
(2) Current Assets			
(a) Inventories		5,60,000	2,00,000
(b) cash and cash equivalents		2,10,000	1,00,000
Total		31,70,000	25,00,000

32. Cash flow from operating activities of Starline Ltd. for the year ended 31.03.2019 was ₹ 18,000. The Balance Sheet along with notes to accounts of Starline Ltd. as at 31-03-19 is given below :

Starline limited
Balance Sheet as at 31st March, 2019

32. (continued)

Particulars	Note No.	31-3-19 (₹)	31-3-18 (₹)
I. Equity and Liabilities :			
(1) Shareholders Funds			
(a) Share capital		18,00,000	10,00,000
(b) Reserves and Surplus	1	50,000	40,000
(2) Non-current liabilities			
Long term borrowing	2	1,00,000	4,00,000
(3) Current liabilities			
Short term provisions	3	2,50,000	3,60,000
Total		22,00,000	18,00,000
II. Assets :			
(1) Non-current Assets			
Fixed Assets			
(i) Tangible assets	4	14,00,000	10,00,000
(ii) Intangible assets	5	1,80,000	70,000
(2) Current Assets			
(a) Current Investments		30,000	1,90,000
(b) Trade Receivables		2,90,000	3,10,000
(c) Cash and Cash equivalents		3,00,000	2,30,000
Total		22,00,000	18,00,000

32. (continued)

Notes to Accounts

Note No.	Particulars	31-3-19 (₹)	31-3-18 (₹)
1.	Reserves & Surplus Surplus (balance in statement of profit & loss)	50,000 50,000	40,000 40,000
2.	Long term borrowing 8% debentures	1,00,000 1,00,000	4,00,000 4,00,000
3.	Short term provisions Provision for tax	2,50,000 2,50,000	3,60,000 3,60,000
4.	Tangible Assets Plant & Machinery Less Accumulated depreciation	15,20,000 (1,20,000) 14,00,000	10,90,000 (90,000) 10,00,000
5.	Intangible Assets Goodwill	1,80,000 1,80,000	70,000 70,000

You are given the following additional information :

- (a) A machinery of the book value of ₹ 40,000 (depreciation provided thereon ₹ 12,000) was sold at a loss of ₹ 6,000.
(b) 8% debentures were redeemed on 1st July 2018.

Prepare Cash Flow Statement.

Part B - Option II

23. The interactive link between the user and data base oriented software through which the user communicates is known as:

- (A) Front end interface (B) Back end interface
(C) Data processing (D) Reporting system

24. A sequential code helps either (i) in _____ or (ii) _____ a relevant document.

25. A spreadsheet is used (i) _____ calculate and compare (ii) _____ or financial data.

26. _____ is a logical action to perform a task.

- (A) Data (B) Hardware
(C) System (D) Procedure

27. Name of account, (i) _____, (ii) _____ and amount are the four forms of data elements of a transaction in computerized accounting.

28. Cell address refers to:

- (A) location of cell (B) group of cells
(C) cell reference (D) All of these

29. To expect a well formatted printable data from access database, we use:

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

30. State any three requirements which should be considered before making an investment to choose between 'Desktop Database' or 'Server Database'.

OR

30. Explain any three types of vouchers used for facilitating entry in 'Tally Software'.

31. Write and explain the formulae to calculate basic pay earned and total earnings.

OR

31. What is meant by a 'Form'? How is 'split form' different from 'simple form'?

32. Sunrise Ltd. has a sales linked bonus policy to motivate its sales personnel. Any employee, achieving target sales for the month, is paid ₹ 10,000 as bonus. There is an additional incentive of 4% of the amount of sales exceeding the target sales (i.e., the difference in target sales and actual sales). The target sale for the month was 2,500 units @ ₹ 4,000 per unit.

Calculate the bonus for employees mentioned below and also give its excel formulae.

- (a) Tapan sold 2,500 units.
(b) Alok sold 2,400 units.
(c) Manoj sold 3,000 units.

- End of Question Paper -