Marking Scheme
Sample Question Paper
Accountancy
Class XII
Set - II

1. Receipts and Payments Account. 1

2. (i) Opening Capital.

   (ii) Additional Capital Introduced. (½x2=1)

3. (i) Admission of a partner.

   (ii) Change in profit-sharing ratio of partners. (½x2=1)

4. (i) Location of the business.

   (ii) Skill of the management. (½x2=1

5. It is a charge against profits. 1

6. Consumption of Stationery =

   Opening stock + Amount paid + Creditors (beginning) + Creditors (end) - Closing stock

   = Rs. 50,000+ 2,00,000- 20,000+10,000-40,000
   = Rs. 2,00,000

   (1 mark -Formula
   2 Mark - Calculation
   (1 mark for stock adjustment and
   1 mark for creditor adjustment) 3.

7. SEBI guidelines would not apply :
   (i) To Infrastructure companies.
   (ii) A company issuing debentures with a maturity period of not more than 18 months.
   (iii) For debentures issued by All India Financial Institutions regulated by RBI.
   (iv) For debentures issued by Banking companies.
   (v) For Privately placed debentures

   (any three 1x3=3)

8. Interest on calls-in-advance payable to Akriti.

   On Ist Call $8000 \text{x} \, 2 \, \text{x} \frac{6}{100} \text{x} \frac{3}{12} = Rs.240$ 1

   (for three months)

   On 2nd Call $8000 \text{x} \, 3 \, \text{x} \frac{6}{100} \text{x} \frac{7}{12} = Rs.840$ 1

   (for seven months)

   Rs.1080

Smriti

On 2nd Call $4000 \text{ x Rs.}3 \text{ x } \frac{6}{100} \text{ x } \frac{4}{12} = Rs.240$ 1

(for four months)

(1+1+1=3)

9.

Journal

Date	Particulars	L. F.	Debit Rs.	Credit Rs.
	Z's Capital A/c Dr.		270	
	To X's Capital A/c			240
	To Y's Capital A/c			30
	(Interest on drawings omitted, now adjusted)			

(2)

Working Notes :

Partners	Dr. interest on drawings (Rs.)	Cr. profits 3:2:1	Net effect Dr.	Net effect Cr.
X	(-)750	(+)990	-	+240
Y	(-)630	(+)660	-	+30
Z	(-)600	(+)330	(-)270	-
	1,980	1,980	270	270

$\frac{\text{Rs.}5,00,000}{5}$ (2+2 = 4 marks)

10.

(1) Valuation of goodwill

Average Profits = $\frac{\text{Rs.}60,000+1,50,000+1,70,000+1,90,000-70,000}{5}$

= = Rs. 1,00,000

Goodwill = Rs. 1,00,000x3 = Rs. 3,00,000 (1 Mark)

(2) Calculation of Gain/ Loss

	P	Q	R
New Share	1/3	1/3	1/3
Old Share	5/10	3/10	2/10

Difference

P' Sacrifice = $\frac{5}{10} - \frac{1}{3} = \frac{15 - 10}{30} = \frac{5}{30}$

Q's Gain = $\frac{1}{3} - \frac{3}{10} = \frac{10-9}{30} = \frac{1}{30}$

R's Gain= $\frac{1}{3} - \frac{2}{10} = \frac{10-6}{30} = \frac{4}{30}$

(iii) Compensation (5/30 x Rs. 3,00,000 = 50,000) payable by Q and R in the ratio of 1/30 and 4/30 of Rs. 3,00,000. i.e., Rs. 10,000 and Rs. 40,000 respectively.

(1 mark)

JOURNAL

Date	Particulars		L. F.	Debit Rs.	Credit Rs.
	Q's Capital A/c	Dr		Rs. 10,000	
	R's Capital A/c	Dr		Rs. 40,000	
	To P's Capital A/c				Rs. 50,000
	(Being adjustment made for goodwill on change in profit sharing ratio				

(2 Marks)

11.

BOOKS OF RAJA LTD.
JOURNAL

Date	Particulars		L. F.	Debit Rs.	Credit Rs.
	Share Capital A/c	Dr.		8,000	
	Securities Premium A/c	Dr.		2,000	
	Share Forfeiture A/c				3,600
	Share Allotment A/c				4,000
	Share First Call A/c				2,400
	(400 shares forfeited for non- payment of allotment and first call money)				
	Bank A/c	Dr.		6,000	
	Share Capital A/c				6,000
	(300 shares reissued at Rs. 20 at paid up value)				
	Share Forfeiture A/c	Dr.		3,600	
	Capital Reserve A/c				3,600
	(Capital profit transferred to Capital reserve)				

(1+1+1+1=4)

12(a).

JOURNAL

Date	Particulars	L. F.	Debit Rs.	Credit Rs.	
2007 Mar 31	Profit and Loss Appropriation A/c Dr. To Debenture Redemption Reserve A/c.		60,000 60,000		(1)
2007 Mar 31	8% Debentures A/c Dr. To Debentureholders A/c. (Amount due to debentureholders)		5,00,000	5,00,000	(½)
2007 Mar 31	Debentureholders A/c. Dr. To Bank A/c (Amount paid to the debentureholders)		5,00,000	5,00,000	(½)
2007 Mar 31	Debenture Redemption Reserve A/c Dr. To General Reserve A/c. (DRR transferred to general reserve)		2,50,000	2,50,000	(1)

(3 Marks)

12(b).

JOURNAL

Date	Particulars	L. F.	Debit Rs.	Credit Rs.	
	Case (a) Bank A/c Dr. To Debenture Application and Allotment A/c (amount received on application)		30,00,000	30,00,000	(½)
	Debenture Application and Allotment A/c Dr. Loss on Issue of Debentures A/c Dr. To 12% Debentures A/c To Premium on Redemption of Debentures A/c (Transfer of application money to debentures account redeemable at a premium)		30,00,000 1,50,000	30,00,000 1,50,000	(1)
	Case (b) Bank A/c Dr. To Debenture Application and Allotment A/c (Amount received on application)		52,50,000	52,50,000	(½)
	Debenture Application A/c Dr. To 12% Debentures A/c To Securites Premium A/c Transfer of application money to Debentures, issued at a premium, redeemable at par)		52,50,000	50,00,000 2,50,000	(1)

(3 Marks)

13

BALANCE SHEET
As on 31st December, 2005

Dr.			*Cr.*
Particulars	**Amount**	**Particulars**	**Amount**
Salaries Outstanding	25,000	Salaries Prepaid	10,000

INCOME AND EXPENDITURE ACCOUNT
for the year ending 31.12.2006

Dr.			*Cr.*
Particulars	**Amount**	**Particulars**	**Amount**
To Salaries	2,80,000		
(+) Advance at beginning	10,000		
	2,90,000		
(+) Outstanding for 2006	40,000		
	3,30,000		

BALANCE SHEET
As on 31.12 2006

Dr.			*Cr.*
Particulars	**Amount**	**Particulars**	**Amount**
Salaries Outstanding for 2005 5,000 for 2006 40,000	45,000	Salaries Prepaid for 2007 $(4200 + 3900 + 4500)\ x3\ x\ \frac{1}{3}\ x\ \frac{2}{5}$	18,000

14. **Working Note**

(i) Profit sharing ratio between Risha and Nisha

$$= \frac{1}{2} : \frac{1}{3} = 3 : 2$$

(ii) Nisha's share of profit

$$= \frac{(Rs.4{,}200 + Rs3{,}900 + Rs\ 4{,}500)}{3}\ x\ \frac{5}{12}\ x\ \frac{2}{5}$$

= Rs. 700

(iii) Nisha's share of goodwill =

=

= Rs. 5,040

(iv) Nisha's share of reserves =

$$= Rs.\ 30000\ x\ \frac{2}{5} = Rs.12000$$

NISHA'S CAPITAL A/C

Dr. *Cr.*

Particulars	Amount Rs.	Particulars	Amount Rs.
To Executor's A/c	77,740	By Bal b/d	60,000
		By P/L Suspense A/c	700
		By Richa's Capital A/c. - Share of Goodwill	5,040
		By Reserves	12,000
	77,740		77,740

NISHA'S EXECUTOR'S A/c

Dr. *Cr.*

Particulars	Amount Rs.	Particulars	Amount Rs.
To Nisha's Executor 's Loan A/c	77,740	By Nisha's Cap. A/c	77,740
	77,740		77,740

JOURNAL

15.

Date	Particulars	L. F.	Debit Rs.	Credit Rs.
i.	Bank A/c Dr.		14,00,000	
	To Share Application & Allotment A/c			14,00,000
	(Application money recieved on 70,000 Share @ Rs. 20 per share)			
ii.	Share Application and Allotment A/c. Dr.		14,00,000	
	To Share Capital A/c			8,00,000
	To Share First & Final Call / Call in advance A/c			2,00,000
	To Bank A/c			4,00,000
	(Application and allotment money adjusted towards share capital; first & final call account and refunded on 20,000 shares)			
iii.	Share First & Final A/c Dr.		16,00,000	
	To Share Capital A/c			12,00,000
	To Securities Premium A/c			4,00,000
	(Amount due on share first & final call)			
iv.	Bank A/c Dr.		13,86,000	
	To Share First and Final Call A/c			13,86,000
	(Share first & final call money received on 39,600 shares @ Rs. 40 per share less received in advance with share application and allotment money)			

Date	Particulars		L. F.	Debit Rs.	Credit Rs.
	Bank A/c	Dr.		13,86,000	
	Calls-in Advance A/c	Dr.		2,00,000	
	To Share first & final call A/c				15,86,000
	(Share first & final call money received on 39,600 shares)				
v)	Share capital A/c	Dr.		20,000	
	Securities premium A/c	Dr.		4,000	
	To Share forfeited A/c				10,000
	To Share first & final call A/c				14,000
	(400 shares forfeited for non-payment of share first & final call money)				

Working Note :

Application recd.	No of shares	Application Rejected for	No of shares Allotted
	70,000	20,000	40,000 to Applicants for 50,000 shares

Hence Prorata Ratio is 5:4

So Nitesh applied for 500 shares and paid Application and allotment money @ Rs. 20 =10,000 but required application and allotment money on his 400 shares (400x20) Rs.8,000. So his excess Rs. 2,000 is adjusted in advance of share first & final call money.

So share First & Final Call.

Money due on 400 shares @ Rs. 40	Rs. 16,000
Less - Excess Money Received	Rs. 2,000
First & Final Call Money not received on 400 shares.	Rs. 14,000

15.

OR

IN THE BOOKS OF ARTI LIMITED

JOURNAL

Date	Particulars		L. F.	Debit Rs.	Credit Rs.
i)	Bank A/c	Dr.		7,00,000	
	To Share Application A/c				7,00,000
	(Being application money received on 1,40,000 shares @ Rs. 5 per Share)				
ii)	Share Application A/c	Dr.		7,00,000	
	To Share Capital A/c				4,00,000
	To Share Allotment A/c				2,80,000
	To Bank A/c				20,000
	(Being application money transferred to share capital and excess application money adjusted to share allotment and returned the balance)				
iii)	Share Allotment A/c	Dr.		7,20,000	
	To Share Capital A/c				4,00,000
	To Securities Premium A/c				3,20,000
	(Being allotment money due on 80,000 Share @ Rs.9 per share including premium @ Rs.4 per share)				
iv)	Bank A./c Dr.			4,33,400	
	To Share Allotment A/c				4,33,400
	(Being allotment money received)				
v)	Share Capital A/c	Dr.		9,000	
	Securities Premium A/c	Dr.		3,600	
	To Share Forfeited A/c				6,000
	To Share Allotment A/c				6,600
	(Being 900 shares of Rajiv forfeited on non-payment of allotment money)				

[Marks 1+2+1+2+2 = 8]

Working Note

(i) **Utilization of excess money received on application**

(a) **for pro rata cetegory of 4:3**

			Rs.
	Money received on application	80000xRs.5	= 4,00,000
	Money required on application	60000xRs.5	= 3,00,000
∴	Excess money received		= 1,00,000
	Amount due on allotment	60000xRs.9	= 5,40,000

So entire excess money (Rs.1,00,000) is adjusted towards allotment.

(b) **for pro-rata category of 3:1**

			Rs.
	Money received on application	60000xRs.5	= 3,00,000
	Money required on application	20000xRs.5	= 1,00,000
∴	Excess money received		= 2,00,000
	Amount due on allotment	20000x9	= 1,80,000

So only Rs. 1,80,000 out of excess application money of Rs. 2,00,000 can be adjusted towards allotment and remaining Rs. 20,000 is to be returned.

Hence, Total excess application money adjusted towards allotment is Rs. 2,80,000 [i.e. Rs. 1,00,000 + Rs. 1,80,000]
It also shows that defaulter Rajiv belongs to pro-rata category of 4:3.
Rajiv's applied number of shares = 1,200

So shares alloted to him = $1{,}200 \text{x} \frac{3}{4} = 900.$

(ii) **Amount not paid by Rajiv.**

		Rs.
Application money received	1200xRs.5	= 6,000
Less application money due	900xRs.5	= 4,500
Excess application money adjusted to allotment		= 1,500
Allotment money due	900xRs.9	= 8,100
Allotment money not received (Rs. 8,100 – Rs. 1500)		= 6,600

(iii) **Calculation of Amount Received on Allotment**

Total allotment money due	80,000xRs.9	= 7,20,000
Less allotment money already received		= 2,80,000
Less allotment money not received		= 6,600
∴ Amount received on allotment		= 4,33,400

16. **REVALUATION A/c**

Dr. *Cr.*

Particulars	Amount Rs.	Particulars	Amount Rs.
To Stock	20,000	By Loss :	
to Furniture	18,000	Rajat's Cap A/c	26,600
		Ravi's Cap A/c	11,400
	38,000		38,000

(1)

PARTNERS' CAPITAL ACCOUNTS

Particulars	Rajat Rs.	Ravi Rs.	Rohan Rs.	Particulars	Rajat Rs.	Ravi Rs.	Rohan Rs.
To Rev. A/c	26,600	11,400	-	By Balance b/d	1,00,000	80,000	-
To Cash A/c	-	20,600	-	By Cash	-	-	60,000
				By Reserve	7,000	3,000	-
				By Premium	7,000	3,000	-
To Balance c/d	1,26,000	54000	60,000	By Cash A/c.	38,600		
	1,52,600	86,000	60,000		1,52,600	86,000	60,000

(3)

Working Notes : Rohan's Capital for 1/4 th share = Rs. 60,000

$\therefore$ Total capital = Rs. 60,000 x 4

= Rs. 2,40,000

Rajat' share in profits = $\frac{7}{10}\left(1-\frac{1}{4}\right)=\frac{21}{40}$, and Ravi's share =

Hance, Rajat's Capital = Rs. 2,40,000 x = Rs. 1,26,000

Ravi's Capital = Rs. 2,40,000 x $\frac{9}{40}$ = Rs. 54,000 (3)

16. *Dr.* **CASH A/C** *Cr.*

Particulars	**Amount Rs.**	**Particulars**	**Amount Rs.**
To Bal b/d	36,000	By Ravi's Capital A/c	20,600
To Rohan's Capital A/c	60,000	By Bal. c/d	
To Premium	10,000		1,24,,000
To Rajat's Capital A/c	38,600		
	1,44,600		1,44,600

(1)

16. (1+3+3+1 = 8)

OR

Dr. **PROFIT AND LOSS ADJUSTMENT A/C** *Cr.*

Particulars	**Amount Rs.**	**Particulars** $\frac{21}{40}$ $\frac{3}{10}\left(1-\frac{1}{4}\right)=\frac{9}{40}$		**Amount Rs.**
		By Creditors A/c		2,000
		By Loss transferred to :		
To Fixed Assets A/c	2,500			
		X's Capital A./c	2,750	
To Provision for		Y's Capital A/c	1,650	
Doubtful Debts A/c	5,000	Z's Capital A/c	1,100	
				5,500
	7,500			7,500

(1)

PARTNERS' CAPITAL A/C

Particulars	**X**	**Y**	**Z**	**Particulars**	**X**	**Y**	**Z**
				By Balance b/d	40,000	62,000	33,000
				By P& L A/c	42,500	25,500	17,000
To P & L Adjustment A/c	2,750	1,650	1,100	By Y's Cap A/c	8,000		
To X' Cap A/c	-	8,000	32,000	By Z's Cap A/c	32,000		
To Bank A/c	1,19,750	-	-	By Bank A/c			96,800
To Bank A/c	-	2,050	-				
To Balance c/d		75,800	1,13,700				
	1,22,500	87,500	1,46,800		1,22,500	87,500	1,46,800

(3)

Working Notes :

Total Capital = Rs.77,850+ Rs.16,900+Rs. 94,750 = Rs.1,89,500

Total Capital of the new firm = 1,89,500

Y's Capital = Rs. 1,89,500 x $\frac{2}{5}$ = Rs. 75,800

Z's Capital = Rs. 1,89,500 x $\frac{3}{5}$ = Rs. 1,13,700 (3)

Shortage of cash at Bank

Opening Bal of Cash = Rs. 40,000

Less Minimum Balance Required = Rs. 1,5000

Amount available Rs. 25000 to pay to X

Amount payable to X = Rs. 1,19,750 (1)

Less Available at Bank Rs. 25,000

Shortage to be brought in By Y and Z = Rs. 94,750 (1+3+3+1 = 8)

17. <u>Issue of Equity Shares</u>

Debt equity ratio = $\frac{\text{Debt}}{\text{Equity}}$

The ratio will decrease

Reason :- Debt remains unchanged.
Equity increases.

(½ mark for answer and ½ mark for reason)

18. Source - Rs. 10,000 (1)

19. Financing Activity (1)

20. Balance Sheet as on

	Assets	**Amount Rs.**
1.	Fixed Assets	x
2.	Investments	x
3.	Current Assets, Loans and Advances	
	(a) Current Assets	x
	(b) Loans and Advances	x
4.	Miscellaneous Expenditure	x
5.	Profit and Loss A/c. (Dr.)	x

½x6= 3 Marks

COMMON SIZE INCOME STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2006 & 2007

Particulars	Absolute Amounts		Percentage of Net Sales	
	2006 (Rs.)	2007(Rs.)	2006 (%)	2007(%)
Net Sales	1,00,000	1,00,000	100	100
Less: Cost of goods sold	70,000	74,800	70	74.8
Gross Profit	30,000	25,200	30	25.2
Less: Operating Exp.	8000	9,800	8	9.8
Opereting Profit	22,000	15,400	22	15.4
Less: Tax	11,000	7,700	11	7.7
Net Profit	11,000	7,700	11	7.7

2 marks for % of 2006
2 marks for % of 2007
(4)

22. Stock Turnover Ratio = $\frac{\text{Cost of goods sold}}{\text{Average stock}}$

$$5 = \frac{(\text{Rs.}8,00,000 - 1/5 \text{ of Rs.} 8,00,000)}{\frac{X + X + 20,000}{2}}$$

(Let Opening stock= X)

$$5 = \frac{6,40,000 \text{ x } 2}{2x + 20,000}$$

10x + 1,00,000 = 12,80,000
10x = Rs. 11,80,000
x = Rs. 1,18,000

Closing Stock = Opening Stock + 20,000
Rs. 1,18,000 + 20,000
= Rs. 1,38,000 (2)

Acid Test Ratio = $\frac{\text{Liquid Assets}}{\text{Current Liabilities}}$

$$0.75 = \frac{\text{Liquid Assets}}{\text{Rs. }2,40,000}$$

Liquid Asset = 2,40,000 x 0.75
= Rs. 1,80,000
Current Assets = Liquid Assets + Closing Stock
Rs. 1,80,000 + Rs. 1,38,000
= Rs. 3,18,000

Current Ratio = $\frac{\text{Current Assets}}{\text{Current Liabilities}}$

Current Ratio = $\frac{\text{Rs.}3,18,000}{\text{Rs.}2,40,000} = 1.325$ (2)

23. **Cash Flow Statement**

	Particulars	Rs.	Rs.	
(A)	**Cash Flow from Operating Activities**			
	Profit before tax	1,50,000		1
	Adjustments:			
	Add : Depreciation on Plant and Machinery	50,000		½
	Less : Profit on sale of Plant and Machinery	(3,000)		½
	Operating Profit before working capital changes	1,97,000		
	Less : Increase in stock	(25,000)		
	Cash generated from operations	1,72,000		½
	(–) Tax Paid.	–		
	Net Cash Flow from Operating Activities		1,72,000	
(B)	**Cash Flow from Investing Activities**			
	Sale of Plant and Machinery	8,000		1
	Purchase of Plant and Machinery	(3,55,000)		1
	Net Cash used in Investing Activities		(3,47,000)	
(C)	**Cash Flow from Financing Activities**			
	Issue of Share Capital	3,00,000		½
	Dividend paid	(40,000)		½
	Net Cash flow from Financing Activities		2,60,000	
	Net Increase/Decrease in cash and cash equivalents		85,000	
	Add : Opening cash and cash equivalents		3,15,000	½
	Closing cash and cash equivalent		4,00,000	

Working Notes :

(1) Profit Before Tax

	Rs.
Profit as per P/L Account	1,00,000
Add Proposed Dividend	50,000
	1,50,000

(2) **Plant and Machinery Account**

Dr. *Cr.*

Particulars	Rs.	Particulars	Rs.
To Balance b/d	5,00,000	By Depreciation A/c	50,000
To Profit and Loss A/c	3,000	By Bank A/c (Sale)	8,000
To Bank A/c (Purchase) (Balancing/figure)	3,55,000	By Balance c/d	8,00,000
	8,58,000		8,58,000

(2)

SAMPLE QUESTION PAPER-II

Subject : Accountancy **Class XII** **Max. Marks 80** **Time : 3 hrs.**

QUESTION-WISE ANALYSIS

S. No of question	Unit/Ch. Number	Marks allotted	Estimated time (Minutes)	Estimated Difficulty level
1	1	1	2 minutes	A
2	2	1	2 minutes	A
3	2	1	2 minutes	A
4	3	1	2 minutes	A
5	4	1	2 minutes	B
6	1	3	6 minutes	A
7	4	3	6 minutes	A
8	4	3	6 minutes	B
9	2	4	8 minutes	B
10	3	4	8 minutes	B
11	4	4	8 minutes	C
12	4	6	12 minutes	B
13	1	6	12 minutes	B
14	3	6	12 minutes	B
15	4	8	16 minutes	C
16	3	8	16 minutes	B
17	5	1	2 minutes	A
18	6	1	2 minutes	A

S. No of question	Unit/Ch. Number	Marks allotted	Estimated time (Minutes)	Estimated Difficulty level
19	6	1	2 minutes	A
20	5	3	6 minutes	A
21	5	4	8 minutes	B
22	5	4	8 minutes	C
23	6	6	12 minutes	B
Reference for abbreviations to Difficulty Level				
A	Easy	20%	16	
B	Average	60%	48	
C	Difficult	20%	16	

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   On Ist Call $8000 \times 2 \times \frac{6}{100} \times \frac{3}{12} = Rs. 240$ 1

   (for three months)

   On 2nd Call $8000 \times 3 \times \frac{6}{100} \times \frac{7}{12} = Rs. 840$ 1

   (for seven months)

   Rs.1080

Smriti

On 2nd Call $4000 \text{ x Rs.}3 \text{ x } \frac{6}{100} \text{ x } \frac{4}{12} = Rs.240$ 1

(for four months)

(1+1+1=3)

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	To Y's Capital A/c				30
	(Interest on drawings omitted, now adjusted)				

(2)

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Partners	Dr. interest on drawings (Rs.)	Cr. profits 3:2:1	Net effect Dr.	Net effect Cr.
X	(-)750	(+)990	-	+240
Y	(-)630	(+)660	-	+30
Z	(-)600	(+)330	(-)270	-
	1,980	1,980	270	270

(2+2 = 4 marks)

10.

(1) Valuation of goodwill

Average Profits = $\frac{Rs.60,000+1,50,000+1,70,000+1,90,000-70,000}{5}$

$= \frac{Rs.5,00,000}{5} = Rs.\ 1,00,000$

Goodwill = Rs. 1,00,000x3 = Rs. 3,00,000 (1 Mark)

(2) Calculation of Gain/ Loss

	P	Q	R
New Share	1/3	1/3	1/3
Old Share	5/10	3/10	2/10

Difference

P' Sacrifice = $\frac{5}{10} - \frac{1}{3} = \frac{15-10}{30} = \frac{5}{30}$

Q's Gain = $\frac{1}{3} - \frac{3}{10} = \frac{10 - 9}{30} = \frac{1}{30}$

R's Gain= $\frac{1}{3} - \frac{2}{10} = \frac{10 - 6}{30} = \frac{4}{30}$

(iii) Compensation (5/30 x Rs. 3,00,000 = 50,000) payable by Q and R in the ratio of 1/30 and 4/30 of Rs. 3,00,000. i.e., Rs. 10,000 and Rs. 40,000 respectively.

(1 mark)

JOURNAL

Date	Particulars		L. F.	Debit Rs.	Credit Rs.
	Q's Capital A/c	Dr		Rs. 10,000	
	R's Capital A/c	Dr		Rs. 40,000	
	To P's Capital A/c				Rs. 50,000
	(Being adjustment made for goodwill on change in profit sharing ratio				

(2 Marks)

11.

BOOKS OF RAJA LTD.
JOURNAL

Date	Particulars		L. F.	Debit Rs.	Credit Rs.
	Share Capital A/c	Dr.		8,000	
	Securities Premium A/c	Dr.		2,000	
	Share Forfeiture A/c				3,600
	Share Allotment A/c				4,000
	Share First Call A/c				2,400
	(400 shares forfeited for non- payment of allotment and first call money)				
	Bank A/c	Dr.		6,000	
	Share Capital A/c				6,000
	(300 shares reissued at Rs. 20 at paid up value)				
	Share Forfeiture A/c	Dr.		3,600	
	Capital Reserve A/c				3,600
	(Capital profit transferred to Capital reserve)				

(1+1+1+1=4)

12(a).

JOURNAL

Date	Particulars	L. F.	Debit Rs.	Credit Rs.	
2007 Mar 31	Profit and Loss Appropriation A/c Dr.		60,000		
	To Debenture Redemption Reserve A/c.		60,000		(1)
2007 Mar 31	8% Debentures A/c Dr.		5,00,000		
	To Debentureholders A/c.			5,00,000	(½)
	(Amount due to debentureholders)				
2007 Mar 31	Debentureholders A/c. Dr.		5,00,000		
	To Bank A/c			5,00,000	(½)
	(Amount paid to the debentureholders)				
2007 Mar 31	Debenture Redemption Reserve A/c Dr.		2,50,000		
	To General Reserve A/c.			2,50,000	(1)
	(DRR transferred to general reserve)				

(3 Marks)

12(b).

JOURNAL

Date	Particulars	L. F.	Debit Rs.	Credit Rs.	
	Case (a)				
	Bank A/c Dr.		30,00,000		(½)
	To Debenture Application and Allotment A/c			30,00,000	
	(amount received on application)				
	Debenture Application and Allotment A/c Dr.		30,00,000		
	Loss on Issue of Debentures A/c Dr.		1,50,000		
	To 12% Debentures A/c			30,00,000	(1)
	To Premium on Redemption of Debentures A/c			1,50,000	
	(Transfer of application money to debentures account redeemable at a premium)				
	Case (b)				
	Bank A/c Dr.		52,50,000		(½)
	To Debenture Application and Allotment A/c			52,50,000	
	(Amount received on application)				
	Debenture Application A/c Dr.		52,50,000		
	To 12% Debentures A/c			50,00,000	
	To Securites Premium A/c			2,50,000	(1)
	Transfer of application money to Debentures, issued at a premium, redeemable at par)				

(3 Marks)

13

BALANCE SHEET
As on 31st December, 2005

Dr. *Cr.*

Particulars	Amount	Particulars	Amount
Salaries Outstanding	25,000	Salaries Prepaid	10,000

INCOME AND EXPENDITURE ACCOUNT
for the year ending 31.12.2006

Dr. *Cr.*

Particulars	Amount	Particulars	Amount
To Salaries	2,80,000		
(+) Advance at beginning	10,000		
	2,90,000		
(+) Outstanding for 2006	40,000		
	3,30,000		

BALANCE SHEET
As on 31.12 2006

Dr. *Cr.*

Particulars	Amount	Particulars	Amount
Salaries Outstanding		Salaries Prepaid	
for 2005 5,000		for 2007 $(4200 + 3900 + 4500)\ x3\ x\ \frac{1}{3}\ x\ \frac{2}{5}$	18,000
for 2006 40,000	45,000		

14. **Working Note**

(i) Profit sharing ratio between Risha and Nisha

$$= \frac{1}{2} : \frac{1}{3} = 3:2$$

(ii) Nisha's share of profit

$$= \frac{(\text{Rs.}4{,}200 + \text{Rs}3{,}900 + \text{Rs}\ 4{,}500)}{3}\ x\ \frac{5}{12}\ x\ \frac{2}{5}$$

= Rs. 700

(iii) Nisha's share of goodwill =

=

= Rs. 5,040

(iv) Nisha's share of reserves =

$$= \text{Rs.}\ 30000\ x\ \frac{2}{5} = \text{Rs.}12000$$

NISHA'S CAPITAL A/C

Dr. *Cr.*

Particulars	Amount Rs.	Particulars	Amount Rs.
		By Bal b/d	60,000
To Executor's A/c	77,740	By P/L Suspense A/c	700
		By Richa's Capital A/c. - Share of Goodwill	5,040
		By Reserves	12,000
	77,740		77,740

NISHA'S EXECUTOR'S A/c

Dr. *Cr.*

Particulars	Amount Rs.	Particulars	Amount Rs.
To Nisha's Executor 's Loan A/c	77,740	By Nisha's Cap. A/c	77,740
	77,740		77,740

JOURNAL

15.

Date	Particulars	L. F.	Debit Rs.	Credit Rs.
i.	Bank A/c Dr.		14,00,000	
	To Share Application & Allotment A/c			14,00,000
	(Application money recieved on 70,000 Share @ Rs. 20 per share)			
ii.	Share Application and Allotment A/c. Dr.		14,00,000	
	To Share Capital A/c			8,00,000
	To Share First & Final Call / Call in advance A/c			2,00,000
	To Bank A/c			4,00,000
	(Application and allotment money adjusted towards share capital; first & final call account and refunded on 20,000 shares)			
iii.	Share First & Final A/c Dr.		16,00,000	
	To Share Capital A/c			12,00,000
	To Securities Premium A/c			4,00,000
	(Amount due on share first & final call)			
iv.	Bank A/c Dr.		13,86,000	
	To Share First and Final Call A/c			13,86,000
	(Share first & final call money received on 39,600 shares @ Rs. 40 per share less received in advance with share application and allotment money)			

Date	Particulars		L. F.	Debit Rs.	Credit Rs.
	Bank A/c	Dr.		13,86,000	
	Calls-in Advance A/c	Dr.		2,00,000	
	To Share first & final call A/c				15,86,000
	(Share first & final call money received on 39,600 shares)				
v)	Share capital A/c	Dr.		20,000	
	Securities premium A/c	Dr.		4,000	
	To Share forfeited A/c				10,000
	To Share first & final call A/c				14,000
	(400 shares forfeited for non-payment of share first & final call money)				

Working Note :

Application recd. No of shares	Application Rejected for	No of shares Allotted
70,000	20,000	40,000 to Applicants for 50,000 shares

Hence Prorata Ratio is 5:4

So Nitesh applied for 500 shares and paid Application and allotment money @ Rs. 20 =10,000 but required application and allotment money on his 400 shares (400x20) Rs.8,000. So his excess Rs. 2,000 is adjusted in advance of share first & final call money.

So share First & Final Call.

Money due on 400 shares @ Rs. 40	Rs. 16,000
Less - Excess Money Received	Rs. 2,000
First & Final Call Money not received on 400 shares.	Rs. 14,000

15.

OR

IN THE BOOKS OF ARTI LIMITED

JOURNAL

Date	Particulars		L. F.	Debit Rs.	Credit Rs.
i)	Bank A/c	Dr.		7,00,000	
	To Share Application A/c				7,00,000
	(Being application money received on 1,40,000 shares @ Rs. 5 per Share)				
ii)	Share Application A/c	Dr.		7,00,000	
	To Share Capital A/c				4,00,000
	To Share Allotment A/c				2,80,000
	To Bank A/c				20,000
	(Being application money transferred to share capital and excess application money adjusted to share allotment and returned the balance)				
iii)	Share Allotment A/c	Dr.		7,20,000	
	To Share Capital A/c				4,00,000
	To Securities Premium A/c				3,20,000
	(Being allotment money due on 80,000 Share @ Rs.9 per share including premium @ Rs.4 per share)				
iv)	Bank A./c Dr.		4,33,400		
	To Share Allotment A/c				4,33,400
	(Being allotment money received)				
v)	Share Capital A/c	Dr.		9,000	
	Securities Premium A/c	Dr.		3,600	
	To Share Forfeited A/c				6,000
	To Share Allotment A/c				6,600
	(Being 900 shares of Rajiv forfeited on non-payment of allotment money)				

[Marks 1+2+1+2+2 = 8]

Working Note

(i) **<u>Utilization of excess money received on application</u>**

(a) **<u>for pro rata cetegory of 4:3</u>**

			Rs.
	Money received on application	80000xRs.5	= 4,00,000
	Money required on application	60000xRs.5	= 3,00,000
∴	Excess money received		= 1,00,000
	Amount due on allotment	60000xRs.9	= 5,40,000

So entire excess money (Rs.1,00,000) is adjusted towards allotment.

(b) **<u>for pro-rata category of 3:1</u>**

			Rs.
	Money received on application	60000xRs.5	= 3,00,000
	Money required on application	20000xRs.5	= 1,00,000
∴	Excess money received		= 2,00,000
	Amount due on allotment	20000x9	= 1,80,000

So only Rs. 1,80,000 out of excess application money of Rs. 2,00,000 can be adjusted towards allotment and remaining Rs. 20,000 is to be returned.

Hence, Total excess application money adjusted towards allotment is Rs. 2,80,000 [i.e. Rs. 1,00,000 + Rs. 1,80,000]
It also shows that defaulter Rajiv belongs to pro-rata category of 4:3.
Rajiv's applied number of shares = 1,200

So shares alloted to him = $1{,}200 \text{x} \frac{3}{4} = 900.$

(ii) **<u>Amount not paid by Rajiv.</u>**

		Rs.
Application money received	1200xRs.5	= 6,000
Less application money due	900xRs.5	= 4,500
Excess application money adjusted to allotment		= 1,500
Allotment money due	900xRs.9	= 8,100
Allotment money not received (Rs. 8,100 – Rs. 1500)		= 6,600

(iii) **<u>Calculation of Amount Received on Allotment</u>**

Total allotment money due	80,000xRs.9	= 7,20,000
Less allotment money already received		= 2,80,000
Less allotment money not received		= 6,600
∴ Amount received on allotment		= 4,33,400

16. **REVALUATION A/c**

Dr. ***Cr.***

Particulars	Amount Rs.	Particulars	Amount Rs.
To Stock	20,000	By Loss :	
to Furniture	18,000	Rajat's Cap A/c	26,600
		Ravi's Cap A/c	11,400
	38,000		38,000

(1)

PARTNERS' CAPITAL ACCOUNTS

Particulars	Rajat Rs.	Ravi Rs.	Rohan Rs.	Particulars	Rajat Rs.	Ravi Rs.	Rohan Rs.
To Rev. A/c	26,600	11,400	-	By Balance b/d	1,00,000	80,000	-
To Cash A/c	-	20,600	-	By Cash	-	-	60,000
				By Reserve	7,000	3,000	-
				By Premium	7,000	3,000	-
To Balance c/d	1,26,000	54000	60,000	By Cash A/c.	38,600		
	1,52,600	86,000	60,000		1,52,600	86,000	60,000

(3)

Working Notes : Rohan's Capital for 1/4 th share = Rs. 60,000

$\therefore$ Total capital = Rs. 60,000 x 4

= Rs. 2,40,000

Rajat' share in profits = $\frac{7}{10}\left(1-\frac{1}{4}\right)=\frac{21}{40}$, and Ravi's share =

Hance, Rajat's Capital = Rs. 2,40,000 x = Rs. 1,26,000

Ravi's Capital = Rs. 2,40,000 x $\frac{9}{40}$ = Rs. 54,000 (3)

16. *Dr.* **CASH A/C** *Cr.*

Particulars	**Amount Rs.**	**Particulars**	**Amount Rs.**
To Bal b/d	36,000	By Ravi's Capital A/c	20,600
To Rohan's Capital A/c	60,000	By Bal. c/d	
To Premium	10,000		1,24,,000
To Rajat's Capital A/c	38,600		
	1,44,600		1,44,600

(1)

16. (1+3+3+1 = 8)

OR

Dr. **PROFIT AND LOSS ADJUSTMENT A/C** *Cr.*

Particulars	**Amount Rs.**	**Particulars**		**Amount Rs.**
		$\frac{21}{40}$ $\frac{3}{10}\left(1-\frac{1}{4}\right)=\frac{9}{40}$		
		By Creditors A/c		2,000
		By Loss transferred to :		
To Fixed Assets A/c	2,500			
		X's Capital A./c	2,750	
To Provision for		Y's Capital A/c	1,650	
Doubtful Debts A/c	5,000	Z's Capital A/c	1,100	
				5,500
	7,500			7,500

(1)

PARTNERS' CAPITAL A/C

Particulars	**X**	**Y**	**Z**	**Particulars**	**X**	**Y**	**Z**
				By Balance b/d	40,000	62,000	33,000
				By P& L A/c	42,500	25,500	17,000
To P & L Adjustment A/c	2,750	1,650	1,100	By Y's Cap A/c	8,000		
To X' Cap A/c	-	8,000	32,000	By Z's Cap A/c	32,000		
To Bank A/c	1,19,750	-	-	By Bank A/c			96,800
To Bank A/c	-	2,050	-				
To Balance c/d		75,800	1,13,700				
	1,22,500	87,500	1,46,800		1,22,500	87,500	1,46,800

(3)

Working Notes :

Total Capital = Rs.77,850+ Rs.16,900+Rs. 94,750 = Rs.1,89,500

Total Capital of the new firm = 1,89,500

Y's Capital = Rs. 1,89,500 x $\frac{2}{5}$ = Rs. 75,800

Z's Capital = Rs. 1,89,500 x $\frac{3}{5}$ = Rs. 1,13,700 (3)

Shortage of cash at Bank

Opening Bal of Cash = Rs. 40,000

Less Minimum Balance
Required = Rs. 1,5000

Amount available Rs. 25000
to pay to X

Amount payable to X = Rs. 1,19,750 (1)

Less Available at Bank Rs. 25,000

Shortage to be brought
in By Y and Z = Rs. 94,750 (1+3+3+1 = 8)

17. Issue of Equity Shares

Debt equity ratio = $\frac{\text{Debt}}{\text{Equity}}$

The ratio will decrease

Reason :- Debt remains unchanged.
Equity increases.

(½ mark for answer and ½ mark for reason)

18. Source - Rs. 10,000 (1)

19. Financing Activity (1)

20. Balance Sheet as on

	Assets	**Amount Rs.**
1.	Fixed Assets	x
2.	Investments	x
3.	Current Assets, Loans and Advances	
	(a) Current Assets	x
	(b) Loans and Advances	x
4.	Miscellaneous Expenditure	x
5.	Profit and Loss A/c. (Dr.)	x

½x6= 3 Marks

COMMON SIZE INCOME STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2006 & 2007

Particulars	Absolute Amounts		Percentage of Net Sales	
	2006 (Rs.)	2007(Rs.)	2006 (%)	2007(%)
Net Sales	1,00,000	1,00,000	100	100
Less: Cost of goods sold	70,000	74,800	70	74.8
Gross Profit	30,000	25,200	30	25.2
Less: Operating Exp.	8000	9,800	8	9.8
Opereting Profit	22,000	15,400	22	15.4
Less: Tax	11,000	7,700	11	7.7
Net Profit	11,000	7,700	11	7.7

2 marks for % of 2006
2 marks for % of 2007
(4)

22. Stock Turnover Ratio = $\frac{\text{Cost of goods sold}}{\text{Average stock}}$

$$5 = \frac{(\text{Rs.}8{,}00{,}000 - 1/5 \text{ of Rs.} 8{,}00{,}000)}{\frac{X + X + 20{,}000}{2}}$$

(Let Opening stock= X)

$$5 = \frac{6{,}40{,}000 \times 2}{2x + 20{,}000}$$

10x + 1,00,000 = 12,80,000
10x = Rs. 11,80,000
x = Rs. 1,18,000

Closing Stock = Opening Stock + 20,000
Rs. 1,18,000 + 20,000
= Rs. 1,38,000 (2)

Acid Test Ratio = $\frac{\text{Liquid Assets}}{\text{Current Liabilities}}$

$$0.75 = \frac{\text{Liquid Assets}}{\text{Rs. } 2{,}40{,}000}$$

Liquid Asset = 2,40,000 x 0.75
= Rs. 1,80,000
Current Assets = Liquid Assets + Closing Stock
Rs. 1,80,000 + Rs. 1,38,000
= Rs. 3,18,000

Current Ratio = $\frac{\text{Current Assets}}{\text{Current Liabilities}}$

Current Ratio = $\frac{\text{Rs.}3{,}18{,}000}{\text{Rs.}2{,}40{,}000} = 1.325$ (2)

23. **Cash Flow Statement**

	Particulars	Rs.	Rs.	
(A)	**Cash Flow from Operating Activities**			
	Profit before tax	1,50,000		1
	Adjustments:			
	Add : Depreciation on Plant and Machinery	50,000		½
	Less : Profit on sale of Plant and Machinery	(3,000)		½
	Operating Profit before working capital changes	1,97,000		
	Less : Increase in stock	(25,000)		
	Cash generated from operations	1,72,000		½
	(–) Tax Paid.	–		
	Net Cash Flow from Operating Activities		1,72,000	
(B)	**Cash Flow from Investing Activities**			
	Sale of Plant and Machinery	8,000		1
	Purchase of Plant and Machinery	(3,55,000)		1
	Net Cash used in Investing Activities		(3,47,000)	
(C)	**Cash Flow from Financing Activities**			
	Issue of Share Capital	3,00,000		½
	Dividend paid	(40,000)		½
	Net Cash flow from Financing Activities		2,60,000	
	Net Increase/Decrease in cash and cash equivalents		85,000	
	Add : Opening cash and cash equivalents		3,15,000	½
	Closing cash and cash equivalent		4,00,000	

Working Notes :

(1) Profit Before Tax

	Rs.
Profit as per P/L Account	1,00,000
Add Proposed Dividend	50,000
	1,50,000

(2) **Plant and Machinery Account**

Dr. *Cr.*

Particulars	Rs.	Particulars	Rs.
To Balance b/d	5,00,000	By Depreciation A/c	50,000
To Profit and Loss A/c	3,000	By Bank A/c (Sale)	8,000
To Bank A/c (Purchase) (Balancing/figure)	3,55,000	By Balance c/d	8,00,000
	8,58,000		8,58,000

(2)

SAMPLE QUESTION PAPER-II

Subject : Accountancy **Class XII** **Max. Marks 80** **Time : 3 hrs.**

QUESTION-WISE ANALYSIS

S. No of question	Unit/Ch. Number	Marks allotted	Estimated time (Minutes)	Estimated Difficulty level
1	1	1	2 minutes	A
2	2	1	2 minutes	A
3	2	1	2 minutes	A
4	3	1	2 minutes	A
5	4	1	2 minutes	B
6	1	3	6 minutes	A
7	4	3	6 minutes	A
8	4	3	6 minutes	B
9	2	4	8 minutes	B
10	3	4	8 minutes	B
11	4	4	8 minutes	C
12	4	6	12 minutes	B
13	1	6	12 minutes	B
14	3	6	12 minutes	B
15	4	8	16 minutes	C
16	3	8	16 minutes	B
17	5	1	2 minutes	A
18	6	1	2 minutes	A

S. No of question	Unit/Ch. Number	Marks allotted	Estimated time (Minutes)	Estimated Difficulty level
19	6	1	2 minutes	A
20	5	3	6 minutes	A
21	5	4	8 minutes	B
22	5	4	8 minutes	C
23	6	6	12 minutes	B
Reference for abbreviations to Difficulty Level				
A	Easy	20%	16	
B	Average	60%	48	
C	Difficult	20%	16	