KENDRIYA VIDYALAYA SANGATHAN

RANCHI REGION

PRE-BOARD EXAMINATION 2024-25

CLASS XII

ACCOUNTANCY

TIME ALLOWED: 3 HOURS MAX. MARKS: 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. Part - A is compulsory for all candidates.
4. Part - B has two options i.e. (i) Analysis of Financial Statements and (ii) Computerised Accounting. Students must attempt only one of the given options.
5. Question 1 to 16 and 27 to 30 carries 1 mark each.
6. Questions 17 to 20, 31and 32 carries 3 marks each.
7. Questions from 21 ,22 and 33 carries 4 marks each
8. Questions from 23 to 26 and 34 carries 6 marks each
9. There is no overall choice. However, an internal choice has been provided in 7 questions of one mark, 2 questions of three marks, 1 question of four marks and 2 questions of six marks

PART A (Accounting for Partnership Firms and Companies		
Q.NO.	QUESTIONS	MARKS
1	Interest on Partner's loan is credited to: a) Partner's Fixed capital account. b) Partner's Current account. c) Partner's Loan Account. d) Partner's Drawings Account.	1
2	Hina and Neena are partners in a firm. Neena withdrew Rs. 10,000 per month at the beginning of each month during the year ended 31st March, 2023. Interest on drawings was to be charged @6% per annum. Interest on Neena's drawings for the year ended 31st March, 2023 will be: (a) ₹ 3,900 (b)₹ 325 (c)₹ 3,600 (d)₹ 3,300	1
3	Assertion (A): Under fluctuating capital method, the balance in the capital account fluctuates from time to time. Reason (R): Under the fluctuating capital method all the adjustments such as share of profit and loss, interest on capital, drawings, interest on drawings etc. are recorded directly in the capital accounts of the partners. (a) (A) is correct but (R)is wrong. (b) Both (A) and (R)are correct but (R)is not the correct explanation of (A).	1

	(c) Both (A) and (R)are incorrect. (d) Both (A) and (R)are correct and (R)is the correct explanation of (A).	
4	E, F and G are partners sharing profits in the ratio of 3:3:2. According to the partnership agreement, G is to get a minimum amount of ₹ 80,000 as his share of profits every year and any deficiency on this account is to be personally borne by E. The net profit for year ended 31st March, 2022 amounted to ₹ 3,12,000. Calculate the amount of deficiency to be borne by E? (a) ₹ 1,000 (b)₹ 4,000 (c)₹ 8,000 (d)₹ 2,000	1
5	The average profit of a partnership firm of the last five years was ₹1,60,000. Actual capital of the firm was ₹5,00,000 while the normal rate of return was 20%. The goodwill of the firm on the of 3 years' purchase of super profits will be………. (a) ₹1,80,000 (b)₹60,000 (c) ₹23,40,000 (d)₹3,40,000	1
6	Madhur, Meena and Alka were partners sharing profits and losses in the ratio of 5:3:2. The partners agreed to share future profits in the ratio of 2:2:1. The Sacrifice/Gain of the partners will be: (a) Madhur will sacrifice 1/10th and Alka will gain 1/10th (b) Meena will sacrifice 1/10th and Alka will gain 1/10th (c) Meena will sacrifice 1/10th and Madhur will gain 1/10th (d) Madhur will sacrifice 1/10th and Meena will gain 1/10th	1
7	X and Y were partners in a firm sharing profits and losses equally. Their capitals were ₹2,00,000 and ₹3,00,000 respectively. Z was admitted as a new partner for 1/4th share in the profits of the firm. Z brought ₹2,00,000 as his capital. The goodwill of the firm was: (a) ₹1,00,000 (b)₹25,000 (c)₹2,00,000 (d)₹7,00,000 **OR** Ram and Shyam were partners sharing profits and losses in the ratio of 3:2. Their balance sheet shows building at ₹ 1,60,000. They admitted Mohan as a new partner for 1/4th share. In additional information it is given that building is undervalued by 20%. The share of loss/gain of revaluation of Shyam is ____________ & current value of building shown in new balance sheet is _______. (a) Gain ₹ 12,800, Value₹ 1,92,000 (b) Loss ₹ 12,800, Value₹ 1,28,000 (c) Gain ₹ 16,000, Value₹ 2,00,000 (d) Gain ₹ 40,000, Value₹ 2,00,00	1
8	Mona and Tina were partners in a firm sharing profits in the ratio of 3:2. Naina was admitted with 1/6th share in the profits of the firm. At the time of admission, Workmen's Compensation Reserve appeared in the Balance Sheet of the firm at ₹32,000. The claim on account of workmen's compensation was determined at ₹40,000. Excess of claim over the reserve will be: (a) Credited to Revaluation Account (b) Debited to Revaluation Account (c) Credited to old partner's Capital Account (d) Debited to old partner's Capital Account.	1

9	B and N are partners in a firm sharing profits in the ratio of 3 : 2. They admit S as a partner for I/4th share in the profits. S acquires his share from B and N in the ratio of 2 : 1. The new profit-sharing ratio will be : (a) 2:1:4 (b) 19:26: 15 (c) 3:2:4 (d) 26 : 19 : 15	1
10	There was an Unrecorded asset of ₹2,000 which was taken over by a partner at ₹ 1,500. Partner's Capital Account will be debited by (a) ₹2,000 (b) ₹1,500 (c) ₹500 (d) ₹3,500 **OR** On dissolution of a firm, debtors were ₹17,000. Of these ₹500 became bad and the rest realised 60%. Which account will be debited and by how much amount? (a) Realisation Account by ₹16,500 (b) Profit & Loss Account by ₹500 (c) Cash Account by ₹9,900 (d) Debtors Account by ₹7,100	1
11	On dissolution of the firm of Ramesh, Suresh and Naresh, Naresh had agreed to bear all realization expenses for which he was paid ₹14,500. Actual expenses on realisation amounted to ₹11,000 which were paid by Naresh. The amount to be credited to Naresh's Capital Account will be (a) ₹ 11,000 (b)₹ 3,500(c) ₹ 14,500 (d)₹ 25,500 **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 ₹ 13,20,000. B's executors were being paid ₹ 1,20,000 immediately and balance was to be paid in four equal semiannual 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) ₹ 70,000 (b) ₹ 67,500 (c)₹ 60,000 (d) ₹ 77,000	1
12	Calculate the amount of second and final call when Abhijit Limited, issues Equity shares of ₹10 each at a premium of 40% payable on Application ₹3, On Allotment ₹5, On First call ₹ 2 (a) Second and Final call ₹3 (b) Second and final call ₹ 4 (c) Second and final call ₹ 1 (d) Second and final call₹14	1
13	**Assertion (A):**The part of un-called capital, to be called only in the liquidation of a company is called Reserve Capital. **Reason (R)** :It can be used for writing off capital losses. In the context of the above two statements, which of the following is correct? (a) (A) is correct, but (R) is wrong. (b) Both (A) and (R) are correct. (c) (A) is wrong, but (R) is correct.	1

<table>
<tr><td></td><td>(d) Both (A) and (R) are wrong</td><td></td></tr>
<tr><td>14</td><td>When forfeited shares are reissued the amount of discount allowed on these shares cannot exceed:
(a) 10% of called up capital per share
(b) 6% of paid up capital per share
(c) The amount received per share on forfeited shares.
(d) The unpaid amount per share on forfeited shares.
OR
A company forfeited 3,000 shares of ₹10 each, on which only ₹5 per share (including ₹1 premium) has been paid. Out of these few shares were re-issued at a discount of ₹1 per share were and ₹6,000 were transferred to Capital Reserve. How many shares were re-issued?
(a) 3,000 shares (b) 1,000 shares(c) 2,000 shares (d) 1,500 shares</td><td>1</td></tr>
<tr><td>15</td><td>X limited purchased business from Y ltd. by paying ₹15 lakh for the assets worth ₹18 lakh and liabilities of ₹4 lakh.
Then………. Account will be debited by ₹1 lakh.
(a) Capital reserve (b)Goodwill
(c)Profit and Loss (d)Share capital</td><td>1</td></tr>
<tr><td>16</td><td>Pooja limited forfeited 4,000 shares of ₹20 each, fully called up, on which only application money of ₹6 has been paid. Out of these 2,000 shares were reissued and ₹8,000 has been transferred to capital reserve. Calculate the rate at which these shares were reissued.
(a) ₹20 per share (b)₹18 per share
(c)₹22 per share (d)₹8 per share
OR
Alexa Ltd. purchased building from Siri Ltd for ₹8,00,000. The consideration was paid by issue of 6%debentures of ₹100 each at a discount of 20%. The 6% Debentures account is credited with:
(a) ₹10,40,000 (b) ₹10,00,000 (c) ₹9,60,000 (d) ₹6,40,000</td><td>1</td></tr>
<tr><td>17</td><td>Vinay, Naman and Prateek are partners sharing profits and losses in an agreed ratio 3:2:1. With effect from 1st April 2024, they agreed to share profits equally. On that date, their Balance sheet showed:
(i) Profit and Loss A/c (Cr.) - ₹1,75,000
(ii) Advertisement suspense Account - ₹25,000
Pass an adjustment entry.</td><td>3</td></tr>
<tr><td>18</td><td>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.<table><tr><td>Date</td><td>Particulars</td><td>L.F.</td><td>Debit (₹)</td><td>Credit(₹)</td></tr></table></td><td>3</td></tr>
</table>

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

OR

A firm's average profits are ₹7,00,000. It includes an abnormal profit of ₹50,000. Capital invested in the business is ₹55,00,000 and the normal rate of return is 10%. Calculate goodwill at four times the super profit.

19 Random Limited took over running business of Mature Limited comprising of Assets of ₹45,00,000 and Liabilities of ₹6,40,000 for a purchase consideration of ₹36,00,000. The amount was settled by bank draft of ₹1,50,000 and balance by issuing 12% preference shares of ₹100 each at 15% premium. Pass entries in the books of Random Limited. 3

OR

Vikram Limited forfeited 5,000 shares of Rahul, who had applied for 6,000 shares for non-payment of allotment money of ₹5 per share and first and final call of ₹2 per share. Only application money of ₹3 was paid by him. Out of these 3,000 shares were reissued @₹12 per share as fully paid.

20 Arun, Tarun and Varun were partners sharing profits and losses in the ratio of 4:3:2. Tarun retired on 1st April, 2023. On that date capitals of Arun, Tarun and Varun after all adjustments stood at ₹19,650; ₹19,800 and ₹9,150 respectively. Total capital of the firm as newly constituted is fixed at ₹28,000 between Arun and Varun in the proportion of 5/8th and 3/8th after passing entries in their accounts for adjustments. Calculate amount to be paid or to be brought by the continuing partners and pass necessary journal entries. 3

21 Meera, Sarthak and Rohit were partners sharing profits in the ratio of 2 : 2 : 1. On 31 March, 2018, their Balance Sheet was as follows : 4

Balance Sheet of Meera, Sarthak and Rohit as at 31 March, 2018

Liabilities	Amount(₹)	Assets	Amount(₹)
Creditors	3,00,000	Fixed Assets	7,00,000
Contingency Reserve	1,00,000	Stock	2,00,000
Capital :		Debtors	1,50,000
Meera 4,00,000		Cash at bank	3,50,000
Sarthak 3,50,000			
Rohit 2,50,000	10,00,000		
	14,00,000		14,00,000

Sarthak died on 15th June, 2018. According to the partnership deed, his executors were entitled to :

	(i) Balance in his Capital Account. (ii) His share of goodwill will be calculated on the basis of thrice the average of the past 4 years' profits. (iii) His share in profits up to the date of death on the basis of average profits of the last two years. The time period for which he survived in the year of death will be calculated in months. (iv) Interest on capital @ 12% p.a. up to the date of his death. The firm's profits for the last four years were : 2014 – 15 ₹ 1,20,000, 2015 – 16 ₹ 2,00,000, 2016 – 17 ₹2,60,000 and 2017 – 18 ₹2,20,000. Sarthak's executors were paid the amount due immediately. Prepare Sarthak's Capital Account to be presented to his executors	
22	Atishyokti Ltd. company was registered with an authorized capital of ₹ 20,00,000 divided into 2,00,000 Equity Shares of ₹ 10 each, payable ₹ 3 on application, ₹ 6 on allotment (including ₹ 1 premium) and balance on call. The company offered 80,000 shares for public subscription. All the money has been duly called and received except allotment and call money on 5,000 shares held by Manish and call money on 4,000 shares held by Alok. Manish's shares were forfeited and out of these 3,000 shares were re-issued ₹ 9 per share as fully paid up. Show share capital in the books of the company. Also prepare notes to accounts.	4
23	On 31st March, 2018 the balance in the Capital Accounts of Abhir, Bobby and Vineet, after making adjustments for profits and drawings were ₹8,00,000, ₹6,00,000 and ₹4,00,000 respectively. Subsequently, it was discovered that interest on capital and interest on drawings had been omitted. The partners were entitled to interest on capital @ 10% p.a. and were to be charged interest on drawings @ 6% p.a. The drawings during the year were : Abhir –₹ 20,000 drawn at the end of each month, Bobby –₹ 50,000 drawn at the beginning of every half year and Vineet –₹ 1,00,000 withdrawn on 31st October, 2017. The net profit for the year ended 31st March, 2018 was ₹ 1,50,000. The profit sharing ratio was 2 : 2 : 1. Pass necessary adjusting entry for the above adjustments in the books of the firm. Also, show your workings clearly. **OR** Adiraj and Karan were partners in a firm sharing profits and losses in the ratio 3 : 2. On 31st March, 2018 the firm was dissolved. After the transfer of assets (other than cash in hand and at bank) and third party liabilities to the Realization Account, the following information was provided : (i) Furniture of ₹ 70,000 was sold for ₹ 68,000 by auction and auctioneer's commission amounted to ₹2,000. (ii) Adiraj's loan amounting to ₹ 35,000 was paid. (iii) Out of the stock of ₹80,000, Karan 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 bills receivable of ₹3,000 under discount was dishonoured	6

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 ₹ 56,000.
(vi) Realization expenses amounted to ₹2,000 which were paid by Adiraj. Pass the necessary journal entries for the above transactions on the dissolution of the firm.

24 Teena and Neena were partners in a firm. On 31st March, 2018 they decided to admit Meena as a new partner. On 31st March, 2018 the Balance Sheet of Teena and Neena stood as follows : 6

Balance Sheet of Teena and Neena as at 31.3.2018

Liabilities	Amount(₹)	Assets	Amount(₹)
Creditors	18,000	Cash at Bank	1000
General Reserve	2,000	Debtors	40,000
Capital :		Stock	6,000
Teena 30,000		Furniture	3,000
Neena 15,000	45,000	Freehold Property	15,000
	65,000		65,000

They agreed to admit Meena as a new partner subject to the following terms and conditions :

(i) Meena will bring in ₹ 20,000 of which ₹ 4,500 will be treated as his share of goodwill premium to be retained in the business.
(ii) Meena will be entitled to 1/4th share of the profits in the firm.
(iii) A provision for doubtful debts was to be created at 5% on the debtors.
(iv) Furniture was to be depreciated by 5%.
(v) Stock was to be revalued at ₹ 5,000.

Prepare Revaluation Account, Partners' Capital Accounts and Opening Balance Sheet of the new firm

25 Zee Limited issued 30,000 equity shares of ₹10 each at par, payable as follows: ₹3 per share on application, ₹3 per share on allotment and balance on first and final call. 6

Applications were received for 50,000 shares. Applications for 10,000 shares were rejected and allotment was made on pro-rata basis to the remaining applicants. Excess money received on application was adjusted towards sums due on allotment. Natasha who had applied for 1,600 shares failed to pay the amount due on allotment and call. The company forfeited her shares. Later on, these forfeited shares were reissued at ₹10 per share as fully paid-up.

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

OR

Pass journal entries in the books of X limited in the following cases:

(i) The company took a loan of ₹1,60,000 from State Bank of India and issued 2,000, 12% debentures of ₹100 each as collateral security.

	(ii) Issued 1,000, 12% debentures of ₹100 each at 10% premium, redeemable at a premium of 5%. (iii) Purchased machinery ₹4,60,000 from Beta Limited. Payment was made by issue of 9% debentures of ₹100 each at a premium of 15% redeemable at par.	
26	Saral Limited having authorized capital of ₹1,00,00,000 divided into equity shares of ₹100 each, invited applications for issuing 25,000 equity shares of ₹100 each at par. The amount per share was payable as follows: On application ₹20 per share, on allotment ₹30 per share, on first call ₹25 per share and on Second and final call ₹25 per share. Applications were received for 24,000 shares and the shares were allotted to all the applicants. All calls were made and were received as follows: On 18,000 shares- Full amount On 2000 shares- ₹75 per share On 2,500 shares- ₹50 per share, and On 1,500 shares- ₹20 per share. The company forfeited those shares on which less than ₹75 per share were received. The forfeited shares were reissued at ₹95 per share fully paid-up. Answer the following questions on the basis of above case: (i) How many shares were offered to the public for subscription? (a) 25,000 (b) 30,000 (c) 1,00,000 (d) 24,000 (ii) How much amount was received on allotment? (a) ₹6,75,000 (b) ₹7,20,000 (c) ₹6,00,000 (d) ₹4,80,000 (iii) How much amount was received on second and final call? (a) ₹6,00,000 (b) ₹4,50,000 (c) ₹5,00,000 (d) ₹5,50,000 (iv) How much total amount was credited to share forfeiture account on forfeiture of shares? (a) ₹3,80,000 (b) ₹1,35,000 (c) ₹1,55,000 (d) ₹2,45,000 (v) What is the total amount collected on application? (a) ₹4,80,000 (b) ₹5,00,000 (c) ₹25,00,000 (d) ₹7,20,000 (vi) How much amount will be transferred to Capital reserve account after re-issue of forfeited shares? (a) ₹3,80,000 (b) ₹1,35,000 (c) ₹1,55,000 (d) ₹2,45,000	6
	Part B :- Analysis of Financial Statements	
27	What type of Analysis of Financial statements is called static analysis? (a) Vertical (b)Horizontal (c)Internal (d)External **OR** ‘Freedom to Choose of method of depreciation’ refers to which limitation of financial statement analysis. a) Historical analysis. b) Qualitative aspect ignored. c) Not free from bias. d) Ignore Price level Changes.	1
28	The Revenue from Operations during current year of X Ltd. Is ., ₹ 13,00,000. If it has 30% Cash Revenue from Operations of its Credit Revenue from Operations, then its Credit Revenue from	1

<table>
<tr><td></td><td>Operations will be……….
(a) ₹ 3,00,000 (b)₹ 10,00,000
(c) ₹3,90,000 (d) ₹ 9,10,000</td><td></td></tr>
<tr><td>29</td><td>Statement I:- Sale of Marketable Securities will result in no flow of Cash. 1 Statement II:- Debentures issued as collateral security will result in inflow of cash.
A. Both Statements are correct.
B. Both Statements are incorrect.
C. Statement I is correct and Statement II is incorrect.
D. Statement I is incorrect and Statement I is correct.

OR
What will be the effect of issue of Bonus shares on Cash Flow Statement?
A. No effect B. Inflow in Financing Activity
C. Inflow in Operating activity D. Inflow in Investing Activity</td><td>1</td></tr>
<tr><td>30</td><td>Aditya Limited provides the following information:
<table>
<tr><td></td><td>31st March, 2023</td><td>31st March, 2022</td></tr>
<tr><td>Office equipment</td><td>₹ 2,00,000</td><td>₹ 3,00,000</td></tr>
</table>
Additional information:
Depreciation for the year 2022-23 was ₹ 40,000. Office equipment purchased during the year ₹ 30,000. Part of office equipment sold at a profit of ₹ 12,000.
Find out the inflow of cash by sale of office equipment.
(a) ₹ 1,00,000 (b)₹ 1,02,000 (c)₹ 90,000 (d)₹ 1,12,000</td><td>1</td></tr>
<tr><td>31</td><td>State under which major headings and sub-headings will the following items be presented in the Balance Sheet of a company as per Schedule-III, Part-I of the Companies Act, 2013. (i) Prepaid Insurance (ii) Investment in Debentures (iii) Calls-in-arrears (iv) Unpaid dividend (v) Capital Reserve (vi) Loose Tools</td><td>3</td></tr>
<tr><td>32</td><td>From the following information extracted from the Statement of Profit and Loss for the years ended 31st March, 2022 and 2023, prepare a Comparative Statement of Profit & Loss.
<table>
<tr><td>particulars</td><td>2023</td><td>2022</td></tr>
<tr><td>Revenue from operations</td><td>₹ 6,00,000</td><td>₹ 5,00,000</td></tr>
<tr><td>Other incomes (% of revenue from operations)</td><td>20%</td><td>20%</td></tr>
<tr><td>Employee benefit expenses (% of Total Revenue)</td><td>40%</td><td>30%</td></tr>
<tr><td>Tax rate</td><td>50%</td><td>50%</td></tr>
</table></td><td>3</td></tr>
<tr><td>33</td><td>(a) Calculate Revenue from operations of BN Ltd. From the following information: Current assets 8,00,000. Quick ratio is 1.5 : 1 Current ratio is 2 : 1. Inventory turnover ratio is 6 times. Goods were sold at a profit of 25% on cost.
OR
(a) Calculate ‘Total Assets to Debt ratio’ from the following information: ` Equity Share Capital 4,00,000 Long Term</td><td>4</td></tr>
</table>

Borrowings 1,80,000 Surplus i.e. Balance in statement of Profit and Loss 1,00,000 General Reserve 70,000 Current Liabilities 30,000 Long Term Provisions 1,20,000

34 From the following Balance Sheet of Axe Ltd. as at 31st March, 2018, prepare a Cash Flow Statement : 6

Axe Ltd.
Balance Sheet as at 31.3.2024

Particulars	Note no.	31.3.2024 ₹	31.3.2023 ₹
I – Equity and Liabilities			
1. Shareholder's Funds :			
(a) Share Capital		6,30,000	5,60,000
(b) Reserves and Surplus	1	3,80,000	1,82,000
2. Current Liabilities :		2,08,000	1,82,000
(a) Trade Payables		14,000	28,000
(b) Other Current Liabilities			
Total		12,32,000	9,52,000
II – Assets :			
Non-Current Assets :			
(a) Fixed Assets :			
(i) Tangible Assets	2	3,92,000	2,80,000
2. Current Assets :			
(a) Inventories		1,26,000	1,82,000
(b) Trade Receivables		6,30,000	4,20,000
(c) Cash and Cash Equivalents		84,000	70,000
Total		12,32,000	9,52,000

Notes to Accounts:

Note No.	Particulars	31.3.2024	31.3.2023
1	**Reserves and Surplus** : Balance in the Statement of Profit and Loss	2,00,000	1,00,000
	General Reserve	1,80,000	82,000
		3,80,000	1,82,000
2	**Tangible Assets :**		
	Machinery Cost	4,50,000	3,60,000
	Accumulated Depreciation	(58,000)	(80,000)
		3,92,000	2,80,000

Additional Information : An old machinery costing ₹ 42,000, on which accumulated depreciation was ₹ 28,000 was sold for ₹ 56,000
