

Roll No.: Date:

NORTHWEST ACCREDITATION COMMISSION, USA
SR. SECONDARY/12TH
2017-2018

Subject- ACCOUNTANCY

Question Paper No. :

A	C	4	6
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Subject Code : AC1210

Question Paper Code:

A	T	2	6
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Total Time: 03.00 Hours.

Total Marks: 100

GENERAL INSTRUCTIONS

1. OPENING AND CHECKING OF THE QUESTION-BOOKLET

Break open the seal of the Question-Booklet only when the announcement is made by the Invigilator. After breaking the seal and before attempting the questions, student should immediately check for:

- a) The number of the printed page in the Question-Booklet is the same as mentioned on the cover page of the Booklet and
- b) Any printing error in the Booklet pages, if any.
Any discrepancy or error should be brought to the notice of the Invigilator who will then replace the Booklet. No additional time will be given for this.

2. No student, without the permission of the Superintendent or the Invigilator concerned, is to leave his/ her seat or the Examination Room.

3. FILLING UP THE REQUIRED INFORMATION ON QUESTION-BOOKLET AND ANSWER SHEET

After breaking open the seal and checking the Booklet, student should:

- a) Fill up the **Question Paper No.** and **Question Paper Code** (mentioned on the cover of Question-Booklet) in the space provided on the First Answer Sheet.
- b) Fill up his/her Roll Number on the First Answer Sheet and on each Supplementary Answer Sheet, if taken.
- c) Student should mention the total number of **Supplementary Answer Sheet**, if taken, in the space provided on the First Answer Sheet and also fill up the Serial Number mentioned on each **Supplementary Answer Sheet** along with his/her Roll Number in the register maintained by the Invigilator. Student must tie all the Answer Sheets with the thread provided by the Invigilator.

4. INSTRUCTIONS ABOUT QUESTION PAPER

This Question Paper is divided into three Sections – A, B and C. All Sections are compulsory. Attempt all Sections as per instructions.

- a) Section A question No. 1 to 8 are very short questions carrying 3 marks each.
- b) Section B question No. 9 to 18 are short questions carrying 4 marks each.
- c) Section C question No. 19 to 24 are long questions carrying 6 marks each.

5. Student found in possession of Cellular Phone / Mobile Phone / Pager or any other Communication Device and/or any Book/Note whether using or not, will be liable to be debarred for taking examination(s) either permanently or for specified period or/and dealt with as per law or/and ordinance of the School/SERI according to the nature of offence, or/and he/she may be proceeded against and shall be liable for prosecution under the relevant provision of the Statutory Law.

THE ANSWER SHEET IS TO BE RETURNED ON COMPLETION OF THE TEST

This Question Paper MUST be attached with Answer Sheet

SECTION A

Total number of questions: 8	Marks allocated to each question: 3	Total marks: 24
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- Question 1.** Differentiate between 'Profit and Loss Appropriation Account' and 'Profit and Loss Suspense Account.'
- Question 2.** Name the account to which the 'Balance of Debenture Redemption Reserve' is transferred after all the debentures have been redeemed.
- Question 3.** When does a company create 'Debenture Redemption Reserve'?
- Question 4.** What are Preliminary expenses?
- Question 5.** How does the market situation affect the value of goodwill of a firm ?
- Question 6.** When is 'Partner's Executors' Account prepared?
- Question 7.** Database Design' refers to
- (a) Description of the structure of different parts of the overall database.
 - (b) Basic design of the software
 - (c) Design of Keyboard and CPU
 - (d) None of the above
- Question 8.** Give the meaning of 'Subscribed and fully paid-up capital'.

SECTION B

Total number of questions: 10	Marks allocated to each question: 4	Total marks: 40
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- Question 9.** Shabir and David were partners in a firm supplying school uniforms. They shared profits in the ratio of 4:3. Their capitals as on 1st April, 2013 were `1,00,000 and `50,000 respectively. On this date Shabir suggested David to start supplying low cost school uniforms to the students who belonged to low income group and admitted to the private schools of the city as per the provisions of Rights to Education Act 2009. David agreed and requested to admit into the firm his friend Charu, a specially abled unemployed person having good knowledge of cost-reduction methods. However, it was agreed that Charu will not contribute any capital. Shabir agreed to it. They were in need of more capital. Shabir, therefore persuaded a rich friend of his, Rafiq, to be a partner.

1. Rafiq contributed `7,00,000 in cash, delivery van of `2,75,000 and furniture of `25,000 as his capital.
2. The new profit sharing ratio will be 3:2:1:1
 - (a) Identify any four values which the partners want to communicate to the society.
 - (b) Pass necessary journal entry for capital contributed by Rafiq in the form of cash and assets.

Question 10. On 1st April, 2012 a company issued 4,000 9% debentures of Rs. 100 each at a discount of 10%, repayable at a premium of 10%. The terms of issue provided for the redemption of Rs. 40,000 debentures every year commencing from March 31st, 2014, either by purchase from open market or by draw of lots at the company's option. On March 31st, 2014, the company purchased for cancellation its own debentures of the face value of `32,000 at `95 per debenture and `8,000 at `90 per debenture. The expenses of purchase amounted to Rs. 1,000. Record necessary journal entries for redemption of 9% debentures.

Question 11. The average profit earned by a firm is Rs. 1,00,000 which includes undervaluation of stock of Rs. 40,000 on an average basis. The capital invested in the business is Rs.6,30,000 and the normal rate of return is 5%. Calculate goodwill of the firm on the basis of 5 times the super profit.

Question 12. On 31st March, 2014, the Balance Sheet of Pooja, Qureshi and Ross, who were partners in a firm was as under :

Balance Sheet as on 31st March, 2014

Liabilities		Amount (Rs.)	Assets		Amount (Rs.)
Sundry Creditors		2,50,000	Building		2,60,000
Reserve Fund		2,00,000	Investment		1,10,000
Capitals :			Qureshi's loan		1,00,000
Pooja	1,50,000		Debtors		1,50,000
Qureshi	1,00,000		Stock		1,20,000
Ross	1,00,000	3,50,000	Cash		60,000
		8,00,000			8,00,000

Qureshi died on 1st July, 2014. The profit sharing ratio of the partners was 2 : 1 : 1. On the death of a partner the partnership deed provided for the following :

- i) His share in the profits of the firm till the date of his death will be calculated on the basis of average profit of last three completed years.

- (ii) Goodwill of the firm will be calculated on the basis of total profit of last two years.
- (iii) Interest on loan given by the firm to a partner will be charged at the rate of 6% p.a. or Rs. 4,000 whichever is more.
- (iv) Profits for the last three years were Rs. 45,000; Rs. 48,000 and Rs. 33,000. Prepare Qureshi's Capital Account to be rendered to his executors.

Question 13. Ashu, Sonal and Divya were partners in a firm sharing profits in the ratio of 4 : 3 : 2. Goodwill appeared at Rs. 81,000 and general reserve at ` 54,000 in the books of the firm. Ashu decided to retire from the firm. On the date of his retirement goodwill of the firm was valued at ` 1,35,000. The new profit sharing ratio of Sonal and Divya was 1 : 2. Record necessary journal entries on Ashu's retirement.

Question 14. Explain different types of Accounting Vouchers 'as categorized in Tally'.

Question 15. X, Y & Z are partners in a firm sharing profits in the ratio of 3:2:1. On April 1st 2009, X retires from the firm, Y and Z agree that the capital of the new firm shall be fixed at Rs. 2,10,000 in the profit sharing ratio. The Capital Accounts of Y and Z after all adjustments on the date of retirement showed balances of Rs. 1,45,000 and Rs. 63,000. respectively. State the amount of actual cash to be brought in or to be paid to the partners.

Question 16. Raghav limited purchased a running business from Krishna Traders for a sum of Rs.15,00,000. Rs. 3,00,000 were paid by cheque and for the balance Raghav Ltd. Issued equity shares of `100 each at a premium of 20%.

The assets and liabilities consisted of the following:

Plant and Machinery	4,00,000
Building	6,00,000
Stock	5,00,000
Sundry Debtors	3,00,000
Sundry creditors	2,00,000

Record necessary journal entries in the books of Raghav limited.

Question 17. Briefly Computerized Accounting System.

Question 18. It is a set of programs that control and manage creation, utilization and maintenance of database of a business organization.

Advantages (Any Two)

1. Reduce Data redundancy
2. Information protection
3. Data dictionary management
4. Greater consistency
5. Reduced cost
6. Backup and recovery facility.

SECTION C

Total number of questions: 6

Marks allocated to each question: 6

Total marks: 36

Question 19 X, Y and Z were partners in a firm. Their capitals were Rs.1,00,000; Rs.2,00,000 and Rs.2,50,000. Their agreement provided the following:

- (i) The profit sharing ratio will be 1:2:2
- (ii) X is being guaranteed a share of Profit Rs.50,000
- (iii) Y will be allowed a salary of Rs.12,000 p.a.
- (iv) Interest on capital will be allowed @ 12% p.a.

The interest on drawings were Rs.500, Rs.600, and Rs. 800 for X,Y and Z. The firm earned a profit of Rs.2,88,900 during the year.

Prepare profit & loss appropriation account and show the workings.

OR

Riya and Priya are partners, who share profit in the ratio of 3:2. Following is the Balance sheet as on March 31, 2007.

Liabilities	Amount (Rs.)	Assets	Amount (Rs.)
Riya's Capital	32,500	Cash at Bank	40,500
Priya's Capital	11,500	Stock	7,500
Sundry Creditors	48,000	Debtors	21,500
Reserve Fund	13,500	Less: PDD	500
		Fixed Assets	36,500
	1,05,500		1,05,500

The firm was dissolved on March 31, 2007.

Close the books of the firm with the following:

- a) Debtors realized at a discount of 10%
- b) Stock realized at Rs. 7,000
- c) Fixed assets realized at Rs. 40,000
- d) Realisation expenses of Rs. 1,500 paid by Riya
- e) Creditors were paid 10% less. Prepare necessary accounts.

Question 20. Raman Ltd. Invited applications for 50000 shares @ 50 each at a discount of 10%. Amount was payable as follows: - Application: - Rs. 10, Allotment: - Rs. 20, and balance on First and final call. Applications were received for 75000 shares. Directors rejected applications for 15000 shares and pro – rata allotment was made to the remaining applicants. All the calls were made and amounts were duly received except the allotment and final call money on 2000 shares. These shares were forfeited after the call. Out of these forfeited shares 1200 shares were re – issued at Rs. 60 per share fully paid up. Record the journal entries in the books of Raman Ltd.

OR

Samrat Ltd. invited applications for issuing 8000 equity shares of Rs. 100 each at a premium of 10%.The amount was payable as follows: On Application Rs.30 per share. On Allotment Rs. 40 per share On 1st& final call balance Applications for 10000 shares was received. Company allotted the shares to applicants for 9000 shares on Pro rata basis and the remaining applications were rejected and their application money being rejected. Excess application money was adjusted towards sums due on allotment. A shareholder applied for 450 shares failed to pay allotment money. His shares were immediately forfeited. Final call was then made from remaining applicants and it is duly received. Later on the forfeited shares are reissued @80 per share fully paid up. Pass necessary journal entries in the books of the company to record the above.

Question 21. From the following summarized balance sheet of a company, calculate cash flow from operating activities:

Particulars	31-3-2010	31-3-2011
I. Equity and Liabilities		
Shareholder's Funds		
Equity Share Capital	1,00,000	1,00,000
Reserves and Surplus	30,000	60,000
Non-Current Liabilities		
Debentures	60,000	80,000
Current Liabilities		
Creditors	30,000	35,000
Bills Payable	30,000	10,000
Other Current Liabilities	40,000	45,000
Total	2,90,000	3,30,000

Particulars	31-3-2010	31-3-2011
II Assets		
Non-Current Assets: Fixed Assets	1,50,000	1,90,000
Non-Current Investments	40,000	30,000
Current Assets:		
Stock	40,000	55,000
Debtors	40,000	45,000
Cash	20,000	10,000
Total	2,90,000	3,30,000

Additional Information:

- (i) Depreciation charged during the year amounted to Rs.22,000.
- (ii) Dividend paid during the year amounted to Rs.12,000.

OR

Creative Ltd issued Rs.10,00,000 divided into Rs.10 shares at a premium @ 20% per share, payable as under:

On Application Rs.3 per share On Allotment Rs.5 per share (including premium) On First and Final Call Balance Over payments on application were to be applied towards sums due on allotment. Where no allotment was made, money was to be refunded in full. The issue was oversubscribed to the extent of 1,20,000 shares applicants for 10,000 shares were sent letters of regret. Shares were allotted in full to the remaining applicants.

All the money due was duly received.

- (a) Which value has been affected by rejecting the applications of the applicants who had been sent letters of regret? Suggest a better alternative for the same.
- (b) Give Journal Entries to record the above transactions in the books of the company.

Question 22. On March 31st, 2014, the balances in the capital accounts of Saroj, Mahinder and Umar after making adjustments for profits and drawings etc. were Rs. 80,000, Rs. 60,000 and Rs. 40,000 respectively. Subsequently it was discovered that the interest on capital and drawings has been omitted.

- The profit for the year ended 31st March, 2014 was ` 80,000.
- During the year Saroj and Mahinder each withdrew a sum of ` 24,000 in equal installments in the end of each month and Umar withdrew ` 36,000.
- The interest on drawings was to be charged @ 5% p.a. and interest on capital was to be allowed @ was 10% p.a.

- The profit sharing ratio among partners was 4 : 3 : 1 Showing your working clearly, pass the necessary rectifying entry.

OR

Name the table which is an interactive way to quickly summarize large amounts of data. State its any five advantages

Question 23. State the steps to correct #VALUE ! Error.

OR

Differentiate between 'Desktop Database' and 'Server Database' on any four basis.

Question 24. a) Value of Equality has been affected by rejecting the applications of the retail investors from getting shares of the company. The better alternative could have been to allot the shares proportionately to all the applicants so that such applicants may not be demotivated from investing in the capital of big companies in future.

b) Each Journal Entry carry 1 mark each

OR

Arti Limited invited applications for issuing 80,000 shares of Rs. 10 each at a premium of Rs. 4 per share. The amount was payable as follows

On Application - Rs. 5 per share

On Allotment - Rs. 9 per share (Including Premium)

Applications were received for 1,40,000 shares.

Allotment was made on the following basis :

(i) To applicants for 80,000 shares - 60,000 shares

(ii) To applicants for 60,000 shares - 20,000 shares

Money overpaid on applications was utilized towards sum due on allotment.

Rajiv, belonging to category (i),/had applied for 1,200 Shares failed to pay his dues and his shares were forfeited.

Pass journal entries in the books of Arti Limited to record the above transactions.

END OF THE QUESTION PAPER