CBSE BOARD SAMPLE PAPER-3

(Academic Session : 2022 - 2023)

COMMERCE : CLASS-XII

ACCOUNTANCY

Time Allowed : 180 Minutes **Maximum 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.

Name of the Candidate (in Capitals) ____________________

Form Number : in figures ____________________

: in words ____________________

Centre of Examination (in Capitals) : ____________________

Candidate's Signature : ____________________ Invigilator's Signature ____________________

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Part A

Accounting for Partnership Firms and Companies

1. Rohan and Mohan were partners in a firm sharing profits or losses equally. With effect from 1st April, 2021 they agreed to share profits in the ratio of 4 : 3. Due to change in profit sharing ratio, Mohan's gain or sacrifice will be:

(A) Gain $\frac{1}{14}$ (B) Sacrifice $\frac{1}{14}$ (C) Gain $\frac{4}{7}$ (D) Sacrifice $\frac{3}{7}$

2. Given below are two statements, one labelled as Assertion (A) and the other labelled as Reason (R): **Assertion (A):** In the absence of date of drawings, interest on drawings is calculated for the year on the total drawings for an average period of six months.

Reason (R): In the absence of date of drawings, the interest on total drawings for the year is calculated on the total drawings @ 6% p.a. for an average period of six months. In the context of the above two statements, which of the following is correct?

Codes:

(A) Both (A) and (R) are correct and (R) is the correct explanation for (A).

(B) Both (A) and (R) are correct, but (R) is not the correct explanation for (A).

(C) (A) is correct, but (R) is incorrect.

(D) Both (A) and (R) are incorrect.

3. Alpha Limited issued 30,000 shares of ₹ 10 each. The called-up value per share was ₹ 8. The company forfeited 600 shares of Mr. Bean for non-payment of first call money of ₹ 2 per share. He paid for application and allotment money. On forfeiture of shares the share capital account will be:

(A) Debited by ₹ 4,800 (B) Debited by ₹ 6,000

(C) Debited by ₹ 3,600 (D) Debited by ₹ 2,400

OR

A shareholder, Suhana who had applied for 1,440 shares of ₹ 100 each, failed to pay Allotment money of ₹ 30 per share and First & Final Call money of ₹ 30 per share. The company issued 50,000 shares to the applicants of 60,000 shares on pro-rata allotment basis. What will be the amount of Calls-in-Arrears on First & Final Call?

(A) ₹ 26,400 (B) ₹ 36,000 (C) ₹ 43,200 (D) None of the above

4. If goodwill already appears in the books of old firm (before the admission of new partner), then this should be written off among the old partners in their old profit sharing ratio. What will be the Journal entry?

S. No.	Particulars		Amount	Amount
(a)	Goodwill A/c To Old Partner's Capital A/c	Dr.	–	–
(b)	Old Partner's Capital A/c To Goodwill A/c	Dr.	–	–
(c)	Partner's A/c To Goodwill A/c	Dr.	–	–
(d)	None of the above		–	–

OR

X and Y are partners sharing profits in the ratio of 2 : 1. They admit Z into partnership for $\frac{1}{4}$th share for which he brings in ₹ 20,000 as his share of capital. Hence on the basis of new profit sharing ratio, the adjusted capitals of X and Y will be:

(A) ₹ 40,000 and ₹ 20,000 respectively
(B) ₹ 32,000 and ₹ 16,000 respectively
(C) ₹ 60,000 and ₹ 30,000 respectively
(D) ₹ 35,000 and ₹ 25,000 respectively

5. MK and KK were partners in a firm, sharing profits and losses in the ratio of 2 : 3. Their fixed capitals were ₹ 10,00,000 and ₹ 5,00,000 respectively. They were entitled to an interest on capital @10% p.a. The firm earned a profit of ₹ 1,20,000 during the year. The amount of interest on capital credited to KK will be:

(A) ₹ 40,000
(B) ₹ 80,000
(C) ₹ 72,000
(D) ₹ 48,000

6. Which of the following is not a condition that must be fulfilled by a Company to issue share at a discount as per Section 79?

(A) The shares are of a class already issued.
(B) At least two years must have elapsed since the company became entitled to commence business.
(C) Issue of shares is authorized by a resolution passed by the company in its general meeting and sanctioned by Central Government.
(D) Resolution should specify the max rate of discount at which the shares are to be issued.

OR

ABC Limited purchased a Machinery from XYZ Limited for ₹ 4,50,000. ABC Limited immediately paid ₹ 90,000 by Bank Draft and the balance by issue of equity shares of ₹ 100 each at 20% premium for the purchase consideration of Machinery to XYZ Limited. How many equity shares were issued by ABC Limited?

(A) 3,000 Equity Shares
(B) 30,000 Equity Shares
(C) 3,600 Equity Shares
(D) 36,000 Equity Shares

7. Raghuvir Shoes Ltd. issued 10,000, 7% Debentures of ₹ 100 each at a discount of ₹ 4. It has a balance in Securities Premium Reserve of ₹ 25,000. it will write off Discount on Issue of Debentures.

(A) ₹ 40,000 from, Securities Premium Reserve
(B) ₹ 40,000 from Statement of Profit and Loss
(C) ₹ 25,000 from Securities Premium Reserve and ₹ 15,000 from Statement of Profit and Loss (Finance Cost)
(D) ₹ 15,000 from Securities Premium Reserve and ₹ 25,000 from Statement of Profit and Loss (Finance Cost)

8. Ram, Shyam and Ghanshyam are partners sharing profits in the ratio of 5 : 3 : 2. Shyam retires, and the new profit sharing ratio between Ram and Ghanshyam is 1 : 1. The goodwill of the firmis valued at ₹ 1,00,000. Shyam's share of goodwill will be adjusted by:

(A) Debiting Ram's Capital A/c and Ghanshyam's Capital A/c with ₹ 15,000 each.
(B) Debiting Ram's Capital A/c with ₹ 21,429 and Ghanshyam's Capital A/c with ₹ 8,571.
(C) Debiting Ghanshyam's Capital A/c with ₹ 30,000
(D) Debiting Shyam's Capital A/c with ₹ 30,000

10. On the admission of Ajit, the sacrifice for providing his share of profits would be done by:
(A) Anoop only
(B) Ajay only
(C) Anoop and Ajay in their capital contribution ratio
(D) Anoop and Ajay equally

11. What will be the correct sequence of events?
(I) Determination of new proportionate capital of each partner.
(II) Finding surplus capital or deficit capital.
(III) Ascertaining present capital (after all adjustments) of old partners.
(IV) Calculation of total capital of the firm on new partner's capital basis.
Options:
(A) (IV), (I), (III), (II) (B) (I), (II), (III), (IV) (C) (III), (I), (II), (IV) (D) (IV), (III), (I), (II) (1)

12. Agarwal Ltd. forfeited 1,000 equity shares of ₹ 10 each for the non payment of first and final call of ₹ 3 per share.
The maximum discount at which these shares can be reissued is:
(A) ₹ 3 per share (B) ₹ 10 per share (C) ₹ 7 per share (D) ₹ 13 per share

13. Which of the following statement is/are
(I) A company can issue redeemable Equity shares.
(II) A company can issue Preference shares. Redeemable
(III) A company can issue Debentures. Redeemable
(A) Both I & II are correct (B) Both II & III are correct
(C) Both I & III are correct (D) All of the above

14. Vinod and Sunita were partners sharing profits in the ratio of 3: 2. They admitted Simran as a new partner for 3/10th share which she acquired 2/10th from Vinod and l/10th from Sunita. The new profit sharing ratio of Vinod, Sunita and Simran will be ....
(A) 3 : 3 : 3 (B) 4 : 3 : 3 (C) 2 : 3 : 3 (D) 4 : 3 : 2

15. The firm of Sandeep and Kuldeep was dissolved on 31st March 2020. According to the agreement, realisation expenses of ₹ 10,000 were to be borne and paid by Sandeep. Journal entry to be recorded for the payment of realisation expenses will be:
(A) Debit Realisation Account and credit Bank Account with ₹ 10,000
(B) Debit Realisation Account and credit Sandeep's Capital Account with ₹ 10,000
(C) Debit Sandeep's Capital Account and Credit Bank Account with ₹ 10,000
(D) No entry

OR

Rohit, Mohit and Shobhit are partners sharing profits in the ratio of 5 : 3 : 2. Rohit withdraws ₹ 4,000 per quarter on the first day of quarter for first 9 months of the year. Calculate interest on drawings made by Rohit, if interest on drawings is chargeable @ 10% p.a.
(A) ₹ 300 (B) ₹ 900 (C) ₹ 600 (D) ₹ 1,200

16. X and Y are partners sharing profits in the ratio of 2 : 1. They admit Z into partnership for $\frac{1}{4}$th share for which he brings in ₹ 20,000 as his share of capital. Hence on the basis of new profit sharing ratio, the adjusted capitals of X and Y will be:
(A) ₹ 40,000 and ₹ 20,000 respectively (B) ₹ 32,000 and ₹ 16,000 respectively
(C) ₹ 60,000 and ₹ 30,000 respectively (D) ₹ 35,000 and ₹ 25,000 respectively

17. Anju, Manju and Reema were partners in a firm sharing profits in the ratio of 4 : 3 : 1. The firm closes its books on 31st March every year. On 01.02.2022, Manju died and it was decided that the new profit sharing ratio between Anju and Reema will be equal. The partnership deed provided for the following on the death of a partner.

(i) His share of goodwill be calculated on the basis of half of the profits credited to his account during the previous four completed years. The firm's profit for the last four years was:
2017-2018 – ₹ 1,20,000, 2018-2019 – ₹ 80,000, 2019-2020 – ₹ 40,000, 2020 – 21 – ₹ 80,000.

(ii) His share -of profit in the year of his death was to be computed on the basis of average profits of past two years. Pass necessary journal entries relating to goodwill and profit to be transferred to Manju's Capital Account. Also show your working clearly

Liabilities		Amount (₹)	Assets	Amount (₹)
Capitals:			Machinery	75,000
Khatri	90,000		Furniture	15,000
Pandit	50,000	1,40,000	Stock	30,000
General Reserve		20,000	Sundry Debtors	20,000
Loan from Bank		25,000	Cash	50,000
Sundry Creditors		5,000		
		1,90,000		1,90,000

18. Sonu, Monu and Tonu entered into partnership on 1st April, 2021 to share profits in the ratio of 3 : 1 : 1. It was provided in the deed that Tonu's share of profit will not be less than ₹ 25,000 per annum and Sonu will be allowed a salary of ₹ 10,000 per annum. The losses of the firm for the year ended 31st March, 2022 were ₹ 1,00,000 before allowing salary to Sonu. Prepare Profit and Loss Appropriation Account for the year ended 31st March, 2022.

OR

Khatri and Pandit are partners sharing profits and losses equally. They decided to admit Bansal for an equal share in the profits. For this purpose the goodwill of the firm was to be valued at four years' purchase of super profits.

The Balance Sheet of the firm on Bansal's admission was as follows: The normal rate of return is 12% per annum. Average profit of the firm for the last four years was ₹ 30,000. Calculate Bansal's share of goodwill.

19. On 1st April, 2021, Jasmine Limited issued 10,000, 8% Debentures of ₹ 100 each at a discount of 5% redeemable at a premium of 15% at the end of five years. All the debentures were subscribed and allotment was made. The company had balance in Securities Premium Reserve of ₹ 80,000.

OR

Malvika Limited purchased furniture worth ₹ 6,60,000 from Sunaina Limited and paid to Suniana Limited as follows:

- 50% of the amount by accepting a bill of exchange payable after one month.
- Balance by issuing 8% debentures of ₹ 100 each at a premium of 10%.

Pass necessary journal entries in the books of Malvika Limited for the purchase of furniture and making payment to Sunaina Limited.

20. On April 1, 2022, a firm had assets of ₹ 1,0, 000 excluding stock of ₹ 20,000. The current liabilities were ₹ 10,000 and the balance constituted Partner's Capital Accounts. If the normal rate of return is 8%, the Goodwill of the firm is valued at ₹ 60,000 at four years purchase of super profit, find the actual profits of the firm.

21. On 1st April, 2021, Pacific Overseas Ltd. Was formed with an authorised capital of ₹ 1,00,00,000 divided into 2,00,000 equity shares of ₹ 50 each. The company issued prospectus inviting applications for 1,80,000 shares. The issue price was payable as under:

On Application : ₹ 15

On Allotment : ₹ 20

On Call : Balance amount

The issue was fully subscribed and the company allotted shares to all the applicants. The company did not make the call during the year.

Show the following:

- Share Capital in the Balance Sheet of the Company as per Schedule III Part I of the Companies Act, 2013 Also prepare Notes to Accounts for the same.

22. Satish and Taruna were partners in a firm sharing profits and losses in the ratio of 3 : 2. From 1st April, 2021 they decided to share profits equally. On that date their Balance Sheet showed a credit balance of ₹ 35,000 in workmen compensation fund and ₹ 40,000 in 24. general reserve. The goodwill of the firm on that date was valued at ₹ 50,000. The firm accepted a claim of ₹ 40,000 for workmen compensation. Pass necessary journal entries for the above transactions on the reconstitution of the firm.

23. Sterling Ltd. issued 10,000, 10% debentures of ₹ 100 each at a discount of 5% on 1st April, 2018 payable ₹ 50 on application and balance on allotment. These debentures are to be redeemed at a premium of 5% after 5 years.

Interest on debentures is payable half yearly. The company closes its accounts on 31st March every year.

- Pass the necessary journal entries for year ending 31st March, 2019.
- Prepare Loss on Issue of Debentures Account for the year ending 31st March, 2109.

OR

On 1st April 2019 Roberts Ltd. purchased assets of ₹ 4,30,000 and took over liabilities of ₹ 90,000 of perfect Ltd. at an agreed value of ₹ 3,80,000. It is issued to the vendor, 10% Debentures of ₹ 100 each at 5% discount, redeemable at par after 5 year, in full satisfaction of purchase price.

On the same date, the company issued 500, 11% Debentures of ₹ each as a collateral security to a bank who had advance a loan of ₹ 45,000 to it for a period of 3 years and also issued 5,000 12% debentures of ₹ 100 each at par redeemable after 3 year at 5% premium.

Additional information:

The interest on debentures is paid half yearly on 30th September and 31st March every. Tax deducted at sources @ 20%. The company had ₹ 1,20,000 in its security premium reserve account at the end of the year. (Ignore interest on bank loan). You are required to pass journal entries in the books of Roberts Ltd for the year ended 31st March 2020.

24. (A) Janardhan and Goverdhan were partners in a firm sharing profit in the ratio of 3 : 2. Their capitals were ₹1,60,000 and ₹ 1,00,000 respectively. They admitted Sudershan on 1st April. 2019 as a new partner for 1/5th share in the future profits. Sudharshan brought ₹ 1,20,000 as his capital. Calculate the value of goodwill of the firm and record necessary journal entries for the above transactions on Sudharshan's admission.

(B) Pandit and Purohit are partners in a firm sharing profits in the ratio of 3 : 2. They admit Joshi as a new partner. Pandit Surrenders $\frac{1}{4}$th of his share and Purohit $\frac{1}{3}$rd of his shore in favour of Joshi. Calculate new profit sharing ratio of Pandit, Purohit and Joshi.

OR

Bhola and Amar are partners in a firm. They share profits in the ratio of 4 : 1. They decide to dissolve the firm on 31st March, 2019 at which date their Balance Sheet stood as follows:

Balance Sheet as at 31st March, 2019

Liabilities		Amount (₹)	Assets		Amount (₹)
Bank Loan		1,500	Trademark		1,200
Creditors		8,000	Machinery		12,000
Bills Payable		500	Furniture		400
Capitals :			Stock		6,000
Bhola	16,000		Debtors	9,000	
Amar	6,000	22,000	*Less* : Provision for Bad debts		
				400	8,600
			Cash at Bank		2,800
			Advertisement Suspense A/c		1,000
		32,000			32,000

The realisation shows the following results:

- Goodwill was sold at ₹ 1,000
- Debtors were realised at book value less 10%
- Trademarks were realised for ₹ 800
- Machinery and Stock-in-trade were taken over by Bhola for ₹ 14,400 and ₹ 3,600 respectively.
- An unrecorded asset estimated at ₹ 500 was sold at ₹ 200
- Creditors were settled at a discount of ₹ 80. The expenses on realisation were ₹ 800.
- Prepare Realisation, Account, Partner's Capital Accounts and Bank Account.

25. On 01.04.2019, Jay Ltd. issued 5000, 9% Debentures of ₹ 100 each at a discount of 5%, redeemable at a premium of 5% after three years. Pass necessary journal entries for the issue of debentures and debenture interest for the year ended 31st March, 2020 assuming that interest is payable on 30th September and 31st March and the rate of tax deducted at source is 10%. The company closes its books on 31st March every year.

26. On 31st March, 2020, the Balance Sheet of Alka and Sunita, who were sharing profits and losses in the ratio of 3 : 1 was as follows:

Balance Sheet of Alka and Sunita as on 31st March 2020

Liabilities		Amount (₹)	Assets		Amount (₹)
Creditors		2,20,000	Cash at Bank		1,40,000
Employees Provident Fund		1,00,000	Debtors	6,50,000	
Investment Fluctuation Fund		1,00,000	*Less* Provision for	50,000	6,00,000
General Reserve		1,20,000	Bad Debts		
			Stock		3,00,000
			Investments (Market value ₹ 4,40,000)		5,00,000
Capital A/cs:					
Alka	6,00,000				
Sunita	4,00,000	10,00,000			
		15,40,000			15,40,000

They decided to admit Pooja on 1st April, 2020 for $\frac{1}{5}$th share on following conditions:

Pooja shall bring ₹ 80,000 as her share of goodwill premium;

Stock was undervalued by ₹ 20,000.
A debtor whose dues of ₹ 5,000 were written off as bad debts, paid ₹ 4,000 in full settlement.
Two months salary @ ₹ 6,000 was outstanding.

Part B
Financial Statement Analysis

27. Which of the following are the objectives of Financial Analysis?
(I) Inter-firm Comparison.
(II) Explainable and Understandable.
(III) Assessing the Managerial Efficiency.
(IV) Window Dressing.
Choose the correct option:
(A) I, II & III (B) I, II & IV (C) II, III & IV (D) All of the above

OR

Unpaid Dividends are shown under
(A) Contingent liabilities (B) Other Current liabilities
(C) Short term Borrowings (D) Long term Borrowings

28. Assuming that Debt to Equity Ratio is 2 : 1 if machinery is purchased by taking a Long – term Loon, this ratio wilt
(A) Increase, (B) Decrease,
(C) Will have no change (D) None of the above.

29.

Balance Sheet (Extract)

Particulars	Note No.	31st March 2019 (₹)	31st March 2020 (₹)
I. Equity and Liabilities			
1. Shareholders Funds			
(a) Share capital		2,25,000	2,25,000
(b) Reserves and surplus	1	1,78,000	1,89,000
2. Non-Current liabilities			
Long term borrowing			
Mortgage loan		—	1,35,000
3. Current Liabilities			
(a) Trade Payable		84,000	67,000
(b) Short Term Provison	2	37,500	5,000
Total		5,24,500	6,21,000
II. Assets			
1. Non-current Assets			
(a) Fixed Assets		2,00,000	1,60,000
(b) Non-Current Investments		25,000	30,000
2. Current Assets			
(a) Inventories		1,20,000	1,05,000
(b) Trade Receivables		1,05,000	2,27,500
(c) Cash and Bank Equivalents		74,500	98,500
		5,24,500	6,21,000

How much amount, based on above information, shall be shown in cash flow statement for the year ended 31st March 2020 ?
(A) Outflow ₹ 17,500 (B) Outflow ₹ 7,500 (C) Outflow ₹ 10,000 (D) No Flow

OR

Sale of marketable securities will result in:
(A) Inflow of cash (B) Outflow of cash (C) No flow of cash (D) None of these

30. From the following, which is not a part of solvency ratios ?
(A) Debt Equity ratio (B) Quick ratio (C) Proprietary ratio (D) Interest Coverage ratio

31. Classify the following items under major Heads and Sub-head (if any) in the Balance Sheet of a Company as per Schedule III of the Companies Act, 2013
(i) Trademarks
(ii) Capital Reserve
(iii) Loans repayable on demand
(iv) Balances with Banks
(v) Provision for Tax
(vi) Premium on Redemption of Debentures

32. From the following information, calculate Stock Turnover Ratio:

Particulars	Amount (₹)
Opening Stock	18,000
Closing Stock	22,000
Purchases	46,000
Wages	14,000
Sales	80,000
Carriage Inwards	4,000

33. From the following Statement of Profit and Loss for the year ended 31st March, 2019 prepare a Common Size Statement of Profit and Loss:

Particulars	Note No.	31.03.2019 (₹)
Revenue from Operations		20,00,000
Employee Benefit		10,00,000
Expenses Other Expenses		1,00,000

OR

Prepare a Comparative Statement of Profit and Loss for the year ended 31st March, 2019 from the following information:

Particulars	31.03.2019	31.03.2018
Revenue from Operations	20,00,000	10,00,000
Purchase of Stock-in-Trade	13,00,000	4,00,000
Change in Inventories of stock	1,20,000	1,00,000
Other Expenses	10% of Cost of revenue from operations	20% of Cost of revenue from operations
Tax rate	40%	40%

34. The Balance Sheets of Sunlight Ltd. for the years ended 31st March 2019 and 31st March 2020 are as under:

Balance Sheet as at 31st March 2019 and 2020

Note No.	Particulars	31st March 2019 (₹)	31st March 2020 (₹)
1	**Reserve and Surplus**		
	General Reserve	1,50,000	1,55,000
	Statement of Profit and loss	28,000	34,000
		1,75,000	1,89,000
2.	**Short Term Provision**		
	Provision for Taxation	37,500	5,000
		37,500	5,000

Notes to Accounts:

Additional Information:

- Investment costing ₹ 4,000 were sold during the year ending 31st March 2020 for ₹ 4,250
- Provision for taxation made during the year was ₹ 4,500
- During the year, part of fixed assets costing ₹ 5,000 was sold for ₹ 6,000 and the profit was included in the statement of profit and loss
- Dividend paid during the year amounted to ₹ 20,000 You are required to prepare Cash Flow Statement for the year ending 31st March 2020.