



विद्या सर्वार्थ साधिका

ANANDALAYA
MID TERM EXAMINATION
Class : XII

Subject: Accountancy
Date 24/09/2019

M.M: 80
Time: 3 Hours

General Instructions:

- i. Please check that this question paper contains 32 questions.
- ii. The paper contains two parts A and B.
- iii. Part A is compulsory for all.
- iv. Part B has two options - Option-I Analysis of Financial Statements and Option-II Computerized Accounting.
- v. Attempt only one option of Part B.
- vi. All parts of a question should be attempted at one place.

PART A

Accounting for Not-for-Profit Organizations, Partnership Firms and Companies

Choose the correct option : (Q. 1 to 4)

1. As per Section 52(2) of the Companies Act, 2013, amount received as premium on securities cannot be utilized for :- (1)
(a) Issuing fully paid bonus shares to the members (b) Purchase of fixed assets
(c) Writing off preliminary expenses (d) Buy back of its own shares
2. The provision of companies act 2013 in respect of redemption of debentures are to protect the interest of; (1)
(a) Debenture holder (b) Creditor
(c) Shareholder (d) Bank
3. Debentures are shown in the balance sheet of the company under the head of ; (1)
(a) Non Current Liabilities (b) Current Liabilities
(c) Share capital (d) Other Current Liabilities
4. In Receipts and Payments Account, items entered are: (1)
(a) Capital receipts (b) Revenue receipts
(c) Both a and b (d) None of the above

State whether the following statements are True or False: (Q: 5 to 8)

5. On Equity shares we get interest and on Debenture we get dividend. (1)
6. Premium on redemption of debenture account is shown under the Securities premium reserve in the Balance Sheet. (1)
7. A company redeemed 10,000, 7% debenture of ` 100 each at par. The DRR amount that will be transfer to general reserve is ` 5,00,000. (1)
8. Both revenue and capital payment are shown on the expenditure side of Income and Expenditure. (1)

Filling the blanks: (Q: 9 to 13)

9. Santa ltd. issued 8,000 shares of ` 10 each at per. Amount called up: - ` 4 on application, ` 3 on allotment and ` 3 on first and final call. Sunil, a shareholder holding 500 shares did not pay allotment money. The amount received on allotment will be ` _____ . (1)

10. Interest payable on Debenture is calculated at the _____ value of debentures. (1)
11. When redemption in out of profit , _____ percent of redeemable debentures are to be transfer to debenture redemption reserve. (1)
12. The total of income side of Income and Expenditure Account is more than the total of expenditure side by ` 25,000. ` 25,000 is _____ (1)
13. Beta Ltd. issued 10,000 shares of ` 10 each at 20% premium which was oversubscribed to the extent of 5,000 shares. All money to be paid on application only and shares were allotted on pro-rata basis. The company will refund _____ amount. (1)

Match the Following: (1)

14.

1. Debentures are transferable by mere delivery	(a) Registered Debentures
2. Debentures redeemable either in lump sum or installment.	(b) Bearer Debentures
	(c) Convertible Debentures
	(d) Redeemable Debentures

 (1)
15.

Shares issued by company to its employees or directors at a discount	a) Reserve Capital
	b) Capital Reserve
	c) Sweat Equity Share
	d) Employee Stock Account

 (1)
16.

1. Rent received will be shown	a. as expense in Income and Expenditure A/c
2. Donations received for Swimming Pool is a	b. Capital Receipts
	c. Capital Expenditure
	d. Receipts side of Receipts and Payments Account

 (1)
17.

1. A company forfeited 1,000 shares of ` 10 each issued at par, ` 8 called up per share. ` 2 per share was not paid. What will be amount with which share capital account is debited	(a) ` 10,000
2. A company forfeited 1,000 shares of ` 10 each issued at par , ` 8 called up per share. ` 2 per share was not paid . What will be amount with which share Forfeiture account is credited.	(b) 8,000
	(c) 2,000
	(d) 6,000

 (1)

18. From the following information calculate the amount of subscription outstanding for the year 2017-18: (3)
 A club has 250 members each paying an annual subscription of ` 1,000. The Receipt and Payment Account for the year showed a sum of ` 2,65,000 received as subscriptions. The following additional information is provided:
 Subscription outstanding on 31st March, 2017 ` 40,000
 Subscription received in advance on 31st March, 2018 ` 30,000
 Subscription received in advance on 31st March, 2017 ` 12,000
19. Journalise the following transaction at the time of issue and redemption of 12% Debentures: (4)
 Nandan Ltd. Issued ` 90,000, 12% Debentures of 100 each at a discount of 5% redeemable at 110%.
20. Singh Limited obtained a loan of ` 8,00,000 from State Bank of India @ 10% p.a. interest. The company issued 10,000, 9 % Debentures of ` 100 each in favour of State Bank of India as collateral Security. How will issue of debentures be shown in the Balance Sheet. (4)
 a) When Journal entry is not passed.
 b) When Journal entry is passed.
21. On 1st April, 2012, Kanha Ltd. Was formed with an authorised capital of ` 40,00,000 divided into 4,00,000 equity shares of ` 10 each. The company issued prospectus inviting applications for 3,80,000 equity shares. The company received applications for 3,60,000 equity shares. During the first year, ` 8 per share were called. Deepti holding 3,000 shares and Divya holding 6,000 shares did not pay the first call of ₹2 per share. Divya's shares were forfeited after the first call and later on 5,000 of the forfeited shares were reissued at ` 6 per shares, ` 8 called-up. (4)
 Prepare the ' 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.
22. Following is the Receipt and Payment Account of Rajdhani Charitable Trust: (6)

**Receipts and Payments Account
 For the year ended 31st March, 2019**

Receipts	Amount (`)	Payments	Amount (`)
To Balance b/d	7,40,000	By Rent	60,000
To Subscriptions:		By Salary	1,20,000
2017-18 50,000		By Postage	3,000
2018-19 83,30,000		By Electricity charges	60,000
2019-20 30,000	9,10,000	By Furniture	2,00,000
To sale of Investment (Bv 8,00,000)	9,00,000	By Books	30,000
To Interest on Investment	20,000	By Defence Bond	15,00,000
To Sale of Furniture (Bv ` 30,000)	32,000	By Scholarship to Students	2,20,000
		By Balance c/d	4,09,000
	26,02,000		26,02,000

**Balance Sheet
 As at 1st April, 2018**

Liabilities	(`)	Assets	(`)
Capital Fund	20,10,000	Investments	11,00,000
		Subscription Outstanding	50,000
		Furniture	1,20,000
		Cash	7,40,000
	20,10,000		20,10,000

Subscription for the year ended 31st March, 2019 still due were ` 70,000. Interest due on Defence Bond was ` 70,000. Rent outstanding was ` 10,000. Subscription received in the year

ended 31st March, 2019 included ₹ 4,000 from a life member. Salary for the year ended 31st March, 2020 is ₹ 20,000.

Prepare Income and Expenditure Account for the year ended 31st March, 2019 and Balance Sheet as on that date.

23. Ruchi Ltd. Issued 42,000, 7% Debentures of ₹ 100 each on 1st April, 2011, redeemable at a premium of 8% on 31st March, 2015. The company decided to create required Debenture Redemption Reserve on 31st March, 2014. The company invested the funds as required by law in a fixed deposit with State Bank of India on 1st April, 2104 earning interest @ 10% per annum. Tax was deducted at source by bank on interest @10% p.a.
Pass necessary Journal entries regarding issue and redemption of debentures. (6)

24. Subham Ltd, invited application for issuing 12,000 equity shares of ₹ 10 each at a premium of ₹ 3 per share. The amount was payable as follows: (8)
- | | |
|------------------------------|------------------------------------|
| On application and allotment | ₹ 6 per share (Including premium) |
| On first call | ₹ 4 per share |
| On second and final call | the balance amount |
- Applications for 18,000 shares were received and pro rata allotment was made to all the applicants. Excess money received with applications was adjusted towards sum due on first call. All calls were made and were duly received except the first call and second and final call on 120 shares allotted to Vibhu. His shares were forfeited. The forfeited shares were reissued at the maximum discount as per the provisions of the Companies Act, 2013.
Pass necessary Journal entries for the above transactions.

OR

Manveer Ltd. Invited application for issuing 10,00,000 equity shares of ₹ 10 each payable as follows:

- | | |
|------------------------------|--|
| On application and allotment | ₹ 4 per share (Including premium ₹ 1) |
| On first call | ₹ 4 per share |
| On second and final call | ₹ 3 per share |

Applications for 15,00,000 shares were received and pro rata allotment was made to all the applicants. Excess application money was adjusted on the sum due on calls. A shareholder who had applied for 6,000 shares did not pay the first and the second and final call. His shares were forfeited. 90% of the forfeited shares were reissued at ₹ 8 per share fully paid-up.

Pass necessary Journal entries for the above transactions.

25. a) Madhur Ltd. took over the assets of ₹ 3,90,000 and liabilities of ₹ 40,000 of Raman Ltd. For a consideration of ₹ 4,00,000. 20% was paid by a cheque and the balance by issue of fully paid equity shares of ₹ 100 each at a premium of 60%. Show necessary Journal entries for these transaction in the books of Madhur Ltd. (8)
- b) Prayag Ltd. forfeited 2,000 shares of ₹ 10 each, fully called-up, on which they had received only ₹ 14,000. 50 of the forfeited shares were reissued for ₹ 9 per share fully paid-up.
Pass necessary Journal entries for the given transaction.
- c) 150 shares of ₹ 10 each issued at a premium of ₹ 4 per share payable with allotment were forfeited for non-payment of allotment money of ₹ 8 per share including premium. The first and final call of ₹ 4 per share was not made. The forfeited shares were reissued at ₹ 15 per share fully paid-up.
Pass necessary Journal entries for the given transaction.

Part B: Analysis of Financial Statements

Option-I

26. State whether the following statement is True or False. (1)
Purchase of software by a manufacturing concern is Operating Activity.
27. Maira Ltd. issued Equity Shares of ₹ 5,00,000 and with the proceeds redeemed Debentures of ₹ 1,50,000 in the financial year. Cash inflow under Financing Activity will be ₹ _____. (1)
28. The area of interest for a creditor while analyzing financial statement will be: (1)
(a) Solvency (b) Liquidity
(c) profitability (d) all of the above
29. Under which major heading and Sub heading will the following items be shown in the Balance Sheet of a company as per Schedule III of the Companies Act 2013; (3)
(i) Net loss as shown by Statement of P & L (ii) Capital redemption Reserve
(iii) Bonds (iv) Loans Repayable on demand
(v) Unpaid Dividends (vi) Building
30. From the following Statement of profit and loss of ABC Ltd for the years ended 31st March 2017 and 2018, prepare Comparative Statement of Profit & Loss. (4)

Particulars	31.03.2018	31.03.2017
Revenue from operations	48,00,000	30,00,000
Employees Benefit expenses	22,00,000	18,00,000
Other Expenses	2,00,000	4,00,000
Tax Rate	40%	40%

OR

Prepare the common size income statement from the following information:

Particulars	31-03-2012 (₹)	31-03-2013 (₹)
Revenue from operations	1,00,000	1,00,000
Cost of material consumed	70% of sales	74.8% of sales
Operating expenses	8,000	9,800
Income tax rate	50%	50%

31. Calculate any two of the following ratios from the details given below: (4)
(i) Liquid Ratio; (ii) Operating Ratio; (iii) Gross Profit Ratio
- Current Assets = ₹ 70,000 Revenue from Operations = ₹ 1,40,000
Net Working Capital = ₹ 30,000 Cost of Revenue from Operation = ₹ 68,000
Inventories = ₹ 30,000

32. From the following information, prepare Cash Flow Statement of Surya Ltd:

(6)

Particulars	Note No.	31-03-2017	31-03-2016
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	8,50,000	4,60,000
(b) Reserves and Surplus	2	1,70,000	2,40,000
(2) Non- Current Liabilities			
Long-term Borrowing	3	1,80,000	2,00,000
Total		12,00,000	9,00,000
II. ASSETS			
(1) Non- Current Assets			
Fixed Assets	4	7,00,000	5,00,000
(2) Current Assets:			
(a) Inventories		2,50,000	2,10,000
(b) Trade Receivables		1,90,000	1,40,000
(c) Cash and cash equivalent		60,000	50,000
Total		12,00,000	9,00,000

Notes to Accounts

	31-03-2017	31-03-2016
1. Share Capital:		
Equity Share Capital	7,50,000	4,00,000
8% Preference Share Capital	1,00,000	60,000
	8,50,000	4,60,000
2. Reserves and Surplus		
Surplus i.e. Balance in statement of profit & loss	1,20,000	1,70,000
General Reserve	50,000	70,000
	1,70,000	2,40,000
3. Long-term Borrowings		
10% Debentures	1,80,000	2,00,000
4. Fixed Assets:		
Plant and Machinery	7,00,000	5,00,000

Additional Information:

During the year machine costing ` 80,000 was sold for ` 50,000. Dividend paid ` 80,000.