

शिक्षा निदेशालय, राष्ट्रीय राजधानी क्षेत्र दिल्ली  
Directorate of Education, GNCT of Delhi

Suggestive Answers of Practice Paper

कक्षा – XII

Class - XII

लेखांकन(कोड: 055)

Accountancy (Code: 055)

TERM II (2021-22)

अधिकतम अंक: 40  
Maximum Marks: 40

1.

In the books of Railway Club

Dr.	Receipts and Payments A/c for the year ended 31 <sup>st</sup> March, 2019		Cr.
Receipts	Amount (₹)	Payments	Amount (₹)
To balance b/d	4,390	By Electricity Charges	3,440
To Subscriptions	37,600	By Taxes Paid	490
To Donations	8,000	By Salaries	21,500
To Entrance Fees	4,300	By Honorarium to Secretary	2,500
To Rent Received for Club Halls	5,250	By Printing and Stationery	350
To Interest Received on Investments	2,950	By Petty Cash Expenses	900
		By Insurance Premium Paid	310
		<b>By balance c/d</b>	<b>33,000</b>
	<b>62,490</b>		<b>62,490</b>

2. The following are the rules of settlement of accounts on dissolution as per the Section 48 of Partnership Act 1932.

1. **Application of Assets:** Amount received by the realisation (sale) of the assets shall be used in the following order:

- First of all the external liabilities and expenses are to be paid.
- Then, all loans and advances forwarded by the partners should be paid.
- Then, the capital of each partner should be paid off. If there remains any surplus after the payment of (a), (b) and (c), then it should be distributed among the partners in their profit sharing ratio.

2. **Treatment of Loss:** In case of loss and any deficiency of capital this should be paid in the following order:

- First these should be adjusted against firm's profits.

b) Then, against the total capital of the firm.

c) Even if there exists any loss and deficiencies then it should be borne by all the partners individually in their profit sharing ratio.

3.

Old Ratio (Shiv, Mohan and Hari) = 5 : 5 : 4

$$\text{Mohan's Profit Share} = \frac{5}{14}$$

His share is divided between Shiv and Hari equally i.e. in the ratio of 1: 1

$$\text{Share of Mohan taken by Shiv} = \frac{5}{14} \times \frac{1}{2} = \frac{5}{28}$$

$$\text{Share of Mohan taken by Hari} = \frac{5}{14} \times \frac{1}{2} = \frac{5}{28}$$

New Profit Share = Old Profit Share + Share taken from Mohan

$$\text{Shiv's New Share} = \frac{5}{14} + \frac{5}{28} = \frac{10+5}{28} = \frac{15}{28}$$

$$\text{Hari's New Share} = \frac{4}{14} + \frac{5}{28} = \frac{8+5}{28} = \frac{13}{28}$$

∴ New Profit Ratio (Shiv and Hari) = 15 : 13

4.

**Balance Sheet  
as at 31st March, 2019**

Liabilities	Amount (₹)	Assets	Amount (₹)
Match Fund	80,000	Match Fund Investment	72,000
<i>Add:</i> Interest on Match Fund Investment	2,880	Match Fund Bank Balance	3,500
<i>Less:</i> Match Expenses	(5,500)		
	77,380		

OR

**Calculation of Amount of Sports Material Consumed to be debited to Income & Expenditure A/c**

Particulars	Amount (₹)

Amount Paid to the creditors of Sports Materials	91,000
<i>Less:</i> Creditors of the sports material as on 31 <sup>st</sup> March, 2017	37,000
Closing Stock of Sports Material as on 31 <sup>st</sup> March, 2018	55,000
Sports Material sold during the year	50,000
<i>Add:</i> Creditors of the sports material as on 31 <sup>st</sup> March, 2018	45,000
Cash purchase of Sports Material	40,000
Opening Stock of Sports Material as on 31 <sup>st</sup> March, 2017	50,000
<b>Sports Material consumed during the year to be debited to Income &amp; Expenditure A/c</b>	<b>84,000</b>

5.

### Books of Saroj and Shanti

#### Journal

Date	Particulars	L.F.	Amount Rs	Amount Rs
	Sangeeta's Capital A/c	Dr.	12,000	
	Saroj's Capital A/c	Dr.	18,000	
	Shanti's Capital A/c	Dr.	30,000	
	To Goodwill A/c (Goodwill written off)			60,000
	Saroj's Capital A/c	Dr.	18,000	
	To Sangeeta's Capital A/c (Sangeeta's share of goodwill adjusted to Saroj's Capital Account in her gaining ratio)			18,000

#### Working Notes:

1. Sangeeta's share of goodwill.

$$\text{Total goodwill of the firm} \times \text{Retiring Partner's share} = 90,000 \times \frac{2}{10} = 18,000$$

2. Gaining Ratio = New Ratio – Old Ratio

$$\text{Saroj's Gaining Share} = \frac{1}{2} - \frac{3}{10} = \frac{10-6}{20} = \frac{4}{20}$$

$$\text{Shanti's Gaining Share} = \frac{1}{2} - \frac{5}{10} = \frac{10-10}{20} = \frac{0}{20}$$

6.

### In the books of Green Ltd.

#### Journal

Date	Particulars	L.F.	Debit	Credit
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7.

**Books of Paras and Priya**

**Journal**

	Particulars	L.F.	Amount Rs	Amount Rs
1)	Bank A/c To Realisation A/c (Unrecorded furniture sold)	Dr.	3,000	3,000
2)	Bank A/c To Realisation A/c (Bad Debt recovered which was previously written off as bad)	Dr.	600	600
3)	Paras's Capital A/c To Realisation A/c (Unrecorded goodwill taken over by Paras)	Dr.	30,000	30,000
4)	Priya's Capital A/c To Realisation A/c (Unrecorded Typewriter estimated Rs 400 taken over by Priya at 25% less price)	Dr.	300	300
5)	Paras's Capital A/c Priya's Capital A/c To Realisation A/c (100 shares of Rs 10 each which were not recorded in the books taken @ Rs 6 each by Paras and Priya and divided between them in their profit sharing ratio)	Dr. Dr.	300 300	600

OR

**Books of Radha and Meena**

**Revaluation Account**

Dr.

Cr.

Particulars	Amount Rs	Particulars	Amount Rs
Machinery	800	Expenses Owing	750
Loose Tools	400	Factory Premises	1,800
Profit transferred to Capital Account:			
Meena	675		
Radha	450		

Sheela	225	1,350		
		2,550		2,550

### Parters' Capital Account

Dr.

Cr.

Particulars	Radha	Sheela	Meena	Particulars	Radha	Sheela	Meena
Sheela's Capital A/c	3,375		1,125	Balance b/d	15,000	15,000	15,000
Sheela's Loan A/c		24,450		General Reserve	6,750	4,500	2,250
Balance c/d	19,050		16,350	Revaluation (Profit)	675	450	225
				Radha's Capital A/c		3,375	
				Meena's Capital A/c		1,125	
	22,425	24,450	17,475		22,425	24,450	17,475

8.

8. (i) Number of Debentures to be issued =  $7875000/105 = 75,000$

(ii)

In the Books of Arun Ltd.

#### Journal

Date	Particulars	L.F.	Dr. Amount (₹)	Cr. Amount (₹)
2020 April 1	Debenture Application & Allotment A/c Loss on Issue of Debentures A/c To 6% Debentures A/c To Securities Premium Reserve A/c To Premium on Redemption of Debentures A/c (Being allotment of debentures made)	Dr. Dr.	7875000 7,50,000	75,00,000 3,75,000 7,50,000

(iii)

Journal

Date	Particulars	L.F.	Dr. Amount (₹)	Cr. Amount (₹)
2021 March 31	Securities Premium Reserve A/c Statement of Profit & Loss To Loss on Issue of Debentures A/c (Being Loss on Issue of Debentures A/c written off)	Dr. Dr.	3,75,000 3,75,000	7,50,000

(iv) Interest on 6% debentures =  $75,00,000 \times 6 / 100 = ₹4,50,000$

(v)

Loss on Issue of Debentures A/c

Dr.

Cr.

Date	Particulars	Amount (₹)	Date	Particulars	Amount (₹)
1.4.20	To Premium on Redemption of Debentures A/c	7,50,000	31.3.21	By Securities Premium Reserve A/c By Statement of Profit & Loss A/c	3,75,000 3,75,000

7,50,000

7,50,000

9.

**Books of Unity Club**

**Income and Expenditure Account**

*as on March 31, 2017*

Dr.

Cr.

Expenditure	Amount Rs	Income	Amount Rs
Loss on Sale of Old Furniture (4,000 – 6,000)	2,000	Subscription	
		500 members at Rs 150 each	75,000
Salaries	72,000	Sale of Old Newspapers	10,800
<i>Add:</i> Outstanding for 2015–16	1,200	Profit from Entertainment	44,000
	<u>73,200</u>	Rent	84,000
<i>Less:</i> Outstanding for 2016–17	(6,000)	Deficit ( <i>Balancing figure</i> )	200
General Expenses	18,000		
Electric Charges	12,000		
Newspapers	33,800		
Postage	3,000		
Stationery	40,000		
Audit Fees	8,000		
Depreciation on Land and Building	30,000		
	<u>2,14,000</u>		<u>2,14,000</u>

**Balance Sheet**

*as on 31 March 2017*

Liabilities	Amount Rs	Assets	Amount Rs
Advance Subscription (for 2017–18)	12,000	Subscription Outstanding	15,000

Salaries Outstanding		1,200	Furniture	37,000	
Capital Fund	6,94,000		Add: Purchases	18,000	
Less: Deficit	(200)	6,93,800		55,000	
			Less: Sales	(6,000)	49,000
			Library Books	30,000	
			Add: Purchases	10,000	40,000
			Land and Building	6,00,000	
			Less: 5% Depreciation	(30,000)	5,70,000
			Cash and Bank		33,000
		7,07,000			7,07,000

**10.**

(a) There is no flow of cash by the issue of 9% debentures to the vendors for the purchase of machinery of Rs 50,000 because this transaction will not change the balance of cash and cash equivalents.

(b) Dividend received by a finance company is an operating activity.

**11.**

**Comparative Balance Sheet of H.P. Ltd.**

*as at March 31, 2018 and March 31, 2019*

Particulars	2018 (₹)	2019 (₹)	Absolute Change (₹)	Percentage Change (%)
<b>I. Equity and Liabilities</b>				
<b>1. Shareholders' Funds</b>				
a. Share Capital				
1. Equity Share Capital	12,50,000	5,00,000	7,50,000	150.00
2. Preference Share Capital	2,50,000	2,50,000	—	—
<b>Total</b>	<b>15,00,000</b>	<b>7,50,000</b>	<b>7,50,000</b>	<b>100.00</b>
b. Reserve and Surplus	3,00,000	4,50,000	(1,50,000)	(33.33)



	18,00,000	12,00,000	6,00,000	50.00
<b>2. Non-Current Liabilities</b>				
a. Long-term Borrowings				
12% Secured Debentures	9,50,000	5,50,000	4,00,000	72.73
12% Unsecured Debentures	2,50,000	2,00,000	50,000	25.00
	12,00,000	7,50,000	4,50,000	60.00
<b>3. Current Liabilities</b>				
a. Short-Term Borrowings	3,50,000	1,75,000	1,75,000	100.0
b. Trade Payables	2,00,000	1,00,000	1,00,000	100.00
c. Short-Term Provisions	50,000	25,000	25,000	100.00
<b>Total</b>	<b>36,00,000</b>	<b>22,50,000</b>	<b>13,50,000</b>	<b>60.00</b>
<b>II. Assets</b>				
<b>1. Non-Current Assets</b>				
a. Fixed Assets (Tangible)	22,50,000	15,00,000	7,50,000	50.00
<b>2. Current Assets</b>				
a. Inventories	4,50,000	2,50,000	2,00,000	80.00
b. Trade Receivables	8,00,000	4,50,000	3,50,000	77.78
c. Cash and Cash Equivalent	1,00,000	50,000	50,000	100.00
<b>Total</b>	<b>36,00,000</b>	<b>22,50,000</b>	<b>13,50,000</b>	<b>60.00</b>

**OR**

**Comparative Income Statement**  
*for the year ended March 31, 2014 and 2015*

Particulars	2014 (Rs)	2015 (Rs)	Absolute Change (Rs)	Percentage Change (%)
I. Revenue from Operations	45,00,000	60,00,000	15,00,000	33.33
II. Expenses				
a. Depreciation	6,00,000	7,50,000	1,50,000	25.0
b. Employees Benefit Expenses	22,50,000	30,00,000	7,50,000	33.33
c. Other Expenses	10,00,000	15,50,000	5,50,000	55.0
	<b>38,50,000</b>	<b>53,00,000</b>	<b>14,50,000</b>	<b>37.66</b>
Profit before Income Tax	6,50,000	7,00,000	50,000	7.69
Less: Income Tax	1,95,000	2,10,000	15,000	7.69
<b>Profit after Income Tax</b>	<b>4,55,000</b>	<b>4,90,000</b>	<b>35,000</b>	<b>7.69</b>

**Cash flow Statement  
for the year ended 31<sup>st</sup> March, 2017**

Particulars	Amount (₹)	Amount (₹)
<b>A. Cash Flow from Operating Activities</b>		
Closing Balance of Surplus i.e. Statement of Profit and Loss	1,00,000	
<i>Less:</i> Opening Balance of Surplus i.e. Statement of Profit and Loss	(25,000)	
	1,25,000	
<i>Add:</i> Provision for Tax made	1,25,000	
Proposed Dividend paid as on 31 <sup>st</sup> March, 2016	50,000	
Net Profit before tax and extraordinary items	3,00,000	
<i>Add:</i> Depreciation charged during the year	62,500	
Interest paid on 10% debentures	15,000	
Net Profit before Working Capital changes	3,77,500	
<i>Less:</i> Increase in Trade Receivables	(50,000)	
Net Profit before tax	3,27,500	
<i>Less:</i> Tax Paid during the year	75,000	
<b>Cash flow from Operating Activities</b>		2,52,500
<b>B. Cash flow from Investing Activities</b>		
Purchase of Machinery	(2,12,500)	
Short term loans and advances given	(1,00,000)	
<b>Cash used in Investing Activities</b>		(3,12,500)
<b>C. Cash flow from Financing activities</b>		
Proceeds from issue of 10% debentures	1,00,000	
Increase in the Bank Overdraft	50,000	
Interest paid on debentures	(15,000)	
Proposed Dividend paid	(50,000)	
<b>Cash flow from financing activities</b>		85,000
<b>Net Increase in Cash and Cash Equivalents</b>		25,000
<i>Add:</i> Cash and Cash Equivalents at the beginning of the year		25,000
<b>Cash and Cash Equivalents at the end of the year</b>		<b>50,000</b>

*Note: Proposed Dividend Treatment is as per AS-4.*