

# BOOK KEEPING AND ACCOUNTANCY- 2011

Time : 3 Hours

Class - 12th

Maximum Marks : 100

Note- (i) All questions are compulsory. (ii) Read the instructions of question paper carefully and answer the questions. (iii) There are two Sections-Section-A and Section-B in the question paper. (iv) In Section-A Q. Nos. 1 to 5 are objective types which contain select the correct answer, fill up the blanks, match the columns, True/False and one word answer. Each questions is allotted 5 marks. (v) Internal options are given in Question Nos. 6 to 20 in Section-B. (vi) Question Nos. 6 to 10 each carries 4 marks. (vii) Question Nos. 11 to 15 each carries 5 marks. (viii) Question Nos. 16 to 20 each carries 6 marks.

## Section - A

(Objective Type Questions)

(5 marks each)

Q. 1. Select the correct answer-

(A) Consignment Account is a-

(i) Personal A/c

(ii) Real A/c

(iii) Nominal A/c

(iv) Trading A/c

(B) Loss of Revaluation Account is written in the-

(i) Cr. side of Current A/c

(ii) Cr. side of Capital A/c

(iii) Dr. side of Cash Account

(iv) Dr. side of Capital A/c

(C) Revaluation Account is prepared on-

(i) Dissolution of a firm

(ii) Firm's gain

(iii) Admission of new partner

(iv) Closing the business

- (D) Kinds of debentures is/are-
- (i) One (ii) Three  
(iii) Four (iv) Two
- (E) Interest on loan is given in absence of Partnership Deed-
- (i) 6% (ii) 8%  
(iii) 9% (iv) 12%

Q.2. Fill in the blanks-

- (1) To prepare partnership deed is not (-----)
- (2) Gain Ratio = New Ratio (-----) Ratio.
- (3) Life Insurance Reserve Fund is transferred to (-----) Capital Account.
- (4) Realisation Account is a kind of (-----) Account
- (5) Creditors are company's (-----)

Q.3 Match the following columns-

Column 'A'	Column 'B'
(1) Normal Loss	(A) Current Account
(2) Fixed Capital A/c	(B) Consignment Account
(3) Loss of Revaluation Account	(C) Debenture
(4) Sec. 39 of Partnership Act, 1932	(D) Dr. side in Capital A/c
(5) Sec. 2(12) of Companies Act, 1956	(E) Dissolution

Q.4. Answer the following in True/False-

- (1) Statement of Account Sale is sent by consignor.
- (2) Goodwill is a fixed asset.
- (3) Revaluation Account is prepared on the assets sold.
- (4) There are five methods of dissolution of firm.
- (5) Debentureholder is called shareholder of a company.

Q.5. Answer each of the following in one word-

- (1) Who prepares Consignor Account?
- (2) When does a partner retire from a firm?
- (3) How many debentures will be issued ... Rs. 100 each when a company purchased a Building at the cost of Rs. 5 lakhs?
- (4) Why is Sacrificing Ratio calculated?

- (5) What are those debentures called which can be converted into shares?

**(Section - B)**

- Q. 6. Which items are entered in Partner's Current Account?  
(Or) Kamlesh and Vishal are partners in a firm. Their capitals on 1st January, 2007 were Rs. 25,000 and Rs. 20,000 respectively. They are allowed interest on capital .. 8% Interest on Drawing is charged .. 12% per year. Kamlesh gave Rs. 10,000 to the firm as a Loan on 1st July, 2007. Vishal is entitled an annual salary of Rs. 5,000. Interest on drawings were charged Rs. 600 and 500 respectively. The profit for the year ended on 31st Dec., 2007 before making above adjustment was Rs. 25,000. Prepare Profit and Loss Adjustment Account with Partner's Capital Accounts.
- Q. 7. What is the difference between Share and Debenture (any four)  
(Or) Deepshikha Co., Indore purchased a machine from Prateek Machinery Stores, Indore worth Rs. 80,000 and they paid Rs. 30,000 in cash and for the remaining amount they issued 5,000 fully paid up equity shares of Rs. 10 each. Pass necessary journal entries in the Book of Deepshikha Co. Indore.
- Q. 8. Mr. Rythem & Co. of Govind Nagar issued 10,000, 12% debentures of Rs. 50 each on 5% discount amount payable as follows- Rs. 10 on application, Rs. 25 on allotment (with discount) and Rs. 15 on 1st and final call. All amount were received on application. Pass necessary journal entries. <http://www.mpboardonline.com>  
(Or) What is meant by redeemable and non-redeemable debenture?
- Q. 9. What do you mean by Liquidity Ratio? What are the Ratios calculated in it?  
(Or) Explain any two methods of financial analysis.
- Q. 10. Write any four objectives of Fund Flow Statement.  
(Or) Explain the importance of Cash Flow Statement (any four points).
- Q. 11. Karah of Sunder Nagar sent goods on consignment at cost price of Rs. 8,200 to their Agent Mr. Karteek of Shrinath Nagar and paid consignment expense Rs. 700 for freight and insurance. 1/5 of above goods were destroyed in transit by the which a claim of Rs. 800 was accepted by the Insurance Company. The Agent Mr. Karteek took

delivery of the remaining goods and paid octroi Rs. 800. He sold 3/4 of the goods for Rs. 10,000. Selling Expenses were Rs. 470. A commission of 5% on sales was charged by the Kartek and balance was remitted to Karahe with account sales by bank draft. Prepare Consignment Account.

(Or) What do you mean by Abnormal loss in Consignment Account?

Q. 12. Explain the causes of origin of Goodwill.

(Or) The capital of a firm is Rs. 1 lakh (Rs. 1,00,000) and it earns an average annual profit Rs. 20,000. The normal rate of profit in this type of business is 10%. If goodwill be equal to capital value of super profit, calculate the goodwill of the firm.

Q. 13. Gopal and Leela are partners in a firm and dividing profit and loss in the ratio 4 : 1. On 31st Dec. 2007 the Balance Sheet was as follow-

**Gopal and Leela**

**Balance Sheet**

(As on 31st Dec., 2007)

Liabilities	Amount	Assets	Amount
Creditors	12,000	Furniture	10,500
General Reserve Fund	4,000	Machine	2,000
Profit & Loss A/c	2,000	Building	8,000
Capital - Gopal	9,000	Stock	4,500
Leela	1,500	Debtors	3,000
		cash	500
	28,500		28,500

On this day they admit Sonu as a partner on the following conditions-

- (1) Sonu will have 1/2 share in the firm which will pay Rs. 17,500 as a capital.
- (2) Value of furniture be reduced by 2% and value of stock will be increased by 6%.
- (3) The goodwill of firm is valued at Rs. 2,000
- (4) Finally the capital A/c of partners be abjusted in the proportion of Sonu's capital. Excess amount drawn and short of capital will be brought in cash.

Prepare Revaluation Account and Capital Account.

(Or) As per Accounting Standard 10 what are the provisions of goodwill when a new partner is admitted in partnership.

Q. 14. Bhawana Co. issued 5,000 shares of Rs. 20 each at per Rs. 22 on Premium. The amount of shares were due as on Rs. 6 on Application and Rs. 12 on Allotment (with premium) and Rs. 4 on first and final call. Amount received as per condition. Pass the Journal entries in the Book of Bhawana.

(Or) Write the difference between Equity share and Preference share.

Q. 15. Describe the items of Liabilities of a Company's Balance Sheet.

(Or) Describe the items of Assets of a company's Balance Sheet.

Q. 16. Distinguish between Revaluation Account and Realisation Account.

(Or) Anjana, Padma and Parvati are the partners in a firm. They are sharing Profit & Loss in the Ratio 3 : 2 : 1. On 31st Dec., 2006 they decided to dissolve the firm. Their position was as follows-

**Anjana, Padma and Parvati**

**Balance Sheet**

(As on 31st Dec., 2006)

Liabilities	Amount	Assets	Amount
Creditors	35,000	Land & Building	52,000
Loan of Anjana	25,000	Stock	48,000
Reserve Fund	2,400	Investment	10,000
Capital- Anjana	45,000	Debtors 55,000	
Padma	37,000	- Reserve <u>5,000</u>	50,000
Parvati	18,000	Cash	2,400
	162,400		1,62,400

- (1) Stock and debtors realised Rs. 33,000 and Rs. 42,000 respectively.
- (2) Land and Building was sold for Rs. 40,000.
- (3) Padma agreed to take over investment at value of Rs. 8,400.
- (4) Creditors were paid Rs. 33,000 in full and final payment.
- (5) Outstanding expenses were Rs. 5,000 paid which have not recorded in the Books.

Prepare Realisation Account and Capital Account.

- Q. 17. (A) What do you mean by shares issued on Premium?  
(B) Write the use of Premium amount.
- (Or) Manoj Co. of Indore issued 500 equity shares at the rate of Rs. 100 each on the following terms-  
On application Rs. 30, on allotment Rs. 30, on first call Rs. 20 and on second and final call for Rs. 20 only. All money was received except in case of a shareholder Mr. Deepak, who took ten shares but failed to pay the both calls. His shares were forfeited. Pass the Journal entries in the books of company?
- Q. 18. Explain the essential characteristics of debentures.  
(Or) What are the Journal entries on issue of debentures-  
(1) Receive full amount on Debentures issued.  
(2) Debentures issued on Discount  
(3) Debentures issued on Premium.
- Q. 19. Explain the Current Ratio and Liquid Ratio.  
(Or) What do you mean by Profit Ratio and Sales Ratio? (Profitability Ratio and Profitability Ratios in Relation to Sales).
- Q. 20. Describe the importance of Fund Flow Statement.  
(Or) The following are the Balance Sheets ended for year 2006-2007 of Gautam Company. <http://www.mpboardonline.com>

**Gautam Company**

**(Balance Sheets of the year 2006-2007)**

Liabilities	2006	2007	Assests	2006	2007
Capital	4,00,000	2,00,000	Building	3,00,000	2,40,000
Creditors	40,000	30,000	Machine	60,000	50,000
Bills Payable	5,000	4,000	Debtors	30,000	28,000
P&L A/c	1,00,000	2,00,000	Cash	1,00,000	40,000
			Stock	55,000	76,000
	5,45,000	4,34,000		5,45,000	4,34,000

Calculate the Cash from the above.