



**K. G. S. MATRIC HR SEC SCHOOL**  
**PUBLIC MODEL QUESTION PAPER - I (2022)**

**CLASS :XII**  
**SUBJECT : ACCOUNTANCY**

**MARKS: 100**  
**TIME: 3 HRS**

**Part - I**

**I. Choose the correct Answers:-**

(20x1=20)

1. When capital in the beginning is ` 10,000, drawings during the year is ` 6,000, profit made during the year is ` 2,000 and the additional capital introduced is ` 3,000, Find out the amount of capital at the end.  
(a) ` 9,000 (b) ` 11,000 (c) ` 21,000 (d) ` 3,000
2. Donations received for a specific purpose is  
(a) Revenue receipt (b) Capital receipt (c) Revenue expenditure (d) Capital expenditure
3. Which of the following is shown in Profit and loss appropriation account?  
(a) Office expenses (b) Salary of staff (c) Partners' salary (d) Interest on bank loan
4. Book profit of 2017 is ` 35,000; non-recurring income included in the profit is ` 1,000 and abnormal loss charged in the year 2017 was ` 2,000, then the adjusted profit is  
(a) ` 36,000 (b) ` 35,000 (c) ` 38,000 (d) ` 34,000
5. The profit or loss on revaluation of assets and liabilities is transferred to the capital account of  
(a) The old partners (b) The new partner (c) All the partners (d) The Sacrificing partners
6. A, B and C are partners sharing profits in the ratio of 2:2:1. On retirement of B, Goodwill of the firm was valued as ` 30,000. Find out the contribution of A and C to compensate B:  
(a) ` 20,000 and ` 10,000 (b) ` 8,000 and ` 4,000 (c) ` 10,000 and ` 20,000 (d) ` 15,000 and ` 15,000
7. The amount received over and above the par value is credited to  
(a) Securities Premium account (b) Calls in advance account  
(c) Share capital account (d) Forfeited shares account
8. Which of the following is not a tool of financial statement analysis?  
(a) Trend analysis (b) Common size statement  
(c) Comparative statement (d) Standard costing
9. Which one of the following is non-cash item?  
(a) Salary (b) Depreciation (c) Insurance paid (d) Subscription
10. Match List I with List II and select the correct answer using the codes given below:

S.No	List I	S.No	List II
i)	Current Ratio	1	Liquidity
ii)	New profit Ratio	2	Efficiency
iii)	Debt-Equity Ratio	3	Long Term Solvency
iv)	Inventory Turnover Ratio	4	Profitability

Codes:

	(i)	(ii)	(iii)	(iv)
(a)	1	4	3	2
(b)	3	2	4	1
(c)	4	3	2	1
(d)	1	2	3	4

11. Which one of the following is correctly matched?

a)	Adjusted closing capital	=	Closing capital - Drawings - Additional capital
b)	Profit/Loss	=	Closing capital + Drawings - Additional capital - Opening capital
c)	Capital	=	Assets + Liabilities
d)	Closing capital	=	Opening capital + Drawings

12. Match List I with List II and select the correct answer using the codes given below:

S.No	List I	S.No	List II
i)	Subscription	1	Bats, Balls
ii)	Investments	2	Time of admission
iii)	Old sports materials	3	Received interest
iv)	Admission fee	4	Tennis or billiards

**Codes:**

	(i)	(ii)	(iii)	(iv)
(a)	1	2	3	4
(b)	4	3	1	2
(c)	2	3	4	1
(d)	3	4	2	1

13. Consider the following statement.

**Assertion (A) :** Drawings is the amount withdrawn in cash or in kind, for personal purposes.

**Reason (R) :** A Drawings account is opened in the name of each partner and the drawings are debited to this account.

- a) Both (A) and (R) are true and (R) is the correct explanation of (A).  
 b) Both (A) and (R) are true and (R) is not the correct explanation of (A).  
 c) (A) is true, but (R) is false  
 d) (A) is false, but (R) is true

14. Choose the correct statement:

(i) Goodwill is shown under fixed assets in the balance sheet.

(ii) Goodwill is an intangible asset.

(iii) Goodwill helps in earning more profit and attracts more customers.

- a) (i) is correct      b) (ii) is correct      c) (i) and (ii) are correct      d) (i), (ii) and (iii) are correct

15. The new partner does not bring in cash for his share of goodwill under \_\_\_\_\_ method.

- a) Memorandum revaluation      b) Revaluation      c) Premium      d) None of these

16. Which one of the following is not a Government Organisation?

- a) Indian Oil Corporation Ltd      b) Bharath Heavy Electricals Ltd  
 c) Infosys Limited      d) TamilNadu Newsprint and Papers Ltd

17. Issue of equity shares to the existing shareholders of the company free of cost out of an accumulated profit is known as

- a) Private placement      b) Public issue      c) Rights issue      d) Bonus issue

18. Pick the Odd one out:

- a) Record of historical data      b) Lack of consistency  
 c) Lack of qualitative information      d) Revaluation of Goodwill

19. Equity share capital is ₹2,00,000, Reserves & Surplus is ₹30,000. Debenture ₹40,000 and the shareholder's funds will be

- a) ₹2,00,000      b) ₹2,30,000      c) ₹1,90,000      d) ₹1,70,000

20. Which one of the following is not correctly matched?

a)	Journal voucher	=	Depreciation
b)	Sales voucher	=	Cash and credit sales of goods
c)	Purchase voucher	=	Cash and credit purchases
d)	Contra voucher	=	Only receipt items

Note:

**Part - II**

(7x2=14)

Answer any seven questions in which question No.30 is compulsory.

21. State the accounts generally maintained by small sized sole trader when double entry accounting system is not followed.  
 22. Define Partnership.  
 23. What is meant by Revaluation of assets and liabilities?  
 24. What is share?  
 25. What is automated accounting system?  
 26. How will the following appear in the final accounts of Marthandam Women Cultural Association?

Particulars	₹
Stock of Sports materials on 1-4-2018	16,000
Sports materials purchased during the year	84,000
Stock of sports materials on 31-3-2019	10,000

27. Dheena, Surya and Janki are partners sharing profits and losses in the ratio of 5:3:2. On 31-3-2018, Dheena retired. On the date of retirement, the books of the firm showed a reserve fund of ₹50,000. Pass journal entry to transfer the reserve fund.
28. Calculate the Current ratio from the following information.

Particulars	₹	Particulars	₹
Current investments	40,000	Fixed assets	5,00,000
Inventories	2,00,000	Trade creditors	80,000
Trade debtors	1,20,000	Bills payable	50,000
Bills receivable	80,000	Expenses payable	20,000
Cash and cash equivalents	10,000	Non-current liability	3,00,000

29. The following are the profits of a firm in the last five years:  
2014: ₹10,000; 2015: ₹11,000; 2016: ₹12,000; 2017: ₹13,000; and 2018: ₹14,000  
Calculate the value of goodwill at 2 years purchase of average profit of five years.
30. State the formula to a partner to give commission as a percentage of net profit before charging such commission and commission as a percentage of net profit after charging such commission.

**Part-II****(7x3=21)****Answer any seven questions in which question No.40 is compulsory.**

31. What are the features of incomplete records?
32. How the following items appear in the final accounts of Thoothukudi Young Pioneers Association?  
There are 100 members in the association each paying ₹25 as annual subscription. By the end of the year 10 members had not paid their subscription but four members had paid for the next year in advance.
33. How is goodwill calculated under the super profits method?
34. Anbu and Raju are partners, sharing profits in the ratio of 3:2. Akshai is admitted as a partner. The new profit sharing ratio among Anbu, Raju and Akshai is 5:3:2. Find out the Sacrificing ratio.
35. What are the adjustments required at the time of admission of a partner?
36. Distinguish between Sacrificing ratio and Gaining ratio.
37. State the differences between Preference shares and Equity shares.
38. Calculate Quick ratio of Ananth Constructions Ltd from the information given below:

Particulars	₹
Total current liabilities	1,00,000
Total current assets	2,50,000
Inventories	50,000
Prepaid expenses	15,000

39. Explain how to view profit and loss statement in Tally.ERP 9?
40. Give the Journal entries to be made in the books of the Partnership firm regarding the revaluation of assets and liabilities at the time of admission of a partner.

**Part-IV****(7x5=35)****Answer all the questions.**

41. (a) From the following information, compute the value of goodwill as per annuity method.
- (i) Capital employed ₹50,000. (ii) Normal rate of return 10%
- (iii) Profits of the years 2016, 2017 and 2018 were ₹13,000, ₹15,000 and ₹17,000 respectively.
- (iv) The present value of annuity of ₹1 for 3 years at 10% is Rs.2.4868. (or)
- (b) Sudha Ltd, offered 1,00,000 shares of ₹10 each to the public payable ₹3 on application, ₹4 on share allotment and the balance when required. Applications for 1,40,000 shares were received on which the directors allotted as:
- |                                |   |   |
|--------------------------------|---|---|
| Applications for 60,000 shares | - | Full  |
| Applications for 75,000 shares | - | 40,000 shares (excess money will be utilized for allotment) |
| Applications for 5,000 shares  | - | Nil   |
- All the money due was received. Pass journal entries upto the receipt of allotment.

42. (a) Differentiate between Statement of affairs and Balance sheet. [OR]

(b) From the following details you are required to calculate credit sales and credit purchases by preparing total debtors account, total creditors account, bills receivable account and bills payable account.

Particulars	Opening (₹)	Closing (₹)
Debtors	60,000	55,000
Bills receivable	5,000	1,000
Creditors	25,000	28,000
Bills payable	2,000	3,000
<b>Other information</b>		
Cash received from debtors		1,30,000
Discount allowed to customers		5,500
Cash paid to creditors		70,000
Discount allowed by suppliers		3,500
Payments against bills payable		7,000
Cash received for bills receivable		14,000
Bills receivable dishonoured		1,200
Bad debts		3,500

43.

(a) From the following particulars of Vellore Recreation Club, Prepare Receipts and Payments account for the year ended 31<sup>st</sup> March, 2017.

Particulars	₹	Particulars	₹
Opening cash balance 1-4-2016	3,000	Receipts from entertainment	20,000
Opening bank balance 1-4-2016	12,000	Admission fees received	1,000
Furniture purchased	11,000	Municipal taxes	22,000
Sports equipment purchased	11,000	Expenses of charity show	2,000
Donation received for pavilion	8,000	Billiards table purchased	15,000
Sale of old tennis balls	1,500	Construction of new tennis court	18,000
Newspaper bought	500	Receipts from charity show	2,500
Travelling expenses	4,500	Closing balance of cash in hand	8,000

[or]

(b) Following is the statement of profit and loss of Maria Ltd for the year ended 31<sup>st</sup> March, 2018. Calculate the operating cost ratio.

**Statement of Profit and Loss**

Particulars	Note No.	₹
I. Revenue from operations		8,00,000
II. Other income		20,000
<b>III. Total revenues (I+II)</b>		<b>8,20,000</b>
<b>IV. Expenses:</b>		
Purchases of Stock-in-trade		4,50,000
Changes in inventories		-40,000
Employee benefits expenses	1	22,000
Other expenses	2	68,000
Total Expenses		5,00,000
<b>V. Profit before tax (III-IV)</b>		<b>3,20,000</b>

## Notes to Accounts

Particulars	₹
<b>1. Employee benefits expenses</b>	
Wages (direct)Salaries	10,000 12,000
<b>Total</b>	<b>22,000</b>
<b>2. Other expenses</b>	
Administrative expenses	20,000
Selling and distribution expensesLoss on sale of fixed asset	28,000 20,000
<b>Total</b>	<b>68,000</b>

44. (a) The capital account of Arivazhan and Srinivasan on 1<sup>st</sup> January 2017 showed a balance of ₹15,000 and ₹10,000 respectively. On 1<sup>st</sup> July 2017, Arivazhagan introduced an additional capital of ₹5,000 and on 1<sup>st</sup> September 2017 Srinivasan introduced an additional capital of ₹10,000. Calculate interest on capital at 6% p.a for the year ending 31<sup>st</sup> December 2017.

[or]

(b) Prepare common-size statement of financial position for the following particulars of Rani Ltd.

Particulars	31 <sup>st</sup> March 2016	31 <sup>st</sup> March 2017
<b>I. EQUITY AND LIABILITIES</b>		
Shareholders' fund Non-current liabilities	5,40,000	6,00,000
Current liabilities	2,70,000	2,50,000
Current liabilities	90,000	1,50,000
<b>TOTAL</b>	<b>9,00,000</b>	<b>10,00,000</b>
<b>II. ASSETS</b>		
Non-current assetsCurrent assets	7,20,000	8,00,000
assets	1,80,000	2,00,000
<b>TOTAL</b>	<b>9,00,000</b>	<b>10,00,000</b>

45. (a) Vetri and Ranjith are partners, sharing profits in the ratio of 3:2. Their balance sheet as on 31<sup>st</sup> December 2017 is as follows:

Liabilities		₹	Assets		₹
Capital accounts:			Furniture		25,000
Vetri	30,000		Stock		20,000
Ranjith	20,000	50,000	Debtors		10,000
Reserve Fund		5,000	Cash in hand		35,000
Sundry Creditors		45,000	Profit and Loss a/c (Loss)		10,000
		<b>1,00,000</b>			<b>1,00,000</b>

On 1-1-2018, they admit Suriya into their firm as a partner on the following arrangements.

- Suriya brings ₹10,000 as capital for 1/4 share of profit.
- Stock to be depreciated by 10%.
- Debtors to be revalued at ₹7,500.
- Furniture to be revalued at ₹40,000.
- There is an outstanding wages of ₹4,500 not yet recorded.

Prepare Revaluation account, partners' capital account and the balance sheet of the firm after admission.

[or]

(b) John, James and Raja are partners in a firm sharing profits and losses equally. Their balance sheet as on 31<sup>st</sup> March, 2019 is as follows:

Liabilities			Assets		
<b>Capital:</b>			Sundry Debtors	52,000	
John	: 80,000		(-) PBDD	2,000	50,000
James	: 60,000	2,40,000			
Raja	: 1,00,000				
Sundry creditors		1,20,000	Office equipment		70,000
			Machinery		1,40,000
			Stock		60,000
			Cash at bank		40,000
		<b>3,60,000</b>			<b>3,60,000</b>

Raja retired on 31<sup>st</sup> March 2019 subject to the following conditions:

- Machinery is valued at ₹ 1,30,000.
  - Value of Office equipment is brought down by ₹ 2,000.
  - Provision for doubtful debts should be increased to ₹ 3,000.
  - Investment of ₹ 25,000 not recorded in the books is to be recorded now.
- Pass necessary journal entries and prepare revaluation account.

46. (a) 'Financial statements are prepared based on the past data'. Explain how this is a limitation. [or]

(b) From the following particulars, prepare Comparative statement of financial position of Muthu Ltd.

Particulars	31 <sup>st</sup> March 2016	31 <sup>st</sup> March 2017
<b>I. EQUITY AND LIABILITIES</b>		
Shareholders' fund	4,00,000	4,40,000
Non-current liabilities	1,50,000	1,65,000
Current liabilities	75,000	82,500
<b>TOTAL</b>	<b>6,25,000</b>	<b>6,87,500</b>
<b>II. ASSETS</b>		
Non-current assets	5,00,000	6,00,000
Current assets	1,25,000	87,500
<b>TOTAL</b>	<b>6,25,000</b>	<b>6,87,500</b>

47. (a) From the following Receipts and Payments account of Ooty Recreation Club, Prepare Income and Expenditure account for the year ended 31-03-2018.

Receipts			Payments		
To opening balance			By Sports materials purchased		10,000
Cash in hand	5,000				
To Rent received	10,000		By Stationary paid		7,000
To Sale of investments	8,000		By Computer purchased		25,000
To Subscriptions received	54,000		By Salaries		20,000
			By Closing balance		
			Cash in hand		15,000
		<b>77,000</b>			<b>77,000</b>

[or]

(b) Arul is a partner in a partnership firm. As per the partnership deed, interest on drawings is charged at 12% p.a. During the year ended 31<sup>st</sup> December 2018 he drew as follows:

Date	
March 1	3,000
June 1	3,000
September 1	3,000
December 1	3,000

Calculate the amount of interest on drawings.