

XII- Accountancy Model Question Paper**TIME:2.30 HOUR****MARKS 90****SECTION-A****MULTIPLE CHOICE QUESTIONS:****(20X1=20)**

1. Incomplete records are generally maintained by
(a) A company (b) Small sized sole trader business (c) Government (d) Multinational enterprises
2. Statement of affairs is a
(a) Statement of income and expenditure (b) Statement of assets and liabilities (c) Summary of cash transactions (d) Summary of credit transactions
3. Closing statement of affairs is usually prepared to find out the
(a) Capital in the beginning of the year (b) Capital at the end of the year (c) Profit made during the year (d) Loss occurred during the year
4. What is the amount of capital of the proprietor, if his assets are 95,000 and Liabilities are 21,000: (a) 85,000 (b) 1,06,000 (c) 21,000 (d) 84,000
5. Opening balance of debtors: 40,000, cash received: 1,00,000, credit sales: 90,000; closing balance of debtors is: (a) 30,000 (b) 1,30,000 (c) 40,000 (d) 20,000
6. Receipts and payments account records receipts and payments of
(a) Revenue nature only (b) Capital nature only (c) Both revenue and capital nature (d) None of the above
7. Balance of receipts and payments account indicates the
(a) Loss incurred during the period (b) Excess of income over expenditure of the period (c) Total cash payments during the period (d) Cash and bank balance as on the date
8. Income and expenditure account is a
(a) Nominal A/c (b) Real A/c (c) Personal A/c (d) Representative personal account
9. Subscription due but not received for the current year is
(a) An asset (b) A liability (c) An expense (d) An item to be ignored
10. **Assertion (A):** Life membership fee is non-recurring in nature.

Reason (R) : Admission fees is collected from every member only once at the time of his or her Admission into the organisation.

- (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
11. In the absence of a partnership deed, profits of the firm will be shared by the partners in (a) Equal ratio (b) Capital ratio (c) Both (a) and (b) (d) None of these
12. When fixed capital method is adopted by a partnership firm, which of the following items will appear in capital account?
(a) Additional capital introduced (b) Interest on capital (c) Interest on drawings (d) Share of profit
13. 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
14. As per the Indian Partnership Act, 1932, the rate of interest allowed on loans advanced by partners is: (a) 8% per annum (b) 12% per annum (c) 5% per annum (d) 6% per annum
15. Which one of the following is not correctly matched?
(a) Average period at the end = $11/2$ (b) Average period in the middle = $12/2$
(c) Average period of Quarterly at the end = $6/2$ (d) Average period at the beginning = $13/2$
16. Pick the Odd one Out
(a) Manufacturing Account (b) Profit & Loss account (c) Balance sheet (d) Fluctuating Capital method
17. Match the following:

| List I | | List II | |
|--------|--------------------------|---------|---------------|
| i | Remuneration to partners | 1 | Section 13(c) |
| ii | Profit Sharing Ratio | 2 | Section 13(d) |
| ii | Interest on capital | 3 | Section 13(b) |
| i | | . | |
| i | Interest on loan | 4 | Section 13(a) |
| v | | . | |

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

(d) 2 1 4 3

18.----- items will be recorded in balance sheet.

(a) revenue (b) Capital (c) Expense (d) None of the above
19. complete the formula.

profit/Loss= closing capital + ? -Additional capital - opening capital

20. Product method can be used in all situations as an alternative to:

(a) average period (b) Direct method (c) Both a & b (d) None of these

SECTION-B

VERY SHORT ANSWER QUESTION:

(7X2=14)

21. Define partnership.

22. Which system unacceptable to government and other authorities.

23. Write any two non- cash items.

24. Calculate Missing information.

Dr.

Total debtors account

Cr.

| Particulars | Amount | Particulars | Amount |
|---|-----------------|--|-----------------|
| To Balance b/d | 1,50,000 | By Cash A/c | 3,90,000 |
| To Bills receivable A/c (dishonoured) | 10,000 | By Sales returns A/c | 40,000 |
| To Sales A/c (credit) | 4,90,000 | By Bills receivable A/c (bills received) | 90,000 |
| | | By Balance c/d | ? |
| | 6,50,000 | | 6,50,000 |
| | 0 | | 0 |
| Additional Information: Total sales: 6,90,000 Cash Sales: 2,00,000 | | | |

25. How will the following items appear in the final accounts of a sports club?

Stock of sports materials (01.04.2018) 12,600

Sports materials purchased during current year 7,400
Stock of sports materials (31.03.2019) 3,750

26. Jayaraman is a partner who withdrew 20,000 regularly in the middle of every month. Interest is charged on the drawings at 6% per annum. Calculate interest on drawings for the year ended 31st December, 2018.

27. Calculate missing information.

| Dr | | Capital Account | | | | Cr | |
|---------------------|--------------------|-----------------|-----------------|---------------------|----------------|---------|-----------------|
| Date | Particulars | J. F | Amount | Date | Particulars | J. F | Amount |
| 31 March 2018 | To Drawings A/c | | 20,000 | 1 April 2017 | By Balance b/d | | ? |
| | To Balance c/d | | 2,75,000 | | By Cash A/c | | 30,000 |
| 31 | | | | 31 March 2018 | By profit | | 15,000 |
| | | | 2,95,000 | | | | 2,95,000 |

SECTION-C

SHORT ANSWER

QUESTION:(7X3=21)

28. write any 6 Revenue expenditure.

29. Write ALL the limitations of incomplete records and explain any 3.

30. Differentiate Fixed and fluctuating capital method.

31. Compute income from subscription for the year 2018 from the following particulars relating to a club. Subscription received during the year 2018: 2,75,000

| Particulars | 1.1.2018 | 31.12.2018 |
|----------------------------------|----------|------------|
| Outstanding subscription | 15,000 | 20,000 |
| Subscription received in advance | 25,000 | 5,000 |

32. Anbu 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 31st December 2018 he drew as follows:

| Date | Amount |
|---------|--------|
| March 1 | 6,000 |

| | |
|-------------|-------|
| June 1 | 4,000 |
| September 1 | 5,000 |
| December 1 | 2,000 |

Calculate the amount of interest on drawings by using product method.

33. How will the following appear in the final accounts of a club for the year 2017–2018?

| Particulars | Amount |
|--|--------|
| Prize fund on 1.4.2017 | 60,000 |
| Prize fund investment on 1.4.2017 | 50,000 |
| Interest received on prize fund investment | 6,000 |
| Prizes distributed | 8,000 |
| Donation received for prize fund | 12,000 |

34. Calculate Missing information.

| Closing Capital | Drawings | Additional Capital | Opening Capital | Profit/Loss |
|-----------------|----------|--------------------|-----------------|-------------|
| (A) 1,75,000 | 35,000 | 15,000 | 85,000 | ? |
| (B) ? | 45,000 | 50,000 | 75,000 | 20,000 |
| (C) 70,000 | 30,000 | 60,000 | ? | (-10,000) |

SECTION-D

LONG ANSWER QUESTION:

(7X5=35)

35. Differentiate Double entry system and incomplete records.

36. Write all the contents of partnership deed.

37. David does not keep proper books of accounts. Following details are given from his records.

| Particulars | 1.1.2017 | 31.12.2017 |
|--------------|----------|------------|
| Cash in hand | 6,000 | 24,000 |
| Bank OD | 30,000 | - |

| | | |
|------------------|--------|----------|
| Stock | 50,000 | 80,000 |
| Sundry creditors | 26,000 | 40,000 |
| Sundry Debtors | 60,000 | 1,38,000 |
| Bills Payable | 6,000 | 12,000 |
| Furniture | 40,000 | 60,000 |
| Bills Receivable | 8,000 | 28,000 |
| Machinery | 50,000 | 1,00,000 |
| Investment | 30,000 | 80,000 |

Drawings 10,000 per month for personal use. Additional Capital introduced during the year 2,00,000. Provision of 5% it to be made on debtors. Outstanding salary 2,400. Prepaid insurance 700. Depreciation charged on furniture @ 10% p.a.

38. Write up the Capital account of the partners (fluctuating) kannagi and vasugi from the following details.

| Particulars | Amount | Amount |
|-------------------------|----------|--------|
| Capital as on 1.4.2018 | 1,00,000 | 60,000 |
| Drawings during 2018-19 | 8,000 | 5,000 |
| Interest on capital | 5,000 | 3,000 |
| Interest on drawings | 240 | 150 |
| Share of profit | 12,000 | 10,000 |
| Partner's salary | 4,000 | - |

39. Arulappan and Nallasamy are partners in a firm sharing profits and losses in the ratio of 4:1. On 1st January 2018, their capitals were 20,000 and 10,000 respectively. The partnership deed specifies the following:

- Interest on capital is to be allowed at 5% per annum.
- Interest on drawings charged to Arulappan and Nallasamy are 200 and 300 respectively.
- The net profit of the firm before considering interest on capital and interest on drawings amounted to 18,000.
- Nallasamy is to get 10% commission on profit (after interest on capital) before charging such commission.

prepare Profit and Loss appropriation account for the year ending 31st December 2018. Assume that the capitals are fluctuating

40. The following is the Receipts and Payments account of Madurai City Club for the year ending 31st March, 2018.

Madurai City Club

Dr. Receipts and Payments Account for the year ended 31st March, 2018

Cr.

| Particulars | Amount | Particulars | Amount |
|---|---------------|---------------------|---------------|
| To Balance b/d: | | By Upkeep of ground | 16,500 |
| Cash | 7,500 | | |
| 500 | | | |
| Bank | 7,000 | | |
| | | | |
| To Subscription (including 4,000 for 2016-2017) | 30,000 | By Match expenses | 19,000 |
| | | | |
| To Legacies | 9,000 | By Sundry expenses | 11,000 |
| | | | |
| To Hall rent | 10,000 | By Furniture | 20,000 |
| | | | |
| To Receipts for match fund | 22,500 | By Balance c/d: | |
| | | Cash in hand | |
| | | 1,500 | 12,500 |
| | | Cash at bank | |
| | | 11,000 | |
| | | | |
| | 79,000 | | 79,000 |

Additional information:

On 1st April, 2017, the club had investment of 40,000. The club also had a credit balance of

30,000 in Match fund account. On 31st March, 2017 subscriptions in arrears were

4,000

and the subscriptions in arrears on 31st March, 2018 were 4,500. Prepare the final accounts.

41. Arjun carries on grocery business and does not keep his books on double entry basis. The following particulars have been extracted from his books:

| Particulars | 1-4-2018 | 31-3-2019 |
|---------------------|----------|-----------|
| Plant and machinery | 20,000 | 20,000 |
| Stock | 9,000 | 16,000 |
| Sundry debtors | 2,000 | 5,300 |
| Sundry creditors | 5,000 | 4,000 |
| Cash at bank | 4,000 | 6,000 |

Other information for the year ending 31-3-2019 showed the following:
 Advertising 4,700
 Carriage inwards 8,000
 Cash paid to creditors 64,000
 Drawings 2,000

Total sales during the year were 85,000. Purchases returns during the year were 2,000 and sales returns were 1,000. Depreciate plant and machinery by 5%. Provide 300 for doubtful debts. Prepare trading and profit and loss account for the year ending 31st March, 2019 and a balance sheet as on the date.

***** ALL THE BEST *****

R.RajaGanapathi M.com., B.ed., M.phil.

Cell- 9842614202