

PADASALAI-TEAM**REG NO**

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PRE- QUARTERLY EXAM SEPTEMBER-2022**CLASS: XII****SUB: ACCOUNTANCY****TIME : 3 HOURS****MARKS: 90*****PART-A*****CHOOSE THE BEST ANSWER****(20×1=20)**

1. Incomplete records are generally maintained by

- (a) A company (b) Government
(c) Small sized sole trader business (d) Multinational enterprises

2. The excess of assets over liabilities is

- (a) Loss (b) Cash (c) Capital (d) Profit

3. The amount of credit sales can be computed from

- (a) Total debtors account (b) Total creditors account
(d) Bills receivable account (d) Bills payable account

4. Receipts and payments account is a

- (a) Nominal A/c (b) Real A/c
(c) Personal A/c (d) Representative personal account

5. Income and expenditure account is a

- (a) Nominal A/c (b) Real A/c
(c) Personal A/c (d) Representative personal account

6. Legacy is a

- (a) Revenue expenditure (b) Capital expenditure
(c) Revenue receipt (d) Capital receipt

7. 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

8. Which of the following is the incorrect pair?

- (a) Interest on drawings – Debited to capital account
- (b) Interest on capital – Credited to capital account
- (c) Interest on loan – Debited to capital account
- (d) Share of profit – Credited to capital account

9. In the absence of an agreement, partners are entitled to

- (a) Salary (b) Commission
- (c) Interest on loan (d) Interest on capital

10. Incomplete records generally maintained by

- (a) A company (b) Government
- (c) Small sized sole trader business (d) Multinational enterprises

11. Charitable institutions and educational institutions are the example of

- (a) Profit organisation (b) Not-for-profit organisation
- (c) Both (d) None of these

12. Pick odd one out

- (a) Entrance fees (b) salaries (c) Postage (d) Telephone charges

13. Which of the following statements is true?

- (a) Goodwill is an intangible asset (b) Goodwill is a current asset
- (c) Goodwill is a fictitious asset (d) Goodwill cannot be acquired

14. Which of the following is true?

- (a) Super profit = Total profit / number of years
- (b) Super profit = Weighted profit / number of years
- (c) Super profit = Average profit – Normal profit
- (d) Super profit = Average profit × Years of purchase

15. When the average profit is ₹ 25,000 and the normal profit is ₹ 15,000, super profit is

(a) ₹ 25,000 (b) ₹ 5,000 (c) ₹ 10,000 (d) ₹ 15,000

16. Super profit is the difference between

(a) Capital employed and average profit (b) Assets and liabilities

(c) Average profit and normal profit (d) Current year's profit and average profit

17. _____ Cannot be touched

(a) Computer (b) Machinery (c) Goodwill (d) All of these

18. Revaluation A/c is a

(a) Real A/c (b) Nominal A/c (c) Personal A/c (d) Impersonal A/c

19. Select the odd one out

(a) Revaluation profit (b) Accumulated loss

(c) Goodwill brought by new partner (d) Investment fluctuation fund

20. On revaluation, the increase in the value of assets leads to

(a) Gain (b) Loss

(c) Expense (d) None of these

PART-B

ANSWER ANY SEVEN QUESTIONS

(7×2=14)

Question No 30 compulsory

21. What is meant by incomplete records?

22. Compute average profit from the following information.

2016: ₹ 8,000; 2017: ₹ 10,000; 2018: ₹ 9,000

23. What is a statement of affairs?

24. State the meaning of not-for-profit organization

25. Write a short note on life membership fees.

26. What is goodwill?

27. State whether the following will be debited or credited in the Revaluation account.

- (a) Depreciation on assets (b) Unrecorded liability
(c) Provision for outstanding expenses (d) Appreciation of assets

28. What is partnership deed?

29. Write a short note on life membership fees

30. From the following particulars ascertain profit or loss:

Capital at the beginning of the year (1st April, 2016)	₹ 2,00,000
Capital at the end of the year (31st March, 2017)	3,50,000
Additional capital introduced during the year	70,000
Drawings during the year	40,000

PART-B

ANSWER ANY SEVEN QUESTIONS

(7×3=21)

Question No 40 compulsory

31. Praveena and Dhanya are partners sharing profits in the ratio of 7:3. They admit Malini into the firm. The new ratio among Praveena, Dhanya and Malini is 5:2:3. Calculate the sacrificing ratio.

32. Aparna and Priya are partners who share profits and losses in the ratio of 3:2. Brindha joins the firm for $\frac{1}{5}$ share of profits and brings in cash for her share of goodwill of ₹ 10,000. Pass necessary journal entry for adjusting goodwill on the assumption that the fluctuating capital method is followed and the partners withdraw the entire amount of their share of goodwill.

33. From the Following details find out total sale made during the year

Debtors on 1 st April	₹ 50,000
Cash Received from debtors during the year	1,50,000
Returns inward	15,000
Bad debts	5,000
Debtors on 31 st March 2019	70,000
Cash sales	1,40,000

34. Arul and Anitha are partners sharing profits and losses in the ratio of 4:3. On 31.3.2018, Ajay was admitted as a partner. On the date of admission, the book of the firm showed a general reserve of ₹ 42,000. Pass the journal entry to distribute the general reserve

35. From the following details calculate credit purchase

	₹
Creditors on 1 st April 2018	50,000
Returns out ward	6,000
Cash paid to creditors	1,60,000
Creditors on 31 st March 2019	70,000

36. From the following particulars, prepare bills receivable amount and compute the bills received from debtors.

	₹
Bills receivable at the beginning of the year	1,40,000
Bill receivable at the end of the year	2,00,000
Cash received for bills receivable	3,90,000
Bills receivable dishonored	30,000

37. How will the following appear in the final accounts of Marthandam Women Cultural Association ?

	₹
Stock of sports Materials on 1.4.2018	3,000
Sports Materials purchased during the year	84,000
Stock of sports materials on 31.3.2019	10,000

38. Form the following receipts and payments and the additional information given below calculate the amount of subscription to be shown in income expenditure account for the year ending 31st December ,2018

Receipts	₹	₹	Payments	₹
To subscription				
2017	28,000			
2018	1,72,000			
2019	12,000			
		2,12,000		

Additional information subscription outstanding for the year 2018 Rs8,000

39.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.

40. Compute income from subscription for the year 2018 from the following particulars relating to a club.

Particulars	1.1.2018	31.12.2018
	₹	₹
Outstanding subscription	3,000	5,000
Subscription received in advance	4,000	7,000

Subscription received during the year 2018 Rs 45,000

PART-D**ANSWER ANY SEVEN QUESTIONS****(7×5=35)**

41. (A)Raju does not keep proper books of accounts following details are taken from his records.

Particulars	1.1.2018	31.12.2018
	₹	₹
Cash at bank	80,000	90,000
Stock of goods	1,80,000	1,40,000
Debtors	90,000	2,00,000
Sundry creditors	1,30,000	1,95,000
Bank loan	60,000	60,000
Bills payable	80,000	45,000
Plant machinery	1,70,000	1,70,000

During the year he introduced further capital of ₹50,000 and withdrew ₹2,500 per month from the business for his personal use. Prepare statement of profit or loss with the above information.

(OR)

(B)From the information given below, prepare Receipts and Payments account of Kurunji Sports Club for the year ended 31st December, 2018

Particulars	₹	Particulars	₹
Cash in hand (1.1.2018)	4,000	Paid for printing exp	2,500
Salaries paid	3,000	Lockers rent received	1,000
Life membership fees received	10,000	Tournament receipts	14,000
Subscription received	15,000	Tournament expenses	10,500
Rent received	2,000	Investments purchased	25,000

42.(A)Find out the value of goodwill at three years purchase of weighted average profit of last four years.

Year	Profit	Weight
	₹	₹
2015	10,000	1
2016	12,000	2
2017	16,000	3
2018	18,000	4

(OR)

(B) From the following information, calculate the value of goodwill under annuity method:

- (i) Average profit ₹ 14,000
- (ii) Normal Profit ₹ 4,000
- (iii) Normal rate of return 15%
- (iv) Years of purchase of goodwill 5

Present value of ` 1 for 5 years at 15% per annum as per the annuity table is 3.352

43.(A) Hari, Madhavan and Kesavan are partners, sharing profits and losses in the ratio of 5:3:2. As from 1st April 2017, Vanmathi is admitted into the partnership and the new profit sharing ratio is decided as 4:3:2:1. The following adjustments are to be made.

- (a) Increase the value of premises by ₹ 60,000.
- (b) Depreciate stock by ₹ 5,000, furniture by ₹ 2,000 and machinery by ₹ 2,500.
- (c) Provide for an outstanding liability of ₹ 500.

Pass journal entries and prepare revaluation account.

(Or)

(B) From the information given below prepare Receipts and Payments account of Madurai Mother Teresa Mahalir Mandram for the year ended 31st December 2018

<i>Particulars</i>	₹	<i>Particulars</i>	₹
Cash balance as on 1.1.2018	2,000	Fire Insurance premium paid	1,500
Bank balance as on 1.1.2018	3,000	Subscription received	8,500
Sale of old news papers	500	Furniture Purchased	6,000
Stationery purchased	6,000	Purchased of newspapers	700
Audit fees paid	2,000	Depreciation on furniture	900
Entrance fees received	3,000	Cash balance as on 31.3.2018	2,500
Sundry charges	6,000	Conveyance paid	1,000
Scholarship given	2,000	Sale of furniture	4,000
Interest on investments	2,000		

44.(A) How the following items will appear in final accounts of a club for the year ending 31st March 2019?

Receipts	Rs	Rs	Payments	Rs
To subscription				
2017-2018	5,000			
2018-2019	48,000			
2019-2020	3,000			
		56,000		

There are 300 Members in the club each paying an annual subscription of Rs200 per annum Subscription still outstanding for the year 2017-2018 Rs 1,000.

(Or)

(B).Santhosh is a partner in a partnership firm. As per the partnership deed, interest on drawings is charged at 6% per annum. During the year ended 31st December, 2018 he withdrew as follows:

Date	₹
February 1	2,000
March 1	10,000
July 1	4,000
October 1	6,000

Calculate the amount of interest on drawings.

45.(A). State the difference between double entry system and incomplete records.

(Or)

(B) Sundar and Suresh are partners sharing profits in the ratio of 3:2. Their balance sheet as on 1st January, 2017 was as follows:

Liabilities	₹	₹	Assets	₹	₹
Capital accounts			Buildings		40,000
Oviya	50,000		Plant		50,000
Kaviya	40,000		Furniture		30,000
		90,000	Debtors		20,000
Profit and loss appropriation/c		40,000	Stock		10,000
General reserve		8,000	Cash		20,000
Workmen compensation fund		12,000			
Sundry creditors		20,000			
		1,70,000			1,70,000

Pass journal entry to transfer the accumulated profits and reserve on admission.

46(A) Fill in the missing information

Closing capital ₹	Drawings ₹	Additional capital ₹	Opening capital ₹	Profit/Loss ₹
1,00,000	40,000	20,000	90,000	?
?	30,000	40,000	80,000	20,000
70,000	?	30,000	40,000	10,000
60,000	20,000	?	50,000	-10,000
2,00,000	30,000	10,000	?	1,20,000

(B) Bragathish and Naresh are partners who maintain their capital accounts under fixed capital method. From the following particulars, prepare capital accounts of partners.

Particulars	Bragathish ₹	Naresh ₹
Capital on 1st April 2018	4,00,000	6,00,000
Current account on 1st April 2018	20,000(Cr.)	15,000(Dr.)
Additional capital introduced during the year	50,000	Nil
Drawings made during the year	45,000	60,000
Interest on drawings	2,000	3,000
Share of profit for the year	80,000	1,20,000
Interest on capital	20,000	30,000
Commission	17,000	Nil
Salary	Nil	38,000

47.(A) Richard and Rizwan started a business on 1st January 2018 with capitals of ₹ 3,00,000 and ₹ 2,00,000 respectively.

According to the Partnership Deed

- Interest on capital is to be provided @ 6% p.a.
 - Rizwan is to get salary of ₹ 50,000 per annum.
 - Richard is to get 10% commission on profit (after interest on capital and salary to Rizwan) after charging such commission.
 - Profit-sharing ratio between the two partners is 3:2.
- During the year, the firm earned a profit of ₹ 3,00,000.

Prepare profit and loss appropriation account. The firm closes its accounts on 31st December every year

(Or)

(B) Sathish and Sudhan are partners in a firm sharing profits and losses in the ratio of 4:3. On 1st April 2018, they admitted Sasi as a partner. On the date of Sasi's admission, goodwill appeared in the books of the firm at ₹` 35,000. By assuming fluctuating capital account, pass the necessary journal entry if the partners decide to

(i) write off the entire amount of existing goodwill

(ii) write off ₹` 21,000 of the existing goodwill.

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