

# COMMON QUARTERLY EXAM-2022

## Standard - XII ACCOUNTANCY

Time : 3.00 hrs

Marks : 90

### Part - I

20×1=20

#### I. Multiple choice questions:-

- 1) Incomplete records are generally maintained by
  - a) A company
  - b) Government
  - c) Small sized sole trader business
  - 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) The amount of credit sales can be computed from
  - a) Total debtors account
  - b) Total creditors account
  - c) Bills receivable account
  - d) Bills payable account
- 4) What is the amount of capital of the proprietor, if his assets are Rs.85,000 and liabilities are Rs.21,000?
  - a) Rs.85,000
  - b) Rs.1,06,000
  - c) Rs.21,000
  - d) Rs. 64,000
- 5) Income and expenditure account is a
  - a) Nominal A/c
  - b) Real A/c
  - c) Personal A/c
  - d) Representative personal account
- 6) Income and Expenditure Account is prepared to find out
  - a) Profit or Loss
  - b) Cash and bank balance
  - c) Surplus or deficit
  - d) financial position
- 7) Legacy is a
  - a) Revenue expenditure
  - b) Capital expenditure
  - c) Revenue receipt
  - d) Capital receipt.
- 8) Donations received for a specific purpose is
  - a) Revenue receipt
  - b) Capital receipt
  - c) Revenue expenditure
  - d) Capital expenditure
- 9) In the absence of an agreement among the partners, interest on capital is
  - a) Not allowed
  - b) Allowed at bank rate
  - c) Allowed @ 5% per annum
  - d) Allowed @ 6% per annum
- 10) Which of the following is shown in profit and loss appropriation account?
  - a) office expenses
  - b) salary of staff
  - c) partner's salary
  - d) Interest on bank loan
- 11) Which of the following is the incorrect pair?
 

a) Interest on drawing	-	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

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**XII ACCOUNTANCY**

- 12) 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
- 13) 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
- 14) When the average profit is Rs.25,000 and the normal profit is Rs.15,000, Super profit is  
 a) Rs.25,000 b) Rs.5,000 c) Rs.10,000 d) Rs. 15,000
- 15) Revaluation A/c is a  
 a) Real A/c b) Nominal A/c c) Personal A/c d) Impersonal A/c
- 16) On revaluation, the increase in the value of assets leads to  
 a) Gain b) Loss c) Expense d) None of these
- 17) Select the odd one out  
 a) Revaluation profit b) Accumulated loss  
 c) Goodwill brought by new partner d) Investment fluctuation fund
- 18) On retirement of a partner, general reserve is transferred to the  
 a) Capital account of all the partners b) Revaluation account  
 c) Capital account of the containing partners  
 d) Memorandum revaluation account
- 19) On revaluation, the increase in liabilities leads to  
 a) Gain b) Loss c) Profit d) None of these
- 20) A, B and C are partners sharing profits in the ratio of 4:2:3, C retires. The new profit sharing ratio between A and B will be  
 a) 4:3 b) 3:4 c) 2:1 d) 1:2

**Part - II****7×2=14**

**Note: i) Answer any seven questions. ii) Question No. 30 is compulsory.  
 iii) Answer to theory questions should not exceed 50 words.**

- 21) What is a statement of affairs?  
 22) What is legacy?  
 23) Define partnership.  
 24) 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  
 25) What is meant by retirement of a partner?  
 26) From the following details, calculate the missing figure.

Particulars	Rs.
Closing capital as on 31.03.2018	80,000
Additional capital introduced during the year	30,000
Drawings during the year	15,000
Opening capital on 01.04.2017	?
Loss for the year ending 31.03.2018	25,000

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**XII ACCOUNTANCY**

- 35) State the difference between fixed capital method and fluctuating capital method.
- 36) 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	Rs.
February 1	2,000
May 1	10,000
July 1	4,000
October 1	6,000

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

- 37) From the following information, calculate the value of goodwill on the basis of 3 years purchase of average profits of last four years.

Year	result	Amount Rs.
2015	Profit	5,000
2016	Profit	8,000
2017	Loss	3,000
2018	Profit	6,000

- 38) Rajesh and Ramesh are partners sharing profits in the ratio 3:2. Raman is admitted as a new partner and the new profit sharing ratio is decided as 5:3:2. The following revaluations are made. Pass journal entries and prepare revaluation account.
- The value of building is increased by Rs.15,000
  - The value of the machinery is decreased by Rs.4,000
  - Provision for doubtful debt is made for Rs.1,000
- 39) Distinguish between sacrificing ratio and gaining ratio.
- 40) Roja, Neela and Kanaga are partners sharing profits and losses in the ratio of 4:3:3 on 1st April 2017, Roja retires and on retirement, the following adjustment are agreed upon
- Increase the value of building by Rs.30,000
  - Depreciate stock by Rs.5,000 and furniture by Rs.12,000
  - Provide an outstanding liability of Rs.1,000
- Pass journal entries and prepare revaluation account.

**Part - IV**

Answer all the questions:-

7×5=35

- 41) a) 1st April 2018 Subha started her business with a capital of Rs.1,20,000, she did not maintain proper book of accounts following particulars are available from her books as on 31.03.2019

Particulars	Rs.	Particulars	Rs.
Bank overdraft	50,000	Stock-in-trade	1,60,000
Debtors	1,80,000	Creditors	90,000
Bills receivable	70,000	Bills payable	2,40,000
Computer	30,000	Cash in hand	60,000
Machinery	3,00,000		

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**XII ACCOUNTANCY**

27) How will the following appear in the final accounts of Marthandam Women Cultural Association?

Stock of Sports materials on 1.4.2018	16,000
Sports materials purchased during the year	84,000
Stock of Sports materials on 31.03.2019	10,000

28) Rajan is a partner who withdrew Rs.30,000 during the year 2018. Interest on drawings is charged at 10% per annum. Calculate interest on drawings on 31st December 2018.

29) 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.

30) Complete average profit from the following information.

2016: Rs. 8,000 ; 2017: Rs.10,000 ; 2018: Rs.9,000

**Part - III****7×3=21**

**Note: i) Answer any seven questions in which question No. 40 is compulsory:**

31) Find out credit sales from the following information:

Particulars	Rs.
Debtors on 1st April, 2018	1,00,000
Cash received from debtors	2,30,000
Discount allowed	5,000
Returns inward	25,000
Debtors on 31st March 2019	1,20,000

32) State the differences between double entry system and incomplete records.

33) From the following receipts and payments account and the additional information given below. Calculate the amount of subscription to be shown in Income and expenditure account for the year ending 31st December 2018.

Receipts	Rs.	Rs.	Payments	Rs.
To Subscription				
2017	28,000			
2018	1,72,000			
2019	12,000	2,12,000		

Additional information: Subscription outstanding for the year 2018 is Rs.8,000.

34) How will the following appear in the final accounts of Karaikudi Sports club for the year ending 31st March, 2019?

Particulars	Rs.
Tournament fund on 1st April 2018	90,000
Tournament fund investment on 1st April 2018	90,000
Interest received on tournament fund investment	9,000
Donation to tournament fund	10,000
Tournament expenses	60,000

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**XII ACCOUNTANCY**

During the year she withdraw Rs.30,000 for her personal use. She introduced further capital of Rs.40,000 during the year. Calculating her profit or loss.

**[Or]**

- 41) b) Amal and Vimal are partners in a firm sharing profits and losses in the ratio of 7:5. Their balance sheet as on 31st March 2019 is as follows:

Liabilities	Rs.	Rs.	Assets	Rs.
Capital accounts			Land	80,000
Amal	70,000		Furniture	20,000
Vimal	50,000	1,20,000	Stock	25,000
Sundry Creditors		30,000	Debtors	30,000
Profit and loss a/c		24,000	Bank	19,000
		1,74,000		1,74,000

Nirmal is admitted as a new partner on 1.4.2018 by introducing a capital of Rs.30,000 for 1/3 share in the future profit subject to the following adjustments.

- Stock to be depreciated by Rs.5,000
- Provision for doubtful debts to be created for Rs.3,000
- Land to be appreciated by Rs.20,000

Prepare revaluation account and capital account of partners after admission.

- 42) a) From the following particulars, calculate total sales.

Particulars	Rs.	Particulars	Rs.
Debtors on 1 <sup>st</sup> April 2018	2,50,000	Bills receivable dishonoured	15,000
Bills receivable on 1 <sup>st</sup> April 2018	60,000	Returns inward	50,000
Cash received from debtors	7,25,000	Bills receivable on 31 <sup>st</sup> March 2019	90,000
Cash received for bills receivable	1,60,000	Sundry debtors on 31 <sup>st</sup> March 2019	2,40,000
Bad debts	30,000	Cash sales	3,15,000

**[Or]**

- b) From the following information relating to Arul enterprises, calculate the value of goodwill on the basis of 2 years purchase of the average profits of 3 years.

- Profits for the years ending 31<sup>st</sup> December 2016, 2017 and 2018 were Rs.46,000, Rs.44,000 and Rs.50,000 respectively.
- A non-recurring income of Rs.5,000 is included in the profits of the year 2016
- The closing stock of the year 2017 was overvalued by Rs.10,000.

- 43) a) From the information given below, prepare Receipts and Payments account of Coimbatore Cricket Club for the year ending 31st March 2019.

Particulars	Rs.	Rs.	Particulars	Rs.
Bank overdraft (1.4.2018)		6,000	Honorarium paid	2,800
Cash in hand (1.4.2018)		1,000	Water and electricity charges	700
Wages paid for ground			Match expenses	2,600
Maintenance subscription received:		2,000	Sports material purchased	1,900
Previous year	500		Match fund receipts	5,200
Current year	9,600		Legacies received	2,000
Subsequent year	400	10,500	Cash balance (31.03.2019)	300
Interest on loan paid		2,000	Donation received for Pavillion	2,000

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**XII ACCOUNTANCY**

[Or]

- b) From the following particulars calculate total purchases.

Particulars	Rs.	Particulars	Rs.
Sundry creditors on 1st January 2018	30,000	Purchases returns	15,000
Bills payable on 1st January 2018	25,000	Cash purchases	2,25,000
Paid cash to creditors	1,20,000	Creditors on 31st December 2018	25,000
Paid for bills payable	30,000	Bills payable on 31st December 2018	20,000

- 44) a) From the following information, prepare capital accounts of partners padmini and Padma when their capitals are fluctuating.

Particulars	Padmini	Padma
Capital on 1st January 2018 (Cr.balance)	5,00,000	4,00,000
Drawings during 2018	70,000	40,000
Interest on drawings	2,000	1,000
Share of profit for 2018	52,000	40,000
Interest on Capital	30,000	24,000
Salary	45,000	Nil
Commission	Nil	21,000

[Or]

- 44) b) Dinesh and Sugumar entered into a partnership agreement on 1st January 2018, Dinesh contributing Rs.1,50,000 and Sugumar Rs.1,20,000 as Capital. The agreement provided that.

- Profits and losses to be shared in the ratio 2:1 as between Dinesh and Sugumar
- Partners to be entitled to interest on Capital @4% p.a.
- Interest on drawings to be charged Dinesh Rs.3,600 and Sugumar Rs.2,200
- Dinesh to receive a salary of Rs.60,000 for the year and
- Sugumar to received a commission of Rs.80,000

During the year ended on 31<sup>st</sup> December 2018 the firm made a profit of Rs.2,20,000 before adjustment of Interest, Salary and Commission. Prepare the profit and loss appropriation account.

- 45) a) Vetri and Ranjit are partners, sharing profits in the ratio of 3:2. Their balance sheet as on 31st December 2017 is as under.

Liabilities	Rs.	Rs.	Assets	Rs.
Capital accounts			Furniture	25,000
Vetri	30,000		Stock	20,000
Ranjit	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
		1,00,000		1,00,000

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**XII ACCOUNTANCY**

On 1.1.2018 they admit Suriya into this firm as a partner on the following

1. Suriya bring Rs.10,000 as capital for  $\frac{1}{4}$  share of profit.
2. Stock to be depreciated by 10%
3. Debtors to be revalued at Rs.7,500
4. Furniture to be revalued at Rs.40,000
5. There is an outstanding wages of Rs.4,500 not yet recorded.

Prepare revaluation account, partners capital accounts and the sheet of the firm as the firm after admission. **[Or]**

- 45) b) Akash, Bala, Chandru and Danial partners in a firm. There is no partnership deed. How will you deal with the following:-
1. Akash has contributed maximum capital. He demands interest on capital at 10% per annum.
  2. Bala has withdrawn Rs.3,000 per month. Other partners as a Bala to pay interest on drawings @ 8% per annum to the firm. But Bala did not agree to it.
  3. Akash demands the profit to be shared in the capital ratio. But, others do not agree.
  4. Daniel demands salary at the take Rs.10,000 per month as he spends full time for the business.
  5. Loan advanced by Chandru to the firm is Rs.50,000. He demands interest on loan @ 12% per annum.
- 46) a) David does not keep proper books of accounts, following details are given from his records.

Particulars	1.4.2018	31.03.2019
Cash	43,000	29,000
Stock of goods	1,20,000	1,30,000
Sundry debtors	84,000	1,14,000
Sundry Creditors	1,05,000	1,02,000
Loan	25,000	20,000
Business premises	2,50,000	2,50,000
Furniture	33,000	45,000

During the year he introduced further capital of Rs.45,000 and withdrew Rs.2,500 per month from the business for his personal use. Prepare statement of profit or loss with the above information. **[Or]**

- b) Mani, Rama and Devan are partners in a firm. Sharing profits and losses in the ratio of 4:3:3. Their balance sheet as on 31<sup>st</sup> March 2019 is as follows.

Liabilities	Rs.	Assets	Rs.
Capital accounts		Buildings	80,000
Mani 50,000		Stock	20,000
Rama 50,000		Furniture	70,000
Devan 50,000	1,50,000	Debtors	20,000
Sundry creditors	20,000	Cash in hand	10,000
Profits and loss A/c	30,000		
	2,00,000		2,00,000

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Mani retired from the partnership firm on 31.03.2019 subject to the following adjustments.

1. Stock to be depreciated by Rs.5,000
2. Provision for doubtful debts to be created for Rs.1,000
3. Building to be appreciated by Rs.16,000
4. The final amount due to Mani is not paid Immediately.

47) a) From the following receipts and payments accounts of Tenkasi Thiruvalluvar Manram. Prepare incomes and expenditure account for the year ended 31st March 2019.

Receipts	Rs.	Payments	Rs.
To Balance b/d		By Salaries	20,000
Cash in hand	14,000	By Rent	24,000
To interest received	5,000	By Travelling expenses	2,000
To Subscription	55,000	By Printing and stationary	6,000
To Legacies	48,000	By Sports equipment	
To Entrance Fees	7,000	purchased	33,000
To Sales of furniture	16,000	By Investments	50,000
		By Balance c/d	
		Cash in hand	10,000
	1,45,000		1,45,000

[Or]

b) Sundar, Vivek and Pandian are partners, sharing profits in the ratio of 3:2:1. Their balance sheet as on 31st December, 2018 is as under:

Balance sheet as on 31st December, 2018

Liabilities	Rs.	Rs.	Assets	Rs.
Capital accounts			Land 80,000	
Sundar	50,000		Stock	20,000
Vivek	40,000		Debtors	30,000
Pandian	10,000	1,00,000	Cash at bank	14,000
General reserve		36,000	Profit and loss a/c	
Sundry creditors		14,000	(loss)	6,000
		1,50,000		1,50,000

On 1.1.2019 Pandian died and on his death the following arrangements are made.

1. Stock to be depreciated by 10%
2. Land is to be appreciated by Rs.11,000
3. Reduce the value of debtors by Rs.3,000
4. The final amount due to Pandian was not paid.

Prepare revaluation account, partners capital account and the balance sheet of the firm after death.

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