

CLASS: XII

MARKS: 90

SUBJECT: ACCOUNTANCY

DATE: 22.02.23

TIME: 3 HRS

9  
PART - I3307 (NS)  
20x1=20**Answer all the questions.**

- Statement of affairs is generally prepared to find out the \_\_\_\_\_ of the business.
  - Profit or loss
  - Financial position
  - Capital
  - Arithmetical accuracy
- Income and Expenditure account is a :
  - Representative Personal Account
  - Real Account
  - Nominal Account
  - Personal Account
- Closing Capital + Drawings – Additional Capital = \_\_\_\_\_ .
  - Adjusted Opening Capital
  - Opening Capital
  - Profit or Loss
  - Adjusted Closing Capital
- There are 500 members in a club each paying ` 100 as annual subscription. Subscription due but not received for the current year is ` 200. Subscription received in advance is ` 300. Find out the amount of subscription to be shown in the income and expenditure account.
  - 49,800
  - 50,000
  - 50,200
  - 49,900
- In the absence of an agreement among the partners, interest on capital is :
  - Allowed @ 6% per annum
  - Not allowed
  - Allowed at bank rate
  - Allowed @ 5% per annum
- Select the odd one out :
  - Fixed capital method
  - Average profit method
  - Super profit method
  - Capitalisation method
- Under fixed capital method, partners' salary, commission and interest on capital will be credited in :
  - Drawings Account
  - Capital Account
  - Current Account
  - Loan Account
- If the old profit sharing ratio is more than the new profit sharing ratio of a partner, the difference is called :
  - Solvency ratio
  - Capital ratio
  - Sacrificing ratio
  - Gaining ratio
- When shares are issued for purchase of assets, the amount should be credited to :
  - Bank Account
  - Vendors Account
  - Sundry Assets Account
  - Share Capital Account
- That part of share capital which can be called up only on the winding up of a company is called :
  - Reserve capital
  - Authorised capital
  - Called up capital
  - Capital reserve
- stX, Y and Z were partners sharing profits and losses equally. X died on 1 April 2019. Find out the share of X in the profit of 2019 based on the profit of 2018 which showed ` 36,000.
  - ` 36,000
  - ` 1,000
  - ` 3,000
  - ` 12,000
- The financial statements do not exhibit :
  - Long-term data
  - Non-monetary data
  - Past data
  - Short-term data
- Match the following :
 

(1) Under subscription	(i) Amount prepaid for calls
(2) Over subscription	(ii) Subscription above the offered shares
(3) Calls in arrear	(iii) Subscription below the offered shares
(4) Calls in advance	(iv) Amount unpaid on calls

  - (1) - (iii), (2) - (iv), (3) - (i), (4) - (ii)
  - (1) - (i), (2) - (ii), (3) - (iii), (4) - (iv)

(c) (1) - (iv), (2) - (iii), (3) - (ii), (4) - (i)

(d) (1) - (iii), (2) - (ii), (3) - (iv), (4) - (i)

14. Assets that can be converted into cash within a year or within the period of an operating cycle is \_\_\_\_\_.

(a) Tangible assets

(c) Current assets

10 (b) Fixed assets

(d) Intangible assets

3307 (NS)

15. Identify the incorrect pair :

(a) Goodwill under annuity method = Average profit × Present value annuity factor

(b) Goodwill under average profit method = Average profit × Number of years of purchase

(c) Goodwill under super profit method = Super profit × Number of years of purchase

(d) Goodwill under weighted average profit method = Weighted average profit × Number of years of purchase

16. Which of the following options is used to view Trial Balance from Gateway of Tally ?

(e) Gateway of Tally → Display → Trial Balance

(f) Gateway of Tally → Reports → Trial Balance

(g) Gateway of Tally → Trial Balance

(h) Gateway of Tally → Reports → Display → Trial Balance

17. On retirement of a partner from a partnership firm, accumulated profits and losses are distributed to the partners in the :

(i) Sacrificing ratio (ii) New profit sharing ratio (iii) Gaining ratio (iv) Old profit sharing ratio

18. Expenses for a business for the first year were ₹ 80,000. In the second year, it was increased to ₹ 88,000. What is the trend percentage in the second year ?

(a) 11%

(b) 10%

(c) 110%

(d) 90%

19. In which type of voucher, credit purchase of furniture is recorded in Tally ?

(a) Payment Voucher (b) Receipt Voucher (c) Journal Voucher (d) Purchase Voucher

20. Match the following :

(1) Current ratio (i) Liquidity

(2) Net profit ratio (ii) Efficiency

(3) Debt-equity ratio (iii) Long-term solvency

(4) Inventory turnover ratio (iv) Profitability

(a) (1) - (i), (2) - (ii), (3) - (iii), (4) - (iv)

(b) (1) - (i), (2) - (iv), (3) - (iii), (4) - (ii)

(c) (1) - (iii), (2) - (ii), (3) - (iv), (4) - (i)

(d) (1) - (iv), (2) - (iii), (3) - (ii), (4) - (i)

[ vy " ! P / Turn over

**PART - II**

**Note :** Answer any seven questions. Question No. 30 is compulsory.

7x2=14

21. Which accounting system may be suitable for small sized sole traders and partnership firms ? Explain.

11

3307 (NS)

22. Give four examples for revenue receipts of Not-for-Profit organisation.

23. Mani is a partner, who withdrew ` 30,000 on 1<sup>st</sup> September, 2018. Interest on drawings is charged at 6% per annum. Calculate interest on drawings on 31<sup>st</sup> December, 2018 and show the journal entries by assuming that fluctuating capital method is followed.

24. What is self-generated Goodwill ?

25. Compute average profit from the following information.

2016 : ` 8,000

2017 : ` 10,000

2018 : ` 9,000

26. 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.

27. 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.

28. -Sara Company issues 10,000 equity shares of ` 10 at a premium of ` 2 each payable fully on application. Pass journal entries.

29. State any five accounting reports in Tally.ERP 9.

30. What is liquidity ? What are the types of liquidity ratios ?

**PART – III**

7x3=21

31.

From the following details, calculate the missing figure :

Particulars	`
Capital as on 31 <sup>st</sup> December 2018	35,000
Capital as on 1 <sup>st</sup> January 2018	27,500
Goods taken for the personal use of the proprietor	?
Additional Capital introduced during the year	2,500
Profit for the year	10,000

32.

Sundry creditors on 1 <sup>st</sup> January 2018	30,000
Paid cash to creditors	1,20,000
Purchases returns	15,000
Cash purchases	2,25,000
Creditors on 31 <sup>st</sup> December 2018	25,000

IP / Turn over

33. Compute Capital Fund of Salem Sports Club as on 1.4.2019.

Particulars	₹	Particulars	₹
Sports equipment	30,000	Prize fund	10,000
Computer	25,000	Prize Fund Investments	10,000
Subscription outstanding for 2018-19	5,000	Cash in Hand	7,000
Subscription received in advance for 2019-20	8,000	Cash at Bank	21,000

3307 (NS)

34. State the differences between fixed capital method and fluctuating capital method.

35. A partnership firm earned net profits during the last three years as follows :

2016 : ₹ 20,000, 2017 : ₹ 17,000 and 2018 : ₹ 23,000.

The capital investment of the firm throughout the above mentioned period has been ₹ 80,000. Having regard to the risk involved, 15% is considered to be a fair return on capital employed in the business. Calculate the value of goodwill on the basis of 2 years purchase of super profit.

36. Seenu and Siva are partners sharing profits and losses in the ratio of 5 : 3. In view of Subbu's admission, they decided :

- To increase the value of building by ₹ 70,000.
- To bring into record investments at ₹ 20,000, which have not so far been brought into account.
- To decrease the value of machinery by ₹ 14,000 and furniture by ₹ 12,000.
- To write off sundry creditors by ₹ 16,000.

Prepare Revaluation account.

37. From the following particulars, prepare comparative income statement of Mary Co. Ltd.

Particulars	2015-16	2016-17
	₹	₹
Revenue from operations	4,00,000	5,00,000
Operating expenses	2,00,000	1,80,000
Income tax (profit before tax in percentage)	20%	50%

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38. Calculate Gross Profit Ratio from the following :

Revenue from operations ` 2,50,000, cost of revenue from operations ` 2,10,000 and purchases ` 1,80,000.

39. What are the pre-defined ledgers available in Tally.ERP 9 ? 3307 (NS)

40. Aruna Mills Ltd. with a registered capital of ` 5,00,000 in equity shares of ` 10 each, issued 40,000 of such shares payable as follows :

` 3 per share on application, ` 5 per share on allotment and ` 2 per share on first and final call. The issue was duly subscribed. All the money payable was duly received. But one share holder holding 1000 shares paid the first and final call money on allotment itself. Give journal entries for allotment.

**PART - IV**

**Note :** Answer all the questions.

**7x5=35**

41. a) Ananth does not keep his books under double entry system. Find the profit or loss made by him for the year ending 31<sup>st</sup> March 2019.

Particulars	31.3.2018 `	31.3.2019 `
Cash at Bank	5,000 (Dr)	60,000 (Cr)
Cash in Hand	3,000	4,500
Stock of Goods	35,000	45,000
Sundry Debtors	1,00,000	90,000
Plant and Machinery	80,000	80,000
Land and Building	1,40,000	1,40,000
Sundry Creditors	1,70,000	1,30,000

Ananth had withdrawn ` 60,000 for his personal use. He had introduced ` 17,000 as capital for expansion of his business. Create a provision of 5% on Debtors. Plant and Machinery is to be depreciated at 10%.

OR

b) From the following particulars of Chennai Sports Club, prepare Receipts and Payments account for the year ended 31<sup>st</sup> March 2018.

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Particulars	Rs	Particulars	Rs
Opening cash balance as on 1.4.2017	10,000	Subscriptions received	
Opening bank balance as on 1.4.2017	15,000	2016 - 17	19 4,500
Interest paid	5,000	2017 - 18	65,000
Telephone expenses	7,000	2018 - 19	5,000
Upkeep of grounds	22,500	Tournament expenses	74,500
Life membership fees received	5,500	Tournament fund receipts	12,500
Bats and balls purchased	13,000	Closing balance of cash (31.3.2018)	15,000
			5,000

3307 (NS)

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

Particulars	Rs
Debtors on 1 <sup>st</sup> April 2017	1,50,000
Bills receivable on 1 <sup>st</sup> April 2017	40,000
Cash received from Debtors	3,90,000
Cash received for bills receivable	90,000
Bills receivable dishonoured	10,000
Sales return	40,000
Bills receivable on 31 <sup>st</sup> March 2018	30,000
Sundry Debtors on 31 <sup>st</sup> March 2018	1,30,000
Cash sales	2,00,000

[OR]

b) Following is the balance sheet of Lakshmi Ltd. as on 31<sup>st</sup> March 2019 :

Particulars	Rs
I. Equity and Liabilities	
1. Shareholder's funds	
Equity share capital	4,00,000
2. Non-current liabilities	
Long-term borrowings	2,00,000
3. Current liabilities	
(a) Short-term borrowings	50,000
(b) Trade payables	3,10,000
(c) Other current liabilities	
Expenses payable	15,000
(d) Short-term provisions	25,000
Total	10,00,000
II. Assets	
1. Non-current assets	
(a) Fixed assets	
Tangible assets	4,00,000
2. Current assets	
(a) Inventories	1,60,000
(b) Trade debtors	3,20,000
(c) Cash and cash equivalents	80,000
(d) Other current assets	
Prepaid expenses	40,000
Total	10,00,000

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Calculate : (i) Current ratio (ii) Quick ratio

43. The following is the summary of cash transactions of Delhi Literary Club for theyear ending 31<sup>st</sup> March 2019.

20  
Delhi Literary Club

3307 (NS)

Receipts and Payments Account for the year ending 31<sup>st</sup> March 2019

Receipts	`	Payments	`
To Balance b/d		By Rent and Rates	21,000
Cash in hand	3,200	By Lecture fees	4,500
To Entrance fees	2,300	By Sundry Expenses	7,200
To Subscriptions	46,000	By Fixed Deposit	40,000
To Life membership fees	2,500	By Balance c/d	
To Interest received on Fixed Deposit	500	Cash in hand	4,300
To Sale of furniture (1.4.2018) (Book value ` 25,000)	22,500		
	77,000		77,000

Additional Information :

- (i) Capital Fund as on 1<sup>st</sup> April 2018, was ` 63,200.
- (ii) At the beginning of the year, the club possessed books worth ` 20,000 and furniture worth ` 40,000.
- (iii) Subscription received in advance during the current year amounted to ` 1,000.

Prepare Income and Expenditure account of the Club for the year ending 31<sup>st</sup> March, 2019 and the Balance Sheet as on that date. [OR]

- (b) From the following particulars of Siva Ltd., prepare common size income statement for the years ended 31<sup>st</sup> March 2016 and 31<sup>st</sup> March 2017.

Particulars	2015-16	2016-17
	`	`
Revenue from operations	2,00,000	3,00,000
Other income	25,000	75,000
Expenses	2,50,000	1,50,000
Income tax	40%	40%

44. a) Dinesh and Sugumar entered into partnership agreement on 1<sup>st</sup> January 2018, Dinesh contributing ` 5,00,000 and Sugumar ` 4,00,000 as capital.

The agreement provided that :

- (i) Profits and losses to be shared in the ratio 2 : 1 as between Dinesh and Sugumar.
- (ii) Partners to be entitled to interest on capital @ 6% p.a.
- (iii) Interest on drawings to be charged :  
Dinesh : ` 3,600 and Sugumar : ` 2,300. [ vy " ! P / Turn over
- (iv) Dinesh to receive a salary of ` 62,000 for the year, and
- (v) Sugumar is to receive a commission of 10% on the net profit after charging such commission.



During the year ended on 31<sup>st</sup> December 2018, the firm made a profit of ` 1,20,000 before adjustment of interest, salary and commission.

Prepare the profit and loss appropriation account.

[OR] 21

3307 (NS)

(b) From the following information, calculate trend percentages for Mullai Ltd.

Particulars	` in lakhs		
	2015 - 16	2016 - 17	2017 - 18
Revenue from operations	100	120	160
Other income	20	24	20
Expenses	20	14	40
Income tax	30%	30%	30%

45. a) Amal and Vimal are partners in a firm sharing profits and losses in the ratio of 7 : 5. Their balance sheet as on 31<sup>st</sup> March, 2019 is as follows :

Liabilities		`	Assets		`
Capital accounts :			Land		80,000
Amal	70,000	1,20,000	Furniture		20,000
Vimal	50,000		Stock		25,000
Sundry creditors			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 1.4.2019 by introducing a capital of ` 30,000 for 1/3 share in the future profit subject to the following adjustments :

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

Prepare Revaluation account and Capital accounts of partners after admission. [OR]

b) Bharath Ltd. issued 1,00,000 equity shares of ` 10 each to the public at par. The details of the amount payable on the shares are as follows :

- On application ` 5 per share
- On allotment ` 3 per share
- On first and final call ` 2 per share

Application money was received for 1,20,000 shares. Excess application money was refunded immediately. Pass journal entries to record the above.

[ vy " | P / Turn over

46. a) Charles, Muthu and Sekar are partners, sharing profits in the ratio of 3 : 4 : 2.

Their balance sheet as on 31<sup>st</sup> December, 2018 is as under :



Liabilities			Assets	
Capital accounts :			Furniture	20,000
Charles	30,000	22	Stock	40,000
Muthu	40,000		Debtors	33,000 (NS)
Sekar	20,000		Cash at bank	33,000
Sundry creditors		90,000		
		33,000		
		1,23,000		1,23,000

On 1.1.2019, Charles retired from the partnership firm on the following arrangements :

- (i) Stock to be appreciated by 10%. (ii) To provide ` 1,300 for bad debts.  
 (iii) The final amount due to Charles was paid immediately.

Prepare revaluation account, partner's capital account and the balance sheet of the firm after retirement. [OR]

(b) From the following trading activities of Naveen Ltd., calculate:

- (i) Gross Profit Ratio (ii) Operating Cost Ratio (iii) Operating Profit Ratio

Statement of Profit and Loss

Particulars	
I Revenue from operations	20,000
II Other income :	
Income from investments	200
III Total revenues (I + II)	20,200
IV Expenses :	
Purchase of stock-in-trade	17,000
Changes in inventories	(-) 1,000
Finance costs	300
Other expenses (administration and selling)	2,400
Total expenses	18,700
V Profit before tax (III - IV)	1,500

47. a) Nivetha Ltd. forfeited 1000 equity shares of ` 10 each for non payment of call of Turn over ` 4 per share. Of these, 800 shares were re-issued @ ` 7 per share. Pass journal entries for forfeiture and re-issue. [OR]

b) Mention the commonly used voucher types in Tally.ERP 9