

COMMON QUARTERLY EXAMINATION - 2023

Standard XII

ACCOUNTANCY

A

Reg.No.

Part - I

Marks : 90

Time : 3.00 hrs

20 x 1 = 20

I. Choose the correct answer:

1. Incomplete records are generally maintained by
 - a) a company
 - b) government
 - c) small sized sole trader business
 - d) multinational enterprises
2. The amount of credit sale can be computed from
 - a) total debtors account
 - b) total creditors amount
 - c) bills receivable account
 - d) bills payable amount
3. What is the amount of capital of the proprietor, if his assets are Rs.85,000 and liabilities are Rs.21,000?
 - a) ₹85,000
 - b) ₹1,06,000
 - c) ₹21,000
 - d) ₹64,000
4. Opening balance of debtors ₹30,000, 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
5. Receipts and payments 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 a
 - a) nominal a/c
 - b) real a/c
 - c) personal a/c
 - d) representative personal account
7. Which of the following should not be recorded in the income and expenditure accounts?
 - a) sale of old newspapers
 - b) loss on sale of asset
 - c) honorarium paid of the secretary
 - d) sale proceeds of furniture
8. Donations received for a specific purpose is
 - a) revenue receipts
 - b) capital receipts
 - 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. When a partner withdraws regularly a fixed sum of money at the middle of every month, period for which interest is to be calculated on the drawings on an average is
 - a) 5.5 months
 - b) 6 months
 - c) 12 months
 - d) 6.5 months
11. In the absence of an agreement, partners are entitled to
 - a) salary
 - b) commission
 - c) interest on loan
 - d) interest on capital

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12. Which of the following statements is true?
 a) Goodwill is an intangible b) Goodwill is a current asset
 c) Goodwill is a fictitious asset d) Goodwill cannot be acquired
13. Super profit is 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
14. 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
15. On revaluation the increase in the value of assets leads to
 a) gain b) loss c) expense d) none of these
16. If the old profit sharing ratio is more than the new profit sharing ratio of a partner, the difference is called
 a) capital ratio b) sacrificing ratio c) gaining ratio d) none of these
17. James and Kamal are sharing profits and losses in the ratio of 5:3. The admit Sunil as a partner giving him $\frac{1}{5}$ share of profits. Find out the sacrificing ratio
 a) 1 : 3 b) 3 : 1 c) 5 : 3 d) 3 : 5
18. On retirement of a partner from a partnership firm, accumulated profits and losses are distributed to the partners in the
 a) new profit sharing ratio b) old profit sharing ratio
 c) gaining ratio d) sacrificing ratio
19. If the final account due to a retiring partner is not paid immediately, it is transferred to
 a) bank a/c b) retiring partner's capital a/c
 c) retiring partner's loan a/c d) others partner's capital a/c
20. A, B and C are partners sharing profits in the ratio 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

II. Answer any 7 questions. (Q.No.30 is compulsory)

7 x 2 = 14

21. What is a statement of affairs?
 22. What is Legacy?
 23. What is the journal entry to be passed for providing interest on capital to a partner?
 24. What is super profit?
 25. From the following details, calculate the missing figure.
- | | |
|---|----------|
| Capital as on 1 st April, 2018 | 1,60,000 |
| Capital as on 31 st March, 2019, | 1,50,000 |
| Additional capital introduced during the year | 25,000 |
| Drawing during the year | 30,000 |
26. Mathew is a partner who withdraw ₹20,000 during the year 2018. Interest on drawings is changed at 10% per annum. Calculate interest on drawing on 31st December 2018.

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27. Santhosh is a partner in a partnership deed. Interest on drawing is charged at 6% per annum. During the year ended 31st December 2018 he withdraw as follows.

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

28. 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
Compute average profit.
29. Mala and Vimala were partners sharing profits and losses in the ratio of 3 : 2. On 31.3.2017, Varshini was admitted as a partner. On the date of admission, the book of the firm showed a reserve fund of ₹50,000. Pass the journal entry to distribute the reserve fund.
30. Show how the following items appear in the income and expenditure account of Sirkazhi Singers Association?

Stock of stationary on 1.4.2018	₹ 2,600
Purchase of stationary during the year	6,500
Stock of stationery on 31.3.2019	2,200

Part - III

- III. Answer any 7 questions. (Q.No.40 is compulsory)

7 x 3 = 21

31. What are the features of incomplete records?
32. State the difference between Receipts and Payments Accounts and Income and Expenditure Account.
33. State the difference between fixed capital method and fluctuating capital method.
34. Following are the balance of Shanthy as on 31st December 2018.

Particulars	₹	Particulars	₹
Bills receivable	6,000	Sundry creditors	25,000
Bill payable	4,000	Stock	45,000
Machinery	60,000	Debtors	70,000
Furniture	10,000	Cash	4,000

Prepare a statement of affairs as on 31st December 2018 and calculate capital as at that date.

35. From the following details, calculate credit purchase.

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

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- 36 Amira and Samira share profit and losses in the ratio of 3 : 1. The capital on 1st April 2018 was ₹70,000 for Amira and ₹60,000 for Samira and their current account show a credit balance of ₹10,000 and ₹5,000 respectively. Calculate interest on capital at 5% p.a. for the year ending 31st March 2019 and show the journal entries.
- 37 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.
- 38 The profits and losses of a firm the last four years were as follows
2015 - ₹15,000 ; 2016 - ₹17,000 ; 2017 - ₹6,000 (losses) ; 2018 - ₹14,000
You are required to calculate the amount of goodwill on the basis of 5 years purchase of average profit of the last 4 years.
- 39 From the following details, find out total sales made during the year.

Particulars

Debtors as on 1 st January 2018	₹ 1,30,000
Cash received from debtors during the year	₹ 1,20,000
Sales returns	35,000
Bad debts	15,000
Debtors as on 31 st December 2018	2,00,000
Cash sales	4,60,000

- 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

Part - IV**IV. Answer all the 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 withdraw ₹2,500 per month from the business for his personal use. Prepare statement of profit or loss with the above information.

(OR)

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- b) From the following particulars of Trichy Educational Society, prepare Receipts and Payments account for the year ended 31st December 2018

Particulars		Particulars	
	₹		₹
Opening cash	20,000	Locker rent received	12,000
Balance as on 1 1 2018	80,000	Sale of furniture	5,000
Investment made	3,000	General expenses	7,000
Honorarium paid	80,000	Postage	1,000
Donation received	2,000	Subscription received	10,000
Audit fees paid			

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

Particulars	₹
Debtors on 1 st April 2017	1,50,000
Bills receivable on 1 st 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 st March 2018	30,000
Sundry debtors on 31 st March 2018	1,30,000
Cash sales	2,00,000

(OR)

- b) 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.

- Increase the value of premises by ₹60,000
- Depreciate stock by ₹5,000, Furniture by ₹2,000 and Machinery by ₹2,500
- Provide for an outstanding liability of ₹500

Pass journal entries and prepare revaluation account.

43. a) Manju, Charu and Lavanya are partners in a firm sharing profits and losses in the ratio of 5:3:2. Their balance sheet as on 31st March 2018 is follows.

Liabilities	₹	₹	Assets	₹
Capital accounts			Buildings	1,00,000
Manju	70,000		Furniture	80,000
Charu	70,000		Stock	60,000
Lavanya	70,000	2,10,000	Debtors	40,000
Sundry creditors		40,000	Cash in hand	20,000
Profit and loss a/c		50,000		
		3,00,000		3,00,000

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Manju retired from the partnership firm 31.3.2018 subject to the following adjustments

- Stock to be depreciated by ₹10,000
- Provision for doubtful debts to be created for ₹3,000
- Building to be appreciated by ₹28,000

(OR)

- b) State the difference between double entry system and incomplete records.
44. a) From the following receipt and payment account of Tenkasi Thiruvalluvar Manram, prepare income and expenditure account for the year ended 31st March 2019

Receipts		Payments	
	₹		₹
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 investment made	50,000
To entrance fees	7,000	By sports equipment	
To sale of furniture	16,000	purchased	33,000
(Book value ₹17,000)		By balance c/d	
		Cash in hand	10,000
	1,45,000		1,45,000

(OR)

- 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		Assets	
	₹		₹
Capital accounts		Land	80,000
Amal	70,000	Furniture	20,000
Vimal	50,000	Stock	25,000
Sundry-creditors		Debtors	30,000
Profit and loss a/c		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 ₹30,000 for 1/3 share in the future profit subject to the following adjustment.

- Stock to be depreciated by ₹5,000
- Provision for doubtful debts to be credited for ₹3,000
- Land to be appreciated by ₹20,000

Prepare revaluation account and capital account of partners after admission.

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XII Accountancy

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

Particulars	₹	₹	Particulars	₹
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 maintenance		2,000	Match expenses	2,600
Subscription received			Sports materials 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 31.3.2019	300
Wages yet to be paid		2,200	Donation received	
Interest on loan paid		2,000	for pavilion	2,000

(OR)

- b) From the following information relating to Sridevi Enterprises, calculate the value of goodwill on the basis of 4 years purchase of the average profit of 3 years.
- Profit for the year ending 31st December 2016, 2017 and 2018 were ₹1,75,000, ₹1,50,000 and ₹2,00,000 respectively.
 - A non-recurring income of ₹45,000 is included in the profits of the year 2016
 - The closing stock of the year 2017 was overvalued by ₹30,000
46. a) Anand and Narayanan are partners in the firm sharing profits and losses in the ratio of 5:3. On 1st January 2018, their capital were ₹50,000 and ₹30,000 respectively. The partnership deed specifies the following.
- Interest on capital is to be allowed at 6% per annum.
 - Interest on drawings charged to Anand and Narayanan are ₹1,000 and ₹800 respectively.
 - The net profit of the firm before considering interest on capital and interest on drawings amounted to ₹35,000
- Give necessary journal entries and prepare Profit and Loss appropriation account as on 31st December 2018. Assume that the capital are fluctuating.

(OR)

- b) Calculate the value of goodwill at 5 years purchase of super profit from the following information.
- Capital employed ₹20,000
 - Normal rate of profit 20%
 - Net profit for 5 years
2014 - ₹30,000 ; 2015 - ₹32,000 ; 2016 - ₹35,000 ; 2017 - ₹37,000
and 2018 - ₹40,000
 - Fair remuneration to the partners ₹2,800 per annum.

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XII Accountancy

47. a) From the following information, prepare capital accounts of partners Mannan and Sevagan, when their capitals are fluctuating.

Particulars	Mannan (₹)	Sevagan (₹)
Capital on 1 st January 2018 (Cr. balance)	2,00,000	1,75,000
Drawings during 2018	40,000	35,000
Interest on drawing	1,000	500
Share of profit for 2018	21,000	16,500
Interest on capital	12,000	10,500
Salary	18,000	Nil
Commission	Nil	2,500

(OR)

- b) Roja, Neela and Kanaga are partners sharing profit and losses in the ratio of 4:3:3. On 1st April 2017, Roja retires and On retirement, the following adjustments are agreed upon.

- Increase the value of building by ₹30,000
- Depreciate stock by ₹5,000 and Furniture by ₹12,000
- Provide an outstanding liability of ₹1,000

Pass Journal entries and prepare revaluation account.
