

A**FIRST REVISION TEST - 2024****Standard XII**Reg.No. **ACCOUNTANCY**

Time : 3.00 hrs

Part - I

Marks : 90

20 x 1 = 20

I. Choose the correct answer:

1. 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
2. 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
3. On revaluation, the increase in the value of assets leads to
 - a) Gain
 - b) Loss
 - c) Expense
 - d) None of these
4. Which of the following should not be recorded in the income and expenditure account?
 - a) Sale of old news papers
 - b) Loss on sale of asset
 - c) Honorarium paid to the secretary
 - d) Sale proceeds of furniture
5. 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
6. Pick the odd one out
 - a) Partners share profits and losses equally
 - b) Interest on partner's- capital is allowed at 7% per annum
 - c) No salary or remuneration is allowed
 - d) Interest on loan from partners is allowed at 6% per annum
7. The excess of assets over liabilities is
 - a) Loss
 - b) Cash
 - c) Capital
 - d) Profit
8. 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
9. Receipts and payments account is a
 - a) Nominal A/c
 - b) Real A/c
 - c) Personal A/c
 - d) Representative personal account
10. Match List I with List II and select the correct answer using the codes given below:

List I

- i) Sacrificing ratio
- ii) Old profit sharing ratio
- iii) Revaluation Account
- iv) Capital Account

List II

1. Investment fluctuation fund
2. Accumulated profit
3. Goodwill
4. Unrecorded liability

XII Accountancy

3

20. Salary account comes under which of the following head?
- Direct Incomes
 - Direct Expenses
 - Indirect Incomes
 - Indirect Expenses

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

Part - II

7 x 2 = 14

21. State the accounts generally maintained by small sized sole trader when double entry system is not followed.
22. Write a short note on Life membership fees.
23. Kevin and Francis are partner's Kevin draws ₹5,000 at the end of each quarter. Interest on drawings is chargeable at 6% p.a. Calculate interest on the drawings for the year ending 31st March 2019 using average period.
24. State any two circumstances under which goodwill of a partnership firm is valued.
25. What is sacrificing ratio?
26. What is over subscription?
27. Arjun was holding 1,000 equity share of ₹10 each of Vanavil Electronics Ltd, issued at par. He paid ₹5 on application, ₹4 on allotment but could not pay the first and final call of ₹3. The directors forfeited the shares for non payment of call money. Give Journal entry for forfeiture of shares.
28. When is trend analysis preferred to other tools?
29. Calculate quick ratio: Total current liabilities ₹2,40,000; Total current assets Rs., 4,50,000; Inventories ₹70,000; Prepaid expenses ₹20,000
30. What is a group in Tally, ERP 9?

Part - III

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

7 x 3 = 21

31. State the differences between double entry system and incomplete records. (any three)
32. From the following particulars, show how the item 'subscription' will appear in the Income and Expenditure Account for the year ended 31.12.2018?
Subscription received in 2018 is ₹50,000 which includes ₹5,000 for 2017 and ₹7,000 for 2019. Subscription outstanding for the year 2018 is ₹6,000. Subscription of ₹4,000 was received in advance for 2018 in the year 2017.
33. State the differences between fixed capital method and fluctuating capital method. (any three)
34. From the following information, calculate the value of goodwill based on 3 years purchase of super profit
- Capital employed : ₹2,00,000
 - Normal rate of return : 15%
 - Average profit of the business : ₹42,000

4

XII Accountancy

35. Amudha and Bhuvana are partners who share profits and losses in the ratio of 5 : 3. Chithra joins the firm on 1st January, 2019 for 3/8 share of profits and brings in cash for her share of goodwill of ₹8,000. 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.
36. Kayal, Mala and Neela are partners sharing profits in the ratio 2:2:1. Kayal retires and the new profit sharing ratio between Nila and Neela is 3: 2. Calculate the gaining ratio.
37. Abdul Ltd. issues 50,000 shares of ₹10 each payable fully on application. Pass journal entries if shares are issued
- (i) At par
- (ii) At a premium of ₹3 per share
38. Bring out the limitations of ratio analysis. (any three)
39. Mention the commonly used voucher types in Tally.ERP 9.
40. From the following particulars, prepare comparative income statement of Arul Ltd.

Particulars	2015-16	2016-17
	₹	₹
Revenue from operations	50,000	60,000
Other income	10,000	30,000
Expenses	40,000	50,000

Part - IV

IV. Answer all the questions.

7 x 5 = 35

41. a) From the following receipts and payments accounts 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 Traveling expenses	2,000
To Subscription	55,000	By Printing and stationary	6,000
To Legacies	48,000	By Investments made	50,000
To Entrance fees	7,000	By Sports equipment purchased	33,000
(Book value ₹17,000)	16,000	By Balance c/d	
		Cash in hand	10,000
	145,000		145,000

5

XII Accountancy

(OR)

b) From the following particulars calculate total purchases.

Particulars	₹	Particulars	₹
Sundry creditors on 1 st Jan. 2019	30,000	Purchases returns	15,000
Bills payable on 1 st Jan 2019	25,000	Cash purchases	2,25,000
Paid cash to creditors	1,20,000	Creditors on 31 st Dec. 2019	25,000
Paid for bills payable	30,000	Bills payable on 31 st Dec., 2019	20,000

42.a) Santhosh is 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
May 31	10,000
July 1	4,000
October 31	6,000

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

(OR)

b) On 1st April 2017, Subha started his business with a capital of ₹1,20,000. She did not maintain proper books of accounts. Following particulars are available from his books as on 31.03.2019.

Particulars	₹	Particulars	₹
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		

During the year she withdrew ₹30,000 for his personal use. She introduced further capital of ₹40,000 during the year. Calculate her profit or loss.

43.a) Rani, Jaya and Rathi are partners sharing profits and losses in the ratio of 2: 2:1. On 31.03.2018, Rathi retired from the partnership. Profit of the preceding years is as follows:

2014 : ₹10,000; 2015: ₹20,000; 2016: ₹18,000; and 2017: ₹32,000

Find out the share of profit of Rathi for the year 2018 till the date of retirement if

- Profit is to be distributed on the basis of the previous year's profit
 - Profit is to be distributed on the basis of the average profit of the past 4 years
- Also pass necessary journal entries by assuming partners capitals are fluctuating.

(OR)

6

XII Accountancy

- b) Nivetha Ltd. forfeited 1000 equity shares of ₹10 each for non payment of call of ₹4 per share. Of these 800 shares were reissued @ ₹7 per share. Pass journal entries for forfeiture and reissue.
44. a) The following particulars are available in respect of the business carried on by a partnership firm:
- Profits earned: 2016 : ₹30,000; 2017 : ₹29,000 and 2018 : ₹32,000
 - Profit of 2016 includes a non-recurring income of ₹3,000
 - Profit of 2017 is reduced by ₹2,000 due to stock destroyed by fire.
 - The stock was not insured. But, it is decided to insure the stock in future. The insurance premium is estimated to be ₹5,600 per annum.
- You are required to calculate the value of goodwill of the firm on the basis of 2 years purchase of average profits of the last three years

(OR)

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

Particulars	Padmini (₹)	Padma (₹)
Capital on 1 st 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

45. 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.

- 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 ₹500

Pass journal entries and prepare revaluation account.

(OR)

- b) 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 fair return on capital employed in the business. Calculate the value of goodwill on the basis of 2 years purchase of super profit.

XII Accountancy

7

46. a) From the following particulars, prepare comparative statement of financial position of Muthu Ltd.

Particulars	31st Mar. 2017 (₹)	31st Marc. 2018 (₹)
I EQUITY AND LIABILITIES		
Shareholders' Fund	4,00,000	4,40,000
Non-current liabilities	1,50,000	1,65,000
Current liabilities	75,000	82,500
Total	6,25,000	6,87,500
II ASSETS		
Non-current assets	5,00,000	6,00,000
Current assets	1,25,000	87,500
Total	6,25,000	6,87,500

(OR)

- b) From the following information, calculate debt equity ratio.

Particulars	31st Mar. 2017 (₹)
I. EQUITY AND LIABILITIES	
1. Shareholder's funds	
a) Share capital	
Equity share capital	6,00,000
Reserves and surplus	2,00,000
2. Non-Current liabilities	
Long-term borrowings(Debentures)	6,00,000
3. Current liabilities	
a) Trade payables	1,60,000
b) Other current liabilities	
Outstanding expenses	40,000
Total	16,00,000

XII Accountancy

47. 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		2,000	Match expenses	2,600
Maintenance :			Sport material purchased	1,900
Subscription received:			Match fund receipts	5,200
Previous year	500		Legacies received	2,000
Current year	9,600		Cash balance(3.03.2019)	300
Subsequent year	400	10,500	Donation received for pavilion	2,000
Wages yet to be paid		2,200		
Interest on loan paid		2,000		

(OR)

- b) From the following trading activities of Rovina Ltd. Calculate
- Gross profit ratio
 - Net profit ratio
 - Operating cost ratio
 - Operating profit ratio

Statement of Profit and loss

Particulars	₹
I. Revenue from operations	4,00,000
II. Other income:	
Income from investments	4,000
III. Total revenues (I + II)	4,04,000
IV. Expenses:	
Purchases of stock-in-trade	2,10,000
Changes in inventories	30,000
Finance costs	24,000
Other expenses (Administration and selling)	60,000
Total expenses	3,24,000
V. Profit before tax (III – IV)	80,000