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ACCOUNTANCY

GRADE: XII **TEST NO.1** **MARKS: 50**

I CHOOSE THE CORRECT ANSWER 30 X 1 = 30

1. 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
2. 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
3. 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
4. Receipts and payments account is a
   (a) Nominal A/c (b) Real A/c
   (c) Personal A/c (d) Representative personal account
5. Receipts and payments account records receipts and payments of
   (a) Revenue nature only (b) Capital nature only
   (c) Both revenue and capital nature (d) None of the above
6. 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
7. Donations received for a specific purpose is
   (a) Revenue receipt (b) Capital receipt
   (c) Revenue expenditure (d) Capital expenditure
8. In the absence of an agreement, partners are entitled to
   (a) Salary (b) Commission (c) Interest on loan (d) Interest on capital
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. 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
11. 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
12. The average rate of return of similar concerns is considered as
   (a) Average profit (b) Normal rate of return
   (c) Expected rate of return (d) None of these
13. 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
14. The total capitalised value of a business is ` 1,00,000; assets are ` 1,50,000 and liabilities are ` 80,000. The value of goodwill as per the capitalisation method will be
   (a) ₹40,000 (b) ₹70,000 (c) ₹1,00,000 (d) ₹30,000

15. Balaji and Kamalesh are partners sharing profits and losses in the ratio of 2:1. They admit Yogesh into partnership. The new profit sharing ratio between Balaji, Kamalesh and Yogesh is agreed to 3:1:1. Find the sacrificing ratio between Balaji and Kamalesh.
    (a) 1:3 (b) 3:1 (c) 2:1 (d) 1:2
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. A partner retires from the partnership firm on 30th June. He is liable for all the acts of the firm up to the
    (a) End of the current accounting period (b) End of the previous accounting period
    (c) Date of his retirement (d) Date of his final settlement
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 continuing partners (d) Memorandum revaluation account
19. At the time of retirement of a partner, determination of gaining ratio is required
    (a) To transfer revaluation profit or loss (b) To distribute accumulated profits and losses
    (c) To adjust goodwill (d) None of these
20. A preference share is one
    (i) which carries preferential right with respect to payment of dividend at fixed rate
    (ii) which carries preferential right with respect to repayment of capital on winding up
    (a) Only (i) is correct (b) Only (ii) is correct
    (c) Both (i) and (ii) are correct (d) Both (i) and (ii) are incorrect
21. At the time of forfeiture, share capital account is debited with
    (a) Face value (b) Nominal value (c) Paid up amount (d) Called up amount
22. The amount received over and above the par value is credited to
    (a) Securities premium account (b) Calls in advance account
    (c) Share capital account (d) Forfeited shares account
23. Balance sheet provides information about the financial position of a business concern
    (a) Over a period of time (b) As on a particular date
    (c) For a period of time (d) For the accounting period
24. The financial statements do not exhibit
    (a) Non-monetary data (b) Past data
    (c) Short term data (d) Long term data
25. Which of the following is not a tool of financial statement analysis?
    (a) Trend analysis (b) Common size statement
    (c) Comparative statement (d) Standard costing
26. Current assets excluding inventory and prepaid expenses is called
    (a) Reserves (b) Tangible assets (c) Funds (d) Quick asset
27. Cost of revenue from operations ₹3,00,000; Inventory in the beginning of the year ₹ 60,000; Inventory at the close of the year ₹40,000. Inventory turnover ratio is
    (a) 2 times (b) 3 times (c) 6 times (d) 8 times
28. Contra voucher is used for
    (a) Master entry (b) Withdrawal of cash from bank for office use
    (c) Reports (d) Credit purchase of assets
29. Accounting report prepared according to the requirements of the user is
    (a) Routine accounting report (b) Special purpose report
    (c) Trial balance (d) Balance sheet

30. Function key F11 is used for
    (a) Company Features (b) Accounting vouchers
    (c) Company Configuration (d) None of these

II ANSWER THE FOLLOWING 10 X 2 = 20

31. What is meant by retirement of a partner?
32. What is gaining ratio?
33. What is the purpose of calculating gaining ratio?
34. What is the journal entry to be passed to transfer the amount due to the deceased partner to the executor of the deceased partner?
35. Dheena, Surya and Janaki are partners sharing profits and losses in the ratio of 5:3:2. On 31.3.2018, Dheena retired. On the date of retirement, the books of the firm showed a reserve fund of ₹50,000. Pass journal entry to transfer the reserve fund.
36. Rosi, Rathi and Rani are partners of a firm sharing profits and losses equally. Rathi retired from the partnership on 1.1.2018. On that date, their balance sheet showed accumulated loss of ₹45,000 on the asset side of the balance sheet. Give the journal entry to distribute the accumulated loss.
37. Kayal, Mala and Neela are partners sharing profits in the ratio of 2:2:1. Kayal retires and the new profit sharing ratio between Nila and Neela is 3:2. Calculate the gaining ratio.
38. Ramu, Somu, Gopu are partners sharing profits in the ratio of 3:5:7. Gopu retires and the share is purchased by Ramu and Somu in the ratio of 3:1. Find the new profit sharing ratio and gaining ratio.
39. Sunil, Sumathi and Sundari are partners sharing profits in the ratio of 3:3:4. Sundari retires and her share is taken up entirely by Sunil. Calculate the new profit sharing ratio and gaining ratio.
40. Navin, Ravi and Kumar are partners sharing profits in the ratio of 1/2, 1/4 and ¼ respectively. Kumar retires and his share is taken up by Navin and Ravi equally. Calculate the new profit sharing ratio and gaining ratio.

"There is no substitute for hard work."

ALL THE BEST

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