



V.M.G. RAJASEKARAN–RAMANI

SRI SARADA SAKTHI

MAT. HR. SEC. SCHOOL

**ACCOUNTANCY****GRADE: XII****TEST NO.4****MARKS: 50****I CHOOSE THE CORRECT ANSWER**

35 X 1 = 35

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 excess of assets over liabilities is
  - (a) Loss
  - (b) Cash
  - (c) Capital
  - (d) Profit
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. 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
5. Income and expenditure account is a
  - (a) Nominal A/c
  - (b) Real A/c
  - (c) Personal A/c
  - (d) Representative personal account
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. 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
8. Which of the following is shown in Profit and loss appropriation account?
  - (a) Office expenses
  - (b) Salary of staff
  - (c) Partners' salary
  - (d) Interest on bank loan
9. 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
10. 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
11. 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
12. 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
13. On revaluation, the increase in the value of assets leads to
  - (a) Gain
  - (b) Loss
  - (c) Expense
  - (d) None of these
14. 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
15. Which of the following statements is not true in relation to admission of a partner
  - (a) Generally mutual rights of the partners change
  - (b) The profits and losses of the previous years are distributed to the old partners
  - (c) The firm is reconstituted under a new agreement
  - (d) The existing agreement does not come to an end
16. 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

17. On revaluation, the increase in liabilities leads to  
 (a) Gain (b) Loss (c) Profit (d) None of these
18. If the final amount 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) Other partners' capital A/c
19. That part of share capital which can be called up only on the winding up of a company is called:  
 (a) Authorised capital (b) Called up capital (c) Capital reserve (d) Reserve capital
20. After the forfeited shares are reissued, the balance in the forfeited shares account should be transferred to  
 (a) General reserve account (b) Capital reserve account  
 (c) Securities premium account (d) Surplus account
21. Which of the following statement is false?  
 (a) Issued capital can never be more than the authorised capital  
 (b) In case of under subscription, issued capital will be less than the subscribed capital  
 (c) Reserve capital can be called at the time of winding up  
 (d) Paid up capital is part of called up capital
22. 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
23. The financial statements do not exhibit  
 a) Non-monetary data (b) Past data (c) Short term data (d) Long term data
24. The term 'fund' refers to  
 a) Current liabilities (b) Working capital (c) Fixed assets (d) Non-current assets
25. Current ratio indicates  
 (a) Ability to meet short term obligations (b) Efficiency of management  
 (c) Profitability (d) Long term solvency
26. Debt equity ratio is a measure of  
 (a) Short term solvency (b) Long term solvency (c) Profitability (d) Efficiency
27. To test the liquidity of a concern, which of the following ratios are useful?  
 (i) Quick ratio (ii) Net profit ratio (iii) Debt-equity ratio (iv) Current ratio  
 Select the correct answer using the codes given below:  
 (a) (i) and (ii) (b) (i) and (iv) (c) (ii) and (iii) (d) (ii) and (iv)
27. Function key F11 is used for  
 (a) Company Features (b) Accounting vouchers (c) Company Configuration (d) None of these
28. What are the predefined Ledger(s) in Tally?  
 (i) Cash (ii) Profit & Loss A/c (iii) Capital A/c  
 (a) Only (i) (b) Only (ii) (c) Both (i) and (ii) (d) Both (ii) and (iii)
29. Which is not the default group in Tally?  
 (a) Suspense account (b) Outstanding expense (c) Sales account (d) Investments
30. 25,000 withdrawn from bank for office use. In which voucher type, this transaction will be recorded  
 (a) Contra Voucher (b) Receipt Voucher (c) Payment Voucher (d) Sales Voucher
31. True financial position cannot be ascertained as \_\_\_\_\_ is not prepared due to the absence of nominal and real accounts.  
 (a) Trading accounts (b) Profit and loss account (c) Balance sheet (d) Trail balance
32. Pick the Odd one Out.  
 (a) Entrance fees (b) Salaries (c) Postage (d) Telephone charges
33. Amount is drawn regularly at the middle of every month during the year. Interest calculated for  
 (a) 13/24 (b) 11/24 (c) 12/24 (d) 10/24
34. Match List I with List II and select the Correct Answer using the codes given below.

List I		List II	
(i)	New share	1.	Partner
(ii)	Sacrifice	2.	Revaluation method
(iii)	Treatment of Goodwill	3.	Old share – Sacrifice
(iv)	Admission	4.	Old share – New share

Codes:

	(i)	(ii)	(iii)	(iv)
(a)	4	3	1	2
(b)	1	2	3	4
(c)	2	3	4	1
(d)	3	4	2	1

35. Assertion (A): The goodwill appears in the balance sheet at a value less than the present value of goodwill.

Reason: (R) The difference in the goodwill is transferred to all partners in the old ratio.

- (a) Both (A) and (R) are true and (R) is the correct explanation of (A)  
 (b) Both (A) and (R) are true and (R) is not the correct explanation of (A)  
 (c) (A) is true, but (R) is false  
 (d) (A) is false, but (R) is true

## II ANSWER THE FOLLOWING

3 X 5 = 15

36. From the information given below, prepare Receipts and Payments account of Coimbatore Cricket Club for the year ending 31<sup>st</sup> 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 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
Wages yet to be paid		2,200	Donation received for pavilion	2,000
Interest on loan paid		2,000		

37. From the following Receipts and Payment account and from the information given below of Ramanathapuram Sports Club, prepare Income and Expenditure account for the year ended 31<sup>st</sup> December, 2018 and the balance sheet as on that date.

### Dr. Receipts and Payments Account for the year ended 31<sup>st</sup> December, 2018 Cr.

Receipts	₹	₹	Payments	₹	₹
To Balance b/d			By Rent		11,000
Cash in hand	5,000		By Entertainment expenses		11,200
Cash at bank	10,000	15,000	By Furniture purchased		10,000
To Subscription			By Sports materials purchased		13,000
2017	12,000		By Match expenses		12,000
2018	33,000		By Investments made		28,000
2019	16,000	61,000	By Balance c/d		
To Entrance fees		6,000	Cash in hand	1,300	
To General donations		7,000	Cash at bank	4,000	5,300
To Sale of old sports materials		1,000			
To Miscellaneous receipts		500			
		90,500			90,500

Additional information:

(i) Capital fund as on 1<sup>st</sup> January 2018 ₹30,000.

(ii) Opening stock of sports material ₹3,000 and closing stock of sports material ₹5,000.

38.

Mayiladuthurai Recreation Club gives you the following details. Prepare Receipts and Payments account for the year ended 31<sup>st</sup> March, 2019.

Particulars	₹	Particulars	₹
Opening cash balance	15,000	Salary of watchman	12,000
Opening bank balance	25,000	Club annual day expenses	15,000
Donations received	48,000	Lighting charges	16,500
Sale of old equipment	26,000	Entertainment expenses	13,500
Refreshment charges	13,000	Billiards table purchased	5,000
Club annual day collections	18,000	Expenses of charity show	3,000
Construction of tennis court	7,000	Sale of investments	12,000
Receipts from charity show	4,000	Closing cash balance	12,000
Rent paid	1,000		

\*\*\*\*\*

"There is no substitute for hard work."  
 \*\*\*ALL THE BEST\*\*\*