

COMMON QUARTERLY EXAMINATION - 2024

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Standard XII

Reg.No.

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ACCOUNTANCY

Time : 3.00 hrs

Part - I

Marks : 90

20 x 1 = 20

1. Choose the correct answer:

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. When capital in the beginning is ₹10,000, drawings during the year is ₹6,000, profit made during the year is ₹2,000 and the additional capital introduced is ₹3,000. Find out the amount of capital at the end
 - a) ₹9,000
 - b) ₹11,000
 - c) ₹21,000
 - d) ₹3,000
4. Income and expenditure account is a
 - a) Nominal a/c
 - b) Real a/c
 - c) Personal a/c
 - d) Representative personal account
5. Legacy is
 - a) Revenue expenditure
 - b) Capital expenditure
 - c) Revenue receipt
 - d) Capital receipt
6. 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.
 - a) ₹50,000
 - b) ₹50,200
 - c) ₹49,900
 - d) ₹49,800
7. 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
8. When fixed capital method is adopted by a partnership firm, which of the following items will appear in capital accounts?
 - a) Additional capital introduced
 - b) Interest on capital
 - c) Interest on drawings
 - d) Share of profit
9. In the absence of an agreement among the partner's, interest on capital is
 - a) Not allowed
 - b) Allowed at bank rate
 - c) Allowed @ 5% per annum
 - d) Allowed @ 6% per annum

10. Which of the following statements is not true in relation to admission of a partner
- Generally mutual rights of the partners change
 - The profit and losses of the previous years are distributed to the old partners
 - The firm is reconstituted under a new agreement
 - The existing agreement does not come to an end
11. When the average profit is ₹25,000 and the normal profit is ₹15,000, super profit is
- ₹25,000
 - ₹5,000
 - ₹10,000
 - ₹15,000
12. Which of the following is true?
- Super profit = Total profit / Number of years
 - Super profit = Weighted profit / Number of years
 - Super profit = Average profit – Normal profit
 - Super profit = Average profit x Years of purchase
13. Which of the following statement is true?
- Goodwill is an intangible asset
 - Goodwill is a current asset
 - Goodwill is fictitious asset
 - Goodwill cannot be acquired
14. The profit or loss on revaluation of assets and liabilities is transferred to the capital of
- The old partners
 - The new partner
 - All the partners
 - The sacrificing partners
15. If the old profit sharing ratio is more than the new profit sharing ratio of a partner, the difference is called
- Capital ratio
 - Sacrificing ratio
 - Gaining ratio
 - None of these
16. On retirement of a partner from a partnership firm, accumulated profits and losses are distributed to the partners in the
- New profit sharing ratio
 - Old profit sharing ratio
 - Gaining ratio
 - Sacrificing ratio
17. On retirement of a partner, general reserve is transferred to the
- Capital account of all the partners
 - Revaluation account
 - Capital account of the continuing partners
 - Memorandum revaluation account
18. If the final amount due to a retiring partner is not paid immediately, it is transferred to
- Bank a/c
 - Retiring partner's capital a/c
 - Retiring partner's loan a/c
 - Other partners capital a/c
19. Which of the following is the correct pair?
- Subscription - Revenue receipts
 - Honorarium - Capital expenditure
 - Special funds - Revenue expenditure
 - Purchase of sports materials - Revenue receipts
20. When a partner withdraws regularly a fixed sum of money at the end of every month, period for which interest is to be calculated on the drawings on an average is
- 5.5 months
 - 6 months
 - 12 months
 - 6.5 months

3/8

XII Accountancy

Part - II

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

7 x 2 = 14

21. What is meant by incomplete records?
 22. Write a short note on life membership fees.
 23. What is meant by fixed capital method?
 24. From the following details, calculate the capital as on 31st December 2018.

Particulars	₹
Capital as on 1 st January, 2018	1,00,000
Goods withdrawn for personal use by the owner	30,000
Additional capital introduced during the year	15,000
Profit for the year	60,000

25. 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 stationary on 31.3.2019	2,200

26. The Capital account of Begum and Fatima on 1st January, 2018 showed a balance of ₹50,000 and ₹40,000 respectively. On 1st October 2018, Begum introduced an additional capital of ₹10,000 and on 1st May 2018, Fatima introduced an additional capital of ₹9,000. Calculate interest on capital at 4% p.a. for the year ending 31st December, 2018.
 27. What is super profit?
 28. Vimal and Athi are partners sharing profits in the ratio of 2:1. Jeyam is admitted for 1/4 share in the profits. Calculate the new profit sharing ratio and sacrificing ratio.
 29. Vivin, Hari and Joy are partners sharing profits and losses in the ratio of 3:2:1. On 31.3.2017 Hari retired. On the date of retirement, the books of the firm showed a general reserve of ₹60,000. Pass the journal entry to transfer the general reserve.
 30. The profit and losses of a firm for the last four years were follows.
 2015 - ₹15,000, 2016 - ₹17,000, 2017 - ₹6,000 (Loss), 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.

Part - III

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

7 x 3 = 21

31. Differentiate between statement of affairs and balance sheet.
 32. Find out credit sales from the following information.

Particulars	₹
Debtors on 1 st April, 2018	1,00,000
Cash received from debtors	2,30,000
Discount allowed	5,000
Return inward	25,000
Debtors on 31 st March, 2019	1,20,000

33. How will the following appear in the final account.

Particulars	₹
Prize fund on 1.4.2017	60,000
Prize fund investment on 1.4.2017	60,000
Interest received on prize fund investment	6,000
Prize distributed	8,000
Donation received for prize fund	12,000

34. 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 investment	10,000
Subscription		Cash in hand	7,000
Outstanding for 2018-19	5,000	Cash at bank	21,000
Subscription received in advance for 2019-20	8,000		

35. State any six contents of a partnership deed.
36. Mannan and Ramesh share profit and losses in the ratio of 3:1. The capital on 1st April 2017 was ₹80,000 for Mannan and ₹60,000 for Ramesh and their current accounts 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 2018 and show the journal entries.
37. Find out the value of goodwill at three years purchase of weighted average profit of last four years.

Year	Profit (₹)	Weight
2015	10,000	1
2016	12,000	2
2017	16,000	3
2018	18,000	4

Calculate the value of Goodwill.

38. What are the adjustment required at the time of admission of a partner?
39. Kavitha, Kumudha and Lalitha are partners sharing profit and losses in the ratio of 5:3:3 respectively. Kumudha retires from the firm on 31st December 2018. On the date of retirement, her capital account shows a credit balance of ₹2,00,000. Pass journal entries if
- The amount due is paid off immediately by cheque.
 - The amount due is not paid immediately.
 - ₹70,000 is paid immediately by cheque.

5/8

XII Accountancy

40. Anbu is a partner in a partnership firm. As per the partnership deed, interest on drawings is charged at 12% p.a. During the year ended 31st December 2018 he draw as follows.

Date	₹
March 1	6,000
June 1	4,000
September 1	5,000
December 1	2,000

Calculate the amount of Interest drawings by using Product Method.

Part - IV

IV. Answer all the questions.

7 x 5 = 35

41. a) Raju does not keep proper books of accounts. Following details are taken from his records.

Particular	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
Bill payable	80,000	45,000
Plant and 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)

- b) From the following receipts and payments account of Tenkasi Thiruvalluvar Mandram. Prepare income and expenditure account for the year ended 31st March 2019.

Receipts	₹	Payment	₹
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 stationery	6,000
To Legacies	48,000	By Investment made	50,000
To Entrance fees	7,000	By Sports equipment purchased	33,000
To Sale of furniture (Book value ₹17,000)	16,000	By Balance c/d	
		Cash in hand	10,000
	1,45,000		1,45,000

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
Received for Bill 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) Calculate the value of goodwill at 5 years purchase of super profit from the following information.
- Capital employed ₹1,20,000
 - 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.
43. a) Rajesh and Ramesh are partners sharing profits in the ratio 3:2. Raman is admitted as a new partner and the new profit sharing ratio is decided as 5:3:2. The following revaluation are made. Pass journal entries and prepare revaluation account.
- The value of building is increased by ₹15,000
 - The value of the machinery is decreased by ₹4,000
 - Provision for doubtful debts is made for ₹1,000

(OR)

- b) Mayiladuthurai Recreation Club gives you the following details. Prepare Receipts and Payments account for the year ended 31st 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
Donation 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 investment	12,000
Receipts from charity show	4,000	Closing cash balance	12,000
Rent paid	1,000		

7/8

XII Accountancy

44. a) 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	1,20,000	Stock	25,000
Sundry creditors		30,000	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 1.4.2018 by introducing a capital of ₹30,000 for 1/3 sharing 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 account of partners after admission.

(OR)

- b) From the following information, prepare capital accounts of partners Mannan and Sevagan when their capital are fluctuating.

Particulars	Mannan ₹	Sevagan ₹
Capital on 1 st January 2018 (Cr. balance)	2,00,000	1,75,000
Drawing during 2018	40,000	35,000
Interest on drawings	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

45. a) Ramya, Sara and Thara are partners sharing profit and losses in the ratio of 5:3:2. On 1st April 2018, Thara retires and on retirement, the following adjustments are agreed upon.

- Increase the value of premises by ₹40,000
- Depreciate stock by ₹3,000 and machinery by ₹6,500
- Provide an outstanding liability of ₹500

Pass journal entries and prepare revaluation account.

(OR)

8/8

XII Accountancy

- b) Durai and Velan entered into a partnership agreement on 1st April 2018. Durai contributing ₹25,000 and Velan ₹30,000 as capital. The agreement provided that
- Profit and losses to be shared in the ratio 2:3 as between Durai and Velan.
 - Partners to be entitled to interest on capital @ 5% p.a.
 - Interest on drawing to be charged Durai ₹300, Velan ₹450
 - Durai to receive a salary of ₹5,000 for the year, and
 - Velan to receive a commission of ₹2,000

During the year, the firm made a profit of ₹20,000 before adjustment of interest, salary and commission. Prepare the profit and loss appropriation account.

46. a) Mani, Rama and Devan are partners in a firm sharing profit and losses in the ratio of 4:3:3. Their balance sheet as on 31st March, 2019 is as follows.

Liabilities	₹	₹	Assets	₹
Capital accounts			Buildings	80,000
Mani	50,000		Stock	20,000
Rama	50,000		Furniture	70,000
Devan	50,000	1,50,000	Debtors	20,000
Sundry creditors		20,000	Cash in hand	10,000
Profit and loss A/c		30,000		
		2,00,000		2,00,000

Mani retired from the partnership firm on 31.03.2019 subject to the following adjustments.

- Stock to be depreciated by ₹5,000
- Provision for doubtful debts to be created for ₹1,000
- Building to be appreciated by ₹16,000
- The final amount due to Mani is not paid immediately

Prepare revaluation account and capital account of partners after retirement.

(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 years 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 profit of the year 2016.
 - The closing stock of the year 2017 was overvalued by ₹30,000
47. a) State the differences between double entry system and incomplete records.

(OR)

- b) State the differences between Receipts and Payments Account and Income and Expenditure Account.
