

**CENTURY FOUNDATION MATRIC HR. SEC. SCHOOL
BOOK BACK ONLY**

SUBJECT: ACCOUNTANCY**TIME: 3 HOURS****CLASS: XII CDF****MARKS :90****I CHOOSE THE CORRECT ANSWER****20 x 1 = 20**

01. Incomplete records are generally maintained by
(a) A company (b) Government (c) Small sized sole trader business (d) Multinational enterprises
02. Which one of the following statements is not true in relation to incomplete records?
(a) It is an unscientific method of recording transactions
(b) Records are maintained only for cash and personal accounts
(c) It is suitable for all types of organisations
(d) Tax authorities do not accept
03. 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
04. Donations received for a specific purpose is
(a) Revenue receipt (b) Capital receipt (c) Revenue expenditure (d) Capital expenditure
05. 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
06. Which of the following is the incorrect pair?
(a) Interest on drawings – Debited to capital a/c (b) Interest on capital - Credited to capital a/c
(c) Interest on loan - Debited to capital a/c (d) Share of profit - Credited to capital a/c
07. 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
08. 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
09. Revaluation A/c is a
(a) Real A/c (b) Nominal A/c (c) Personal A/c (d) Impersonal A/c
10. James and Kamal are sharing profits and losses in the ratio of 5:3. They admit Sunil as a partner giving him 1/5 share of profits. Find out the sacrificing ratio.
(a) 1:3 (b) 3:1 (c) 5:3 (d) 3:5
11. A, B and C are partners sharing profits in the ratio of 2:2:1. On retirement of B, goodwill of the firm was valued as Rs. 30,000. Find the contribution of A and C to compensate B:
(a) Rs. 20,000 and Rs. 10,000 (b) Rs. 8,000 and Rs. 4,000
(c) Rs. 10,000 and Rs. 20,000 (d) Rs. 15,000 and Rs. 15,000
12. X, Y and Z were partners sharing profits and losses equally. X died on 1st April 2019. Find out the share of X in the profit of 2019 based on the profit of 2018 which showed Rs. 36,000.
(a) Rs. 1,000 (b) Rs. 3,000 (c) Rs. 12,000 (d) Rs. 36,000
13. Match the pair and identify the correct option
- | | |
|------------------------|---|
| (1) Under subscription | (i) Amount prepaid for calls |
| (2) Over subscription | (ii) Subscription above the offered shares |
| (3) Calls in arrear | (iii) Subscription below the offered shares |
| (4) Calls in advance | (iv) Amount unpaid on calls |
- (a) (i)(ii)(iv)(iii) (b) (iv)(iii)(ii)(i) (c) (iii)(ii)(iv)(i) (d) (iii)(iv)(i)(ii)
13. Supreme Ltd. forfeited 100 shares of Rs.10 each for non-payment of final call of Rs.2 per share. All these shares were re-issued at Rs.9 per share. What amount will be transferred to capital reserve account?
(a) Rs.700 (b) Rs.800 (c) Rs.900 (d) Rs.1,000
14. Which of the following statements is not true?
(a) Notes and schedules also form part of financial statements
(b) The tools of financial statement analysis include common-size statement
(c) Trend analysis refers to the study of movement of figures for one year
(d) The common-size statements show the relationship of various items with some common base, expressed as percentage of the common base

15. In a common-size balance sheet, if the percentage of non-current assets is 75, what would be the percentage of current assets?

- (a) 175 (b) 125 (c) 25 (d) 100

16. 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)

17. Proportion of share holder's funds to total assets is called

- (a) Proprietary ratio (b) Capital gearing ratio (c) Debt equity ratio (d) Current ratio

18. Function key F11 is used for

- (a) Company Features (b) Accounting vouchers (c) Company Configuration (d) None of these

19. Which is not the default group in Tally?

- (a) Suspense account (b) Outstanding expense (c) Sales account (d) Investments.

20. A Ltd. forfeited 1,000 shares of Rs 100 each for non-payment of final call of Rs 20 per share. All these shares were re-issued at Rs 80 per share. What amount will be transferred to capital reserve account?

- (a) Rs 70,000 (b) Rs 80,000 (c) Rs 90,000 (d) Rs 60,000

II ANSWER THE FOLLOWING ALL
(QUESTION NUMBER 30 IS COMPULSORY)

7 X 2 = 14

21. Find out credit sales from the following information:

Debtors on 1 st January 2018	40,000
Cash received from debtors	1,00,000
Discount allowed	5,000
Sales returns	2,000
Debtors on 31 st December 2018	?

22. Write a short note on life membership fees.

23. What are accounting reports?

24. From the following information, calculate the value of goodwill on the basis of 3 years purchase of average profits of last four years.

YEAR	RESULT	AMOUNT
2015	Profit	5,000
2016	Profit	8,000
2017	Loss	3,000
2018	Profit	6,000

25. 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 Rs. 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.

26. 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.

27. Write a short note on securities premium account.

28. When is trend analysis preferred to other tools?

29. What is meant by debt equity ratio?

30. Ram and Shyam were partners. Ram withdrew Rs. 18,000 at the beginning of each half year. Interest on drawings is chargeable @ 10% p.a. Calculate interest on the drawings for the year ending 31st December 2018 using average period.

III ANSWER THE FOLLOWING ANY SEVEN
(QUESTION NUMBER 40 IS COMPULSORY)

7 X 3 = 21

31. From the following details, calculate the capital as on 31st December 2018:

Capital as on 1 st January, 2018	27,500
Goods taken for the personal use of the proprietor	5,000
Profit for the year	10,000

32. How the following items are dealt with in the final accounts of not-for-profit organisation?

- a) Sale of sports materials
b) Life membership fees
c) Tournament fund

33. Santhosh is a 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	RS.
February 1	2,000
May 1	10,000
July 1	4,000
October 1	6,000

Calculate the amount of interest on drawing.

34. A partnership firm earned net profits during the last three years as follows:

2016 : Rs. 20,000; 2017 : Rs. 17,000 and 2018 : Rs. 23,000

The capital investment of the firm throughout the above mentioned period has been Rs. 80,000. Having regard to the risk involved, 15% is considered to be a fair return on capital employed in the business.

35. Following is the balance sheet of Lakshmi Ltd. as on 31st March, 2019:

PARTICULARS	RS.
I EQUITY AND LIABILITIES	
1. Shareholders' funds	
Equity share capital	4,00,000
2. Non-current liabilities	2,00,000
Long term borrowings	
3. Current liabilities	
(a) Short-term borrowings	50,000
(b) Trade payables	3,10,000
(c) Other current liabilities	
Expenses payable	15,000
(d) Short-term provisions	25,000
Total	10,00,000

PARTICULARS	RS.
II ASSETS	
1. Non-current assets	
(a) Fixed assets	4,00,000
Tangible assets	
2. Current assets	
(a) Inventories	1,60,000
(b) Trade debtors	3,20,000
(c) Cash and cash equivalents	80,000
(d) Other current assets	
Prepaid expenses	40,000
Total	10,00,000

Calculate:

(i) Current ratio

(ii) Quick ratio

36. Calculate the value of goodwill on the basis of 2 years purchase of super profit.

Anu and Arul were partners in a firm sharing profits and losses in the ratio of 4:1. They have decided to admit Mano into the firm for 2/5 share of profits. The goodwill of the firm on the date of admission was valued at Rs.25,000. Mano is not able to bring in cash for his share of goodwill. Pass necessary journal entry for goodwill on the assumption that the fluctuating capital method is followed.

37. What are the pre-defined ledgers available in Tally.ERP 9?

38. List out the adjustments made at the time of retirement of a partner in a partnership firm.

39. What is reissue of forfeited shares?

40. Prepare common-size income statement for the following particulars of Sam Ltd.

PARTICULARS	2015-16 RS.	2016-17 RS.
Revenue from operations	4,00,000	5,00,000
Other income	80,000	50,000
Expenses	2,40,000	2,50,000
Income tax	30%	30%

IV ANSWER THE FOLLOWING ALL

7 X 5 = 35

41. From the following details of Abdul who maintains incomplete records, prepare Trading and Profit and Loss account for the year ended 31st March, 2018 and a Balance Sheet as on the date.

PARTICULARS	1.4.2017 RS.	31.3.2018 RS.
Stock	1,00,000	50,000

PARTICULARS	1.4.2017 RS.	31.3.2018 RS.
Sundry debtors	2,50,000	3,50,000
Cash	25,000	40,000
Furniture	10,000	10,000
Sundry creditors	1,50,000	1,75,000

Other details:

	RS.		RS.
Drawings	40,000	Cash received from debtors	5,35,000
Discount received	20,000	Sundry expenses	30,000
Discount allowed	25,000	Capital as on 1.4.2017	2,35,000
Cash paid to creditors	4,50,000		

42. The following is the summary of cash transactions of Delhi Literary Club for the year ending 31/03/2019. Prepare Income and Expenditure account of the club for the year ending 31st March, 2019 and the Balance sheet as on that date.

Delhi Literary Club Receipts and Payments Account for the year ending 31 st March, 2019			
RECEIPTS	RS.	PAYMENTS	RS.
To Balance b/d		By Rents and Rates	21,000
Cash in hand	3,200	By Lecture fees	4,500
To Entrance fees	2,300	By Sundry expenses	7,200
To Subscriptions	46,000	By Fixed deposit	40,000
To Life membership fees	2,500	By Balance c/d	
To Interest received on fixed deposit	500	Cash in hand	4,300
To Sale of furniture (on 1.4.2018) (Book value Rs.25,000)	22,500		
	77,000		77,000

Additional information

(a) At the beginning of the year the club possessed books worth Rs. 20,000 and furniture worth Rs. 40,000.

(b) Subscription received in advance during the current year amounted to Rs. 1,000.

43. The following is the Receipts and Payments account of Ooty City Club for the year ending 31/03/2018.

Ooty City Club					
Dr . Receipts and Payments Account for the year ended 31 st March, 2018 Cr					
RECEIPTS	RS.	RS.	PAYMENTS	RS.	RS.
To Balance b/d:			By Upkeep of ground		16,500
Cash	500		By Match expenses		19,000
Bank	7,000	7,500	By Sundry expenses		11,000
To Subscription (including Rs. 4,000 for 2016-2017)		30,000	By Balance c/d:		
To Legacies		9,000	Cash in hand	1,500	
To Hall rent		10,000	Cash at bank	11,000	12,500
To Receipts for match fund		22,500			
		79,000			79,000

Additional information:

On 1st April, 2017, the club had investment of Rs. 40,000. The club also had a credit balance of Rs. 30,000 in Match fund account. On 31st March, 2017 subscriptions in arrears were Rs. 4,000 and the subscriptions in arrears on 31st March, 2018 were Rs. 4,500. Prepare the final accounts.

44. State the differences between fixed capital method and fluctuating capital method.

45. Calculate the value of goodwill at 5 years purchase of super profit from the following information:

(a) Capital employed: Rs. 1,20,000

(b) Normal rate of profit: 20%

(c) Net profit for 5 years: 2014: Rs. 30,000; 2015: Rs. 32,000; 2016: Rs. 35,000; 2017: Rs. 37,000 and 2018: Rs. 40,000

(d) Fair remuneration to the partners Rs. 2,800 per annum.

46. Anbu and Shankar are partners in a business sharing profits and losses in the ratio of 3:2. The balance sheet of the partners on 31.03.2018 is as follows:

LIABILITIES	RS.	RS.	ASSETS	RS.
Capital accounts:			Computer	40,000
Anbu	4,00,000		Motor car	1,60,000
Shankar	3,00,000	7,00,000	Stock	4,00,000
Profit and loss		1,20,000	Debtors	3,60,000
Creditors		1,20,000	Bank	40,000
Workmen compensation fund		60,000		
		10,00,000		10,00,000

Rajesh is admitted for 1/5 share on the following terms:

- Goodwill of the firm is valued at Rs. 75,000 and Rajesh brought cash for his share of goodwill.
- Rajesh is to bring Rs. 1,50,000 as his capital.
- Motor car is valued at Rs. 2,00,000; stock at Rs. 3,80,000 and debtors at Rs. 3,50,000.
- Anticipated claim on workmen compensation fund is Rs. 10,000
- Unrecorded investment of Rs. 5,000 has to be brought into account.

Prepare revaluation account, capital accounts and balance sheet after Rajesh's admission.

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

LIABILITIES	RS.	RS.	ASSET	RS.
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 Rs. 5,000
- Provision for doubtful debts to be created for Rs. 1,000.
- Buildings to be appreciated by Rs. 16,000
- The final amount due to Mani is not paid immediately

Prepare revaluation account and capital account of partners after retirement.

48. Roja, Neela and Kanaga are partners sharing profits 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 Rs. 3,00,000.
- Depreciate stock by Rs. 5,000 and furniture by Rs. 12,000.
- Provide an outstanding liability of Rs. 1,000
- Write off creditors amount 3,000
- Provision for doubtful debts to be increased for Rs. 1,000.

Pass journal entries and prepare revaluation account.

49. X company issued 10,000 equity shares of Rs.10 each payable as under:

- On application Rs.2
- On allotment Rs.4
- On first call Rs.2
- On final call Rs.2

Applications were received for 30,000 shares. Applications for 10,000 shares were rejected and allotment was made proportionately towards remaining applications and the excess application money is adjusted towards allotment money. The directors made both the calls and the all the amount were received except the final call on 600 shares which were subsequently forfeited. Later 400 forfeited shares were reissued as fully paid by receiving Rs.7 per share.

50. State the differences between preference shares and equity shares.

51. From the following particulars of Siva Ltd, prepare common size income statement for the years ended 31st March, 2016 and 31st March, 2017.

PARTICULARS	2015-16	2016-17
Revenue from operations	2,00,000	3,00,000
Other income	25,000	75,000
Expenses	2,50,000	1,50,000
Income tax %	40	40

52. Prepare common-size statement of financial position for the following particulars of Yasmin Ltd. and Sakthi Ltd.

PARTICULARS	YASMIN LTD.	SAKTHI LTD.
I EQUITY AND LIABILITIES		
1. Shareholders' Fund	2,00,000	3,00,000
a) Share capital	3,00,000	60,000
2. Non-current liabilities		
Long-term borrowings	1,50,000	1,80,000
3. Current liabilities		
Trade payables	1,00,000	60,000
Total	5,00,000	6,00,000
II ASSETS		
1. Non-current assets		
a) Fixed assets	2,00,000	3,00,000
b) Non - current investments	50,000	1,20,000
2. Current assets		
Inventories	2,00,000	90,000
Cash and cash equivalents	50,000	90,000
Total	5,00,000	6,00,000

53. Following is the extract of balance sheet of Abdul Ltd., as on 31st March, 2019:

PARTICULARS	RS.
I. EQUITY AND LIABILITIES	
1. Shareholders' funds	
(a) Share capital	2,00,000
(b) Reserves and surplus	50,000
2. Non-current liabilities	
Long-term borrowings	1,50,000
3. Current liabilities	
(a) Trade payables	1,30,000
(b) Other current liabilities	5,000
(c) Short-term provisions	20,000
Provision for tax	30,000
Total	5,55,000

Net profit before interest and tax for the year was Rs. 60,000. Calculate the return on capital employed for the year.

54. Explain any five applications of computerised accounting system.