

**CENTURY FOUNDATION MATRIC HR. SEC. SCHOOL
WORK SHEET**

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

01. Opening balance of debtors: Rs. 30,000, cash received: Rs. 1,00,000, credit sales: Rs. 90,000; closing balance of debtors is
 (a) Rs. 30,000 (b) Rs. 1,30,000 (c) Rs. 40,000 (d) Rs. 20,000
02. Receipts and payments account is a
 (a) Nominal A/c (b) Real A/c (c) Personal A/c (d) Representative personal account
03. Donations received for a specific purpose is
 (a) Revenue receipt (b) Capital receipt (c) Revenue expenditure (d) Capital expenditure
04. In the absence of a partnership deed, profits of the firm will be shared by the partners in
 (a) Equal ratio (b) Capital ratio (c) Both (a) and (b) (d) None of these
05. In the absence of an agreement, partners are entitled to
 (a) Salary (b) Commission (c) Interest on loan (d) Interest on capital
06. 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
07. Identify the incorrect pair
 (a) Goodwill under Average profit method - Average profit \times Number of years of purchase
 (b) Goodwill under Super profit method - Super profit \times Number of years of purchase
 (c) Goodwill under Annuity method - Average profit \times Present value annuity factor
 (d) Goodwill under Weighted average profit method - Weighted average profit \times Number of years of purchase
08. Which of the following statements is not true in relation to admission of a part _____.
 (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
10. 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
11. 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
12. 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
13. When shares are issued for purchase of assets, the amount should be credited to
 (a) Vendor's A/c (b) Sundry assets A/c (c) Share capital A/c (d) Bank A/c
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. 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
16. The mathematical expression that provides a measure of the relationship between two figures is called
 (a) Conclusion (b) Ratio (c) Model (d) Decision
17. Debt equity ratio is a measure of
 (a) Short term solvency (b) Long term solvency (c) Profitability (d) Efficiency

18. 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)
19. Contra voucher is used for
 (a) Master entry (b) Withdrawal of cash from bank for office use
 (c) Reports (d) Credit purchase of assets
20. Match List I with List II and select the correct answer using the codes given below:
- | | |
|---|--------------------------------|
| List I | List II |
| (i) Sacrificing ratio | 1. Investment fluctuation fund |
| (ii) Old profit sharing ratio | 2. Accumulated profit |
| (iii) Revaluation Account | 3. Goodwill |
| (iv) Capital Account | 4. Unrecorded liability |
| (a)1,2,3,4 (b)3,2,4,1 (c)4,3,2,1 (d)3,1,4,2 | |

II ANSWER THE FOLLOWING ANY SEVEN
(QUESTION NUMBER 30 IS COMPULSORY)

7 X 2 = 14

21. From the following particulars ascertain profit or loss:

PARTICULARS	RS.
Capital at the beginning of the year (1 st April, 2018)	5,00,000
Capital at the end of the year (31 st March, 2019)	8,50,000
Additional capital introduced during the year	1,20,000
Drawings during the year	70,000

22. What is legacy?
 23. What is meant by fixed capital method?
 24. Compute average profit from the following information.
 2016: Rs. 8,000; 2017: Rs. 10,000; 2018: Rs. 9,000
 25. Raja and Ravi are partners, sharing profits in the ratio of 3:2. They admit Ram for 1/4 share of the profit. He takes 1/20 share from Raja and 4/20 from Ravi. Calculate the new profit sharing ratio and sacrificing ratio.
 Rahul, Ravi and Rohit are partners sharing profits and losses in the ratio of 5:3:2. Rohit retires and the share is taken by Rahul and Ravi in the ratio of 3:2. Find out the new profit sharing ratio and gaining ratio.
 26. Why are the shares forfeited?
 27. Prepare common-size income statement for the following particulars of A Ltd. for the year ended 31.3.2017

PARTICULARS	2016-17
Revenue from operations	4,50,000
Other income	67,500
Expenses	1,35,000

28. Calculate quick ratio of Ananth Constructions Ltd from the information given below.

PARTICULARS	RS.
Total current liabilities	1,00,000
Total current assets	2,50,000
Inventories	50,000
Prepaid expenses	15,000

29. What is automated accounting system?
 30. Define depreciation.

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

7 X 3 = 21

31. David does not keep proper books of accounts. Following details are given from his records

PARTICULARS	1.4.2018 RS.	31.3.2019 RS.
Cash	43,000	29,000
Stock of goods	1,20,000	1,30,000
Sundry debtors	84,000	1,10,000
Sundry creditors	1,05,000	1,02,000
Loan	25,000	20,000
Business premises	2,50,000	2,50,000
Furniture	33,000	45,000

During the year he introduced further capital of Rs. 45,000 and withdrew Rs. 2,500 per month from the business for his personal use. Prepare statement of profit or loss with the above information.

32. How annual subscription is dealt with in the final accounts of not-for-profit organisation?
33. Sibi and Manoj are partners in a firm. Sibi is to get a commission of 20% of net profit before charging any commission. Manoj is to get a commission of 20% on net profit after charging all commission. Net profit for the year ended 31st December 2018 before charging any commission was Rs. 60,000. Find the commission of Sibi and Manoj. Also show the distribution of profit.
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. Calculate the value of goodwill on the basis of 2 years purchase of super profit.
35. What are the adjustments required at the time of admission of a partner?
36. What are the ways in which the final amount due to an outgoing partner can be settled?
37. Sara Company issues 10,000 equity shares of Rs.10 each payable fully on application. Pass journal entries if the shares are issued
(i) at par
(ii) at a premium of Rs.2 per share.
38. Write a short note on cash flow analysis.
39. Bring out the limitations of ratio analysis.
40. What are the pre-defined ledgers available in Tally.ERP 9?

II ANSWER THE FOLLOWING ANY SEVEN

7 X 5 = 35

41. (A) Bharathi does not maintain her books of accounts under double entry system. From the following details prepare trading and profit and loss account for the year ending 31st March, 2019 and a balance sheet as on that date.

Dr.		Cash Book		Cr.	
RECEIPTS	RS.	PAYMENTS	RS.		
To balance b/d	32,000	By Purchases A/c	56,000		
To Sales A/c	1,60,000	By Creditors A/c	80,000		
To Debtors A/c	1,20,000	By General expenses A/c	24,000		
		By Wages A/c	10,000		
		By Balance c/d	1,42,000		
	3,12,000		3,12,000		

Other Information:

PARTICULARS	1.4.2018	31.3.2019
Stock of goods	40,000	60,000
Debtors	38,000	?
Creditors	58,000	52,000
Machinery	1,70,000	1,70,000

Additional information:

- (i) Credit purchases 74,000
(ii) Credit sales 1,40,000
(iii) Opening capital 2,22,000
(iv) Depreciate machinery by 10% p.a.

OR

- (B) From the following information, prepare Receipts and Payments account of Cuddalore Kabaddi Association for the year ended 31st March, 2019

PARTICULARS	RS.	PARTICULARS	RS.
Opening cash balance (1.4.2018)	11,000	Interest and bank charges	250
Bank overdraft balance (1.4.2018)	20,000	Miscellaneous income	350
Stationery purchased	5,200	Upkeep of ground	550
Travelling expenses	1,800	Grant from Government	12,000

PARTICULARS	RS.	PARTICULARS	RS.
Dividend received	3,000	Telephone charges paid	2,800
General expenses	500	Endowment fund receipts	10,000
Admission fees	4,000	Insurance premium paid	2,000
Courier charges	2,000	Electricity charges paid	5,000
Municipal taxes paid	3,000	Closing cash balance (31.03.2019)	1,750

- 42 (A) Calculate the value of goodwill at 5 years purchase of super profit from the following information
- Capital employed: Rs. 1,20,000
 - Normal rate of profit: 20%
 - 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
 - Fair remuneration to the partners Rs. 2,800 per annum.

OR

(B) Arun and Selvam are partners who maintain their capital accounts under fixed capital method. From the following particulars, prepare capital accounts of partner

PARTICULARS	ARUN	SELVAM
Capital on 1 st January, 2018	2,20,000	1,50,000
Current account on 1 st January, 2018	4,250 (Dr.)	10,000(Cr.)
Additional capital introduced during the year	Nil	70,000
Withdrew for personal use	10,000	20,000
Interest on drawings	750	600
Share of profit for 2018	22,000	15,000
Interest on capital	1,100	750
Commission	6,900	Nil
Salary	Nil	6,850

- 43 (A) Charles, Muthu and Sekar are partners, sharing profits in the ratio of 3 : 4 : 2. Their balance sheet as on 31st December, 2018 is as under:

LIABILITIES	RS.	RS.	ASSET	RS.
Capital accounts:			Furniture	20,000
Charles	30,000		Stock	40,000
Muthu	40,000		Debtors	30,000
Sekar	20,000	90,000	Cash at bank	42,000
Workmen compensation fund		27,000	Profit and loss A/c (loss)	18,000
Sundry creditors		33,000		
		1,50,000		1,50,000

On 1.1.2019, Charles retired from the partnership firm on the following arrangements.

Prepare revaluation account, partners' capital account and the balance sheet of the firm after retirement.

- Stock to be appreciated by 10%
- Furniture to be depreciated by 5%
- To provide Rs. 1,000 for bad debts
- There is an outstanding repairs of Rs. 11,000 not yet recorded
- The final amount due to Charles was paid by cheque.

OR

(B) Dinesh and Sugumar entered into partnership agreement on 1st January 2018, Dinesh contributing (5,00,000 and Sugumar Rs.4,00,000 as capital.

The agreement Provided that:

- Profit and losses to be shared in the ratio 2 : 1 as between Dinesh and Sugumar.
- Partners to be entitled to interest on capital @ 6% p.a.
- Interest on drawings to be charged:
Dinesh: Rs.3,000

Sugumar : Rs. 2,300

iv) Dinesh to receive a salary of Rs. 62,000 for the year, and

v) Sugumar is to receive a commission of 10% on the net profit after charging salary commission.

During the year ended on 31st December 2018, the firm made a profit of to 1,20,000 before adjustment of interest, salary and commission Prepare the profit and loss appropriation account

44 (A) Prepare common-size balance sheet of Sharmila Ltd. and Sangeetha Ltd. as on 31st March, 2019.

PARTICULARS	SHARMILA LTD	SANGEETHA LTD
I EQUITY AND LIABILITIES		
Shareholders' funds	5,00,000	11,00,000
Non-current liabilities	4,00,00	7,00,000
Current liabilities	1,00,000	2,00,000
Total	10,00,000	20,00,000
II ASSETS		
Non-current assets	6,50,000	18,00,000
Current assets	3,50,000	2,00,000
Total	10,00,000	20,00,000

OR

(B) From the following trading activities of Naveen Ltd. calculate

(i) Gross profit ratio (ii) Net profit ratio (iii) Operating cost ratio (iv) Operating profit ratio

Statement of Profit and loss	
PARTICULARS	RS.
I. Revenue from operations	20,000
II. Other income:	
Income from investments	200
III. Total revenues (I+II)	20,200
IV. Expenses:	
Purchases of stock-in-trade	17,000
Changes in inventories	-1,000
Finance costs	300
Other expenses (administration and selling)	2,400
Total expenses	18,700
V. Profit before tax (III - IV)	1,500

45 (A) Write a brief note on accounting vouchers.

OR

(B) Ananth does not keep his books under double entry system. Find the profit or loss made by him for the year ending 31st March, 2019.

PARTICULARS	31.3.2018 RS.	31.3.2019 RS.
Cash at Bank	5,000 (Dr.)	60,000 (Cr.)
Cash in hand	3,000	4,500
Stock of goods	35,000	45,000
Sundry Debtors	1,00,000	90,000
Plant and Machinery	80,000	80,000
Land and Buildings	1,40,000	1,40,000
Sundry Creditors	1,70,000	1,30,000

Ananth had withdrawn Rs. 60,000 for his personal use. He had introduced Rs. 17,000 as capital for expansion of his business. Create a provision of 5% on debtors. Plant and machinery is to be depreciated at 10%.

46. (A) Calculate (i) Inventory turnover ratio (ii) Trade receivables turnover ratio (iii) Trade payables turnover ratio and (iv) Fixed assets turnover ratio from the following information obtained from Dolphin Ltd.

PARTICULARS	31.3.2017.	31.3.2018
Inventory	70,000	50,000
Trade receivables	40,000	30,000
Trade payables	20,000	25,000
Fixed assets	2,75,000	2,50,000

Additional information:

(i) Revenue from operations for the year	Rs.5,25,000
(ii) Purchases for the year	Rs.2,25,000
(iii) Cost of revenue from operations	Rs.3,00,000

Assume that sales and purchases are for credit.

OR

(B) Vetri and Ranjit are partners, sharing profits in the ratio of 3:2. Their balance sheet as on 31st December 2017 is as under:

LIABILITIES	RS.	RS.	ASSETS	RS.
Capital accounts:			Furniture	25,000
Vetri	30,000		Stock	20,000
Ranjit	20,000	50,000	Debtors	10,000
Reserve fund		5,000	Cash in hand	35,000
Sundry creditors		45,000	Profit and loss A/c (loss)	10,000
		1,00,000		1,00,000

On 1.1.2018, they admit Suriya into their firm as a partner on the following arrangements.

- Suriya brings Rs. 10,000 as capital for 1/4 share of profit.
- Stock to be depreciated by 10%
- Debtors to be revalued at Rs. 7,500.
- Furniture to be revalued at Rs. 40,000.
- There is an outstanding wages of Rs. 4,500 not yet recorded.

Prepare revaluation account, partners' capital account and the balance sheet of the firm after admission.

47 (A) Eswari and Ranikumari are partners sharing profits and losses in the ratio of 7:5. They agree to admit Chitra into partnership. Eswari surrenders 1/7 th of her share and Ranikumari 1/5 th of her share in the favour of Chitrao Calculate the New profit ratio and the sacrificing ratio.

OR

(B) For the purpose of admitting a new partner, a firm has decided to value its good will at 3 years purchase of the average profit of the last 4 years using weighted average method profits of the past 4 years and the respective weights are as follows.

Year	2015	2016	2017	2018
Profit	40,000	44,000	48,000	56,000
Weight	1	2	3	4

Compute the value of goodwill