

12

Time : 3.00 Hrs.

First Revision Examination - 2025

ACCOUNTANCY

PART - A

Register No.

Marks : 90

20 x 1 = 20

Choose the best answer

1. The amount of credit sale can be computed from
a) total debtors account b) total creditors c) bills receivable account d) bills payable account
2. Statement affairs is generally prepared to find out the Of the business.
a) profit or loss b) financial position c) capital d) arithmetical accuracy
3. Receipts and payments accounts is a
a) nominal account b) real account c) personal account d) representative personal account
4. Subscription due but not received for the current year is
a) an asset b) a liability c) an expenses d) an item to be ignored
5. Which of the following is correct pair
i) interest on drawing - credited in P & L account
ii) Interest on capital - debited in P & L account
iii) Interest on loan - debited in P & L account
iv) Sharing profit - credited in capital account
a) (i) and (ii) b) (ii) and (iii) c) (i), (ii) and (iii) d) all the above
6. Profit after interest on drawings, interest on capital and remunerations is ₹10500. Geeta a partner is entitled to receive commission t 5% on profits after charging such commission, find out commission
a) ₹50 b) ₹150 c) ₹550 d) ₹500
7. Which of the following statement is true?
a) Goodwill is an intangible asset b) Goodwill is current asset c) Goodwill is a fictitious asset
d) Goodwill cannot be required
8. 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 x years of purchase
9. On admission, the profit / loss on revaluation of assets and liabilities is transferred to the capital account of
a) the old partners b) the new partner c) all the partners d) sacrificing partners
10. If the new profit sharing ratio is less than the old profit sharing ratio of a partners, the difference is called
a) capital ratio b) sacrificing ratio c) gaining ratio d) none of these
11. Which of the following is not a correct pair?
a) Admission of New partner - Sacrificing Ratio
b) Retirement of old partner - Gaining Ratio
c) Goodwill - Intangible Assets
d) Indian partnership act - 1956
12. 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
13. The part of share capital which can be called up only on the winding up of the company is called
a) authorized capital b) called up capital c) capital reserve d) reserve capital
14. The amount received over and above the par values is credited to
a) securities premium a/c b) calls in advance a/c c) share capital a/c d) forfeited shares a/c
15. 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
16. The term 'fund' refers to a) current liability b) working capital c) fixed assets d) non – current asset
17. The mathematical expression that provides a measure of the relationship between two figures is called
a) conclusion b) ratio c) model d) decision
18. Proportion of current assets to current liabilities is called
a) proprietary ratio b) acid test ratio c) debt equity ratio d) current ratio
19. Which is not the default group in Tally?
a) suspense account b) outstanding expense c) sales account d) investments
20. Salary account comes under which of the following head?
a) direct incomes b) direct expenses c) indirect income d) indirect expenses

PART - B**7 x 2 = 14****Answer any 7 questions. Question No. 30 is compulsory**

21. What is legacy?
22. Define company
23. How Computerized Accounting System helpful to Inventory Management?
24. From the following details find out total sales made during the year.

Debtors on 01.01.2020	₹90,000
Cash received from debtors	₹ 2,50,000
Discount allowed	₹ 7,000
Sales returns	₹ 3,000
Debtors on 31.12.20	₹ 1,50,000
25. Arasu and Balan sharing profits in the ratio 3:2. The capital on 1st April 2020 was ₹ 1,20,000 for Arasu and ₹ 80,000 for Balan and their current accounts show a credit balance of ₹ 45,000 and ₹ 25,000 respectively. Calculate interest on capital at 6% p.a. for the year ending 31st March 2021 and pass journal entries.
26. Calculate the value of goodwill at 3 years purchases of average profit of five years. Profits are 2019 – ₹40,000; 2020 – ₹ 30,000; 2021 – ₹50,000; 2022 – ₹45,000 and 2023 – ₹ 35,000
27. Felix and Ganesh are partners sharing profits in the ratio of 4:3. On 31.03.2021. Harish was admitted as a partner. On the date of admission, the book of the firm showed a General Reserve of ₹ 56,000. Pass the journal entry to distribute the General Reserve.
28. Logu, Mano and Naveen are partners sharing profits in the ratio of 5:3:2. Naveen retires and the share is taken by Logu and Mano in the ratio of 3:2. Find out the new profit sharing ratio and gaining ratio.
29. From the following particulars of Thangam Ltd., prepare a common size income statement for the year ended 31st March, 2021. Revenue from operations ₹2,50,000 other income ₹ 10,000. Expenses ₹1,50,000.
30. Calculate gross profit ratio from the following
Revenue from operations ₹3,00,000. Cost of revenue from operations ₹ 2,25,000. Purchases ₹ 1,80,000 and closing stock ₹ 30,000

PART - C**7 x 3 = 21****Answer any seven questions. Q. NO. 40 is compulsory**

31. State any six contents of a partnership deed.
32. Give any three characteristics of company.
33. What are the steps involved in designing accounting reports?
34. From the following particulars, calculate total purchases.

Creditors on 01.04.2020	₹ 1,50,000
Bills payables on 01.04.2020	₹ 40,000
Cash paid to creditors	₹ 3,90,000
Cash paid for bills payables	₹ 90,000
Purchases return	₹ 50,000
Cash purchases	₹ 2,00,000
Creditors on 31.03.2021	₹ 1,30,000
Bills payables on 31.03.2021	₹ 30,000
35. From the following particulars, show how the items 'subscription' will appear in the income and expenditure account for the year ending 31.12.2023.
Subscription received in 2023 ₹ 85,000 which includes ₹7500 for 2022 and ₹ 8500 for 2024. Subscription outstanding for the year 2023 is ₹12000. Subscription of ₹4000 was received in advance for 2023 in the year 2022
36. From the following information, calculate the value of goodwill based on 2 ½ year purchases of super profit.
a) capital employed ₹4,00,000 b) Normal rate of return 15% c) average profit of the business ₹ 84,000
37. Ibrahim and James were partners of the firm sharing profits in the ratio of 2:1. They admit Kannan into partnership with ¼ share of profit. Calculate new ratio and sacrificing ratio.
38. Palani, Rajan and Selvam are partners sharing profits in the ratio of 3:2:1. On 31.03.2021 Rajan retires from business. Their balance sheet shows reserve fund ₹ 60,000. Workmen compensation fund ₹ 48,000 and profit and loss appropriation a/c (credit balance) ₹ 30,000. Pass journal entries to transfer the above items on his retirement.
39. From the following particulars, prepare comparative income statement of Uthra Ltd.,

Particulars	2022 – 23	2023 – 24
Revenue from operations	3,00,000	3,75,000
Other income	75,000	60,000
Expenses	2,25,000	1,80,000
40. From the following particulars, compute (a) current ratio (b) quick ratio

Current assets ₹1,50,000 (includes stock ₹45,000 and prepaid expenses ₹ 5000).
Short term borrowings ₹ 22,000, bills payable ₹24,000 and outstanding expenses ₹ 4000)

PART - D

7 x 5 = 35

Answer all the questions

41. a) From the following information, prepare capital a/c and current a/c of partners Nathan and Palani

Particulars	Nathan (₹)	Palani (₹)
Capitals on 1 st January 2023	3,00,000	2,40,000
Current account on 1 st January 2023 (Cr)	16,000	9,000
Additional capital on 01.06.2023	30,000	40,000
Drawings during 2023	40,000	20,000
Interest on drawings	1,500	900
Shares of capital for 2023	30,000	20,000
Interest on capital 8%	?	?
Salary	18,000	NIL
Commission	NIL	2400

[OR]

- b) From the following receipts and payments A/c of Trichy Recreation Club, prepare income and expenditure A/c for the year ended 31.03.2024

Receipts	₹	Payments	₹
To Balance b/d - cash	11000	By Rent paid	2800
To sale of old newspaper	3000	By Furniture purchased	10000
To member's subscription	31000	By secretary's honorarium	15000
To locker rent	8000	By general expenses	4350
To interest on investments	1250	By printing and stationery	45000
To sale of furniture	5000	By auditing fees	5000
(Book value Rs. 4400)		By postage	1700
Divident	27600	By balance c/d Cash in hand	3000
	<u>86850</u>		<u>86850</u>

42. a) Ravi and Raman started a business on 1st January 2023 with capitals of Rs. 3,00,000 and Rs. 2,00,000 respectively. According to the Partnership Deed
- Interest on capital is to be provided @ 6% p.a
 - Raman is to get salary of ₹50,000 per annum
 - Ravi is to get 10% commission on profit (after interest on capital and salary to Raman) after charging such commission.
 - Profit - sharing ratio between the two partners. 3:2
- During the year, firm earned a profit of ₹30,000
- Prepare profit and loss appropriation account for the year ended 31.12.2024

- b) What are the difference between sacrificing ratio and gaining ratio?
43. a) From the following information relating to Amman industries, calculate the value of goodwill on the basis of 3 years purchase of the average profits of 3 years.
- Profits for the years 2021, 2022 and 2023 were ₹ 90,000, ₹ 86,000 and ₹1,04,000 respectively.
 - A non - recurring income of ₹ 10,000 is included in the profits of the year 2021.
 - The costing stock of the year 2022 was overvalued by ₹ 20,000
- b) What are factors determining goodwill?

44. a) Raja and Rani are partners, sharing profits in the ratio of 5:4. Their balance sheet as on 31.12.2023 as under.

Liabilities	₹	Assets	₹
Rani's capital	1,00,000	Furniture	40,000
Raja's capital	80,000	Stock	80,000
Bills payable	25,000	Debtors	60,000
Workmen compensation fund	54,000	Cash at bank	84,000
Creditors	66,000	Bills receivable	20,000
		Profit and loss a/c	41,000
	<u>3,25,000</u>		<u>3,25,000</u>

- On 01.01.24, Ravi admitted as new partner on the following items.
- Stock to be appreciated by 10%
 - Furniture to be depreciated by 5%
 - To provide ₹ 2000 for bad debts

iv) Outstanding repairs of ₹1750 not yet recorded v) R shall bring ₹1,20,000 as capital for 1/5 share of profits.
Prepare revaluation a/c and partners capital a/c

b). What are the difference between statement of affairs and balance sheet?

45. a) Ram, Selvam and Thangam are partners in a firm sharing profits in the ratio 6:5:4. Their balance sheet as on 31.03.2023 as follows:

Liabilities		Assets	
	₹		₹
Sundry creditors	15000	Buildings	75000
Workmen compensation fund	15000	Machinery	45000
General reserve	45000	Debtors	30000
Capital accounts		Stock	15000
Ram	45000	Cash at bank	60000
Selvam	30000		
Thangam	25000		
	150000		
	225000		225000

Thangam retired from business on 01.04.2023 subject to the following conditions.

- Stock to be depreciated by 20%
 - Anticipated claim on workmen compensation fund ₹1500
 - Unrecorded investments of ₹16500 has to be brought into books
 - Debtors written off by ₹4500
 - Thangam account settled immediately
- Prepare revaluation a/c, capital a/c and balance sheet of the reconstituted partnership firm. [OR]
- b) Explain any five applications of computerized accounting system.
46. a) Balan Ltd issued 50000 shares of ₹100 each at par, the amount payable on application ₹50, on allotment ₹30 and on first and final call ₹20. It received applications for 40000 shares and were fully allotted. It received all money except call money for 400 shares. Pass necessary journal entries. [OR]
- b) From the following particulars of Siruvani Ltd., prepare common size income statement for the years ended 31st March, 2023 and 31st March 2024.

PARTICULARS	2022 - 23	2023 - 24
	₹	₹
Revenue from operators	300000	450000
Other income	37500	112500
Expenses	375000	225000
Income tax	30%	30%

47. a) From the following balance sheet of ABC Ltd., as on 31.03.2021 calculate following ratios. (i) Debt - equity ratio (ii) proprietary ratio (iii) capital gearing ratio

Balance sheet of ABC Ltd., as on 31.03.2024

Liabilities		Assets	
	₹		₹
1. Shareholders funds		1. Non - current assets	
a) Equity share capital	30000	Fixed assets	150000
8% preference share capital	40000	2. Current assets	
b) Reserve and surplus	30000	a) Inventories	24000
2. Non - current liabilities		b) Trade receivables	20000
9% debentures	80000	c) Cash and cash equivalents	5500
3. Current liabilities		d) Other current assets	
a) Short term borrowing from banks	5000	prepaid expenses	500
b) Trade payables	15000		
Total	200000	Total	200000

[OR]

- b) Murthy and Mohamed are partners sharing profits in the ratio 3:2. They decided to admit Mangal as a new partner for 1/4 share of profits. Calculate new profit sharing ratio and sacrificing ratio in following cases.
- both the partners sacrificing equally
 - Murthy sacrifice 2/12, and Mohamad sacrifice 1/12
 - Old P & L ratio sacrifice