

Class : 12 FIRST REVISION EXAMINATION, JANUARY-2025



Time Allowed : 3.00 Hours]

ACCOUNTANCY
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[Max. Marks : 90

PART - I

20×1=20

Note : i) Answer all the questions.

ii) Choose the most appropriate answer from the given four alternatives and

- The excess of assets over liabilities is
 (a) Loss (b) Cash (c) Capital (d) Profit
- Opening balance of debtors: ₹.30,000, cash received: ₹.1,00,000, credit sales : ₹.90,000; closing balance of debtors is
 (a) ₹.30,000 (b) ₹.1,30,000 (c) ₹.40,000 (d) ₹.20,000
- Balance of receipts and payments account indicates
 (a) the Loss incurred during the period
 (b) Excess of income over expenditure of the period
 (c) Total cash payments during the period (d) Cash and bank balance as on the date
- Donations received for a specific purpose is
 a) Revenue receipt b) Capital receipt
 c) Revenue expenditure d) capital expenditure
- Which of the following is shown in profit and loss appropriation account?
 a) Office expenses b) Salary of staff
 c) partner's Salary d) Interest on bank loan
- 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
 a) 5.5 months b) 6 months c) 12 months d) 6.5 months
- Super profit is the different 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
- Book profit of 2017 is ₹.35,000; non-recurring income included in the profit ₹.1,000 and abnormal loss charged in the year 2017 was ₹.2,000 then the adjusted profit is -----
 (a) ₹.36,000 (b) ₹.35,000 (c) ₹.38,000 (d) ₹.34,000
- At time of admission of a partner profit or 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) The Sacrificing partner
- At the time of admission, the goodwill brought by the new partner may be credited to the capital accounts of
 a) All the partners b) the old partners
 c) the new partners d) the sacrificing partners
- 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 good will d) None of these
- 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 ₹.36,000.
 (a) ₹.1,000 (b) ₹.3,000 (c) ₹.12,000 (d) ₹.36,000
- 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

14. If a share ₹.10 on which ₹.8 has been paid up is forfeited. Minimum reissue price is
 a) ₹.10 per share (b) ₹.8 per share (c) ₹.5 per share (d) ₹.2 per share
15. Which of the following tools of financial statement analysis is suitable when data relating to several years are to be analysed?
 (a) Cash flow statement (b) Common size statement
 (c) Comparative statement (d) Trend analysis
16. Expenses for a business for the first year were ₹.80,000. In the second year, it was increased to ₹.88,000. What is the trend percentage in the second year?
 a) 10% (b) 110% (c) 90% (d) 11%
17. Current ratio indicates
 a) Ability to meet short term obligations (b) Efficiency of management
 c) profitability (d) Long term solvency
18. To test the liquidity of a concern, which of the following ratios are useful?
 (a) Quick ratio (b) Net profit ratio (c) Debt-equity ratio (d) current ratio
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. Which of the following options is used to view Trial Balance from Gateway of Tally?
 (a) Gateway of Tally → Reports → Trial Balance (b) Gateway of Tally → Trial Balance
 (c) Gateway of Tally → Reports → Display → Trial Balance (d) None of these

PART - II

Note : Answer any seven questions. Question No. 30 is compulsory.

7x2=14

21. What is acquired goodwill?
22. What is the purpose of calculating gaining ratio?
23. State any five accounting reports.
24. From the following details. Calculate credit purchases.

Particulars	Rs.
Opening creditors	1,70,000
Purchase returns	20,000
Cash paid to creditors	4,50,000
Closing creditors	1,90,000

25. How the following items appear in the final accounts of Madurai young pioneers Association. There are one hundred members on the association each paying ₹.25 as annual subscription. By the end of the year 10 members had not paid their subscription but four member had paid for the next year in advance.
26. Santhosh is a partner in a partnership firm. As per the partnership deed, interest drawings is charged at 6% p.a. During the year ended 31st Dec 2020. He withdraw as follows.

Date	₹.
February 1	2,000
May 1	10,000
July 1	4,000
October 1	6,000

Calculate the amount of interest on drawings.

27. Arul and Anitha are partners sharing profits and losses in the ratio of 4:3. On 31.3.2020, Ajay was admitted as a partner. On the date of admission, the book of the firm showed a general reserve of ₹.42,000. Pass the journal entry to distribute the general reserve.
28. From the following particulars, prepare comparative Income statement of Daniel Ltd.

Particulars	2019-20 ₹.	2020-21 ₹.
Revenue from operations	40,000	30,000
Operating expenses	25,000	27,500
Income Tax (% of the profit before tax)	30	30

29. From the following information of Geetha Ltd, Calculate fixed assets turnover ratio.

- Revenue from operation during the year were ₹. 55,00,000.
- Fixed assets at the end of the year ₹. 5,00,000.

30. Complete the following journal entries by filling the missing information.

Date	Particulars	L.F	Debit ₹.	Credit ₹.
	_____ Dr		2,00,000	
	To share application A/c (Application money received @ ₹.2 per share)			_____
	Share application A/c Dr		_____	
	To share capital A/c (Share application money for _____ shares transferred to _____ a/c)			2,00,000

PART - III

Note : Answer any seven questions. Question No. 40 is compulsory.

7x3=21

31. Following are the balances in the books of Thomas as on 31.3.2019.

Particulars	₹.	Particulars	₹.
Sundry creditors	6,00,000	Bills payable	1,20,000
Furniture	80,000	Cash in hand	20,000
Land and building	3,00,000	Bills Receivable	60,000
Sundry debtors	3,20,000	Stock	2,20,000

Prepare statement of affairs as on 31st March 2019 and calculate capital as at that date.

- From the following particulars. Show how the item subscription will appear in the income and expenditure. Account for the year ended 31.12.2018? Subscription received in 2018 is ₹.50,000, which includes ₹.5,000 for 2017 and ₹.7,000 for 2019. Subscription outstanding for the year 2018 is ₹.6,000. Subscription of ₹.4,000 was received in advance for 2018 the year 2017.
- 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 ₹.60,000. Find the commission of Sibi and Manoj. Also show the distribution of profit.
- Form the following information relating to Sridevi Enterprises, calculate the value of goodwill on the basis of 4 years purchase of the average profits of 3 years.
 - Profits 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 profits of the year 2016.
 - The closing stock of the year 2017 was overvalued by ₹.30,000.
- Hari, Madhavan and Keshavan are partners, sharing profits and losses in the ratio of 5:3:2 as from 1st April 2017. Vanmathi is admitted into the partnership and the new profit sharing ratio is decided as 4:3:2:1. The following adjustments are to be made.
 - Increase the value of premises by ₹.60,000.

- b) Depreciate stock by ₹.5,000, Furniture by ₹.2,000 and machinery by ₹.2,500.
 c) Provide for an outstanding liability ₹.500. Prepare Revaluation account.
36. What is meant by over subscription.
37. Nivetha Ltd. forfeited 1,000 equity shares of ₹.10 each for non payment of call of ₹.4 per share. Of these 800 shares were reissued at ₹.7 per share. pass journal entries for forfeiture and reissue.
38. Prepare common - size balance sheet of Meena Ltd. as on 31st March, 2018.

Particulars	31st March 2018 ₹.
I. EQUITY AND LIABILITIES	
Share holders Funds	2,00,000
Non current liabilities	1,60,000
Current liabilities	40,000
Total	4,00,000
II. ASSETS	
Non - current assets	3,00,000
Current assets	1,00,000
Total	4,00,000

39. State any three advantages of ratio analysis.
40. Sunil, Sumathi and Sundari are partners sharing profits in the ratio of 3:3:4. Sundari retires and her share is taken up entirely by Sunil. Calculate the new profit sharing ratio and gaining ratio.

PART - IV

Note : Answer all the questions.

7x5=35

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

Particulars	1.1.2020 ₹.	31.12.2020 ₹.
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
Bills 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 withdrew ₹.2,500 per month from the business for his personal use. Prepare statement of profit or loss with the above information.

(OR)

- b) Manju, Charu and Lavanya are partners in a firm sharing profits and losses in the ratio of 5:3:2. Their balance sheet as on 31st March 2020 is as follows.

Liabilities	₹.	₹.	Assets	₹.
Capital Accounts:			Buildings	1,00,000
Manju	70,000		Furniture	80,000
Charu	70,000		Stock	60,000
Lavanya	70,000	2,10,000	Debtors	40,000
Sundry Creditors		40,000	Cash in hand	20,000
Profit and loss a/c		50,000		
		3,00,000		3,00,000

Manju retired from the partnership firm on 31.3.2020 subject to the following adjustments:

- i) Stock to be depreciated by ₹.10,000.
- ii) Provision for doubtful debts to be created for ₹.3,000.
- iii) Buildings to be appreciated by ₹.28,000.

Prepare revaluation a/c and capital a/c of partners after retirement.

42. a) From the following receipts and payment a/c. Prepare income and expenditure a/c of Kalki Basket Ball Association for the year ended 31st March 2020.

Receipts	₹.	₹.	Payments	₹.	₹.
To Balance b/d			By rent of ground paid		12,000
Cash in hand	23,000		By printing charges		5,000
Cash at bank	12,000	35,000	By bank charges		1,000
To rent of hall received		6,000	By insurance for building		2,000
To Subscription received		9,000	By Tournament expenses		16,000
To life Membership fees		7,000	By audit fees		3,000
To Locker rent received		2,000	By sports materials purchased		4,000
		59,000	By balance c/d		
			Cash in hand	2,000	
			Cash at bank	14,000	16,000
					59,000

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- (b) Vairam Ltd issued 60,000 shares of ₹.10 each at a premium of ₹.2 per share payable as follows.

On application	₹.6
On allotment	₹.4 (including premium)
On first and final call	₹.2

Issue was fully subscribed and the amounts due were received except Sarika to whom 1000 shares were allotted who failed to pay the allotment money and first and final call money. Her shares were forfeited. All the forfeited shares were reissued to Parimala at ₹.7 per share. Pass journal entries.

43. a) Arun and Selvam are partners who maintain their capital accounts under fixed capital method. From the following particulars prepare capital a/c of partner.

Particulars	Arun ₹.	Selvam ₹.
Capital on 1st January, 2020	2,20,000	1,50,000
Current a/c on 1st Jan 2020	4,250(Dr)	10,000(Cr)
Additional capital introduced during the year	-	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	-
Salary	-	6,850

(OR)

- b) From the following trading activities of Jones Ltd. Calculate
 i) Gross profit ratio ii) Net profit ratio iii) Operating cost ratio iv) Operating profit ratio

Statement of Profit and Loss

Particulars	₹.
I. Revenue from operation	4,00,000
II. Other Income	
Income from Investment	4,000
III. Total revenues (I + II)	4,04,000
IV. Expenses	
Purchases of stock in trade	2,10,000
Charges in inventories	30,000
Finance costs	24,000
Other expenses (Administration and Selling)	60,000
Total expenses	3,24,000
V. Profit before tax (III - IV)	80,000

44. a) The following particulars are available on respect of the business carried on by a partnership firm:

- Profits earned: 2016 - ₹.25,000; 2017 - ₹.23,000 and 2018 - ₹.26,000.
- Profit of 2016 includes a non-recurring income of ₹.2,500.
- Profit of 2017 is reduced by ₹.3,500 due to stock destroyed by fire.
- The stock was not insured. But, it is decided to insure the stock in future. The insurance premium is estimate to be ₹.250 per annum.

You are required to calculate the value of goodwill of the firm on the basis of 2 years purchases of average profits of the last three years.

(OR)

b) Record the following transactions in Tally

- Robert commenced a transport business with a capital of ₹.1,00,000.
- Purchased furniture by paying cash ₹.10,000.
- Cash sales made for ₹.8,000.
- Money withdrawn from bank for office use ₹.9,000.
- Purchased stationery from Pandian Ltd on credit ₹.4,000.

45. a) Ameer and Raja are partners sharing profits in the ratio of 3:2. Their balance sheet is shown as under on 31.12.2020.

Liabilities	₹.	₹.	Assets	₹.
Capital Accounts:				
Ameer	80,000		Machinery	60,000
Raja	70,000	1,50,000	Furniture	40,000
Reserve fund		15,000	Debtors	30,000
Creditors		35,000	Stock	10,000
			Prepaid insurance	40,000
			Cash at bank	20,000
		2,00,000		2,00,000

Rohit is admitted as a new partner who introduces a capital of ₹.30,000 for his $\frac{1}{5}$ share in future profits he brings ₹.10,000 for his share of good will. Following revaluation are made.

- Stock is to be appreciated to ₹.14,000.
- Furniture is to be depreciated by 5%.
- Machinery is to be revalued at ₹.80,000.
- Revaluation profit ₹.22,000.

Prepare the necessary a/c-capital a/c and balance sheet.

7
(OR)

- b) From the following particulars, calculate the trend percentages of Babu Ltd.

Particulars	₹. in thousands		
	Year I	Year II	Year III
I. EQUITY AND LIABILITIES:			
1. Shareholder's fund			
a) Share capital	100	127	106
b) Reserves and surplus	30	30	45
2. Non-Current liabilities			
Long term borrowings	70	77	84
3. Current liabilities			
Trade payables	20	30	40
Total	220	264	275
II. ASSETS:			
1. Non-current assets			
a) Fixed assets	100	118	103
b) Non-current investments	40	50	60
2. Current assets			
Inventories	60	66	72
Cash and Cash equivalents	20	30	40
Total	220	264	275

- 46 a) Selvam does not keep his books under double entry system. From the following information prepare trading and profit and loss a/c and balance sheet as on 31.12.2020.

Particulars	1.1.2020 ₹.	31.12.2020 ₹.
Machinery	60,000	60,000
Cash at bank	25,000	33,000
Sundry debtors	70,000	1,00,000
Stock	45,000	22,000
Bills receivable	20,000	38,000
Bank loan	45,000	45,000
Sundry Creditors	25,000	21,000

	₹.		₹.
Cash sales	20,000	Credit sales	1,80,000
Cash purchases	8,000	Credit purchases	52,000
Wages	6,000	Salaries	23,500
Advertisement	7,000	Interest on bank loan	4,500
Drawings	60,000	Additional capital	21,000

Adjustments:

Write off depreciation of 10% on Machinery, Create a reserve of 1% on debtors for doubtful debts.

(OR)

- b) Find out the value of goodwill by capitalising super profits.
- Normal rate of Return 10%
 - Profits for the last four years are ₹.30,000; ₹.40,000; ₹.50,000 and ₹.45,000.
 - A non-recurring income of ₹.3,000 is included in the above mentioned profit of ₹.30,000.
 - Average capital employed is ₹.3,00,000.

47. a) The following in the summary of cash transactions of Delhi literacy Club for the year ending 31st March 2019.

Delhi Literacy Club
Receipts and payments A/c for the year ending 31st Nov 2019

Receipts ₹.	Payments	₹.	
To Balance b/d			By rents and Rates
Cash in hand	3,200		
To Entrance fees	2,300		By Lecture fees
To subscription	46,000		
To life membership fees	2,500		By sundry Expenses
To Interest received on fixed deposit	500		
To sale of furniture (on 1.4.2018) (Book value ₹. 25,000)	22,500		By fixed Deposit
			By Balance c/d
			Cash in hand
	77,000		
			77,000

Additional Information:

- a) At the beginning of the year the club possessed books worth ₹. 20,000 and furniture worth ₹. 40,000.
- b) Subscription received in advance during the current year amounted to ₹. 1,000.
- Prepare Income and Expenditure A/c of the club for the year ending 31st March 2019 and the Balance sheet as on that date. (OR)
- b) Dinesh and Sugumar entered into a partnership agreement on 1st Jan 2018. Dinesh contributing ₹. 1,50,000 and Sugumar ₹. 1,20,000 as capital. The agreement provided that:
- Profits and losses to be shared in the ratio 2:1 as between Dinesh and Sugumar.
 - Partners to be entitled to interest on capital @ 4% p.a.
 - Interest on drawings to be charged Dinesh ₹. 3,600 and Sugumar ₹. 2,200.
 - Dinesh to receive a salary of ₹. 60,000 for the year and
 - Sugumar to receive a commission of ₹. 80,000.
- During the year ended on 31st Dec 2018, the firm made a profit of ₹. 2,20,000 before adjustments of Interest, salary and commission. Prepare the profit and loss appropriation a/c