

**MODEL I MID TERM EXAMINATION JULY – AUGUST 2019****12<sup>TH</sup> ACCOUNTANCY****MARKS : 50****TIME 1.15 HRS****ANSWER ALL THE QUESTIONS****10 X 1 = 10****CHOOSE THE CORRECT ANSWER FROM THE FOLLOWING****1. Find the odd man out**

- a) Adjusted closing capital = Closing capital + Drawings – Additional capital  
 b) Closing Capital + Drawings – Additional Capital + Opening Capital = Profit/ Loss  
 c) Opening capital + Additional capital + Profit/ – Loss – Drawings = Closing capital  
 d) Profit/Loss = Closing capital + Drawings – Additional capital – Opening capital

**2. Which of the following items relating to bills payable is transferred to total creditors account?**

- (a) Opening balance of bills payable (b) Closing balance of bills payable (c) Bills payable accepted during the year (d) Cash paid for bills payable

**3. 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

**4. What is the amount of capital of the proprietor, if his assets are ` 85,000 and liabilities are ` 21,000?**

- (a) ` 85,000 (b) ` 1,06,000 (c) ` 21,000 (d) ` 64,000

**5. 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.****6. Balance of receipts and payments account indicates the**

- (a) 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

**7. Which of the following should not be recorded in the income and expenditure account?**

- (a) Sale of old news papers (b) Loss on sale of asset (c) Honorarium paid to the secretary (d) Sale proceeds of furniture

**8. Subscription due but not received for the current year is**

- (a) An asset (b) A liability (c) An expense (d) An item to be ignored

**9. Donations received for a specific purpose is**

- (a) Revenue receipt (b) Capital receipt (c) Revenue expenditure (d) Capital expenditure

**10. From the following Total creditors account format, which is wrongly debited / credited -----**

<b>Dr.</b>		<b>Total creditors account</b>		<b>Cr.</b>	
<b>Particulars</b>				<b>Particulars</b>	
To Cash A/c (paid)	xxx			By Balance b/d	xxx
To Bank A/c (cheques paid)	xxx (opening balance)				
To Bills payable A/c				By Purchases A/c	xxx
(bills accepted)	xxx (credit purchases)				
To Discount received A/c	xxx			By Bank A/c	xxx
To Purchase returns A/c xxx (cheques dishonoured)					
To Balance c/d	xxx			By Bills payable A/c	xxx
(closing balance)				(Bills Accepted )	
	Xxx				xxx
a) To Bills Payable A/c ( bills accepted)		b) By Bills payable A/c ( Bills Accepted)			
c) To Bills Payable A/c (Bills Accepted)		d) To Purchase returns A/c xxx (cheques dishonoured)			

**ANSWER ANY 4 QUESTIONS****4 X 2 = 8****11. What is a statement of affairs?****12. What is legacy?****13. Give four examples for revenue receipts of not-for-profit organisation.****14. From the following details, calculate the missing figure.**

<b>Particulars</b>	
Closing capital as on 31.3.2018	80,000
Additional capital introduced during the year	30,000
Drawings during the year	15,000
Opening capital on 01.4.2017	?
Loss for the year ending 31.3.2018	25,000

**15. From the following details, calculate credit purchases.****Particulars**

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

**16. How the following items will appear in the final accounts of a club for the year ending 31st March 2019?****Dr. Receipts and Payments Account for the year ended 31st March, 2019 Cr.**

<b>Receipts</b>	
To Subscription	
2017-2018 10,000	
2018-2019 50,000	
2019-2020 5,000	
TOTAL	65,000

**Payments**

There are 200 members in the club each paying an annual subscription of ` 400 per annum.

Subscription still outstanding for the year 2017- 2018 is 2,000.

**17. Show how the following items appear in the income and expenditure account of Sirkazhi Singers Association?**

Stock of stationery on 1.4.2018	2,600
Purchase of stationery during the year	6,500
Stock of stationery on 31.3.2018	2,200

ANSWER ANY 4 QUESTIONS

4 X 3 = 12

18. State the differences between Receipts and Payments Account and Income and Expenditure Account.

19. 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

20. State the differences between double entry system and incomplete records. (ANY THREE)

21. Following are the balances in the books of Thomas as on 31st March 2019.

Particulars	Particulars
Sundry creditors	6,00,000
Furniture	80,000
Land and building	3,00,000
Sundry Debtors	3,20,000
Bills payable	1,20,000
Cash in hand	20,000
Bills receivable	60,000
Stock	2,20,000

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

22. From the following particulars, prepare bills receivable amount and compute the bills received from the debtors.

Particulars	
Bills receivable at the beginning of the year	1,40,000
Bills receivable at the end of the year	2,00,000
Cash received for bills receivable	3,90,000
Bills receivable dishonoured	30,000

23. From the information given below, prepare Receipts and Payments account of Kurunji Sports Club for the year ended 31st December, 2018.

Particulars	Particulars
Cash in hand (1.1.2018)	4,000
Salaries paid	3,000
Life membership fees received	10,000
Subscription received	15,000
Rent received	2,000
Paid for printing charges	2,500
Lockers rent received	1,000
Tournament receipts	14,000
Tournament expenses	10,500
Investments purchased	25,000

ANSWER ANY 4 QUESTIONS

4 X 5 = 20

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

Particulars	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
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

From the following details you are required to calculate credit sales and credit purchases by preparing total debtors account, total creditors account, bills receivable account and bills payable account.

Particulars	Particulars
<b>Balances as on 1st April 2018</b>	<b>Balances as on 31st March 2019</b>
Sundry debtors	2,40,000
Bills receivable	30,000
Sundry creditors	1,20,000
Bills payable	10,000
Sundry debtors	2,20,000
Sundry creditors	1,50,000
Bills receivable	8,000
Bills payable	20,000

**Other information:**

Cash received from debtors	6,00,000	Payments against bill payable	30,000
Discount allowed to customers	25,000	Cash received for bills receivable	60,000
Cash paid to creditors	3,20,000	Bills receivable dishonoured	4,000
Discount allowed by suppliers	10,000	Bad debts	16,000

25. From the following details of Rakesh, prepare Trading and Profit and Loss account for the year ended 31st March, 2019 and a Balance Sheet as on that date.

Particulars		31.3.2018	31.3.2019
Stock of goods		2,20,000	1,60,000
Debtors		5,30,000	6,40,000
Cash at bank		60,000	10,000
Machinery		80,000	80,000
Sundry creditors		3,70,000	4,20,000
Other details:			
Particulars		Particulars	
Rent paid	1,20,000	Cash received from debtors	12,50,000
Discount received	35,000	Drawings	1,00,000
Discount allowed	25,000	Cash sales	20,000
Cash paid to creditors	11,00,000	Capital as on 1.4.2018	5,20,000

OR

Mary does not keep her books 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	Particulars	Cr.
<b>Particulars</b>			
To Balance b/d	1,20,000	By Purchases	1,50,000
To Sales	3,60,000	By Creditors	2,50,000
To Debtors	3,40,000	By Wages	70,000
		By Sundry expenses	1,27,000
		By Balance c/d	2,23,000
	8,20,000		8,20,000
Other information:			
<b>Particulars</b>	<b>1.4.2018</b>		<b>31.3.2019</b>
Stock of goods	1,10,000		1,80,000
Sundry Debtors	1,30,000		?
Sundry Creditors	1,60,000		90,000
Furniture and fittings	80,000		80,000

Additional information:

Credit purchases	1,80,000
Credit sales	2,90,000
Opening capital	2,80,000
Depreciate furniture and fittings by 10% p.a.	

26. From the following information, prepare Receipts and Payments account of Cuddalore Kabaddi Association for the year ended 31st March, 2019.

Particulars		Particulars	
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
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

OR

From the following receipts and payments account of Tenkasi Thiruvalluvar Manram, prepare income and expenditure account for the year ended 31st March, 2019.

Receipts		Payments	
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 Investments made	50,000
To Entrance fees	7,000	By Sports equipment purchased	33,000
To Sale of furniture	16,000	By Balance c/d	
(Book value: ` 17,000)		Cash in hand	10,000
	1,45,000		1,45,000

27. Following is the Receipts and Payments account of Neyveli Science Club for the year ended 31st December, 2018.

Receipts and Payments Account for the year ended 31st December, 2018				Cr.
Dr.		Receipts		Payments
To Balance b/d			By Balance b/d	
Cash in hand	2,400		Bank overdraft	1,000
To Subscription	8,700		By Postage expenses	200
To Life membership fees	5,000		By Science equipments purchased	10,000
To Exhibition fund receipts	7,000		By Laboratory expenses	2,400
To Sale of science equipments (Book value ` 5,000)	6,000		By Secretary's honorarium	5,000
To Miscellaneous income	500		By Audit fees	3,600
			By General charges	1,800
			By Exhibition expenses	5,000
			By Balance c/d	
			Cash in hand	200
			Cash at bank	400
				600
				29,600

Additional information:

(i) Opening capital fund ` 6,400

(ii) Subscription includes ` 600 for the year 2019

(iii) Science equipment as on 1.1.2018 ` 5,000

(iv) Surplus on account of exhibition should be kept in reserve for new auditorium.

Prepare income and expenditure account for the year ended 31st December, 2018 and the balance sheet as on that date.

OR

From the following Receipts and Payments account of Sivakasi Pensioner's Recreation Club, prepare income and expenditure account for the year ended 31st March, 2018 and the balance sheet as on that date.

Dr.	Receipts and Payments Account for the year ended 31st March, 2018	Cr.
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**Receipts `**

To balance b/d	
Cash in hand	10,000
Cash at bank	20,000
To Subscription	30,000
2016 – 2017	5,000
2017 – 2018	25,000
2018 – 2019	6,000
To Legacies	36,000
To Rent from hall	40,000
To Lockers rent	14,000
To Collection for special dinner	5,000
To Balance c/d	12,000
Bank overdraft	3,000
	1,40,000

**` Payments `**

By Rent and rates	18,000
By Electricity charges	17,000
By Furniture purchased	12,000
By Billiards table purchased	70,000
By Repairs and renewals	16,000
By Special dinner expenses	4,000
By Sundry expenses	2,000
By Balance c/d	
Cash in hand	1,000

1,40,000

**Additional information:**

- (i) The club had 300 members each paying 100 as annual subscription. (ii) The club had furniture ` 10,000 on 1.4.2017.  
 (iii) The subscription still due but not received for the year 2016 – 2017 is ` 1,000.

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