

COMMON FIRST REVISION TEST - 2020**STANDARD - XII**

Time : 3.00 hrs

ACCOUNTANCY

Marks: 90

Note: i) Answer all the questions. ii) Choose the most appropriate answer from the given alternatives and write the option code and the corresponding answer. 20 x 1 = 20

1. Statement of affairs is usually prepare to find out the
 - a) profit made during the year
 - b) loss occurred during the year
 - c) capital as on the dated
 - d) none of the above
2. The amount of credit purchases can be computed from
 - a) total debtors account
 - b) total creditors account
 - c) bills receivable account
 - d) bills payable account
3. 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
4. Donations received for a specific purpose is
 - a) revenue receipt
 - b) capital receipt
 - c) revenue expenditure
 - d) capital expenditure
5. The maximum number of partners in a partnership firm is
 - a) 50
 - b) 7
 - c) 2
 - d) unlimited
6. Which of the following is not shown in profit and loss appropriation account?
 - a) interest on capital
 - b) interest on loan
 - c) interest on drawings
 - d) partner's salary
7. The total capitalised value of a business is ₹ 1,00,000, assets are ₹ 1,50,000 and liabilities are ₹ 80,000. The value of goodwill as per the capitalisation method will be
 - a) ₹ 40,000
 - b) ₹ 70,000
 - c) ₹ 1,00,000
 - d) ₹ 30,000
8. Which of the following statements is true?
 - a) goodwill is a tangible asset
 - b) goodwill is an intangible asset
 - c) goodwill is a current asset
 - d) goodwill is a fictitious asset
9. Select the odd one out
 - a) Revaluation profit
 - b) Accumulated profit
 - c) goodwill brought by new partner
 - d) Investment fluctuation fund
10. At the time of admission, the goodwill brought by the new partner may be credited to the accounts of
 - a) all the partners
 - b) the old partners
 - c) the new partner
 - d) the sacrificing partners
11. On retirement of a partner, general reserve is transferred to the
 - a) capital accounts of all the partners
 - b) revaluation account
 - c) capital account of the continuing partners
 - d) memorandum revaluation account
12. A, B and C are partners sharing profit in the ratio of 2 : 2 : 1. On retirement of B, goodwill of the firm was valued at ₹ 30,000. Find the contribution of A and C to compensate B.
 - a) ₹ 20,000 and ₹ 10,000
 - b) ₹ 8,000 and ₹ 4,000
 - c) ₹ 10,000 and ₹ 20,000
 - d) ₹ 15,000 and ₹ 15,000
13. The part of share capital which can be called up only on the winding up of a company is called
 - a) authorised capital
 - b) called up capital
 - c) capital reserve
 - d) reserve capital
14. If a share of ₹ 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. The term fund refers to
 - a) current liabilities
 - b) working capital
 - c) fixed assets
 - d) non-current assets
16. A limited company's sales has increased from ₹ 1,25,000 to ₹ 1,50,000. How does this appear in comparative income statement?
 - a) +20%
 - b) +120%
 - c) -120%
 - d) -20%

17. Current liabilities ₹ 40,000; current assets ₹ 1,00,000; inventory ₹ 20,000; quick ratio is
 a) 1:1 b) 2.5:1 c) 2:1 d) 1:2
18. Match list I with list II and select the correct answer using the codes given below
- | | | | | |
|------------------------------|--|--|--|-------------------------|
| List I | | | | List II |
| i) Current ratio | | | | - 1) Liquidity |
| ii) Net profit ratio | | | | - 2) Efficiency |
| iii) Debt-equity ratio | | | | - 3) Long term solvency |
| iv) Inventory turnover ratio | | | | - 4) profitability |
- Codes
- | | | | | |
|----|---|----|-----|----|
| | i | ii | iii | iv |
| a) | 1 | 4 | 3 | 2 |
| b) | 3 | 2 | 4 | 1 |
| c) | 4 | 3 | 2 | 1 |
| d) | 1 | 2 | 3 | 4 |
19. Salary account comes under which of the following head?
 a) Direct incomes b) Direct expenses c) Indirect expenses d) indirect incomes
20. In which voucher type credit purchase of furniture is recorded in Tally
 a) receipt voucher b) journal voucher c) purchase voucher d) payment voucher

Part - II

- II. Answer any 7 questions in which question no. 30 is compulsory. 7 x 2 = 14**
21. A and B are partners. They decided to admit 'C' into the firm 'C' brings cash ₹ 1,00,000 and stock ₹ 50,000. Give journal entries for the cash and stock brought in by C.
22. State the meaning of not-for-profit organisation.
23. From the following details. Calculate the capital as on 31st December 2018.

Capital as on 1st January, 2008	27,500
Goods taken for the personal use of the proprietor	5,000
Additional capital introduced during the year	2,500
Profit for the year	10,000

24. Karthick and Surya are partners. Karthick withdraw ₹ 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.
25. From the following details, calculate the value of goodwill at 2 years purchase of super profit.
 a) Total assets of a firm are ₹ 5,00,000
 b) The liabilities of the firm are ₹ 2,00,000
 c) Normal rate of return in this class of business is 12.5%
 d) Average profit of the firm is ₹ 60,000
26. What is automated accounting system?
27. From the following particulars prepare comparative income statement of Siva Ltd.

Particulars	2017-18	2018-19
Revenue from operations	50,000	60,000
Other income	10,000	30,000
Expenses	40,000	50,000

28. What is meant by calls in arrear?
29. Calculate gross profit ratio from the following:
 Revenue from operations ₹ 2,50,000, cost of revenue from operations ₹ 2,10,000 and purchases ₹ 1,80,000.
30. What is sacrificing ratio?
- III. Answer any seven questions in which Q.No. 40 is compulsory. 7 x 3 = 21**
31. From the following details find out total sales made during the year.

Debtors on 1st April, 2018	50,000
Cash received from debtors during the year	1,50,000
Returns inward	15,000

Bad debts	5,000
Debtors on 31st March, 2019	70,000
Cash sales	1,40,000

32. What are the pre-defined ledgers available in Tally. ERP9?

33. How will the following will appear in the final accounts of Karaikudii sports club for the year ending 31st March, 2019?

Particulars

Tournament fund on 1st April, 2018	90,000
Tournament fund investments on 1st April, 2018	90,000
Interest received on tournament fund investment	9,000
Donation to tournament fund	10,000
Tournament expenses	60,000

34. Calculate current ratio and quick ratio of Kavin constructions Ltd. from the information given below.

Particulars

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

35. From the following particulars of Siva Ltd and Midhun Ltd. prepare a common size income statement for the year ended 31st March, 2019

Particulars	Siva Ltd.	Midhun Ltd.
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Revenue from operations	2,00,000	2,50,000
Other income	30,000	25,000
Expenses	1,10,000	1,25,000

36. Maran, Madhan and Ranjith are partners sharing profits and losses in the ratio of 4:3:3 respectively. Maran retires from the firm on 31st December 2018. On the date of retirement, his capital account shows a credit balance of ₹ 1,50,000. Pass journal entries if

- The amount due is paid off immediately
- The amount due is not paid immediately
- ₹ 1,00,000 is paid and the balance in future

37. A and B are partners sharing profits and losses in the ratio of 4:3. C enters into the partnership and he acquires 1/14 from A and 1/14 from B. Find out the new profit sharing ratio and sacrificing ratio.

38. From the following information relating to Arul Enterprises, calculate the value of goodwill on the basis of 2 years purchase of the average profit of 3 years.

- Profits for the years ending 31st December 2016, 2017 and 2018 were ₹ 46,000, ₹ 44,000 and ₹ 50,000 respectively.
- A non recurring income ₹ 5,000 is included in the profits of the year 2016.
- The closing stock of the year 2017 was overvalued by ₹ 10,000

39. Anand and Narayanan are partners in a firm sharing profits and losses in the ratio of 5:3. On 1st January, 2018 their capitals were ₹ 50,000 and ₹ 30,000 respectively. The partnership deed specifies the following:

- Interest on capital is to be allowed at 6% per annum.
- Interest on drawings charged to Anand and Narayanan are ₹ 1000 and ₹ 800 respectively.
- The net profit of the firm before considering interest on capital and interest on drawings amounted to ₹ 35,000.

Prepare profit and loss appropriation account. The firm closes its accounts on 31st December every year.

40. Mithra company issues 10000 equity shares of ₹ 10 each payable fully on application. Pass journal entries if the shares are issued.

- at par
- at a premium of ₹ 2 per share

IV. Answer all the questions:

41. Mr. Kathir started business on 1.4.2018 with the capital of ₹ 1,50,000. From the details given below prepare Trading and profit and Loss account and balance sheet as on 31.03.2019.

Total sales	2,00,000
Total purchases	1,00,000
Wages	11,000
Advertisement	7,000
Miscellaneous expenses	28,000
Furniture	50,000
Bank loan	45,000
Drawings	60,000
Debtors (closing)	1,00,000
Creditors (closing)	21,000
Stock (closing)	22,000
Cash (closing)	60,000 (OR)

From the following particulars, calculate the trend percentage of Jeevana Ltd.

Particulars	in thousand		
	Year 1	Year 2	Year 3
I Equity and liabilities			
Shareholders funds	500	550	600
Non-current liabilities	200	250	240
Current liabilities	100	80	120
Total	800	880	960
II. Assets			
Non-current assets	600	720	780
Current assets	200	160	180
Total	800	880	960

42. Calculate operating profit ratio under the following cases.

Case 1: Revenue from operations ₹ 8,00,000, operating profit ₹ 2,00,000

Case 2: Revenue from operations ₹ 20,00,000, operating cost ₹ 14,00,000

Case 3: Revenue from operations ₹ 10,00,000, Gross profit 25%

On revenue from operations, operating expenses ₹ 1,00,000 (OR)

Differentiate between statement of affairs and balance sheet.

43. From the following receipts and payments account of Thanraj Thiruvalluvar Mandram, prepare income and expenditure account for the year ended 2019, March 31.

Receipts		Payments	
To balance b/d cash in hand	14,000	By salaries	20,000
To interest received	5,000	By rent	24,000
To subscription	55,000	By travelling expenses	2,000
To legacies	48,000	By printing and stationery	6,000
To entrance fees	7,000	By investments made	50,000
To sale of furniture	16,000	By sports equipments purchased	33,000
(book value ₹ 17,000)		By Balance c/d cash in hand	10,000
	145,000		145,000 (OR)

From the following formation, prepare capital accounts of partners Anandha and Ranjana, when their capitals are fluctuating.

Particulars	Anandha	Ranjana
Capital on 1st January 2018 (Cr. balance)	5,00,000	4,00,000
Drawings during 2018	70,000	40,000
Interest on drawings	2,000	1,000
Share of profits for 2018	52,000	40,000
Interest on capital	30,000	24,000
Salary	45,000	nil
Commission	nil	21,000

44. United Industries Ltd. issued shares of ₹ 10 each at 10% premium payable ₹ 3 on application ₹ 4 on allotment (including premium) ₹ 2 on first call and ₹ 2 on second and final call. Journalise the transactions relating to forfeiture of shares for the following situations.
- Manoj who holds 2000 shares failed to pay the second and final call and his shares were forfeited.
 - Manoj who holds 2000 shares failed to pay the allotment money and first call money and his shares were forfeited after the first call.
 - Majoj who holds 2000 shares failed to pay the allotment money and first call and second and final call and his shares were forfeited. (OR)
- Calculate the value of goodwill at 5 years purchase of super profit from the following information.
- capital employed ; ₹ 1,20,000, b) Normal rate of profit; 20%
 - net profit for 5 years
2014: ₹ 30,000; 2015: ₹ 32,000; 2016: ₹ 35,000; 2017: ₹ 37,000; 2018: ₹ 40,000.
 - Fair remuneration to the partners ₹ 2,800 per annum.
45. Sankar and Saleem are partners sharing profits in the ratio of 3:2. Their balance sheet as on 31.03.2018

Liabilities		Assets	
Capital accounts		Machinery	60000
Sankar	80000	Furniture	40000
Saleem	70000	Debtors	30000
General reserve	15000	stock	10000
Workmen compensation fund	10000	Prepaid Insurance	40000
Creditors	25000	Cash at bank	20000
	2,00,000		2,00,000

Simon is admitted as a new partner who introduces a capital of ₹ 30,000 for his 1/5 share in future profits. He brings ₹ 10,000 for his share of goodwill.

- Stock is to be appreciated to ₹ 14,000
 - Furniture is to be depreciated by 5%
 - Machinery is to be revalued at ₹ 80,000
 - Created ₹ 2000 towards provision for doubtful debts.
 - Revaluation account shows the profit of ₹ 20,000 on the date of admission.
- Prepare capital accounts and balance sheet after Simon's admission. (OR)

Amar, Akbar and Anthony are partners in a firm sharing profits and losses in the ratio of 5 : 3 : 2. Their balance sheet as on 31.03.2018 is as follows.

Liabilities		Assets	
Capital accounts		Buildings	1,00,000
Amar	70000	Furniture	80000
Akbar	70000	Stock	60,000
Anthony	70000	Debtors	40000
Sundry creditors	40000	Cash in hand	20000
Profit and loss a/c	50000		
	3,00,000		3,00,000

Amar retired from the partnership firm on 31.03.2018 subject to the following adjustments.

- Stock to be depreciated by ₹ 10,000
- Provision for doubtful debts to be created for ₹ 3000
- Buildings to be appreciated by ₹ 28,000.

Prepare revaluation account and capital accounts of partners after retirement.

46. From the following receipts and payments account of Chennai recreation club prepare income and expenditure accounts for the year ended 31st March, 2018 and the balance sheet as on that date.

Receipts		Payments	
To balance b/d cash in hand	30000	By rent and taxes	26000
To subscription	25000	By Electricity charges	20000

To legacies	40000	By furniture purchased	10000
To rent from hall	19000	By Billiards table purchased	70000
To collection for special dinner	12000	By special dinner expenses	6000
To lockers rent	16000	By Balance c/d cash in hand	10000
	142000		142000

Additional information:

- 1) Opening capital fund ` 40000.
- 2) The club had furniture ` 10000 on 1.4.2017
- 3) The subscription still due but not received ` 5000 and received in advance ` 6000. **(OR)**

Explain any five applications of computerised accounting system.

47. From the following particulars calculate total purchases and total sales..

Particulars	Particulars		
Sundry debtors on 1st April, 2018	50000	Cash paid to creditors	3,70,000
Sundry creditors on 1st April 2018	75000	Returns inward	15000
Cash received from debtors	150000	Returns outward	10000
Cash purchases	320000	Cash sales	140000
Bad debts	5000	Discount allowed	4000
Discount received	10000	Sundry creditors on 31st March, 2019	50000
Sundry debtors on 31st March 2019	70000		(OR)

From the following trading activities of Dhiliban Ltd. Calculate i) Gross profit ratio ii) Net profit ratio (iii) Opening cost ratio (iv) Operating profit ratio.

Statement of profit and loss particulars

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)	2400
Total expenses	18700
V Profit before tax (III - IV)	1500