

SELF YEARLY EXAMINATION -2024

CLASS:12

ACCOUNTANCY

Reg.No

Time : 3.00 Hours

MARKS : 90

Note:

Part - I

(20x1=20)

- (I) Answer all the questions.
(II) Choose the most suitable answer from the given four alternatives and write the option code and the corresponding answer.

- The amount of credit sales can be computed from
 - Total debtors account
 - Total creditors account
 - Bills receivable account
 - Bills payable account
- 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.
 - ₹ 9,000
 - ₹ 11,000
 - ₹ 21,000
 - ₹ 3,000
- Donations received for a specific purpose is
 - Revenue receipt
 - Capital receipt
 - Revenue expenditure
 - Capital expenditure
- Subscription due but not received for the current year is
 - An asset
 - A liability
 - An expense
 - An item to be ignored
- Which of the following is shown in Profit and loss appropriation account?
 - Office expenses
 - Salary of staff
 - Partners' salary
 - Interest on bank loan
- Which of the following is the incorrect pair?
 - Interest on drawings - Debited to capital account
 - Interest on capital - Credited to capital account
 - Interest on loan - Debited to capital account
 - Share of profit - Credited to capital account
- Super profit is the difference between
 - Capital employed and average profit
 - Assets and liabilities
 - Average profit and normal profit
 - Current year's profit and average profit
- Book profit of 2017 is ₹35,000; non-recurring income included in the profit is ₹1,000 and abnormal loss charged in the year 2017 was ₹2,000, then the adjusted profit is
 - ₹ 36,000
 - ₹ 35,000
 - ₹ 38,000
 - ₹ 34,000
- At the time of admission, the goodwill brought by the new partner may be credited to the capital accounts of
 - all the partners
 - the old partners
 - the new partner
 - the sacrificing partners
- Which of the following statements is not true in relation to admission of a partner?
 - Generally mutual rights of the partners change
 - The profits and losses of the previous years are distributed to the old partners
 - The firm is reconstituted under a new agreement
 - The existing agreement does not come to an end

11. If the final amount due to a retiring partner is not paid immediately, it is transferred to
 (a) Bank A/c (b) Retiring partner's capital A/c
 (c) Retiring partner's loan A/c (d) Other partners' capital A/c
12. A, B and C are partners sharing profits in the ratio of 2:2:1. On retirement of B, goodwill of the firm was valued as ₹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. 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. Supreme Ltd. forfeited 100 shares of ₹ 10 each for non-payment of final call of ₹ 2 per share. All these shares were re-issued at ₹ 9 per share. What amount will be transferred to capital reserve account?
 (a) ₹ 700 (b) ₹ 800
 (c) ₹ 900 (d) ₹1,000
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. Cost of revenue from operations ₹3,00,000; Inventory in the beginning of the year ₹60,000; Inventory at the close of the year ₹40,000. Inventory turnover ratio is
 (a) 2 times (b) 3 times
 (c) 6 times (d) 8 times
17. 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
18. Match List I with List II and select the correct answer using the codes given below:

S.No	List I	S.No	List II
i)	Revaluation account	1	Loss item
ii)	Unrecorded Asset	2	Revaluation - Debit
iii)	Unrecorded Liability	3	Nominal account
iv)	Profit on Revaluation	4	Profit item

Codes:

- | | | | | |
|-----|-----|------|-------|------|
| | (i) | (ii) | (iii) | (iv) |
| (a) | 3 | 2 | 1 | 4 |
| (b) | 3 | 2 | 4 | 1 |
| (c) | 3 | 4 | 1 | 2 |
| (d) | 3 | 1 | 4 | 2 |
19. Which one of the following is not correctly matched?
 (a) Reserve Capital - Winding up
 (b) Capital Reserve - Gain of forfeiture
 (c) General Reserve - Undistributed Loss
 (d) Reserves and Surplus - Share Premium

20. **Assertion (A):** All transactions relating to related to payment either in cash or through bank are recorded using payment voucher.
Reason (R): Sales voucher are used for recording cash sale of goods.
- a) Both (A) and (R) are correct b) Both (A) and (R) are incorrect
 c) (A) is correct and (R) is incorrect d) (A) is incorrect and (R) is correct

Note:

Part - II

(7x2=14)

Answer any seven questions in which question No.30 is compulsory.

21. State the accounts generally maintained by small sized sole trader when double entry accounting system is not followed.
22. Give four examples for capital receipts of not-for-profit organization.
23. Write a short note on securities premium account.
24. What is a group in Tally.ERP 9?
25. 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

26. Compute income from subscription for the year 2018 from the following particulars relating to a club.

Particulars	₹	₹
Outstanding subscription	10,000	7,000
Subscription received in advance	3,000	5,000

Subscription received during the year 2018: ₹1,50,000

27. Arun is a partner in a partnership firm. As per the partnership deed, interest on drawings is charged at 12% p.a. During the year ended 31st December 2018 he drew as follows:

Date	₹
March 1	6,000
June 1	4,000
September 1	5,000
December 1	2,000

Calculate the amount of interest on drawings.

28. From the following information, calculate the value of goodwill based on 3 years purchase of super profit.

- (i) Capital employed: ₹ 2,00,000
 (ii) Normal rate of return: 15%
 (iii) Average profit of the business: ₹ 42,000

29. Calculate quick ratio of Ananth 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

30. Anitha was holding 500 equity shares of ₹10 each of Thanjavur Motors Ltd, issued at par. She paid ₹3 on application, ₹5 on allotment but could not pay the first and final call of ₹2. The directors forfeited the shares for nonpayment of call money. Give Journal entry for forfeiture of shares.

(7×3=21)

Note: **Part – III**
Answer any seven questions in which question No.40 is compulsory.

31. State the differences between Receipts and Payments Account and Income and Expenditure Account. (any 3)
32. What are the adjustments required at the time of admission of a partner?
33. State any three advantages of ratio analysis.
34. Mention the commonly used voucher types in Tally.ERP 9.
35. On 1st April 2018 Subha started her business with a capital of ₹1,20,000. She did not maintain proper book of accounts. Following particulars are available from her books as on 31-3-2019.

Particulars	₹	Particulars	₹
Bank overdraft	50,000	Stock-in-trade	1,60,000
Debtors	1,80,000	Creditors	90,000
Bills receivable	70,000	Bills payable	2,40,000
Computer	30,000	Cash in hand	60,000
Machinery	3,00,000		

During the year she withdrew ₹30,000 for her personal use. She introduced further capital of ₹40,000 during the year. Calculate her profit or loss.

36. Compute Capital fund of Karur Social Club as on 31-03-2018.

Particulars	₹
Furniture	50,000
Buildings	40,000
Subscription outstanding for 2017-18	10,000
Subscription received in advance for 2018-19	5,000
Loan borrowed	10,000
Investments	20,000
Cash in hand	4,000
Cash at bank	6,000

37. Hari, Madhavan and Kesavan 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.
 - Depreciate stock by ₹5,000, furniture by ₹2,000 and machinery by ₹2,500.
 - Provide for an outstanding liability of ₹500.
- Pass journal entries and prepare revaluation account.

38. Kavin, Madhan and Ranjith are partners sharing profits and losses in the ratio of 4:3:3 respectively. Kavin 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.

39. From the following particulars, prepare Comparative income statement of Mary Co. Ltd

Particulars	2015-2016 (₹)	2016-2017 (₹)
Revenue from operations	4,00,000	5,00,000
Operating Expenses	2,00,000	1,80,000
Income tax (% of the profit before tax)	20	50

40. From the following statement of profit and loss of Mukesh Ltd. Calculate
(i) Gross Profit ratio (ii) Net profit ratio

Particulars	Amount ₹
I. Revenue from operations	5,00,000
II. Other income:	
Income from investment	40,000
III. Total revenues (I + II)	5,40,000
IV. Expenses:	
Purchase of stock in trade	1,80,000
Changes in inventory	20,000
Employee benefits expense	30,000
Other expenses	1,10,000
Provision for tax	50,000
Total expenses	3,90,000
V. Profit for the year	1,50,000

Note:

Part-IV

(7x5=35)

Answer all the questions.

41. (a) From the following particulars, calculate total sales.

Particulars	₹	Particulars	₹
Debtors on 1-4-2018	2,50,000	Bills receivable dishonoured	15,000
Bills receivable on 1-4-2018	60,000	Return inward	50,000
Cash received from debtors	7,25,000	Bills receivable on 31-3-2019	90,000
Cash received for bills receivable	1,60,000	Sundry debtors on 31-3-2019	2,40,000
Bad debts	30,000	Cash sales	3,15,000

(OR)

- (b) Anand and Balu are partners in a firm sharing profits and losses in the ratio of 7:3. Their balance sheet as on 31st March, 2018 is as follows:

Liabilities	₹	Assets	₹
Capital accounts:		Land	60,000
Anand 50,000		Stock	40,000
Balu 30,000	80,000	Debtors	20,000
Sundry creditors	20,000	Cash in hand	10,000
Profit & Loss A/c	30,000		
	1,30,000		1,30,000

Chandru is admitted as a new partner on 1.4.2018 by introducing a capital of ₹20,000 for 1/4 share in the future profit subject to the following adjustments:

- Stock to be depreciated by ₹3,000
 - Provision for doubtful debts to be created for ₹2,000.
 - Land was to be appreciated by ₹10,000
- Prepare revaluation account and capital account of partners after admission.

42.

(a) From the following Receipts and Payment account of Yercaud Youth Association, prepare Income and expenditure account for the year ended 31st March, 2019 and the Balance sheet as on that date.

Receipts and Payments account for the year ended 31st March, 2019

Receipts	₹	Payments	₹
To balance b/d - Cash in hand	9,600	By Salary	14,000
To Govt grants for purchase of books	10,000	By Office expenses	7,200
To subscription	24,800	By Books purchased	15,000
To Admission fees	2,000	By Stationery purchased	1,800
To Prize fund receipts	6,000	By Newspaper purchased	2,100
To Bank interest	1,500	By Prizes awarded	5,000
To sale of newspapers	1,100	By balance c/d - cash in hand	9,900
	55,000		55,000

Additional information:

- Opening capital fund ₹ 20,000
- Stock of books on 1-4-2018 ₹ 9,200
- Subscription due but not received ₹ 1,700
- Stock of stationery on 1-4-2018 ₹ 1,200 and stock of stationery on 31-3-2019 ₹ 2,000

(OR)

(b) Dinesh and Sugumar entered into a partnership agreement on 1st January 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 December 2018, the firm made a profit of ₹2,20,000 before adjustment of interest, salary and commission.

Prepare the Profit and loss appropriation account.

43.

(a) Calculate the value of goodwill at 5 years purchase of super profit from the following information:

- Capital employed: ₹1,20,000
- Normal rate of profit: 20%
- Net profit for 5 years:

2014: ₹30,000; 2015: ₹32,000; 2016: ₹35,000; 2017: ₹37,000 and 2018: ₹40,000

- Fair remuneration to the partners ₹2,800 per annum.

(OR)

(b) Khan Ltd. issued 50,000 shares of ₹10 each to the public payable ₹4 on application, ₹4 on allotment and ₹2 on first and final call. Applications were received for 65,000 shares. The directors decided to allot 50,000 shares on pro rata basis and surplus application money was utilised for allotment. Pass journal entries assuming that the amounts due were received.

44. (a) Kannan, Rahim and John are partners in a firm sharing profit and losses in the ratio of 5:3:2. The balance sheet as on 31st December, 2017 was as follows:

Liabilities	₹	Assets	₹
Capital:			
Kannan : 1,00,000		Buildings	90,000
Rahim : 80,000			
John : 40,000	2,20,000		
Workmen Compensation Fund	30,000	Machinery	60,000
Sundry Creditors	20,000	Debtors	30,000
		Stock	20,000
		Cash at bank	50,000
		Profit & Loss a/c (Loss)	20,000
	2,70,000		2,70,000

John retires on 1st January 2018, subject to following conditions:

- To appreciate building by 10%
- Stock to be depreciated by 5%.
- To provide ₹1,000 for bad debts
- An unrecorded liability of ₹8,000 have been noticed.
- The retiring partner shall be paid immediately.

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

[OR]

- (b) From the following balance sheet of Chandra Ltd, prepare comparative balance sheet as on 31st March 2016 and 31st March 2017.

Particulars	31 st March 2016 (₹)	31 st March 2017 (₹)
I. EQUITY AND LIABILITIES		
Shareholders' fund	1,00,000	2,60,000
Non-current liabilities	50,000	60,000
Current liabilities	25,000	30,000
TOTAL	1,75,000	3,50,000
II. ASSETS		
Non-current assets	1,00,000	2,00,000
Current assets	75,000	1,50,000
TOTAL	1,75,000	3,50,000

45. (a) From the given information calculate the inventory turnover ratio and inventory conversion period (in months) of Sania Ltd.

Particulars	2015-2016 (₹)
Revenue from operations	1,90,000
Inventory at the beginning of the year	40,000
Inventory at the end of the year	20,000
Purchases made during the year	90,000
Carriage inwards	10,000

[OR]

- (b) Explain any five applications of computerized accounting system.

46. (a) From the following information, prepare capital accounts of partners Mannan and Sevagan, when their capitals are fluctuating.

Particulars	Mannan (₹)	Sevagan (₹)
Capital on 1 st January 2018 (Cr. balance)	2,00,000	1,75,000
Drawings during 2018	40,000	35,000
Interest on drawings	1,000	500
Share of profit for 2018	21,000	16,500
Interest on capital	12,000	10,500
Salary	18,000	Nil
Commission	Nil	2,500

[OR]

(b) Shero Health Care Ltd. invited applications for 3,00,000 equity shares of ₹10 each at a premium of ₹2 per share payable as follows:

₹ 3 on application

₹ 5 (including premium) on allotment

₹ 4 on first and final call

There was over subscription and applications were received for 4,00,000 shares and the excess applications were rejected by the directors. All the money due were received. Pass the journal entries.

47. (a) Bring out the limitations of ratio analysis.

[OR]

(b) From the following Balance sheet of Arunan Ltd as on 31-3-2019 calculate:

(i) Debt-Equity Ratio

(ii) Proprietary Ratio

(iii) Capital gearing Ratio

Particulars	₹
I. EQUITY AND LIABILITIES	
1. Shareholders' funds	
(a) Share capital	
Equity share capital	1,50,000
8% Preference share capital	2,00,000
(b) Reserve and surplus	1,50,000
2. Non-Current liabilities	
Long term borrowings (9% Debentures)	4,00,000
3. Current liabilities	
Short term borrowings from banks	25,000
Trade payables	75,000
Total	10,00,000
II. ASSETS:	
1. Non-Current assets	
Fixed assets	7,50,000
2. Current assets	
(a) Inventories	1,20,000
(b) Trade receivables	1,00,000
(c) Cash and cash equivalents	27,500
(d) Other current assets	
Expenses paid in advance	2,500
Total	10,00,000