

FIRST MID - TERM TEST - 2021

STANDARD - XII ACCOUNTANCY

Reg.No.

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Marks: 50

Time : 1.30 hrs

PART - A

10×1=10

- I. Choose the best Answer:**
- The excess of assets over liabilities is
a) Loss b) Cash c) Capital d) Profit
 - The amount of credit sales can be computed from
a) Total debtors Account b) Total creditors account
c) Bills receivables account d) Bills payable account
 - Incomplete records are generally maintained by
a) A company b) Government
c) Small sized sole trading business d) Multinational enterprises
 - Receipts and Payments account is a
a) Nominal A/c b) Real A/c
c) Personal A/c d) Representative Personal A/c
 - Income and expenditure account is a
a) Nominal A/c b) Real A/c
c) Personal A/c d) Representative Personal A/c
 - Legacy is a
a) Revenue expenditure b) Capital expenditure
c) Revenue receipt d) Capital receipt
 - In the absence of a partnership deed, profits of the firm will be shared by the partners in
a) Equal ratio b) Capital ratio c) Both (a) and (b) d) None of these
 - As per the Indian Partnership Act, 1932, the rate of interest allowed on loans advanced by partners is
a) 8% per annum b) 12% per annum c) 5% per annum d) 6% per annum
 - Which of the following statements is true?
a) Good will is in intangible Asset b) Good will is a current asset
c) Good will is a fictitious asset d) Goodwill cannot be acquired
 - When the average profit is ₹ 25,000 and the normal profit ₹ 15,000, super profit is
a) ₹ 25,000 b) ₹ 5,000 c) ₹ 10,000 d) ₹ 15,000

PART - B

II. Answer any five questions. (Question No.18 is compulsory).

5×2=10

- What is meant by incomplete records?
- Find out credit sales from the following information.

Particulars	₹
Debtors on 1st April, 2018	1,00,000
Cash received from debtors	2,30,000
Discount allowed	5,000
Returns inward	25,000
Debtors on 31st March 2019	1,20,000

13. State the meaning of not-for-profit organization.
14. 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 31.3.2019 | ₹ 2,200 |
15. Mathew is a partner who withdrew ₹ 20,000 during the year 2018. Interest on drawings is charged at 10% per annum. Calculate interest on drawings on 31st December 2018.
16. What is super profit?
17. The following are the profits of a firm in the last five years.
2014 : ₹ 10,000 ; 2015 : ₹ 11,000 ; 2016 : ₹ 12,000 ; 2017 : ₹ 13,000 and 2018 : ₹ 14,000. Calculate the value of goodwill at 2 years Purchase of average profit of five years.
18. From the following information, calculate the value of goodwill on the basis of 3 years. Purchase of average profits of last four years.

Year	Result	Amount ₹
2015	Profit	5,000
2016	Profit	8,000
2017	Loss	3,000
2018	Profit	6,000

PART - C

III. Answer any five questions. (Question No. 26 is compulsory): 5×3=15

19. 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

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

Particulars	1.1.2018 ₹	31.12.2018 ₹
Outstanding subscription	10,000	7,000
Subscription received in advance	3,000	5,000

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

21. State the difference between Receipts and Payments Account and Income and Expenditure Account. (any three)
22. John is a partner in a firm. He withdraws ₹ 1,000 pm regularly. Interest on drawings is charged @ 5% p.a. Calculate the interest on drawings using average period, if he draws
- at the beginning of every month
 - in the middle of every month
 - at the end of every month

23. A and B contribute ₹ 4,00,000 and ₹ 2,00,000 respectively as capital. Their respective share of profit is 3 : 2 and the profit before interest on capital for the year is ₹ 27,000. Compute the amount of interest on capital in each of the following situations.
- If the partnership deed is silent as to the interest on capital.
 - If interest on capital @ 3% is allowed as per the partnership deed.
 - If the partnership deed allows interest on capital @ 5% p.a.
24. State the difference between fixed capital method and fluctuating capital method. (any three).
25. State any six factors determining good will.
26. From the following details, calculate the value of good will at 2 years purchase of super profit.
- Total assets of a firm are ₹ 5,00,000
 - The liabilities of the firm are ₹ 2,00,000
 - Normal rate of return in this class of business is 12.5%.
 - Average profit of the firm is ₹ 60,000

PART - D

IV. Answer the following questions:

3×5=15

27. a) From the following details findout 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

(OR)

- b) Akash, Bala, Chandru and Daniel are partners in a firm. There is no partnership deed. How will you deal with the following.
- Akash has contributed maximum capital. He demands interest on capital at 10% per annum.
 - Bala has withdrawn ₹ 3,000 per month. Other partners ask Bala to pay interest on drawings @ 8% per annum to the firm. But, Bala did not agree to it.
 - Akash demands the profit to be shared in the capital ratio. But, others do not agree.
 - Daniel demands salary at the rate of ₹ 10,000 per month as he spends full time for the business.
 - Loan advanced by Chandru to the firm is ₹ 50,000. He demands interest on loan @ 12% per annum.
28. a) From the following particulars of Trichy Educational society. Prepare Receipts and Payments account for the year ended 31st December 2018.

Particulars	₹	Particulars	₹
Opening cash balance as on 1.1.2018	20,000	Locker rent received	12,000
Investments made	80,000	Sale of furniture	5,000
Honorarium paid	3,000	General expenses	7,000
Donation received	80,000	Postage	1,000
Audit fees paid	2,000	Subscription received	10,000

(OR)

- b) A Partnership firm earned net profits during the last three years as follows:
2016 : ₹ 20,000 ; 2017 : ₹ 17,000 and 2018 : ₹ 23,000. The capital investment of the firm throughout the above mentioned period has been ₹ 80,000. Having regard to the risk involved, 15% is considered to be a fair return on capital employed in the business. Calculate the value of good will on the basis of 2 years purchase of super profit.
- a) From the following Receipts and Payment Account of Ooty Recreation club. Prepare Income and Expenditure Account for the year ended 31.03.2018.

Receipts	₹	Payments	₹
To Opening balance		By sports materials	
Cash in hand	5,000	purchased	10,000
To Rent received	10,000	By Stationery paid	7,000
To Sale of investments	8,000	By Computer purchased	25,000
To subscription received	54,000	By Salaries	20,000
		By Closing balance	
		Cash in hand	15,000
	<u>77,000</u>		<u>77,000</u>

(OR)

- b) State the differences between double entry system and incomplete records.

A. KOTTEESWARAN

VELLORE - 07