

XII	CHENGALPATTU DISTRICT SECOND ASSESSMENT TEST – JANUARY 2022 ACCOUNTANCY	Time Allowed: 3 Hrs Max. Marks : 90
------------	--	--

PART – I

Note: (i) Answer **all** the questions. **(20 X1 = 20)**
(ii) Choose the most appropriate answer from the given four alternatives and write the option code and the corresponding answer.

1. Closing Capital + Drawings – Additional Capital = _____.
(a) Adjusted Opening Capital (b) Opening Capital
(c) Profit or Loss (d) Adjusted Closing Capital
2. Statement of affairs is usually prepared to find out the _____ of the business.
(a) Financial Position (b) Capital
(c) Arithmetical Accuracy (d) Profit or Loss
3. Which of the following items relating to bills receivable is transferred to total debtors account?
(a) Opening balance of bills receivable (b) Closing balance of bills receivable
(c) Cash received for bills receivable (d) Bills receivable received during the year
4. 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
5. What is the amount of capital of the proprietor, if his assets are 90,000 and liabilities are 21,000?
(a) Rs. 69,000 (b) Rs. 90,000
(c) Rs. 20,000 (d) Rs. 1,01,000
6. When capital in the beginning is Rs.10,000, drawings during the year is Rs.6,000, profit made during the year is Rs.2,000 and the additional capital introduced is 3,000, find out the amount of capital at the end.
(a) Rs. 21,000 (b) Rs. 11,000
(c) Rs. 9,000 (d) Rs. 3,000
7. Opening balance of debtors: Rs.15,000, cash received: Rs. 39,000, closing balance of debtors is Rs.13,000; credit sales is
(a) Rs. 15,000 (b) Rs. 54,000
(c) Rs. 37,000 (d) Rs. 41,000
8. Receipts and payments account is a
(a) Real A/c (b) Nominal A/c
(c) Representative Personal A/c (d) Personal A/c

[Turn over]

9. Receipts and payments account records receipts and payments of
 (a) Revenue nature only (b) Capital nature only
 (c) Both revenue and capital nature (d) None of the above
10. Income and expenditure account is a
 (a) Nominal A/c (b) Real A/c
 (c) Personal A/c (d) Representative personal A/c
11. Income and Expenditure Account is prepared to find out
 (a) Profit or loss (b) Cash and bank balance
 (c) Surplus or deficit (d) Financial position
12. 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
13. Donations received for a general purpose is
 (a) Revenue receipt (b) Capital receipt
 (c) Revenue expenditure (d) Capital expenditure
14. There are 500 members in a club each paying Rs.100 as annual subscription, Subscription due but not received for the current year is Rs.200; Subscription received in advance is Rs.300. Find out the amount of subscription to be shown in the income and expenditure account.
 (a) Rs.49,800 (b) Rs.50,000
 (c) Rs. 50,200 (d) Rs.49,900
15. 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
16. In the absence of an agreement among the partners, interest on capital is
 (a) Not allowed (b) Allowed at bank rate
 (c) Allowed @ 5% per annum (d) Allowed @ 6% per annum
17. As per the Indian Partnership Act, 1932, the rate of interest allowed on loan advanced by partners is
 (a) 8% per annum (b) 12% per annum
 (c) 5% per annum (d) 6% per annum
18. Which of the following is the incorrect pair?
 (a) Interest on drawings - Debited to capital account
 (b) Interest on capital - Credited to capital account
 (c) Interest on loan - Debited to capital account
 (d) Share of profit - Credited to capital account

[Turn over]

19. In the absence of an agreement, partners are entitled to
 (a) Salary (b) Commission
 (c) Interest on loan (d) Interest on capital
20. Select the odd one out:
 (a) Direct Method (b) Product method
 (c) Average Profit Method (d) Average Period Method

PART – II

Note: Answer **any 7** questions. Question No.30 is **compulsory**. **(7 X 2 = 14)**

21. Which accounting system may be suitable for small sized sole traders and partnership firms? Explain.
22. Give four examples for revenue receipts of Not-for-Profit organization.
23. Define partnership.
24. Akash is a partner, who withdrew Rs.60,000 on 1st April 2021. Interest on drawings is charged at 6% per annum. Calculate interest on drawings on 31st December 2021.

25. From the following details, ascertain profit and loss:

Particulars	Rs.
Capital as on 1st January, 2021	Rs. 5,00,000
Capital as on 31st December, 2021	Rs. 8,50,000
Additional capital introduced during the year	Rs. 1,20,000
Drawings during the year	Rs. 70,000

26. What is meant by incomplete records?
27. Show how the following items appear in the income and expenditure account of Semmozhi Sports Association?

Particulars	Rs.
Stock of sports materials on 1.4.2020	Rs.26,000
Purchase of sports materials during the year	Rs.65,000
Stock of sports materials on 31.3.2021	Rs.22,000

28. What is legacy?
29. Give four examples of Non-Profit Organizations.
30. What is the journal entries to be passed for providing interest on capital to a partner?

[Turn over]

PART – III

Note: Answer **any 7** questions. Question No.40 is **compulsory**.

(7 X 3 = 21)

31. Find out credit sales from the following information.

Particulars	Rs.
Debtors on 1 st April 2020	2,00,000
Debtors on 31 st March 2021	2,40,000
Discount allowed	10,000
Cash received from debtors	4,60,000
Returns inwards	50,000

32. State any three features of incomplete records.

33. State the differences between fixed capital method and fluctuating capital method.

34. How the following items will appear in the Income and Expenditure Account of 3 Roses Mahalir Mandram for the year ended 31st March 2021? That Mandram received subscription of Rs.75,000 during the year 2020-21. This includes subscription of Rs.12,000 for 2019-20 and Rs.4,500 for the year 2021-22. subscription of Rs.1,500 is still outstanding for the year 2020-21.

35. From the following details, calculate total purchase:

Particulars	Rs.
Sundry creditors on 1 st January 2021	90,000
Paid cash to creditors	3,60,000
Purchases returns	45,000
Cash purchases	6,75,000
Sundry creditors on 31 st December 2021	75,000

36. How will the following appear in the final account of a club for the year 2020-21?

Particulars	Rs.
Tournament fund on 1 st April 2020	45,000
Tournament fund investment on 1 st April 2020	45,000
Tournament expenses	30,000
Donation to tournament fund	5,000
Interest received on tournament fund investment	4,500

37. List out the final accounts of a Not-for-Profit Organization.

38. Sairam and Shahid are partners in a firm. Sairam is get a commission of 20% of net profit before charging any commission. Shahid is to get a commission of 20% on net profit after charging all commission. Net profit for the year ended 31st December 2021 before charging any commission was Rs.60,000. Find the commission of Sairam and Shahid.

[Turn over]

39. Renu and Arthi share profits and losses in the ratio of 3:2 and their capital on 1st April, 2020 was Renu Rs.3,00,000 and Arthi Rs.2,00,000 respectively and their current accounts show a credit balance of Rs.50,000 and Rs.40,000 respectively. Calculate interest on capital at 6% per annum for the year ending 31st March, 2021 and show the necessary journal entries.
40. From the following information given below, prepare Receipts and Payments account of Mullai Cricket Club for the year ended 31st December, 2021.

Particulars	Rs.	Particulars	Rs.
Cash in hand(1.1.2021)	8,000	Tournament receipts	28,000
Life membership fees received	20,000	Paid for printing charges	5,000
Rent received	4,000	Tournament expenses	21,000
Subscription received	30,000	Investment purchased	50,000
Salaries paid	6,000	Lockers rent received	2,000

PART – IV

Note: Answer **all** the questions.

(7 X 5= 35)

41. Karthi does not keep proper books of accounts. Following details are taken from his records.

Particulars	Rs.	Rs.
Cash at bank	80,000	90,000
Stock of goods	1,80,000	1,40,000
Sundry 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
Machinery	1,70,000	1,70,000

During the year he introduced further capital of Rs.50,000 and withdrew Rs.2,500 per month from the business for his personal use. Prepare statement of profit and loss with the above information.

(Or)

From the following particulars, Calculate total sales.

Particulars	Rs.
Debtors on 1 st April 2020	15,000
Bills receivable on 1 st April 2020	4,000
Cash received from debtors	39,000
Cash received for bills receivable	9,000
Bills receivable dishonoured	1,000
Sales return	4,000
Cash sales	20,000
Bills receivable on 31 st March 2021	3,000
Sundry debtors on 31 st March 2021	13,000

[Turn over]

42. Chengalpattu Recreation Club gives you the following details, Prepare Receipts and Payments account for the year ended 31st March 2021.

Particulars	Rs.	Particulars	Rs.
Cash balance (1.4.2020)	22,000	Miscellaneous income	700
Bank Overdraft (1.4.2020)	40,000	Interest & Bank Charges	500
Stationery purchased	10,400	Upkeep of ground	1,100
Admission fees	8,000	Grant from Government	24,000
Courier charges	4,000	Electricity charges paid	10,000
Municipal taxes paid	6,000	Telephone charges paid	5,600
Travelling expenses	3,600	Endowment fund receipts	20,000
Dividend received	6,000	Insurance premium paid	4,000
General expenses	1,000	Cash balance (31.3..2021)	3,500

(Or)

From the following Receipts and Payments Account of Chennai Recreation Club, prepare Income and Expenditure Account for the year ended 31.03.2021.

Receipts	Rs.	Payments	Rs.
To Opening balance		By Rent	1,400
Cash balance	5,500	By Postage	850
To Dividend received	13,800	By Furniture purchased	5,000
To Member's subscription	15,500	By Secretary's honorarium	7,500
To Sale of old newspaper	1,500	By Audit fees	2,500
To Sale of furniture (Book value Rs.2,200)	2,500	By Printing and stationery	22,500
To Interest on investments	625	By General expenses	2,175
To Locker rent	4,000	By Closing balance Cash in hand	1,500
	43,425		43,425

43. Distinguish between double entry system and incomplete records.

(Or)

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

44. 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 Rs.3,000 per month. Other partners ask Bala to pay interest on drawings @ 8% p.a. to the firm. But, Bala did not agree to it.
- Akash demands the profits to be shared in the capital ratio. But, other partners do not agree.
- Loan advanced by Chandru to the firm is Rs.50,000. He demands interest on loan @ 12% per annum.
- Daniel demands salary at the rate of Rs.10,000 per month as he spends full time for the business.

(Or)

[Turn over]

Savitha is a partner in a firm. She withdrawn Rs.2,500 p.m. regularly. Interest on drawings is charged @ 4% p.a. Calculate the interest on drawings using average period, if she draws

- (i) At the beginning of every month
- (ii) In the middle of every month
- (iii) At the end of every month

45. Ananth does not keep his books under double entry system. Find the profit or loss made by him for the year ending 31st March 2021.

Particulars	Rs.	Rs.
Cash at bank	10,000 (Dr)	1,20,000 (Cr)
Cash in hand	6,000	9,000
Stock of goods	70,000	90,000
Sundry debtors	2,00,000	1,80,000
Sundry creditors	3,00,000	2,00,000
Bills Payable	40,000	60,000
Plant and Machinery	1,60,000	1,60,000
Land and Building	2,80,000	2,80,000

Ananth had withdrawn Rs.1,20,000 for his personal use. He had introduced Rs.34,000 as capital for expansion of his business. Create a provision of 5% on Debtors. Plant and Machinery is to be depreciated at 10%.

(Or)

Compute income from subscription for the year 2018 from the following particulars relating to a Singers Club.

Particulars	1.1.2021 Rs.	31.12.2021 Rs.
Outstanding subscription	4,500	7,500
Subscription received in advance	6,000	10,500

Subscription received during the year 2021: Rs.67,500.

46. From the following details, calculate the missing figure.

Closing capital Rs.	Drawings Rs.	Additional capital Rs.	Opening capital Rs.	Profit(+) / Loss(-) Rs.
50,000	20,000	10,000	45,000	?
?	15,000	20,000	40,000	(+)10,000
35,000	?	15,000	20,000	(+)5,000
30,000	10,000	?	25,000	(-)5,000
1,00,000	15,000	5,000	?	(+)60,000

(Or)

[Turn over]

Sibi is a partner in a partnership firm. As per the partnership deed, interest on drawings is charged at 6% per annum. During the year ended 31st December, 2021 he withdrew as follows:

Particulars	Rs.
February 1	4,000
May 1	20,000
July 1	8,000
October 1	6,000

Calculate the amount of interest on drawings by using product method.

47. List out the contents of partnership deed. (Any 10)

(Or)

Write a brief note on the application of the provisions of the Indian Partnership Act, 1932 in the absence of partnership deed.
