

**+2 ACCOUNTANCY I-MIDTERM -July-25****CHOOSE THE BEST ANSWER****10 X 1 = 10**

1. (C) Small sized sole trader business
2. (C) Bills payable accepted during the year
3. (D) ₹ 64000
4. (D) ₹ 20000
5. (C) Both revenue and capital nature
6. (A) Nominal A/c
7. (A) 50,000
8. (A) Equal ratio
9. (C) Partners' salary
10. (D) ₹ 500

**Answer any 5 questions .****5X2=10**

11. **Incomplete records:** When accounting records are not strictly maintained according to double entry system, these records are called incomplete accounting records.

12. **What is legacy?** A gift made to a not-for-profit organization by a will, is called legacy. It is a capital receipt.

**13. Sirkali Singers Income and Expenditure A/C**

Expenditure	₹	₹	Income	₹	₹
To Opening Stock	2600				
(+)PurchaseStationery	6500				
(-)Closing Stock	2200	<b>6900</b>			

**14. 2018 31<sup>ST</sup> March Income and Expenditure A/C**

Expenditure	₹	₹	Income	₹	₹
			By Subscription	60000	
			(+)Outstanding	1000	
			(+)Advance	2400	<b>63400</b>

15. **Interest on Drawing** =  $30000 \times 10/100 \times 6/12 = 1500$

**16. Interest on Begam's Capital**

Opening Capital =  $50000 \times 4/100 = 2000$

Additional Capital(3Month) =  $10000 \times 4/100 \times 3/12 = 100$   
**2100**

**Interest on Fatima's Capital**

Opening Capital =  $40000 \times 4/100 = 1600$

Additional Capital(8 Month) =  $9000 \times 4/100 \times 8/12 = 240$   
**1840**

**17. Profit and Loss A/C**

Closing Capital(31.03.2019)	8,50,000
(+) Drawings	70,000
	920000
(-) Additional Capital	120000
Adjusted closing Capital	800000
(-)Opening Capital(1.4.2018)	500000
<b>Profit</b>	<b>300000</b>

**Answer any 5 questions :****5X3=15**

18.Basis	Double entry system	Incomplete records
Recording of transactions	Both debit and credit aspects of all the transactions are recorded.	Debit and credit aspects of all the transactions are not recorded.
Type of accounts maintained	Personal, real and nominal accounts are maintained fully.	Only personal and cash accounts are maintained fully.
Preparation of trial balance	Trial balance can be prepared to check the arithmetical accuracy	It is difficult to prepare the trial balance
Suitability	It is suitable for all types of organisations.	It may be suitable for small sized sole traders and partnership firms.
Reliability	It is reliable since it is a scientific system	It is not reliable since it is unscientific.
Acceptability	Accounting records are acceptable to all users	Accounting records may not be acceptable to all users.

19.Basis	Receipts and Payments Account	Income and Expenditure Account
Purpose	It is prepared to know the cash receipts and cash payments.	It is prepared to know whether surplus or deficit.
Nature of account	It is a real account.	It is a nominal account.
Basis of accounting	It is based on cash system of accounting.	It is based on accrual system of accounting.
Opening and closing balance	It commences with an opening balance and ends with closing balance of cash and bank.	There is no opening balance. It ends with surplus or deficit.
Nature of items	It contains actual receipts and payments irrespective of revenue or capital items in nature.	It contains only revenue items, that is, only revenue expenses and revenue incomes.
Period	All cash receipts and payments made during the year pertaining to the past period, current period and subsequent period are recorded.	It contains only the items relating to the current period.

## 20. State any six contents of a partnership deed.

1. Name of the firm and nature and place of business
2. Date of commencement and duration of business
3. Names and addresses of all partners
4. Capital contributed by each partner
5. Profit sharing ratio
6. Amount of drawings allowed to each partner
7. Rate of interest to be allowed on capital
8. Rate of interest on drawings of partners
9. Rate of interest on loans provided by partners
10. Amount of salary to be allowed to any partner

## 21. Karaikudi Sports Club Balance Sheet

Liabilities	₹	₹	Assets	₹
Tournament Fund opening balance	90000		Tournament investment	90000
(+) Interest received	9000			
	99000			
(+) Donation Fund	10000			
	109000			
(-) Tournament Expe	60000			
		49000		90000

22. (i) No interest on capital is payable to any partner. Therefore **Akash is entitled to the interest in capital.**

(ii) No interest is chargeable on drawings made by the partner. Therefore, **Bala need not pay interest on drawings.**

(iii) Interest on loan is payable at @ **6% per annum of ₹50,000.**

23.1) If Drawings are made at the beginning of every month  
 $2500 \times 12 = 30000 \times \frac{4}{100} \times \frac{6.5}{12} = \mathbf{650}$

2) If drawings are made in the middle of every month:  
 $2500 \times 12 = 30000 \times \frac{4}{100} \times \frac{6}{12} = \mathbf{600}$

3) If drawing are made at the end of every month  
 $2500 \times 12 = 30000 \times \frac{4}{100} \times \frac{5.5}{12} = \mathbf{550}$

## 24. Total debtors account

Particulars	₹	Particulars	₹
To Balance b/d	130000	By Cash A/C	420000
To sales A/C	540000	By Sales returns	35000
		By Bad Debt	15000
		By Balance c/d	200000
	670000		670000

Total Sales = Cash sales + Credit Sales

$$₹46,0000 + ₹54,0000 = \mathbf{₹10,00,000}$$

Answer all the questions.:

3X5=15

## 25 A) Raju Statement Of Affairs 01.01.2018

Liabilities	₹	Assets	₹
Creditors	130000	Cash at Bank	80000
Bank Loan	140000	Stock of goods	180000
		Debtors	90000
Opening Capital	250000	Plant&Machinery	170000
	520000		520000

## Statement Of Affairs 31.12.2018

Liabilities	₹	Assets	₹
Creditors	195000	Cash at Bank	90000
Bank Loan	60000	Stock of Goods	140000
Bills Pay	45000	Debtors	200000
Capital	300000	Plant&Machinery	170000
	600000		600000

## Statement of Profit and Loss

Closing Capital	3,00,000
(+) Drawings (2500 X 12)	30,000
	3,30,000
(-) Additional capital	50,000
Adjusted Closing Capital	280000
(-) Opening capital	250000
Profit	30000

## 25 B) Partner's Capital A/C

Particular	Mannan	Sevagan	Particular	Mannan	Sevagan
Drawing	40000	35000	Bal b/d	20000	17500
				0	0
Intrest drawing	1000	5000	profit	21000	16500
Bal c/d	210000	169000	Intrest Capital	12000	10500
			salary	18000	
			Commis		2500
	251000	204500		251000	204500
			Bal b/d	210000	169000

## 26 A) Trichy Educational Receipt and Payment Account

Receipts	₹	Payments	₹
To Balance b/d		Investment made	80000
Cash in hand	20000	Honorarium paid	3000
Subscription receiv	10000	Audit Fee	2000
Donation	80000	General expenses	7000
Locker Rent	12000	Postage	1000
Sale of furniture	5000		
		Balance c/d	
		Cash Balance	34000
	127000		127000

## 26 B) Trichy Recreation Club Income and Expenditure Account

Expenditure	₹	Income	₹
Rent	2800	Dividend	27600
Secretary's Honorarium	15000	sale old newspaper	3000
Postage	1700	Member Subscription	31000
General expenses	4350	Locker Rent	8000
Printing & stationery	45000	Interest on Capital	1250
Audit Fees	5000	Sale furniture Profit	600
		Deficit	2400
	73850		73850