Madurai District

Date:25/09/2026

QMD **QUARTERLY EXAMINATION - 2026**

12 - STD **ACCOUNTANCY**

TIME : 3.00 HRS **MARKS : 90**

PART - I

NOTE : Answer all questions. 20*1=20

1. The excess of assets over liabilities is
   (a) Loss (b) Cash (c) Capital (d) Profit
2. The amount of credit sales can be computed from (a) Total debtors account (b) Total creditors account (c) Bills receivable account (d) Bills payable account
3. 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 Rs.3,000 find out the amount of capital at the end.
   (a) 9,000 (b) 11,000 (c) 21,000 (d) 3,000
4. Income and expenditure account is a (a) Nominal A/c (b) Real A/c (c) Personal A/c (d) Representative personal account
5. Legacy is a (a) Revenue expenditure (b) Capital expenditures (c) Revenue receipt (d) Capital receipt
6. There are 500 members in a club each paying Rs.100 as annual subscription. Subscription due but not received for the current year is 200; Subscription received in advance is RS.300. Find out the amount of subscription to be shown in the income and expenditure account.
   a) 50,000 b) 50,200 c) 49,900 d) 49,800
7. As per the Indian Partnership Act 1932, the rate of interest allowed on loans advanced by partners.
   (a) 8% per annum (b) 12% per annum (c) 5% per annum (d) 6% per annum
8. When a partner withdraws regularly a fixed sum of money at the middle of every month, period for which interest is to be calculated on the drawings on an average is (a) 5.5 moths (b) 6 months (c) 12 months (d) 6.5 months
9. 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
10. Profit after interest on drawings, interest on capital and remuneration is Rs.10,500. Geetha, a partner, is entitled to receive commission @ 5% on profits after charging such commission. Find out commission.
    (a) Rs. 50 (b) Rs.150 (c) Rs. 550 (d) Rs.500
11. Which of the following statements is true?
    (a) Goodwill is an intangible asset (b) Goodwill is a current asset
    (c) Goodwill is a fictitious asset (d) Goodwill cannot be acquired

12. Identify the incorrect pair:
Goodwill Under
(a) Average profit method - Average profit × Number of years of purchase
(b) Super profit method - Super profit × Number of years purchase
(c) Annuity method - Average profit × Present value annuity factor
(d) Weighted average profit method - Weighted average profit × Number of years of purchase

13. 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

14. Match List I with List II and select the correct answer using the codes given below:

List I	**List II**
(i) Sacrificing ratio	1. Investment fluctuation fund
(ii) Old profit sharing ratio	2. Accumulated profit
(iii) Revaluation Account	3. Goodwill
(iv) Capital Account	4. Unrecorded liability

Codes:

	(i)	**(ii)**	**(iii)**	**(iv)**
(a)	1	2	3	4
(b)	3	2	4	1
(c)	4	3	2	1
(d)	3	1	4	2

15. Balaji and Kamalesh are partners sharing profits and losses in the ratio of 2:1. They admit Yogesh into partnership. The new profit sharing ratio between Balaji, Kamalesh and Yogesh is agreed to 3:1:1. Find the sacrificing ratio between Balaji and Kamalesh.
(a) 1:3 (b) 3:1 (c) 2:1 (d) 1:2

16. If the old profit sharing ratio is more than the new profit sharing ratio of a partner, the difference is called
(a) Capital ratio (b) Sacrificing ratio (c) Gaining ratio (d) None of these

17. On retirement of a partner from a partnership firm, accumulated profits and losses are distributed to the partners in (a) New profit sharing ratio
(b) Old profit sharing ratio (c) Gaining ratio (d) Sacrificing ratio

18. 'A' was a partner in a partnership firm. He died on 31st March 2019. The final amount due to him is 25,000 which is not paid immediately. It will be transferred to
(a) A's capital account (b) A's current account
(c) A's Executor account (d) A's Executor loan account

19. 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 Rs. 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

20. X, Y and Z were partners sharing profits and losses equally. X died on 1st April 2019. Find out the share of X in the profit of 2019 based on the profit of 2018 which showed 36,000.
(a) 1,000 (b) 3,000 (c) 12,000 (d) 36,000

PART - II

NOTE : Answer any seven questions. Question No .30 is compulsory.

21. What is meant by incomplete records? 7 x 2 = 14
22. Give four exampies for revenue receipts of not-for-profit organisation.
23. What is a partnership deed?
24. What is super profit?
25. From the following particulars, prepare bills receivable account and compute the bills received from the debtors.

Particulars	Rs.
Opening bills receivable	20,000
Closing bills receivable	30,000
Cash received for bills receivable	60,000
Bills receivable dishonoured	5,000

26. From the following details calculate the printing and stationery to be debited to Income and Expenditure Account for the year ending 31st March, 2018 and also show how it will appear in the Balance Sheet as on 31st March, 2018.
    (a) Amount paid for stationery during 2017- 2018 Rs. 1,500
    (b) Stock of stationery on 1st April, 2017 Rs. 300
    (c) Stock of stationery on 31st March, 2018 Rs. 200
27. The capital account of Arivazhagan and Srinivasan on 1st January 2017 showed a balance of Rs. 15,000 and Rs. 10,000 respectively. On 1st July 2017, Arivazhagan introduced an additional capital of Rs. 5,000 and on 1st September 2017 Srinivasan introduced an additional capital of Rs. 10,000.
    Calculate interest on capital at 6% p.a. for the year ending 31st December 2017.
28. The following are the profits of a firm in the last five years:
    2014: Rs. 4,000; 2015: Rs. 3,000; 2016: Rs. 5,000; 2017: Rs. 4,500 and 2018: Rs. 3,500 Calculate the value of goodwill at 3 years purchase of average profits of five years.
29. Praveena and Dhanya are partners sharing profits in the ratio of 7:3. They admit Malini into the firm. The new ratio among Praveena, Dhanya and Malini is 5:2:3. Calculate the sacrificing ratio.
30. Naresh, Mani and Muthu are partners in a firm sharing profits and losses in the ratio of 2:2:1. On 31st March 2019, Muthu retires from the firm. On the date of Muthu's retirement, goodwill appeared in the books of the firm at Rs. 40,000. By assuming fluctuating capital method, pass the necessary journal entry if the partners decide to (a) write off the entire amount of existing goodwill

PART - III

7 x 3 = 21

NOTE : Answer any seven questions .question No. 40 is compulsory.

31. Differentiate between statement of affairs and balance sheet. (any three)
32. State any six factors determining goodwill.
33. Distinguish between sacrificing ratio and gaining ratio. (any three)
34. From the following details, calculate the missing figure:

Particulars	Rs.
Capital as on 1st April, 2017	2,50,000
Capital as on 31st March, 2018	2,75,000
Additional capital introduced during the year	30,000
Profit for the year	15,000
Drawings during the year	?

35. How will the following items appear in the final accounts of a club for the year ending 31st March 2017? A club received subscription of Rs. 25,000 during the year 2016-17. This includes subscription of Rs. 2,000 for 2015-16 and Rs. 1,500 for the year 2017-18. Subscription of Rs. 500 is still outstanding for the year 2016-17.

36. Kavitha is a partner in a firm. She withdraws Rs. 2,500 p.a. regularly. Interest on drawings is charged @ 4% p.a. Calculate the interest on drawings using average period, if she draws
(a) at the beginning of every month (b) in the middle of every month
(c) at the end of every month

37. Find out the value of goodwill at three years purchase of weighted average profit of last four years.

Year	Profit	Weight
2015	10,000	1
2016	12,000	2
2017	16,000	3
2018	18,000	4

38. Oviya and Kavya are partners in a firm sharing profits and losses in the ratio of 5:3. They admit Agalya into the partnership. Their balance sheet as on 31st March, 2019 is as follows:

Balance Sheet as on 31st March 2019

Liabilities	Rs.	Rs.	Assets	Rs.
Capital accounts:			Buildings	40,000
Oviya	50,000		Plant	50,000
Kavya	40,000	90,000	Furniture	30,000
Profit and loss appropriation A/c		40,000	Debtors	20,000
General reserve		8,000	Stock	10,000
Workmen's compensation fund		12,000	Cash	20,000
Sundry creditors		20,000		
		1,70,000		**1,70,000**

Pass journal entry to transfer the accumulated profits and reserve on admission.

39. Rathna, Baskar and Ibrahim are partners sharing profits and losses in the ratio of 2:3:4 respectively. Rathna died on 31st December, 2018. Final amount due to her showed a credit balance of Rs. 1,00,000. Pass journal entries if,
(a) The amount due is paid off immediately by cheque.
(b) The amount due is not paid immediately.
(c) Rs. 60,000 is paid immediately by cheque.

40. From the following particulars calculate total purchases.

Particulars	Rs.
Creditors on 1st April, 2018	50,000
Returns outward	5,000
Cash paid to creditors	1,60,000
Creditors on 31st March, 2019	70,000
Cash purchase	1,14,000

PART - IV

NOTE : Answer all questions. 7 x 5 =35

41. (a) Raju does not keep proper books of accounts. Following details are taken from his records.

Particulars	**1.1.2018**	**31.12.2018**
Cash at bank	80,000	90,000
Stock of goods	1,80,000	1,40,000
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
Plant and 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 he business for his personal use. Prepare statement of profit or loss with the above information.

(OR)

(b) Sundar and Suresh are partners sharing profits in the ratio of 3:2. Their balance sheet as on 1st January, 2017 was as follows:

Liabilities	**Rs.**	**Rs.**	**Assets**	**Rs.**
Capital accounts:			Buildings	40,000
Sundar	30,000		Furniture	13,000
Suresh	20,000	50,000	Stock	25,000
Creditors		50,000	Debtors	15,000
General reserve		10,000	Bills receivable	14,000
Workmen compensation fund		15,000	Bank	18,000
		1,25,000		**1,25,000**

They decided to admit Sugumar into partnership for 1/4 share in the profits on the following terms:

(a) Sugumar has to bring in Rs. 30,000 as capital. His share of goodwill is valued at Rs. 5,000. He could not bring cash towards goodwill.

(b)That the stock be valued at Rs. 20,000.

(c)That the furniture be depreciated by Rs. 2,000.

(d)That the value of building be depreciated by 20%.

(e) Revaluation loss: Rs. 15,000.

Prepare partners' capital account and the balance sheet after admission.

42. (a) From the following particulars of Trichy Educational Society, prepare Receipts and Payments account for the year ended 31st December, 2018.

Particulars	**Rs.**	**Particulars**	**Rs.**
Opening cash 1.1.2018 balance as on	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) From the following details you are required to calculate credit sales and credit purchases by preparing total debtors account, total creditors account, bills receivable account and bills payable account

Particulars	**Opening**	**Closing**
Debtors	60,000	55,000
Bills receivable	5,000	1,000
Creditors	25,000	28,000
Bills payable	2,000	3,000
Other information:		
Cash received from debtors	1,30,000	
Discount allowed to customers	5,500	
Cash paid to creditors	70,000	
Discount allowed by suppliers	3,500	
Payments against bill payable	7,000	
Cash received for bills receivable	14,000	
Bills receivable dishonoured	1,200	
Bad debts	3,500	

43. (a) From the following Receipts and Payment Account of Trichy Recreation Club, prepare Income nd Expenditure Account for the year ended 31.03.2018.

Receipts	**Rs.**	**Payments**	**Rs.**
To Opening balance		By Furniture purchased	10,000
Cash in hand	11,000	By Rent	2,800
To Dividend received	27,600	By Secretary's honorarium	15,000
To Sale of old newspaper	3,000	By Postage	1,700
To Members' subscription	31,000	By General expenses	4,350
To Locker rent	8,000	By Printing and Stationery	45,000
To Interest on investments	1,250	By Audit fees	5,000
To Sale of furniture (Book value Rs. 4,400)	5,000	By Closing balanceCash in hand	3000
	86850		**86850**

(OR)

(b) Sundar, Vivek and Pandian are partners, sharing profits in the ratio of 3:2:1. Their balance sheet as on 31st December, 2018 is as under:

Balance Sheet as on 31st December, 2018

Liabilities		**Rs.**	**Assets**	**Rs.**
Capital accounts:			Land	80,000
Sundar	50,000		Stock	20,000
Vivek	40,000		Debtors	30,000
Pandian	10,000	1,00,000	Cash at bank	14,000
General reserve		36,000	Profit and loss A/c (loss)	6,000
Sundry creditors		14,000		
		1,50,000		**1,50,000**

On 1.1.2019, Pandian died and on his death the following arrangements are made:

(a) Stock to be depreciated by 10%

(b) Land is to be appreciated by Rs. 11,000

(c) Reduce the value of debtors by Rs. 3,000
(d) The final amount due to Pandian was not paid
(e) Revaluation Profity 6,000
Prepare partners' capital account and the balance sheet of the firm after death.

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

Particulars	**Mannan**	**Sevagan**
Capital on 1st 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) The following is the Receipts and Payments account of Madurai City Club for the year ending 31st March, 2018.

Madurai City Club

Dr. Receipts and Payments Account for the year ended 31st March, 2018 Cr.

Receipts	**Rs.**	**Rs.**	**Payments**	**Rs.**	**Rs.**
To Balance b/d:			By Upkeep of ground		16,500
Cash	500		By Match expenses		19,000
Bank	7,000	7,500	By Sundry expenses		11.000
			By Furniture		20,000
To Subscription		30,000	By balance c/d:		
To Legacies		9,000	Cash in hand		1,500
To Hall rent		10,000	Cash at bank		11,000 12,500
To Receipts for match fund			22,500		
		79,000		**79000**	

OPENING CAPITAL 21500

Additional information:

On 1st April, 2017, the club had investment of Rs. 40,000. The club also had a credit balance of Rs. 30,000 in match fund account. On 31st March, 2017 subscriptions in arrears were Rs. 4,000 and the subscriptions in arrears on 31st March, 2018 were Rs. 4,500. Prepare the final accounts.

45. (a) From the following information relating to Sridevi enterprises, calculate the value of goodwill on the basis of 4 years purchase of the average profits of 3 years.

(i) Profits for the years ending 31st December 2016, 2017 and 2018 were Rs. 1,75,000, Rs. 1,50,000 and Rs. 2,00,000 respectively.
(ii) A non-recurring income of Rs.45,000 is included in the profits of the year 2016
(iii) The closing stock of the year 2017 was overvalued by Rs.30,000. ***(OR)***

(b) Dinesh and Sugumar entered into a partnership agreement on 1st January 2018, Dinesh contributing Rs. 1,50,000 and Sugumar Rs. 1,20,000 as capital. The agreement provided that:

(a) Profits and losses to be shared in the ratio 2:1 as between Dinesh and Sugumar.

(b) Partners to be entitled to interest on capital @ 4% p.a.
(c) Interest on drawings to be charged Dinesh: Rs.3,600 and Sugumar: Rs.2,200
(d) Dinesh to receive a salary of Rs. 60,000 for the year, and
(e) Sugumar to receive a commission of Rs. 80,000
During the year ended on 31st December 2018, the firm made a profit of Rs. 2,20,000 before adjustment of interest, salary and commission. Prepare the Profit and loss appropriation account.

46 (a) State the differences between Receipts and Payments Account and Income and Expenditure Account.

(OR)

(b) State the differences between fixed capital method and fluctuating capital method

47 (a).Arjun carries on grocery business and does not keep his books on double entry basis. The following particulars have been extracted from his books:

Particulars	**1-4-2018**	**31-3-2019**
Plant and machinery	20,000	20,000
Stock	9,000	16,000
Sundry debtors	2,000	5,300
Sundry creditors	5,000	4,000
Cash at bank	4,000	6,000

(a) Opening capital 30000
(b) Credit purchase 65000
Other information for the year ending 31-3-2019 showed the following:

(c) Advertising	4,700
(d) Carriage inwards	8,000
(e) Cash paid to creditors	64,000
(f) Drawings	2,000

Total sales during the year were Rs. 85,000. Purchases returns during the year were Rs. 2,000 and sales returns were Rs. 1,000. Depreciate plant and machinery by 5%. Provide Rs. 300 for doubtful debts. Prepare trading and profit and loss account for the year ending 31st March, 2019 and a balance sheet as on the date.

(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	**Rs.**	**Rs.**	**Assets**	**Rs.**
Capital accounts:			Land	50,000
Anand	50,000		Stock	40,000
Balu	30,000	80,000	Debtors	20,000
Sundry creditors		20,000	Cash in hand	10,000
Profit and 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 Rs. 20,000 for 1/4 share in the future profit subject to the following adjustments:
(a) Stock to be depreciated by Rs. 3,000
(b) Provision for doubtful debts to be created for Rs. 2,000.
(c) Land was to be appreciated by Rs. 10,000
Prepare revaluation account and capital account of partners after admission.