NORTH-EX PUBLIC SCHOOL

(Senior Secondary, Affiliated To CBSE)
School Block, Jain Nagar, Sector-38, Rohini, Delhi – 81
Half yearly Examination(2023-24)
Accountancy
Class XII

TIME: 3 hrs. **MM: 80**

GENRENAL INSTRUCTIONS

1) This question paper contains 34 questions.
2) Marks are indicated against each question.
3) Section A(Q1to Q20 of 1 marks each)
4) Section B(Q21 to Q26 of carrying 3 marks may be from 50 to 75 words.)
5) Section C(Q27 to Q29 of carrying 4 marks may be about 150 words.)
6) Section D(Q30 to Q34 of carrying 6 marks may be about 200 words.)
7) Attempt all parts of the questions together.

Section - A

1. Below are listed Content of partnership Deed except:
   a. Ratio in which profit or losses shall be share
   b. Interest on Partners capital and drawings
   c. Interest on Debentures
   d. Name of the firm.
2. Which Section of the Partnership Act defines Partnership as the relation between persons who have agreed to share the profits of a business carried on by all or any of them acting for all?
   a. Section 61
   b. Section 48
   c. Section 13
   d. Section 4
3. From the following, what is important for a partnership?
   a. More than 10 Persons
   b. Registration
   c. Sharing of Profits
   d. Capital more than 15 Crore
4. Interest on capital as a charge against profits in case of insufficient profit is
   a. Not allowed
   b. All of these
   c. Allowed in full irrespective of profit
   d. Allowed to the extent of profit
5. From the following, identify a situation when fixed capitals of the partners may change?
   a. When drawings are made by the partners
   b. When current accounts are opened
   c. When there is loss in the business
   d. When additional capital is introduced

6. As per Accounting Standard-26,
    a. both purchased and self-generated goodwill are accounted in the books of account
    b. purchased goodwill is accounted in the books of account
    c. None of these
    d. self-generated goodwill is accounted in the books of account
7. Selling its business over and above the net value is
    a. Surplus
    b. Goodwill
    c. Super profits.
    d. Reserve
8. Goodwill is valued
    a. at the time of change in profit-sharing ratio
    b. at the time of retirement or death of a partner
    c. at the time of admission of a partner
    d. All of these
9. Goodwill under Average Profit Method means
    a. None of these
    b. Normal profit Number of year's purchase
    c. Super profit Number of year's purchase
    d. Average profit Number of year's purchase
10. As per which section of the Indian Partnership Act, 1932, at the suit of a partner, the Court may dissolve a firm?
    a. Section 04
    b. Section 44
    c. Section 48
    d. Section 31
11. M, N and H are partners without partnership deed. M wants to get retired. The profit on revaluation on the date was ` 12000.and other partners N and H want to share this in the new ratio 3:2. M wants this to be shared equally How this profit should be shared
    a. 6000 equally between each partner
    b. 4000 equally between each partner
    c. 8000 equally between each partner
    d. 3000 equally between each partner
12. If any asset is taken over by a partner at the time of his retirement, how will you record it?
    a. Balance Sheet
    b. Revaluation Account
    c. Cr. Side of his capital account
    d. Dr. side of his capital account
13. New Ratio – Old Ratio = ?
    a. New ratio of continuing partners
    b. Both Sacrificing ratio and New ratio of continuing partners
    c. Sacrificing ratio
    d. Gain Ratio

14. Calculation of sharing of profit up to date of death will be calculated on the basis of
    a. Yearly basis
    b. Time basis
    c. Turnover basis
    d. Both Time basis and Turnover basis
15. Annual profit shown by a business is Rs.20,000. Normal rate of return 10%. Total assets of the business firm Rs.2,40,000 and liabilities Rs.80,000. Value of Goodwill will be:
    a. Rs.40,000
    b. Rs.30,000
    c. Rs.20,000
    d. No Goodwill of Business
16. The partner whose share has increased as a result of change is called
    a. Gaining partner
    b. Sacrificing partner
    c. Sacrificing ratio
    d. Gaining ratio
17. AK, BK and CK are sharing profits in the ratio of 2:1:1. They have decided to share future profits in the ratio of 3:2:1. Find out the gainer partner.
    a. Both AK is the gainer partner and CK is the gainer partner
    b. CK is the gainer partner
    c. BK is the gainer partner
    d. AK is the gainer partner
18. If Assets are increasing but liabilities decreasing; in such a case Revaluation A/c will show_____
    a. Do not prepare Revaluation A/c
    b. Neither Gain or Loss
    c. Profit
    d. Net loss
19. A, B and C are partners sharing profits in the ratio of capitals (old 5:3:2 and new 2:3:5).Their capital after adjustment in new capital ratio are ` 20,000, ` 30000, ` 50000. Who will bring the amount of actual cash for adjustment?
    a. None of these
    b. C
    c. B
    d. A
20. P and Q are sharing profit and losses equally .With effects from current year they decided to share profits in the ratio of 4:3.Calculate individual partner’s gain and Sacrifice
    a. P gains 1/12 th share and Q sacrifices 1/14 th share
    b. P gains 1/14 th share and Q sacrifices 1/14 th share
    c. P gains 1/10 th share and Q sacrifices 1/14 th share
    d. P gains 1/15th share and Q sacrifices 1/14 th share

Section- B

21. A and B were partners in a firm sharing profits and losses in the ratio of 5 : 3. They admitted C as a new partner. The new profit sharing ratio between A, B and C was 3: 2 : 3. A surrendered 1/5th of his share in favour of C. Calculate B's sacrifice.
22. Accounting Standard-26 requires that goodwill is to be recorded in the books of accounts only when money or money's worth has been paid for it. How will you deal with the issue, if the new partner is unable to bring in his share of goodwill ?
23. Amit and Viney are partners in a firm sharing profits and losses in 3:1 ratio. On 1.1.2017 they admitted Ranjan as a partner. On Ranjan's admission the profit and loss account of Amit and Viney showed a debit balance of Rs 40,000. Record necessary journal entry for the treatment of the same.
24. X, Y, and Z are partners sharing profits and losses in the ratio of 4: 3: 2. Y retires and surrenders l/9th of his share in favour of X and the remaining in favour of Z. Calculate the new profit-sharing ratio and the gaining ratio.
25. Giriija, Yatin, and Zubin were partners sharing profits in the ratio 5 : 3 : 2. Zubin died on 1st August 2015. Amount due to Zubin's executor after all adjustments was Rs.90,300. The executor was paid Rs.10,300 in cash immediately and the balance in two equal annual instalments with interest @ 6% p.a. starting from 31st March 2017. Accounts are closed on 31st March each year. Prepare Zubin's Executors Account till he is finally paid
26. At the time of the dissolution of the firm, how undistributed profits such as General Reserve, Credit Balance of P&L A/C are dealing with?

Section - C

27. The firm of Ravi and Mohan was dissolved on 1.3.2013. According to the agreement Ravi had agreed to undertake the dissolution work for an agreed remuneration of Rs.2,000 and bear all realisation expenses. Dissolution expenses were Rs. 1,500 and the same were paid by the firm. Pass necessary journal entry for the payment of dissolution expenses.
28. Pass Journal entries in the following cases-
    a. Expenses of Realisation Rs. 1,500
    b. Expenses of Realisation Rs. 600, but paid by Mohan, a partner,
    c. Mohan, one of the partners of the firm, was asked to look into the dissolution of the firm for which he was allowed a commission of Rs. 2,000.
    d. Motor car of book value 50,000 taken over by creditors of the book value of Rs. 40,000 in final settlement.

29. Difference between dissolution of a partnership firm and dissolution of a partnership.

Section- D

30. Keshav, Meenakshi and Mohit sharing profit and losses in the ratio of 1:2:2, decide to share future profit equally with effect from April 1, 2015. On that date general reserve showed a balance of Rs. 40,000. Partners do not want to distribute the reserves. You are required to give the adjusting entry.

31. S and P are partners in a firm sharing profits and losses equally. On 1st April, 2011, the capital of the partners were, S Rs 20,000 and P Rs 16,000. The profit and loss account of the firm showed a net profit of 37,500 (before interest on P's loan) for the year ended 31st March, 2012. Considering the following information, prepare the profit and loss appropriation account of the firm and the partners' capital account.
    a. Interest on capital to be allowed @ 6% p.a.
    b. Interest on P's loan account of Rs 10,000 for the whole year.
    c. Interest on drawings of partners @ 6% p.a. Drawings being S Rs 4,000 and P Rs 3,000.

Transfer 10% of the distributable profits of the reserve

32. On 31st March, 2010 the balance sheet of W and R who shared profits in 3: 2 ratios were as follows:-

Balance Sheet

as at 31st March, 2010

Liabilities		Amt (Rs)	Assets		Amt (Rs)
Creditors		20,000	Cash		'5,000
Profit and Loss A/c		15,000	Sundry Debtors	20,000	
Capital A/cs			(-) Provision for Doubtful Debts	(700)	19,300
W	40,000		Stock		25,000
R	30,000	70,000	Plant and Machinery		35,000
			Patents		20,700
		1,05,000			1,05,000

On this date, B was admitted as a partner on the following conditions

i. B will get 4/15th share of profits.
ii. B had to bring Rs 30,000 as his capital to which amount other partners' capital shall have to be adjusted.
iii. He would pay cash for his share of goodwill which would be based on 2.5 years' purchase of average profits of past 4 years.
iv. The assets would be revalued as under Sundry debtors at book value less 5% provision for bad debts, stock at ? 20,000, plant and machinery at Rs 40,000.

33. Lalit, Madhur and Neena were partners sharing profits as 50%, 30% and 20% respectively. On 31st March, 2013 their balance sheet was as follows:-

Liabilities		**Amount (Rs)**	**Assets**		**Amount (Rs)**
Creditors		28,000	Cash		34,000
Provident Fund		10,000	Debtors	47,000	
Investment Fluctuation Fund		10,000	(-) Provision for Doubtful Debts	(3,000)	44,000
Capital A/cs			Stock		15,000
Lalit	50,000		Investments		40,000
Madhur	40,000		Goodwill		20,000
Neena	25,000	1,1.5,000	Profit and Loss A/c		10,000
		1,63,000 =======			1,63,000 =======

On this date, Madhur retired and Lalit and Neena agreed to continue on the following terms

i. The goodwill of the firm was valued at Rs 51,000.
ii. There was a claim for workmen's compensation to the extent of Rs 6,000
iii. Investments were brought down to Rs 15,000.
iv. Provision for bad debts was reduced by Rs 1,000.
v. Madhur was paid Rs 10,300 in cash and the balance was transferred to his loan account payable in two equal installments together with interest @ 12% per annum.

Prepare revaluation account, partners' capital accounts and Madhur's loan account till the loan is finally paid off.

34. Kumar, Shy am and Ratan were partners in a firm sharing profits in the ratio of 5: 3 : 2 respectively. They decided to dissolve the firm with effect from 1st April, 2013. On that date, the balance sheet of the firm was as follows

Balance Sheet
as at 1st April, 2013

Liabilities		Amt (Rs.)	Assets	Amt (Rs.)
Creditors		1,20,000	Plant	80,000
Capital A/cs			Furniture	45,000
Kumar	68,000		Motor Van	25,000
Shyam	50,000		Stock	30,000
Ratan	27,000	1,45,000	Debtors	71,000
			Cash	14,000
		2,65,000		2,65,000

The dissolution resulted in the following

i. Plant of Rs. 40,000 was taken over by Kumar at an agreed value of Rs. 45,000 and remaining plant realised Rs. 50,000.
ii. Furniture realised Rs. 40,000.
iii. Motor van was taken over by Shyam for Rs. 30,000.
iv. Debtors realised Rs. 1,000 less.
v. Creditors for Rs. 20,000 were untraceable and the remaining creditors were paid in full.
vi. Realisation expenses amounted to Rs. 5,000.

Prepare the realisation account, capital accounts of partners and bank account of the firm.

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