Udaya Public School First-Term Examination, 2025-26 Class XII Accountancy (055)

Time: 3 Hours

General Instructions :

- **1.** This question paper contains 34 questions. All questions are compulsory.
- 2. Question nos. 1 to 20 carries 1 marks each.
- 3. Question nos. 21 to 26 carries 3 marks each.
- 4. Question nos. 27 to 29 carries 4 marks each.
- 5. Question nos. 30 to 34 carries 6 marks each.
- 1) Partnership deed is also called
 - a) Prospectus b) Articles of association c) Principles of partnership d) Articles of partnership
- 2) A, B and C who were sharing profits and losses in the ratio of 4:3:2 decided to share the future profits and losses in the ratio of 2:3:4 with effect from 1st April 2023.an Extract of their balancesheet as at 31st March 2023 is :

Liabilities	Amount	Assets	Amount
Workmen Compensation Reserve	65,000		

At the time of Reconstitution, a certain amount of claim in workmen compensation was determined for which B's share of Loss amounted to Rs 5,000. The claim for workmen compensation would be a) 15,000 b) 70,000 c) 50,000 d) 80,00

3) A, B and C are partners in a firm in 7:5:4. From 1st April 2023, they decided to share the profits in the ratio of 3:2:1. You are required to fill up the following journal entry:

Date	Particulars		L.F	Dr.	Cr.
2023	A's Capital A/c	Dr.			
April 1	B's Capital A/c	Dr.			
	To C's Capital A/c				7,200
	(Being goodwill adjusted)				

- 4) Atul and Gopal were partners in a firm sharing profit and loss equally. Their capital as on 1st April 2025 was 6 lac and 4 lac respectively, interest on capital allowed by Deed is 12% p.a. and profit during year before allowing interest was 80,000. Interest on capital in their account was credited with Rs and Rs.......
- 5) Assertion (A) Change in the profit sharing Ratio among the existing partners results in a change in their Existing Agreement.

Reason (R) Change in the profit sharing ratio among the existing partners results in a gain of Additional share in future profits for some partners while a loss of a part thereof for other partners. In the context of above statements , which of the following is correct ?

- a) Both (A) and (R) is correct
- b) (A) is correct but (R) is wrong
- c) Only (R) is correct
- d) Both (A) and (R) is incorrect.
- 6) The profits for the year 2019-20 are Rs 2,000 and for 202-21 are 26,100 and for 2021-22 are 31,200. Closing inventory for the year 2020-21 and 2021-22 includes the defective items of 2200 and 6200 respectively which were considered as having market value NIL. Calculate goodwill on simple average profit method......
- 7) X and Y are partners in a firm in 3:2. Z is admitted as a partner. Calculate sacrificing ratio if new profit sharing ratio is 9:7:4.
 - 1) 3:1 2) 3:2 3) 1:3 4) 9:7
- 8) Zehra withdrew 40,000 p.m. at end of each month every month. Interest on drawings @ 9 % p.a. will be
 a) 23,400 b) 21,600 c) 1650 d) 19,800

- **9)** X,Y and Z are partners in a firm in 2:2:1 They admit Monu for 1/6th share in Firms profit. Calculate new Profit sharing Ratio.
- 10) A and B are partners in a firm their capitals on 1st April 2012 were 35 lac and 25 lac respectively. On 1st October they decided that their capital should be 30 lac each. Calculate interest on capital of A @ 20% p.a. as on 31st March 2013.
- 11) X, Y and Z are partners in a firm sharing profits in 4:3:2. Their balancesheet as at 31-3-2023 showed a debit balance of profit and loss account 1,80,000. From 1-4-2023 they will share profits equally. In the necessary jornal entry to give effect to the above arrangement when X,Y and Z decided not to close the profit and loss account:
 - a) Dr. X by 20,000 and Cr. Z by 20,000 b) Cr. X by 20,000 and Dr. Z by 20,000
 - b) Dr. X by 40,000 and Cr. Z by 40,000 d) Cr. X by 40,000 and Dr. Z by 40,000
- 12) X is a partner in a firm . He withdrew regularly Rs 1,000 at the beginning of every month for 6 months ending 31st Match 2021. If interest on drawings is charged @ 8 % p.a. the interest charged will be
- 13) Partnership deed is Drafted under act
 - 1) Partnership act 2) Companies Act 3) Stamp Act 4) Income tax Act.
- 14) If fixed amount is withdrawn at end of each month , interest will be calculated for months.
- **15)** If Total assets of a firm is 20 lac and external liabilities are 5 lac, then find goodwill by capitalization of Average profit method if capitalized value of Average Profit is 18 lac .
- **16)** Capital employed is 5,00,000. Its average profit is 60,000. The normal rate of Return in similar type of business is 10%, the amount of Super profit is.....
- **17)** A and B are partners in a firm in 3:2 they admit C which he takes 2/7th from A and 1/7th from B find New Profit sharing Ratio of A:B:C.
- 18) A and B were partners in a firm sharing profits or loss in the ratio of 3:1. With effect from Jan 1 2023 they agreed to share profit or loss in the Ratio of 2:1. Due to change in profit sharing Ratio, B's Gain or Sacrifice will be
 - 1) Gain 1/12 2) Sacrifice 1/12 3) Gain 1/3 4) Sacrifice 1/3
- **19)** Interest on capital is Credited to Account if capitals are fixed.
 - a) Partners Capital account b) Partners current account
 - b) Loan account d) Profit and Loss Appropriation Account.
- 20) Monu withdrew Rs 50,000 per quarter at the beginning of each quarter, calculate interest on drawings
 @ 18% p.a....
- **21)** Varun and Kuber are partners in a firm and their balances in Capital and Current Accounts are as:

	Capital Account	Current Account
Varun	5,00,000	80,000
Kabir	3,50,000	20,000 (Dr)

Profits for the Five consecutive years ending 31st March were **2019** 60,000; **2020** loss 40,000; **2021** 1,30,000; **2022** 2,00,000 and **2023** 2,50,000.

General Reserve appeared in the books at 50,000. If the normal rate of return is 10%, find the value of Goodwill by Capitalisation of Average profit Method.

- **22)** Mahi , Manvi and Saumya are partners in a firm, sharing profit and loss as 40%, 40% and 20%. Mahi and Manvi give guarantee to Saumya that profit in any year would not be less than 2,20,000. During this year firm incurred loss of Rs, 10,00,000. Show the distribution of profit and loss.
- 23) Calculate new profit sharing Ratio in following cases :
 - A) A and B are partners in a firm sharing profit and losses in 5:3. A surrenders 1/5th of his share in favour of C, whereas B surrenders 1/3rd of his share in favour of C, a new partner. Calculate the new profit sharing ratio.
 - B) Monu , Mahesh and Manish are partners in a firm. They admit Mayank for 1/5th share in profit of the firm. Find new profit sharing ratio.
- **24)** From the following balancesheet of A and B, Calculate interest on capital @ 5% p.a. payable to A and B for the year ending 31st march 2022.

Liabilities	Amount	Assets	Amount
A's Capital	1,00,000	Sundry Assets	1,92,000
B's Capital	80,000	Drawings	18,000
P & L Appropriation A/c(2021-22)	30,000		
	2,10,000		2,10,000

During the year ending 31st March, 2022, A's Drawing were 18,000 and B's Drawings 12,000. Profit during the year ending 31st March, 2022 was 58,000.

- **25)** A and B are partners in a firm sharing profit and loss in 3:2. They admit C for 1/5th share which he takes equally from A and B. C brings in cash Rs. 12 lac as his capital. Goodwill of the firm valued 6 lac. Pass necessary journal entry.
- **26)** A, B and C are partners in firm sharing profits and losses in the ratio of 2:2:1. They decided to share future profits in equal ratio. For this purpose goodwill of the firm valued at 1,80,000. There was a Reserve of Rs 1,20,000 and Debit balance of Profit and Loss amounted to 60,000 in the books of Firm. Pass necessary journal entry to record the above effect assuming that partners do not wish to distribute any item Given in their books of accounts.
- **27)** A, B and C are partners in a firm sharing profits in the ratio of 3:3:2. From 1st April 2021, they decided to share profits equally. On that date following balances appeared in their books:
 - a) Workmen Compensation Reserve 1,20,000
 - b) Investment Fluctuation Reserve 20,000
 - c) Investments (at cost) 4,00,000 It was agreed that :
 - 1) Goodwill of the firm valued at 1,80,000
 - 2) Investments be valued at 3,40,000.
 - Pass necessary journal entries.

28) A and B are partners in a firm having fixed capitals 3,00,000 and 2,00,000 as on 1st April 2023. They allowed interest on capital @ 8% p.a. and charged interest on drawings @ 10% p.a.

During the year , A withdrew 5,000 per month in the beginning of each month wheras B withdrew 15,000 per quarter at the end of each quarter.

The profits for the year ended 31st March , 2024, before the above mentioned adjustments were 1,34,500.

- 1. Interest on capital will be recorded :
 - a) On the credit side of capital accounts
 - b) On the credit side of profit and loss appropriation account
 - c) On the credit side of current accounts.
 - d) On the debit side of current accounts.
- 2. Interest on drawings will amount to
 - a) A, 3250 and B 2750 B) A, 3750 and B 2250 C) A, 3250 and B 3750 D) A, 3250 and B 2250
- 3. Share of profit will be
 - a) A, 60,000 and B 40,000 c) A, 50,000 and B 50,000
 - b) A, 50,250 and B 50,250 d) A, 60,300 and B 40,200
- 4. Balance of Current Accounts will be:
 - a) A 20750 (cr) and B 6,250 (dr) c) A 20750 (dr) and B 6,250 (cr)
 - b) A 10750 (cr) and B 3,750 (cr) d) A 10750 (dr) and B 3,750 (dr)
- **29)** A, B and C are partners in a firm sharing profit and loss in 1:2:2. Their capital on 1st April 2021 was as follows , 1,00,000; 2,00,000 and 3,00,000. Interest allowed by firm @ 10% p.a. on capital. A was guaranteed by C that the profit in any year(After allowing IOC) will not be less than 2.5 lac any deficiency shall be borne by C himself.Net profit of the firm During the year was Rs 10 lac.Show the distribution of Profit.
- **30)** A and B are partners in a firm sharing profit and loss in 2:1 with the capitals of 10,00,000 and 5,00,000 respectively on 1st april 2023. Each partner is entitled to 8% pa interest on his capital . B is entitled to a salary of 10,000 p.m. together with commission of 10% of net profit after charging his commission .

Net profit for the year ended 31st March 2024 before charging managers commission was 7,00,000.

Manager is entitled commission of 40,000 p.a. Show the division of profit and prepare partners capital account.

- 31) Lata and Mamta are partners in a firm with capitals of 3,00,000 and 2,00,000 respectively sharing profits as 70% and 30%. During the year ended 31st March 2023 they earned profit of 2,26,440 before allowing interest on partners loan. The terms of partnership are as follows.
 - 1) Interest on Capital is to be allowed @ 7% p.a.
 - 2) Lata to get a salary of 2500 p.m.
 - 3) Interest on Mamta's Loan account of Rs 80,000 for whole year.
 - 4) Interest on Drawings of Partners at 8% p.a.Drawings being Lata 36,000 and Mamta 48,000.
 - 5) 1/10th of Distributable profit should be transferred to General Reserve. Pass Journal entries for the appropriation of Profits only. gaAE
- **32)** Calculate goodwill of the firm by 2 times of Average profit of last 5 years profit.

Profits for the year ended 31st March

- 2020 8 lac (Including abnormal Gain of Rs 40,000)
- 2021 11 lac
- 2022 14 lac
- 2023 10 lac
- 2024 12 lac (Excluding Rent of the firm Rs 1,00,000)

Adjustments :

- 1) On 1 July 2022, firm purchased a machinery Amounted to Rs 3 lac was wrongly debited to Repairs account, Depreciation charged by firm @ 20 % p.a. by straight line method.
- 2) Closing inventory for the year ended 31st March 2023 was overvalued by 50,000.
- 3) Goods costing 40,000 were lost by fire on 1st October 2020 the same was not insured.
- 33) On 1st April , 2022 the Fixed capitals of A and B were 4,00,000 and 2,00,000 respectively. They divided profits in their capital ratio. Profits for the year ended 31st March 2023 were 3,00,000 which have been duly distributed among partners, but the following items were not passed through the books:
 - 1) Interest on Capitals @ 12% p.a.
 - 2) Interest on Drawings A 12,000 and B 10,000.
 - 3) Commission Due to B 20,000 on a special transaction.
 - 4) A is to be paid salary of Rs 50,000.

You are required to pass a journal entry on 10^{th} April 2023 which will not affect the P&L A/c of the firm and at the same time rectify the errors.

34) Ashok and Biju are partners in 3:1. Their balance sheet as at 31st March 2022 :

Liabilities	Amount	Assets	Amount
Creditors	1,20,000	Sundry Debtors	2,00,000
General Reserve	1,50,000	Stock	2,20,000
Ashok's Capital	1,50,000	Furniture	40,000
Biju's Capital	1,00,000	Machinery	60,000
	5,20,000		5,20,000

On 1st April, 2022, Chandra was admitted to the firm on the basis of following terms.

- 1) Chandra would provide 1,00,000 as a capital and pay 20,000 as goodwill for his 1/3rd share in future profits.
- 2) Machinery would be reduced by 10% and 5,000 would be provided for bad debts.
- Stock would be valued at 3,01,000.
 Prepare Revaluation account, Partners capital account and Balancesheet of new Firm.