



Purna International School

Shree Swaminarayan Gurukul, Zundal

HALF YEARLY (2020 - 21)

Student's Name:		Grade	XII- Com	Roll No.	
Date:	07/09/2020 (Monday)	Time	3 hrs.	Subject	Accountancy
Teacher's Sign.				Total Marks	80

General Instruction

- There are two Section, Section – A and Section – B, both are compulsory

SECTION – A

- If the partnership deed does not specify the profit sharing ratio, in what ratio is the profit or loss shared by the partners. [1]
- State any two circumstance in which interest on the partner capital is generally provided. [1]
- Explain the revaluation account. [1]
- A and B are sharing profit and losses equally. With effect from 1st April 2018, they agree to share profit in the ratio of 4:3. Calculate gain or sacrifice of each partner after change in profit sharing ratio. [1]
- What is meant by average profit? [1]
- Goodwill of the firm is valued at 3 years purchases of four years average profit. Profit for last four years ending on 31st March of the firm were:
2015 - ₹12000, 2016 - ₹18000, 2017 - ₹16000 and 2018 - ₹14000 [1]
- The partnership deed is silent on payment of salary to partners. Anita, a partner, claimed that, since she managed the business, she should get a monthly salary of Rs 10,000. Is she entitled for the salary? Give reason. [1]
- State the provisions of Indian Partnership Act, 1932 regarding the payment of remuneration to a partner for the services rendered. [1]
- Why should a firm have a partnership deed? [1]
- Why Partnership firm needs partnerships deed?
 - it acts as an proof in any dispute.
 - it regulates rights to the patner.
 - It represents duties and liabilities of partener.
 - All of the above[1]
- Under what circumstance a partner can get exemption from sharing losses in a firm.
 - if he is a senior citizen
 - if he is a minor
 - if he is retiring partner
 - All of the above[1]
- Need of profit and loss adjustment account is for
 - appropriation of profit
 - change against profit
 - ratification of error
 - None of these[1]
- Where a partner is entitled to interest on capital contributed by him, such interest will be payable
 - only out of profit
 - only out of capital
 - Both (a) and (b)
 - None of these[1]
- Calculate value of Goodwill of the firm on the basis of 3 years purchase of the average profit of the preceding five years which were as follows:

Year	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	
Profit(₹)	1300000	400000(Loss)	1800000	1500000	800000	[3]

15. X and Y are partner in a firm sharing profit equally. They have advance to the firm a sun of ₹ 30000 as a loan in their profit sharing ratio on 1st October 2017. The partnership deed is silent on the question of interest on loan from the partners. Compute the interest payable by the firm to the partners. [3]
16. Jai and Raj are partners sharing profit in the ratio of 3:2. With effect from 1st april 2018, they decided to share profit equally. Goodwill appeared in the book at ₹ 25000. As o 1st April 2018, it was valued at ₹ 100000. They decided to carry Goodwill in the books of the firm. Pass the Journal entry giving effect to the above. [4]
17. A, B and C are partners sharing profits and losses in the ratio of 2:2:1 respectively. A is entitled to a commission of 10% on the net profit. net profit for the year is ₹ 110000. Determine the amount of commission payable to A. [4]
18. Ashish, Aakash and Akhil are partners sharing profit in the ratio of 5:3:2. They decided to share the profit in future in the ratio of 2:2:1 with effect from 1st April 2018. Calculate the sacrificing and the gaining ratio. [4]
19. Sumit purchased Amits business on 1st April 2018. Goodwill was decided to be valued at 2 years purchase on average normal profit of last 4 years. The average profit of the last 4 years were:
- | Year Ended | |
|------------------------------|----------|
| 31 st March, 2015 | ₹ 80000 |
| 31 st March, 2016 | ₹ 145000 |
| 31 st March, 2017 | ₹ 160000 |
| 31 st March, 2018 | ₹ 200000 |
- Books of account reveled that:
- Abnormal loss of ₹ 20000 was debited to profit and loss Account for the year ended 31st March 2015.
 - A fixed asset was sold in the year ended 31st March 2016 and gain of ₹ 25000 was credited to profit and loss account.
 - In the year ended 31st March 2017 assets of the firm were not insured due to oversight, Insurance not paid was ₹ 15000
- Calculate the value of Goodwill. [4]
20. A, B and C are partners in a firm sharing profit in the ratio of 3:2:1. They admitted D as a new partner for 1/8th share in the profit, which he acquired 1/16th from B and 1/16th from C. Calculate the new profit sharing ratio of A, B, C and D. [4]

Section - B

21. Define Partnership Deed. [1]
22. The firm XYZ earned a profit of Rs. 2,75,000 during the year ending on 31st March, 2009. 10% of this profit was to be transferred to general reserve. Pass necessary journal entry for the same. [1]
23. State any two occasions on which a firm can be reconstituted. [1]
24. State the ratio in which the partners share profits or losses on revaluation of assets and liabilities, when there is a change in profit sharing ratio amongst existing partners. [1]
25. A and B are partners sharing profits in the ratio of 5 : 4. They admit C for 1/9 th share, which he acquires from A. Find the new profit sharing ratio. [1]
26. How is a new partner admitted to a firm? [1]
27. State the meaning of sacrificing ratio. [1]
28. A, B and C are partners in a firm sharing profit and losses at the ratio of 2:2:1. The fixed capital of the partners were A ₹ 500000, Y ₹ 500000 and C ₹ 250000 respectively. The partnership deed provides that the interest on the capital is to be allowed at 10%p.a. C is allowed a salary of ₹ 2000 per month. The profit for the year ended 31st March after deducting c's salary was 400000 Prepare profit and loss appropriation account. [6]
29. A business has earned average profit of ₹ 100000 during the last few years. Find out the value of

goodwill by capitalization method, given that the assets of the business are ₹1000000 and its external liabilities are ₹ 180000. The normal rate of return is 10%. [6]

30. A,B and C are sharing profit and losses in the ratio of 5:3:2 decided to share profit and losses equally With effect from 31st March 2018, Goodwill of the firm is valued at ₹ 90000. Pass necessary journal entries under each of the following alternative situation.

- a) When goodwill does not appear in the book
- b) When goodwill appear in the book at ₹ 60000 [6]

31. A and B are partners sharing profits and losses in the ratio of 3:1. On 1st April 2017 their capitals were; A ₹ 50000 and B capital ₹ 30000. During the year ended 31st March 2018 they earned a net profit of ₹ 50000. The terms of partnership were:

- a) Interest on capital is to be allowed @ 6% p.a.
- b) A will get a commission @ 2 % on turnover.
- c) B will get a salary of ₹ 500 per month.
- d) B will get a commission of 5% on profits after deduction of all expenses including such commission.

Partners drawings for the year were; A ₹ 8000 and B ₹ 6000. Turnover for the year was ₹ 300000 After considering the above facts you are required to prepare profit and loss appropriation account and partners capital accounts. [8]

32. Anil, Manvi and Payal are partners sharing profits and losses in the ratio of 5:3:2. Their balance sheet as at 31st March 2018 stood as follows;

Liabilities	₹	Assets	₹
Capital Account		Land and Buildings	260000
Anil	350000	Machinery	350000
Manvi	250000	Stock	90000
Payal	300000	Bills Receivable	70000
General Reserve	20000	Sundry Debtors	100000
Workmen Compensation Reserve	30000	Cash in hand	25000
Sundry Creditors	50000	Cash at bank	105000
	1000000		1000000

They decided to share profit and losses in the ratio of 2:2:1 w.e.f 1st April 2018. They agreed that

- a) Land and buildings be appreciated by 10%
- b) Machinery be depreciated by 15%
- c) Stock be increased to ₹ 100000.
- d) A provision for doubtful debts to be created @ 5% on sundry debtors.
- e) A creditor of ₹ 5000 is not to claim the dues.
- f) An expense of ₹ 2000 was paid by the firm for getting the value of land and building certified Chartered Engineer.
- g) A claim on account of Workmen Compensation is estimated at ₹ 10000

Prepare Revaluation Account, Partners Capital Account and Balance Sheet of the new firm. [8]