



# पुर्णा International School

Shree Swaminarayan Gurukul, Zundal

PRE – BOARD -I

**SUBJECT: ACCOUNTANCY**  
**CLASS: XII**

**TOTAL MARKS:80**  
**TIME: 3 HRS**

General instructions:

- 1) All the questions are
- 2) Marks are indicated against each question.
- 3) Answer to multiple choice questions carrying 1 mark should be written as complete option given with option number as mentioned.
- 4) Provide working notes wherever necessary.

PART - A

1	State whether the statement is true or false. “Consumable items can be treated as assets”	1
2	A, B and C are partners in a firm sharing profits and losses in the ratio of 2:2:1. On March, 31, 2018 C died. Accounts are closed on December 31st every year. The sales for the year 2017 was rupees 6,00,000 and the profits were rupees 60,000. The sales for the period for the period January 1, 2018 to March 31st 2018 were rupees 2,00,000. The share of deceased Partner in the current year’s profit on the basis of sales is: a. rupees 20,000 b. rupees 8,000 c. rupees 3,000 d. rupees 4,000	1
3	On dissolution the balance of Partners’ Loan Account appearing on the Asset of the balance sheet is transferred to: a. Debit side of Cash account b. Credit side of Cash Account c. Debit side of partners’ capital account d. Credit side of partners’ capital account.	1
4	X, Y and Z are partners sharing profits and losses in the ratio of 4:3:2. Y retires and surrenders 1/9th of his share in favour of X and the remaining in favour of Z. The new profit sharing ratio will be: a. 1:8 b. 8:1 c. 14:13 d. 13:14	1
5	Find the odd Statement with respect to Admission of a partner. a. If all the partners agree, a new partner can be admitted. b. A new partner can be admitted if it is agreed in the partnership deed. c. A new partner gets right in the assets of the firm d. A new partner has to bring relatively higher capital as compared to the existing partners	1
6	Hari, Shyam and Ghanshyam are partners sharing profits and losses in the ratio of 3:3:2. They decide to share the future profits in the ratio of 1:1:2. Workmen compensation reserve of rupees 40,000 appearing in the balance sheet on the date if no information is available for the same will be: a. Distributed among the partners in new profit sharing ratio b. Distributed among the partners in capital ratio c. Distributed among the partners in old profit sharing ratio d. Carried forward to new balance sheet without any adjustment	1

7	Monika and Shubhani share Profit and Loss in equal ratio. Their capitals were rupees 1,80,000 and rupees 1,20,000 respectively. There was also a balance of rupees 90,000 in General reserve and revaluation Loss amounted to rupees 15,000. They admit Ruchika with 1/5th share, she brings rupees 1,50,000 as capital. Calculate the amount of goodwill of the firm. a. Rupees 7,50,000 b. Rupees 5,25,000 c. Rupees 2,25,000 d. Rupees 45,000	1																								
8	D, E and F are partners in a firm sharing profits and losses in the ratio of 3:2:1. On March, 31, 2019 F died. Accounts are closed on December 31st every year. The sales for the year 2018 was rupees 16,00,000 and the profits were rupees 2,40,000. The sales for the period for the period January 1, 2019 to March 31 <sup>st</sup> 2019 were rupees 4,50,000. The share of deceased Partner in the current year's profit on the basis of sales is: a. rupees 6,75,000 b. rupees 4,25,000 c. rupees 1,12,500 d. rupees 70,833	1																								
9	State the formula of Goodwill by "Average Profit Method Under Capitalisation method".	1																								
10	As per section of the Indian Partnership Act, a retiring partner becomes entitled to profits after retirement if his dues remain unpaid a. Section 52 b. Section 26 c. Section 4 d. Section 37	1																								
11	X, Y and Z are partners sharing profits and losses in the ratio of 30%, 40% and 30% respectively. Y retires and surrenders 1/5th of his share in favour of X and the remaining in favour of Z. Accountant of the firm has calculated new ratio as 19:31. Is he Correct?	1																								
12	Who all are eligible person who can form a partnership firm?	1																								
13.	Give the formula of sacrificing ratio.	1																								
14	A and B are partners sharing profits of 3 : 2. They admit C with 1/8th share in the profits. The new profit sharing ratio between A and B is 4 : 3. The new profit sharing ratio and sacrificing ratio will be: (a) NR 4 : 3 : 1, SR 1 : 4 (b) NR 3 : 4 : 1, SR 4 : 1 (c) NR 4 : 3 : 1, SR 4 : 1 (d) None of these	3																								
15	The balance sheet of M, N and O who shares profit and losses in the ratio of 1/2:3/8:1/8 as at 31st march 2019 was as follows:	4																								
	<table border="1"> <thead> <tr> <th>Liabilities</th> <th>Amount</th> <th>Assets</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Bills Payable</td> <td>80,000</td> <td>Bank Balance</td> <td>12,000</td> </tr> <tr> <td>Reserve Fund</td> <td>40,000</td> <td>Investments</td> <td>1,38,000</td> </tr> <tr> <td>Bank Overdraft</td> <td>11,000</td> <td>Book Debts</td> <td>60,000</td> </tr> <tr> <td>Loan</td> <td>17,000</td> <td>Bills Receivable</td> <td>35,000</td> </tr> <tr> <td>Capitals:</td> <td></td> <td>Inventory</td> <td>55,000</td> </tr> </tbody> </table>	Liabilities	Amount	Assets	Amount	Bills Payable	80,000	Bank Balance	12,000	Reserve Fund	40,000	Investments	1,38,000	Bank Overdraft	11,000	Book Debts	60,000	Loan	17,000	Bills Receivable	35,000	Capitals:		Inventory	55,000	
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M	2,40,000		Plant and Machinery	3,20,000
N	1,80,000		Profit and Loss A/c	20,000
O	<u>1,20,000</u>	5,40,000	Deferred Revenue	48,000
			Expenditure	
		<b><u>6,88,000</u></b>		<b><u>6,88,000</u></b>
				<u>0</u>

N died on 24<sup>th</sup> August 2019. The partnership deed provided for the following on death of a partner:

- i. Goodwill of the firm was to be valued at 2 years purchase of average profit of last three years which were, 2017-18 - profit of rupees 200000 and 2016-17 - profit of rupees 3,00,000.
- ii. N's share of profit till the date of his death was to be calculated on the basis of last year's profit or loss.
- iii. Interest on capital to be provided @ 8% per annum.
- iv. Salary of N for is provided at rupees 90,000 per annum. Prepare N's capital account.

16	<p>A, B, C and D are partners sharing profits and losses in the ratio of 4:3:2:1. Their capitals as at 1<sup>st</sup> April, 2018 were Rupees 60,000; Rupees 50,000; Rupees 30,000 and Rupees 20,000 respectively.</p> <p>D's share of profits excluding interest on capitals has been guaranteed by the firm to be not less than Rupees 23,000. C's share of profits including interest on capital and salary guaranteed by A is not less than Rupees 55,000.</p> <p>The profits for the year ended 31<sup>st</sup> March, 2019 were Rupees 1,80,000 before interest on capital @10% and salary to C @ `2,000 per month.</p> <p>Prepare Profit and Loss Appropriation Account and distribute the profits.</p> <p style="text-align: center;">Or</p> <p>X and Y were partners sharing profit and losses in the ratio of 4:1. They offered 1/5<sup>th</sup> share in total profits to their manager Z who was earlier getting Rupees 2,000 per month as salary and a commission of 10% after charging such salary and commission on net profits. Profit of the firm for the year Rupees 2,99,000.</p> <p>Prepare the Profit and Loss Appropriation A/c after all adjustments of manager as partner.(Show your workings clearly)</p>	4
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17	<p>Raghav, Yashank and Abhishek were partners in a firm for the profit sharing ratio of 2:2:1. Pass the journal entries for the following transactions on the dissolution of the firm: (attempt any three)</p> <ol style="list-style-type: none"> <li>a. Abhishek was paid remuneration of rupees 8,000 including expenses to carry out the dissolution of the firm. Actual realisation expenses were rupees 12,000.</li> <li>b. Yashank is paid remuneration of rupees 7,000 for the dissolution of the firm. Realisation expenses of rupees 4,500 are paid by Abhishek.</li> <li>c. Realisation expense of Rupees 6,500 were to be borne by Abhishek, however it was paid by Yashank.</li> <li>d. Realisation expenses of rupees 10,000 were paid by Abhishek. It was agreed that 30% were to be borne by Raghav and Yashank equally and balance by Abhishek.</li> </ol>	4
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18 Following is the Balance Sheet of Sonu , Monu and Tinku as on 31 March , 2018 .  
Their profits sharing ratio is 2:2:1

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Liabilities	Amount	Assets	Amount
Creditors	24,000	Bank	36,000
Bills Payable	16,000	Stock	28,000
General Reserve	12,000	Debtors	16,000
Capital		Land & Building	2,00,000
Sonu 1,20,000		Profit & Loss A/c	64,000
Monu 1,20,000			
Tinku 52,000	2,92,000		
	3,44,000		3,44,000

Monu died on 30 June 2018 . The Partnership deed provided for the following on the death of a partner :

(i) Goodwill of the firm was valued at 2 Years purchase of the average profit of the last 5 years . The profit for the year ended 31 March 2017 ; 31 March 2016 ; 31 March 2015 and 31 March 2014 were ` 20,000 ; ` 32,000 ; ` 44,000 and ` 88,000 respectively .

(ii) Monu's share of profit & loss till the date of death was to be calculated on the basis on the basis of profit or loss for the year ended 31 , March , 2018 .

Prepare Monu's Capital account till the time of his death to be presented to his executors

19 Give the necessary journal entries for the following transactions on dissolution of the firm of Swarn and Rajat on 31 March, 2019, after the transfer of various assets and the third party liabilities to Realisation aAccount. They shared profits and losses in the ratio of 2 :1.

6

- There was a bill of exchange of ` 10,000 under discount. The bill was received from Dharam who became insolvent.
- Bills payable of ` 30,000 falling due on 30 April, 2019 were discharged at ` 29,550.
- Creditors of ` 30,000 took over stock of ` 10,000 at 10 % discount and the balance was paid to them in cash.
- There was an old typewriter which has been completely written off. It was estimated to realise ` 600 . It was taken away by Rajat at 25 % less than the estimated price.
- Swarn agreed to take over the responsibility of completing dissolution at an agreed remuneration of ` 1,000 and to bear all realisation expenses. Actual realisation expenses ` 800 were paid by the firm.
- Loss on realisation was ` 54,000.

Or

Mukti, Rosy and Deepa are partners sharing profits and losses in the ratio of 3:3:2. Their balance sheet as on March 31st 2019 was as follows :

Liabilities	(Rs)	Assets	(Rs)
Sundry creditors	48,000	Cash at bank	74,000
Bank Loan	72,000	Sundry debtors	88,000
Capitals:		Stock	2,40,000
Mukti 4,00,000		Machinery	3,18,000
Rosy 3,00,000		Building	4,00,000
Deepa 3,00,000	10,00,000		
	11,20,000		11,20,000

Partners decided that with effect from April 1, 2019, they would share profits and losses in the ratio of 4:3:2. It was agreed that:

- (i) Stock be valued at ` 2, 20,000.
- (ii) Machinery is to be depreciated by 10%
- (iii) A provision for doubtful debts is to be made on debtors at 5%.
- (iv) Building is to be appreciated by 20%
- (v) A liability for ` 5,000 included in sundry creditors is not likely to arise.

Partners agreed that the revised values are to be recorded in the books. Goodwill of the firm was valued at 72,000.  
You are required to pass journal entries.

20

Pass the necessary journal entries for the following transactions on the dissolution of the firm of Gautam and Yuvraj after the various assets (other than cash) and outside liabilities have been transferred to Realisation Account:

- (i) Bank Loan Rs.6,00,000 was paid
- (ii) Stock worth Rs.8,00,000 was taken over by partner Yuvraj
- (iii) Partner Gautam paid a creditor Rs.2,00,000
- (iv) An asset not appearing in the books of accounts realized Rs.60,000
- (v) Expenses of realization Rs.1,00,000 were paid by partner Yuvraj
- (vi) Profit on realization Rs.1,80,000 was distributed between Gautam and Yuvraj in 5:4 ratio.

OR

The Balance Sheet of Rahi, Masoom and Raza on 31-3-2019 was as follows:

Liabilities	Amount(Rs.)	Assets	Amount(Rs.)
Creditors	1,00,000	Cash	4,000
Capital Account of partner's		Debtors	96,000
Rahi's Capital 1,60,000		Motor Car	1,08,000
Masoom's Capital 1,60,000		Plant and Machinery	1,12,000
Raza's Capital <u>1,20,000</u>	4,40,000	Land and Building	1,60,000
		Profit and Loss A/c	60,000
	<u>5,40,000</u>		<u>5,40,000</u>

The following terms were agreed upon for Rahi's retirement:

- (a) Goodwill to be valued at Rs.84,000 and not to be shown in the books after Rahi's retirement.
  - (b) Land and Buildings to be appreciated by Rs.40,000.
  - (c) Plant and machinery to be reduced to Rs.92,000
  - (d) Provision for doubtful debts to be created at 5% on debtors
  - (e) Create a provision of Rs.2,800 for discount for creditors
  - (f) The sum payable to Rahi to be brought in by Masoom and Raza in such a manner that their capitals are in proportion to the profit sharing ratio.
- Prepare Revaluation Account and Capital Account of retiring partner.

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21	<p>Mohit, Nishant and Gagan were partners in a firm sharing profits and losses in the ratio of 5: 3: 2. On 31.3.2019 their Balance Sheet was under:</p> <p style="text-align: center;">Balance Sheet of Mohit, Nishant and Gagan as on 31-3-2019</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 35%; text-align: center;">Liabilities</th> <th style="width: 15%; text-align: center;">Amount</th> <th style="width: 35%; text-align: center;">Assets</th> <th style="width: 15%; text-align: center;">Amount</th> </tr> </thead> <tbody> <tr> <td>Creditors</td> <td style="text-align: right;">55,000</td> <td>Cash</td> <td style="text-align: right;">40,000</td> </tr> <tr> <td>General Reserve</td> <td style="text-align: right;">30,000</td> <td>Debtors</td> <td style="text-align: right;">50,000</td> </tr> <tr> <td>Capitals:</td> <td></td> <td>Less: Provision</td> <td style="text-align: right;">10,000</td> </tr> <tr> <td>Mohit 1,50,000</td> <td></td> <td>Stock</td> <td style="text-align: right;">50,000</td> </tr> <tr> <td>Nishant 1,25,000</td> <td></td> <td>Machinery</td> <td style="text-align: right;">1,50,000</td> </tr> <tr> <td>Gagan 75,000</td> <td style="text-align: right;">3,50,000</td> <td>Patents</td> <td style="text-align: right;">30,000</td> </tr> <tr> <td></td> <td></td> <td>Building</td> <td style="text-align: right;">1,00,000</td> </tr> <tr> <td></td> <td></td> <td>Profit and Loss A/c</td> <td style="text-align: right;">25,000</td> </tr> <tr> <td></td> <td style="text-align: right;"><b>4,35,000</b></td> <td></td> <td style="text-align: right;"><b>4,35,000</b></td> </tr> </tbody> </table> <p>Mohit retired on the above date and it was agreed that:</p> <ol style="list-style-type: none"> <li>Debtors of Rs. 5,000 will be written off as bad debts and provision for bad and doubtful debts will be maintained at existing rate.</li> <li>Patents will be completely written off and stock, machinery and building will be depreciated by 5%.</li> <li>An unrecorded creditor of Rs. 10,000 will be taken into account.</li> <li>Nishant and Gagan will share the future profits in the ratio of 4:1.</li> </ol> <p>Goodwill of the firm on Mohit's retirement was valued at Rs. 3,00,000. Prepare Revaluation account, Partners capital account and Balance Sheet for the above transactions in the books of the firm on Mohit's retirement.</p>	Liabilities	Amount	Assets	Amount	Creditors	55,000	Cash	40,000	General Reserve	30,000	Debtors	50,000	Capitals:		Less: Provision	10,000	Mohit 1,50,000		Stock	50,000	Nishant 1,25,000		Machinery	1,50,000	Gagan 75,000	3,50,000	Patents	30,000			Building	1,00,000			Profit and Loss A/c	25,000		<b>4,35,000</b>		<b>4,35,000</b>	8
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22	<p>The Balance Sheet of Shah &amp; Ram who shares profits and losses in the ratio of 3:2 as at 31<sup>st</sup> March 2015 as follows:-</p> <p style="text-align: center;"><b>BALANCE SHEET</b></p> <p style="text-align: center;">As at 31<sup>st</sup> March 2018</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 35%; text-align: center;">Liabilities</th> <th style="width: 15%; text-align: center;">Amount</th> <th style="width: 35%; text-align: center;">Assets</th> <th style="width: 15%; text-align: center;">Amount</th> </tr> </thead> <tbody> <tr> <td>Creditors</td> <td style="text-align: right;">40,000</td> <td>Bank</td> <td style="text-align: right;">800</td> </tr> <tr> <td>Profit and loss A/c</td> <td style="text-align: right;">5,000</td> <td>Debtors</td> <td style="text-align: right;">10,000</td> </tr> <tr> <td>Shah's capitals</td> <td style="text-align: right;">50,000</td> <td>Stock</td> <td style="text-align: right;">57,200</td> </tr> <tr> <td>Ram's Capital</td> <td style="text-align: right;">75,000</td> <td>Furniture</td> <td style="text-align: right;">37,000</td> </tr> <tr> <td></td> <td></td> <td>Machinery</td> <td style="text-align: right;">45,000</td> </tr> <tr> <td></td> <td></td> <td>Goodwill</td> <td style="text-align: right;">20,000</td> </tr> <tr> <td></td> <td style="text-align: right;"><b>1,70,000</b></td> <td></td> <td style="text-align: right;"><b>1,70,000</b></td> </tr> </tbody> </table> <p>On 1.04.2018 Rahim was admitted into partnership on the following terms-</p> <ol style="list-style-type: none"> <li>The new profit sharing ratio shall be 1:2:2.</li> <li>Rahim is to bring his capital of Rs 50,000 and pay Rs 20,000 as his share of goodwill in the firm. Rahim brings necessary amount for his share of capital but for his share of goodwill he could bring only Rs 8,000.</li> <li>Existing goodwill is to be written off.</li> <li>The other assets be revalued as under</li> </ol>	Liabilities	Amount	Assets	Amount	Creditors	40,000	Bank	800	Profit and loss A/c	5,000	Debtors	10,000	Shah's capitals	50,000	Stock	57,200	Ram's Capital	75,000	Furniture	37,000			Machinery	45,000			Goodwill	20,000		<b>1,70,000</b>		<b>1,70,000</b>	8
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	Machinery Rs 50,200; Furniture Rs 30,000; Stock 62,000; Debtors 12,000. Prepare Revaluation A/c, Partners' Capital A/c and Balance Sheet of the new firm as at 1.04.2018.	
	PART - B	
23	Working capital = _____ - Current Liabilities	1
24	Give the formula of Debt Equity Ratio.	1
25	Capital Employed = _____ + Long Term Debt	1
26	8% Debentures for Rs.500000. Its profit before Interest and Tax is Rs. 200000. Compute interest coverage ratio.	1
27	Average stock is calculated by _____ + _____ / 2	1
28	Inventory Turnover Ratio = _____ / _____	1
29	Total Assets to Debt Ratio - _____ / _____	1
30	Calculate current Ratio and Quick Ratio from the following: Working Capital Rs. 120000; Total Debt Rs. 400000; Long term Debts Rs. Rs.300000; Inventory Rs. 110000 and prepaid expenses Rs.10000	3
31	From the following information, compute 'Debt Equity Ratio'  Long term Borrowings                      200000 Long Term Provision                        100000 Current Liabilities                            50000 Non current Assets                            360000 Current Assets                                 90000	4
32	Compute Gross Profit Ratio from the following data:  Cash Revenue from Operation are 25 % of Total Revenue from Operation; Credit Revenue from Operation are 300000  Purchase Rs.820000; Excess of Closing Stock over Opening Stock Rs. 20000.	6



