



FACULTY HIGHER SECONDARY SCHOOL
SAMPLE QUESTION PAPER 19-20
CLASS – XII COM
SUB : ACCOUNTANCY

Full Marks : 50

Multiple Choice Question(MCQ) :

10×1=10

1. Income and Expenditure A/c reveals :
 - a. Surplus or deficit
 - b. Cash in hand
 - c. Net Profit
 - d. Capital Account.
2. Subscription received by a school for organizing annual function is treated as :
 - a. Capital Receipt
 - b. Revenue Receipt
 - c. Assets
 - d. Earned Income
3. Subscription received in Advance during the current year is :
 - a. An income
 - b. an asset
 - c. a liability
 - d. none of these
4. The opening balance of prize fund was `32,800. During the year donation received for prize `15,400, amount spent on prizes was `12,300 and interest on prize fund investment was `4,000. The closing balance of prize fund will be : -
 - a. `56,500
 - b. `64,500
 - c. `39,500
 - d. `31,000
5. Which of the following statement is true ?
 - A. A minor can't be admitted as a partners.
 - B. A minor can be admitted as a partner, only into the benefits of the partnership.
 - C. A minor can be admitted as a partner, but his rights and liabilities are same of adult partner.
 - D. None of these.
6. The relation of partner with the firm is that of :
 - (A) An owner
 - (B) An Agent
 - (C) An owner and an Agent
 - (D) Manager
7. Interest on capital will be paid to the partners is provided for in the partnership deed but only out of
 - (A) Profit
 - (B) Reserves
 - (C) Accumulated Profit
 - (D) Goodwill
8. The goodwill of the firm is not affected by –
 - (a) Location of the firm
 - (b) Regulation of firm
 - (c) Better customer service
 - (d) None of the above.
9. A firm earns `110,000. The normal rate of return is 10%. The assets of the firm amounted to `11,00,000 and liabilities to `100,000 value of goodwill by capitalization of average profit will be –
 - (a) `200,000
 - (b) `10,000
 - (c) `5,000
 - (d) `100,000

10. A and B are partners sharing profits and losses in the ratio of 5 : 3. On admission C brings ₹70,000 as capital and ₹24,000 as goodwill. New profit sharing ratio between A, B and C is 7 : 5 : 4. The sacrificing ratio of A and B is :
 (A) 3 : 1 (B) 1 : 3 (C) 4 : 5 (D) 5 : 9

11. From the following information, calculate the amount that will appear against the item stationery account in Income and Expenditure A/c for the year ended 31-3-19

Particulars	1-4-18(₹)	31-3-19(₹)
Creditor for stationery	30,000	24,000
Stock of stationery	40,000	58,000

During 2018 – 19, payment made to creditors amounted to ₹126,000. Stationery purchased in cash during the year was 20% of the total purchase of stationery.

(3)

12. Show the given items in the final A/c of a club : (3)

Prize fund	200,000
Prize fund investment	200,000
Income from prize fund investment	10,000
Prize awarded	7,500
Donation for prize fund	40,000

OR

From the following information, calculate the amount of subscriptions outstanding as on 31st March, 2017

A Club has 200 numbers each paying annual subscription of ₹1,000. The Receipts and payments account for the year showed a sum of ₹205,000 received as subscriptions. The following additional information is provided:

Subscription outstanding on 31st March 2016 – 30,000

Subscription outstanding on 31st March 2017 – 40,000

Subscription received in advance on 31st March 2016 – 14,000

13. X and Y are partners with capitals of ₹100,000 and ₹80,000 respectively as 1st April, 2016 and their profit sharing ratio 2 : 1. Interest on capital is agreed @12% p.a. Y is to be allowed an annual salary of ₹6,000. The profit for the year ended 31st March, 2017 amounted to ₹50,000. Manager is entitled to a commission of 10% of the profits.

Prepare P/L Appropriation A/c. (3)

14. Mr. Ashok Gupta is a partner in a firm. He withdrew the following amounts during the year ended 31st March, 2018:-

April 30	8,000
June 30	6,000
Sept. 30	5,000
Dec 31	6,000
Jan 31	12,000

Calculate interest on drawings @9% p.a. for the year ended 31st March, 2018

OR

Distinguish between P/L A/c and P/L Appropriate A/c. (3)

15. A, B and C were partners in a firm. On 1-4-2015 their capitals stood at `5,00,000, `2,50,000 and `2,50,000 respectively. As per the provisions of the partnership deed:

- (a) C was entitled for a salary of `10,000 p.m.
- (b) Partners were entitled to interest on capital at 5% p.a.
- (c) Profits were to be shared in the ratios of capitals.

The net profit for the year ended 31.3.2016 of `3,30,000 was divided equally without providing for the above terms.

Pass an adjustment entry to rectify the above error. (4)

16. A, B and C are partners sharing profits and losses equally. They agree to admit D for equal share. For this purpose goodwill is to be valued at 3 year's purchase of average profits of last 5 years which were as follows :

Year ending on 31st March 2013	60,000 (Profit)
Year ending on 31st March 2014	1,50,000 (Profit)
Year ending on 31st March 2015	20,000 (Loss)
Year ending on 31st March 2016	2,00,000 (Profit)
Year ending on 31st March 2017	1,85,000 (Profit)

On 1st October, 2016 a computer costing `40,000 was purchased and debited to office expenses account on which depreciation is to be charged @25% p.a.

Calculate the value of goodwill. (4)

OR

Asha and Aditi are partners in a firm sharing profits and losses in the ratio of 3 : 2. They admit Raghav as a partner for 1/4th share in the profits of the firm.

Raghav brings `6,00,000 as his capital and his share of goodwill in cash. Goodwill of the firm is to be valued at two years' purchase of average profits of the last four years.

The profits of the firm during the last four years are given below :

Year	Profit (₹)
2013 - 14	3,50,000
2014 - 15	4,75,000
2015 - 16	6,70,000
2016 - 17	7,45,000

The following additional information is given :

- (i) To cover management cost an annual charge of `56,250 should be made for the purpose of valuation of goodwill.
- (ii) The closing stock for the year ended 31.3.2017 was overvalued by `15,000

Pass necessary journal entries on Raghav's admission showing the working notes clearly. (C.B.S.E. 2018)

17. A and B are partners in a firm sharing profits in the ratio of 3 : 2. On March 31, 2016, their balance Sheet showed a general reserve of `54,000. On that date they decided to admit C as a new partner. The new profit sharing ratio between A, B

and C will be 4 : 3 : 2. Record the necessary journal entry in the books of the firm under the following circumstances :

- (i) When they want to transfer the general reserve in their capital accounts.
- (ii) When they don't want to transfer general reserve in their capital accounts and prefer to record an adjustment entry for the same. (4)

18. Arti and Bharti are partners in a firm sharing profits in 3 : 2 ratio. The admitted Sarthi as a new partner and the new profit-sharing ratio will be 2: 1 : 1. Sarthi brought `1,00,000 for her share of goodwill. Goodwill already appeared in the books of Arti and Bharti at `60,000. Pass the necessary Journal entries in the books of the new firm for the above transactions. (4)

19. Following is the Receipts and Payments Account of Citizen Club for the year ended 31st March, 2018 :

Receipt	`	Payments	`
To balance b/d	2,40,000	By Rent (paid for 11 months)	1,76,000
To Subscription(including `10,000 for 2018-19)	5,80,000	By Insurance	3,000
To Life Membership Fee	25,000	By Salaries	2,64,000
To Interest on Investments (@7% p.a. for full year)	28,000	By Stationery purchased	60,000
		By Balance c/d.	3,70,000
	8,73,000		8,73,000

Prepare Income and Expenditure Account for the year ending 31st March, 2018 and the Balance Sheet as at that date after considering the following information :

- (i) Subscription in arrear on 31st March, 2017 were `30,000 and on 31st March 2018 were `48,000.
 - (ii) Stock of stationery on 31st March, 2017 was `5,000 and on 31st March, 2018 `14,000
 - (iii) Insurance was paid on 1st January 2018 to run for one year.
20. X, Y and Z are partners sharing profits and losses in the ratio of 7 : 5 : 4.

Their balance sheet as at 31st March 2016 stood as follows :

Liabilities	`	Assets	`
Capital Accounts :		Sundry Assets	6,00,000
X 2,00,000			
Y 1,50,000			
Z <u>1,20,000</u>	4,70,000		
General Reserve	75,000		
Profit & Loss A/c (Profits)	15,000		
Creditors	40,000		
	6,00,000		6,00,000

Partners decided that with effect from 1st April 2016, they will share profits and losses in the ratio of 3 : 2 : 1. For this purpose goodwill of the firm was valued at `1,50,000. The partners do not want to distribute the general reserve and profits. Pass a single journal entry to record the change and prepare a revised balance sheet. (6)

OR

Dhruv and Ansh are partners in a firm sharing profits and losses : Dhruv 75% and Ansh 25% respectively.

Their Balance Sheet as at 31st March, 2016 is given below :

Liabilities	Amount	Assets	Amount
Sundry Creditors	39,000	Cash	10,000
Workmen Compensation Reserve	5,000	Sundry Debtors	18,500
Profit & Loss Account	10,000	Less : Provision for Doubtful Debts	(1,500)
Capital Accounts :		Stock	17,000
Dhruv	30,000	Furniture	37,000
Ansh	20,000	Land & Building	5,000
	50,000	Goodwill	25,000
			10,000
	1,04,000		1,04,000

On 1st April, 2016, Kavi is admitted as a new partner on the following terms:

- (i) The value of stock is to be increased to `42,000
- (ii) Land and Building is to be reduced by 20%
- (iii) Bad Debts amounting to `1,800 are to be written off.
- (iv) Creditors include an amount of `5,000 received as commission from Amar. The necessary adjustment is required to be made.
- (v) The liability of Workmen Compensation Reserve is determined at `3,000.
- (vi) Kavi is to pay `15,000 to the existing partners as premium for Goodwill for 20% of the future profits of the firm. He is also to bring in capital to $\frac{1}{4}$ th of the combined capitals of Dhruv and Ansh.

You are required to :

- (i) Pass journal entries on the date of Kavi's admission.
- (ii) Prepare the opening Balance Sheet of the new firm on the completion of the transactions.
