

INTERNATIONAL INDAIN SCHOOL BURAIDAH

TERM EXAMINATION- (2019-20)

SUBJECT: ACCOUNTANCY /CLASS : XII/SET-B

Date : 23/06/19/

Duration : 3 Hours /

Max. Marks : 80

General Instructions

- A) All questions are compulsory.
- B) Draw proper format wherever required.
- C) Use of calculator is not allowed.

(20x1=20)

1. Which account will be debited when realization expenses are paid by cash ?
2. What are two methods of maintaining capital account of partners ?
3. What is profit and loss appropriation account ?
4. What is meant by a gaining partner ?
5. State one right acquired by a newly admitted partner.
6. What are super profits ?
7. When an asset is taken over by a partner , why is his capital account debited ?
8. In case of dissolution of a firm which liabilities are to be paid first
9. A and B share profits and losses in the ratio 3 : 1. C is admitted into partnership for 1/4 share. Calculate the sacrificing ratio of A and B.
10. A firm's profit for the last three years are Rs.5,00,000 ; Rs.4,00,000 and Rs.6,00,000. Calculate the value of goodwill on the basis of 4 years purchase of the average profits for the last three years .
11. Minimum number of persons to form a partnership is
12. Debit balance of profit and loss denotes
13. Profit on revaluation account is shared in theratio.
14. X,Y and Z sharing profits 3 :2 : 1, Y retires the new ratio between X and Z will be
15. What is meant by 'unlimited liability of a partner' ?
16. Define partnership deed.
17. What do you mean by guarantee of profit to a partner ?
18. Define goodwill.
19. If partner's capital are fixed where will you record interest on drawings ?
20. How is a new partner admitted to a firm ?

(3x2=6)

21. Sunflower and Rose started partnership business on April 01,2017 with capitals of Rs.2,50,000 and Rs.1,50,000. Interest on capitals to be allowed 10 % p.a. Calculate interest on capitals as on March 31 2018.
22. Define partnership and its essential features.

Assets were realized as follows
 Household land - Rs. 72,000 Furniture - Rs. 22,500 Sundry debtors - Rs. 10,500
 Stock - Rs. 40,500 Plant - Rs. 48,000.
 The creditors were paid Rs.25,500 in full settlement. Expenses of realization amount to Rs. 2,500.
 Prepare Realisation Account, Bank Account Partners capital Accounts to close the books of the firm.

OR

Ashu and Harish are partners sharing profits and losses in the ratio 3 : 2. They decided to dissolve the firm on 31st December, 2012. Their balance sheet on the above date was

Balance Sheet As at 31st December, 2012

Liabilities	Amt (Rs)	Assets	Amt (Rs)
Capitals:		Building	80,000
Ashu 1,08,000		Machinery	70,000
Harish 54,000	1,62,000	Furniture	14,000
Creditors	88,000	Stock	20,000
Bank Overdraft	50,000	Investments	60,000
		Debtors	48,000
		Cash in Hand	8,000
	<u>3,00,000</u>		<u>3,00,000</u>

Ashu is to take over the building at Rs. 95,000, machinery and furniture are taken over by Harish at value of Rs. 80,000. Ashu agreed to pay the creditors and Harish agreed to meet bank over draft. Stock and investments are taken by both partners in profit sharing ratio. Debtors realized for Rs. 46,000, expenses of realization amounted to Rs. 3,000. Prepare necessary ledger account.

32. Dinesh, Alvin and Pramod are partners in a firm sharing profits and losses in the ratio of 5:3:2. Their Balance Sheet as at March 31, 2018 was as follows: -

Balance Sheet of Dinesh, Alvin and Pramod

Liabilities	Amount (₹)	Assets	Amount (₹)
Sundry Creditors	50,000	Debtors	15,000
General Reserve	40,000	Fixed Assets	67,000
Bills Payable	10,000	Investments	40,000
Dinesh's Capital	30,000	Stock	25,500
Alvin's Capital	40,000	Cash in Hand	36,000
Pramod's Capital	30,000	Revenue Expenditure	14,000
		Dinesh's Loan	2,500
	<u>2,00,000</u>		<u>2,00,000</u>

Dinesh died on July 1, 2018, The executors of Dinesh are entitled to:-

i. His share of goodwill. The total goodwill of the firm valued at ₹50,000.

his share of profit up to his date of death on the basis of actual sales till date of death. Sales for the year ended March 31, 2018 was ₹ 12,00,000 and profit for the same year was ₹ 2,00,000. Sales shows a growth trend of 20% and percentage of profit earning remains the same.

iii. Investments were sold at par. Half of the amount due to Dinesh was paid to his executors and for the balance, they accepted a Bills Payable.

Prepare Dinesh's Capital account to be rendered to his executors.

OR

Radha, Sheela and Meena are partners sharing profits and losses in the ratio 3 : 2 : 1. On 31st March, 2007, Sheela retires. On that date balance sheet was as follows :

Balance sheet as 1st April, 2007

Liabilities	Amt (Rs)	Assets	Amt (Rs)
Trade creditors	3,000	Cash in hand	1,500
Bills payable	4,500	Cash at Bank	7,500
Expenses Owing	4,500	Debtors	15,000
Capital Reserve	13,500	Stock	12,000
Capital A/c s		Factory Premises	22,500
Radha 15,000		Machinery	8,000
Sheela 15,000		Loose Tools	4,000
Meena 15,000			
	45,000		
	<u>70,500</u>		<u>70,500</u>

terms were

- (i) Goodwill of the firm was valued at Rs.13,000
- (ii) Expenses owing to be brought down to Rs.3,750
- (iii) Machinery and loose tools are to be valued at 10% less than their book value.
- (iv) Factory premises are to be re valued at Rs.24,300

Prepare Revaluation account, partners capital account and Balance Sheet of the firm after retirement of Sheela.