SATISH CHANDRA MEMORIAL SCHOOL
PRIODIC TEST- I/PRE MID TERM EXAMINATION (2024-25)
STD – XII (COMMERCE)
SUBJECT- ACCOUNTANCY (055)

Time allowed: 1hr 30 min **Maximum Marks: 40**

GENERAL INSTRUCTIONS:

1) All questions are compulsory.
2) The question paper consists of 26 questions divided into four sections A, B, C, and D.
3) Section A (Q1-Q20) comprises of 20 MCQs of one mark each.
4) Section B (Q21-Q22) comprises of 2 Case Study based questions of five marks each.
5) Section C (Q23-Q25) comprises of 3 Short questions of two marks each.
6) Section D (Q26) comprises of 1 Long question of four marks.
7) Show calculations wherever necessary.
8) Use of calculator is not permitted.

Q.NO.	SECTION-A (M-1) [20X1=20] Choose the correct option	Marks
1	Partnership deed may be a) oral b) written c) duplicate d) either written or oral	1
2	P and Q are partners sharing profits in the ratio of 1:2. R was manager who received the salary of ₹10,000 p.m. in addition to commission of 10% on net profits after charging such commission. Total remuneration to R amounted to ₹1,80,000. Profit for the year before charging salary and commission was : a) ₹7,20,000 b) ₹6,00,000 c) ₹7,80,000 d) None of these	1
3	A and B are patners. B draws a fixed amount at the end of every month. Interest on drawings is charged @15% p.a. At the end of the year interest on B's drawings amounts to ₹8,250. Drawings of B were: a)₹12,000 p.m. b)₹ 10,000 p.m. c)₹ 9,000 p.m. d)₹8,000 p.m.	1
4	Which one of the following items cannot be recorded in the profit and loss appropriation account? a) Interest on capital b) Interest on drawings c) Rent paid to partners d) Partner's salary	1
5	X, Y and Z are partners sharing profits and losses equally. Their capital balances on March, 31, 2012 are 80,000, 60,000 and 40,000 respectively. Their personal assets are worth as follows : X-₹20,000, Y-₹15,000 and Z-₹10,000. The extent of their liability in the firm would be: a) X-₹80,000 : Y-₹60,000 : and Z-₹40,000 b) X-₹20,000 : Y-₹15,000 : and Z-₹10,000 c) X-₹1,00,000: Y–₹75,000: and Z-₹50,000	1

	d) Equal	
6	If no agreement is made by partners then interest on loan will be given @ a) 5% p.a. b) 6% p.a. c) No interest d) 7% p.a.	1
7	A and B are partners. The net divisible profit as per Profit and Loss Appropriation A/c is 2,50,000. The total interest on partner's drawings is 4,000. A's salary is 4,000 per quarter and B's salary is 40,000 per annum. Calculate the net profit/loss earned during the year. a) 4,35,000 b) 3,02,000 c) 3,20,000 d) 3,06,000	1
8	Which of the following is not debited to profit & Loss Appropriation Account? a) Interest on partner's capital b) Interest on loan by partners c) salary to partners d) Commission to partners	1
9	The formula for calculating goodwill under the super profit method is..... a) Goodwill = Average Profit * no. of years purchase b) Goodwill =Weighted Average profit * no. of years purchase c) Goodwill =Super profit * no. of years purchase d) None of the above	1
10	A, B and C were partners in a firm sharing profits in the ratio of 3:2:1.B was guaranteed a profit of 2,00,000. During the year the firm earned a profit of 84,000. Calculate the net amount of Profit/Loss transferred to the capital accounts of C. a) 1,16,000 84K b) 87,000 c) 29,000 2L d) 84,000	1
11	A and B are partners sharing profits and losses equally with capitals of 3,00,000 and 2,00,000 respectively. Their drawings during the year ending on 31st March, 2018 are as follows : A's drawings on 30-06-2017 20,000; 31-07-2017 10,000; 01-10-2017 10,000; 01-03-2018 16,000 B drew 6,000 at the end of each month. The deed provides interest on capitals and drawings at 10% p.a. Calculate interest on drawings. a) ₹2,800 1500+667+500+133 = 2800 b) ₹6,100 3300 c) ₹30,000 6100 d) ₹50,000	1
12	In case of partnership the act of any partner is a) Binding on all partners b) Binding on that partner only c) Binding on all partners except that particular partner d) None of the above	1
13	Which of the following statement is true? a) a minor cannot be admitted as a partner 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 the above	1
14	Calculate super profit from the following information: Average Profit Rs. 50.000, Normal Profit is Rs. 35,000.	1

	a) Rs. 50,000 b) Rs. 35,000 c) Rs. 85,000 d) Rs. 15,000	
15	Following are essential elements of a partnership firm except : a) Atleast two persons b) There is an agreement between all partners c) Equal share of profits and losses d) Partnership agreement is for some business.	1
16	If the profit before charging commission is ₹22,000 and the manager is to be allowed a commission of 10% on the profit after charging such commission, the commission will be : a) ₹2,200 b) ₹2,000 c) ₹1,200 d) ₹3,000	1
17	Sleeping partners are those who a) take active part in the conduct of the business but provide no capital. However, salary is paid to them. b) do not take any part in the conduct of the business but provide capital and share profits and losses in the agreed ratio c) take active part in the conduct of the business but provide no capital. However, share profits and losses in the agreed ratio. d) do not take any part in the conduct of the business and contribute no capital. However, share profits and losses in the agreed ratio.	1
18	What average period is used to calculate interest on drawings of equal amounts drawn at the end of each quarter? a)6.5 b)5.5 c)7.5 d)4.5	1
19	When partnership deed is silent regarding interest capital and drawings, it will be calculated as follows: a) 6% p.a. on capital and drawings b) 10 % p.a. on capital and 6% on drawings c) No interest on capital and drawings d) None of these	1
20	What are the methods for valuation of goodwill? a) Average Profit Method b) Super Profit Method c) Capitalization of super profit Method d) All of the above	1
	SECTION-B CASE STUDY (M-1) [10X1=10]	
21	**Case study-1** Mita, Rita and Sandra were partners in a firm, sharing profits and losses in the ratio of 2: 2:1. Mita had personally guaranteed that in any year Sandra's share of profit, after allowing interest on capital to all the partners (@5% per annum and charging interest on drawings @4% per annum, would not be less than ₹10,000. The capitals of the partners on 1st April, 2015 were: Mita₹80,000, Rita ₹50,000 and Sandra ₹30,000. The net profit for the year ended 31st March, 2016, before allowing or charging any interest amounted to ₹40,000. Mita had withdrawn ₹4,000 on 1st April, 2015, while Sandra withdrew ₹5,000 during	

	the year. Answer the following questions (Profit and Loss Appropriation Account for the year 2015-16.)	
i)	Interest on Sandra's Capital a)2,000 b)1,500 c)5,000 d)1,000	1
ii)	Total amount of interest on drawings(Mita and Sandra) a) ₹180 b) ₹200 c) ₹600 d) ₹260	1
iii)	Profit transferred to Mita's Capital a) ₹12,904 b) ₹5,010 c) ₹3,548 d) ₹9,356	1
iv)	Profit transferred to Rita's Capital a) ₹12,904 b) ₹5,000 c) ₹2,319 d) ₹15,000	1
v)	Profit transferred to Sandra's Capital a) ₹6,452 b) ₹10,000 c) ₹3,548 d) ₹2,356	1
22	**Case study-2** A and B are partners sharing the profits and losses in the ratio of 3 :2 with capitals of ₹2,00,000 and ₹1,00,000 respectively. Show the distribution of profits in each of the following alternative cases: Case (i) If the partnership deed is silent as to the Interest on Capital and the profits for the year are ₹50,000. Case (ii) If the partnership deed provides for Interest on Capital @8% p.a. and the losses for the year are ₹50,000. Case (iii) If the partnership deed provides for Interest on Capital a @8% p.a. and the profits for the year are ₹50,000. Case (iv)If the partnership deed provides for Interest on Capital @ 8% p.a. and the profits for the year are ₹15,000. Case (v) If the partnership deed provides for Interest on Capital @ 8% p.a. even if it involves the firm in loss and the profits for the year are ₹15,000. Answer the following questions from the above information:	
i)	Profit transferred to A's Capital in case (i) a) ₹10,000 b) ₹50,000 c) ₹20,000 d) ₹30,000	1
ii)	Profit/Loss transferred to B's Capital A/c in Case (ii) a) ₹30,000 loss b) ₹30,000 profit c) ₹20,000 loss d) ₹20,000 profit	1
iii)	Profit transferred to A's Capital in case (iii)	1

	a) ₹15,600 b) ₹26,000 c) ₹10,400 d) ₹24,000	
iv)	B's interest on Capital in Case (iv) a) ₹10,000 b) ₹15,000 c) ₹5,000 d) ₹9,000	1
v)	Profit/Loss transferred to B's Capital A/c in Case (v) a) ₹5,400 profit b) ₹5,400 loss c) ₹3,600 loss d) ₹3,600 profit	1
	SECTION-C (M-2) [3X2=6]	
23	Ankur and Bobby were into the business of providing software solutions in India. They were sharing profits and losses in the ratio 3: 2. They admitted Rohit for 1/5th share in the firm, Rohit, an alumni of IT, Chennai would help them to expand their business to various South African countries where he had been working earlier. Rohit is guaranteed a minimum profit of Rs.2,00,000 for the year. Any deficiency in Rohit's share is to be borne by Ankur and Bobby in the ratio 4 : 1. Losses for the year wereRs.1,00,000. Pass the necessary journal entries.	2 A 48k B 32k R 20k To PL 1L A 176000 B 44000 To R 2.2L
24	The profit for the five years of a firm are as follows -year 2018 Rs,4,00,000; year 2019 Rs.3,98,000; year 2020 Rs.4,50,000; year 2021 Rs.4,45,000 and year 2022 Rs.5,00,000. Calculate Goodwill of the firm on the basis of 4 years purchase of 5 years average profits.	2 AP = 21.93/5 = 438600 G/W = 1754400
25	A firm earned Rs.60,000 as profit, the normal rate of return being 10%. Assets of the firm are Rs.7,20,000 (excluding Goodwill) and Liabilities are Rs. 2,40,000. Find the value of Goodwill by Capitalization Method.	2 CE = 4.8L NP = 48k AP = 60k SP = 12k G/W = 120000
	SECTION-D (M-6) [4X1=4]	
26	A man purchase Bharat's business with effect from 1st April, 2020. It was agreed that the firm's Goodwill will be valued at two years' purchase of average normal profit of the last three years. Profits of Bharat's business for last three years ended 31st March, were: 2018 : Rs. 1,00,000 (including an abnormal gain of Rs. 10,000); = 90K 2019: Rs.1,10,000 (after charging an abnormal loss of RS.20,000): = 1.3L 2020 : Rs.85,000 (including non -business income of Rs.5,000) = 80k Calculate value of the firm's Goodwill. G/W = 1L × 2 = 2L 1L = 3 1/3 ~~AP → 10.6L/5 = 212000~~ ~~CE = 1500000~~ ~~NRoR = 10%~~ ~~NP = 150000~~ ~~SP = 62k~~ ~~G/W = 186000~~ Or, Alok and Aakash are partners in M/s Mega Enterprises. They admit Ashish as partner w.e.f. 1st April, 2020. They agreed to value Goodwill at 3 years' purchase by Super Profit Method for which they decided to take average of last 5 years profits. The profits for the last five years were: Year ended on 31st March, 2018 -Rs 2,00,000, 31st March, 2019 -Rs. 1,70,000, 31st March, 2020 -Rs 2,10,000, 31st March, 2021 -Rs 2,30,000,31st March,2022 Rs. 2,50,000. Capital employed in the firm is Rs.15,00,000 and normal rate of return in similar business is 10%. Calculate value of Goodwill.	4

$AP = \frac{1.7L + 2.1L + 2L + 2.3L + 2.5L}{5}$

$= \frac{10.8L}{5} = 216000$

NP = 150000

SP = 66000

G/W = 66k × 3 = 186000