SATISH CHANDRA MEMORIAL SCHOOL
EXAMINATION (2025-26)
STD – XII (COMMERCE)
SUBJECT- ACCOUNTANCY (055)

Time allowed: 2hr 0 min **Maximum Marks: 50**

General Instructions:

Read the following instructions carefully and follow them:

(i) This question paper contains 23 questions. All questions are compulsory.

(i) This question paper is divided into two Parts: Part-A and Part-B.

(iii) Part-A and Part-B is compulsory for all candidates.

(iv) Questions number 1 to 15 (Part-A) are multiple choice questions. Each question carries 1 mark

(vi) Questions number 16 to 18 (Part-B)) are Short answer type questions. Each question carries 3 marks.

(vii) Questions number 19, 20 (Part-B) are Long answer type-I questions. Each question carries 4 marks.

(viii) Questions number 21 to 23 (Part-B) are Long answer type-ll questions. Each question carries 6 marks.

(ix) There is no overall choice. However, an internal choice has been provided in few questions in each of the parts.

PART- A

1.Vishnu and Mishu were partners in a firm. Mishu draws a fixed amount at the end of every quarter. Interest on drawings was charged at 15% p.a. At the end of the year, interest on Mishu's drawings amounted to 9,000. Interest on drawings was charged on drawings of Mishu for:

(A) 6 months

(B) 7.5 months

(C) 4.5 months

(D) 4 months

2. Arun and Vijay were partners in a firm sharing profits and losses in the ratio of 5:1.

BALANCE SHEET (EXTRACT)

		ASSETS	AMOUNT
		Machinery	40,000

If the value of machinery in the balance sheet was undervalued by 20%, then at what value will the machinery be shown in the new balance sheet?

(A) 44,000

(B) 48,000

(C) 32,000

(D) 50,000

3. Moksh and Pran were partners in a firm sharing profits and losses in the ratio of 1: 2. Their capitals were 5,00,000 and 3,00,000 respectively. They admitted Tushar as a new partner on 1st April, 2024 for 1/4th share in future profits. Tushar brought 4,00,000 as his share of capital. The goodwill of the firm on Tushar's admission will be:

(A) 16,00,000

(B) 4,00,000

(C) 8,00,000

(D) 12,00,000

4. Mahi, Ruhi and Ginni were partners in a firm, sharing profits and losses in the ratio of 6:4:1. Mahi guaranteed a profit of 50,000 to Ginni. Net profit for the year ending 31st March 2023 was 1,10,000. Mahi's share in the profit of the firm after giving the guaranteed amount to Ginni will be:

(A) 20,000

(B) ₹60,000

(C) ₹40,000

(D) ₹10,000

5. Vishesh, Manik and Amit were partners in a firm sharing profits and losses in the ratio of 5: 4: 1.

Amit retired on 31st March, 2024. Vishesh and Manik acquired Amit's share in the ratio of 2: 3. The new profit sharing ratio between Vishesh and Manik after Amit's retirement will be:

(A) 5:4

(B) 2:3

(C) 1:1

(D) 27:23

6. Ravi, Mohan, and Kishan were equal partners in a firm. After the retirement of Mohan, the capital balances of Ravi and Kishan were 1,56,000 and 1,08,000, respectively. The new capital of the firm was determined at 2,80,000. It was decided that the capital would be in proportion to the profit-sharing ratio of the remaining partners. How much amount Kishan will bring for deficiency of his new capital?

(A) 40,000

(B) 12,000

(C) 20,000

(D) 32,000

7. Directions: In the following questions, a statement of Assertion (A) is followed by a statement of Reason (R). Mark the correct choice as:

(A) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).

(B) Both Assertion (A) and Reason (R) are true but Reason (R) is not the correct explanation of Assertion (A).

(C) Assertion (A) is true but Reason (R) is false.

(D) Assertion (A) is false but Reason (R) is true.

Assertion (A): Partner's current accounts are opened when their capitals are fluctuating.

Reason (R): In the case of Fixed Capitals, all the transactions other than capital are done through the Current Account of the partner.

8. Moksh and Pran were partners in a firm sharing profits and losses in the ratio of 1: 2. Their capitals were 5,00,000 and 3,00,000 respectively. They admitted Tushar as a new partner on 1st April, 2024 for 1/4th share in future profits. Tushar brought 4,00,000 as his share of capital. The goodwill of the firm on Tushar's admission will be :

(A) 16,00,000

(B) 4,00,000

(C) 8,00,000

(D) 12,00,000

9. On the day of the dissolution of the firm 'Roop Brothers' had partner's capital amounting to ₹1,50,000, External liabilities ₹35,000, Cash balance 8,000, and P&L A/c (Dr.) ₹7,000. If Realisation expense and loss on Realisation amounted to ₹5,000 and ₹25,000, respectively, the amount realised by the sale of assets is:

(A) ₹1,64,000

(B) ₹1,45,000

(C) ₹1,57,000

(D) 1,50,000

10. A and B were partners in a firm. Their capitals at the end of the year ending on 31.3.2021 were ₹ 3,00,000 and 1,50,000 respectively. During the year B withdrew 10,000, which was debited to his capital account. Profit for the year ended 31st March, 2021 was 32,000 which was credited to their capital accounts. During the year B introduced additional capital 32,000. What was B's capital on 1.4.2020?

(A) ₹1,50,000

(B) ₹1,60,000

(C) ₹1,12,000

(D) 1,52,000

11. Ashmit, Veena and Rohan were partners in a firm sharing profits and losses in the ratio of 3:2:1.

Veena retired on 31st March, 2024. The capital accounts of Ashmit, Veena and Rohan showed a credit balance of ₹2,00,000, ₹1,80,000 and 1,20,000 respectively after making all adjustments relating to revaluation, goodwill, reserves etc. Veena was paid in cash brought in by Ashmit and Rohan in such a way that their capitals were in proportion to their new profit sharing ratio. The new capitals of Ashmit and Rohan will be:

(A) Ashmit 3,75,000 and Rohan ₹ 1,25,000

(B) Ashmit 2,00,000 and Rohan ₹ 1,20,000

(C) Ashmit 2,50,000 and Rohan 2,50,000

(D) Ashmit 3,00,000 and Rohan 2,00,000

12. Kartik, Inder and Lalit were partners in a firm sharing profits and losses in the ratio of 4:3:2. With effect Ime 1 April, 2024, they decided to share profits and losses in the ratio of 2: 3: 4. For this purpose, the goodwill the firm was valued at 1,80,000.

The necessary journal entry to show the effect of the above will be:

	Particulars		Dr. Amount (₹)	Cr. Amount (₹)
(A)	Lalit's Capital A/c To Kartik's Capital A/c	Dr.	40,000	 40,000
(B)	Kartik's Capital A/c To Lalit's Capital A/c	Dr.	40,000	 40,000
(C)	Lalit's Capital A/c To Kartik's Capital A/c	Dr.	1,80,000	 1,80,000
(D)	Kartik's Capital A/c To Lalit's Capital A/c	Dr.	1,80,000	 1,80,000

13. On the dissolution of a partnership firm there were debtors of 34,000. Debtors of ₹ 1,000 became bad and 60% was realised from the remaining debtors. Which account will be debited and by how much amount on the realisation from debtors?

(A) Realisation A/c by 33,000

(B) Profit & Loss A/c by₹ 1,000

(C) Cash A/c by 19,800

(D) Debtors A/c by 14,200

14. Statement I: The reserves (Accumulated profits) or losses belong to all the partners and should be transferred to capital accounts of all partners.

Statement II: At the time of retirement/death of a partner, the remaining partner may decide to keep their capital contributions in their profit sharing ratio.

(A) Both the statements are true.

(B) Both the statements are false.

(C) Only Statement-I is true.

(D) Only Statement-II is true.

15. Statement I: The distribution of profits among the partners is shown through a Profit and Loss Appropriation Account.

Statement II: Profit and Loss Appropriation Account is an extension of the Profit and Loss Account of the firm.

Choose the correct option from options given below:

(A) Statement I is correct and statement II is wrong.

(B) Statement II is correct and statement I is wrong.

(C) Both the statements are correct.

(D) Both the statements are wrong.

PART -B

16. The firm of Amish, Nitish and Misha, who have been sharing profits in the ratio of 2: 2: 1, have existed for some years. Misha wanted that she should get equal share in the profits with Amish and Nitish and she further wished that the change in the profit sharing ratio should come into effect retrospectively for the last three years. Amish and Nitish had agreement for this.

The profits for the last three years were:

2021-22- RS.1,15,000

2022-23- Rs1,24,000.

2023-24 - Rs.2,11,000

Show adjustment of profits by means of a single adjustment journal entry. Show your working clearly.

OR,

Vidhi, Manas and Ansh were partners sharing profits and losses in the ratio of 2: 3: 5. Ansh was given a guarantee that his share of profits in any given year would not be less than 1,60,000. Deficiency, if any, would be borne by Vidhi and Manas equally. Profits for the year ended 31st March, 2024 amounted to 1,00,000.

Pass necessary journal entries in the books of the firm for division of profits.

17. The capital of the firm of Rajat and Karan is 15,00,000 and the market rate of interest is 12%. Annual salary of Rajat and Karan is 20,000 and 30,000 respectively. The profits for the last three years were 2,40,000,₹2,80,000 and ₹3,20,000. Goodwill of the firm is to be valued on the basis of two years purchase of last three years's average super profits. Calculate the goodwill of the firm.

18. A, B, C and D were partners in a firm sharing profits and losses equally. E was admitted as a new partner for a 1/3rd share in the profits of the firm which he acquires equally from C and D. On E's admission, the goodwill of the firm was valued at ₹300,000.

Calculate the new profit-sharing ratio on E's admission. Also pass the necessary journal entries on E's admission, assuming that he failed to bring his share of goodwill in cash.

19. Simar, Tanvi and Umara were partners in a firm sharing profits and losses in the ratio of 5:6:9. On 31st March, 2024 their Balance Sheet was as follows:

Umara died on 30th June, 2024. The partnership deed provided for the following on the death of a partner:

Balance sheet of Simar,Tanvi and Umara asn on 31st march 2024.

Balance Sheet of Simar, Tanvi and Umara as on 31st March, 2024

Liabilities		Amount (₹)	Assets	Amount (₹)
Capitals :			Fixed Assets	25,00,000
Simar	13,00,000		Stock	10,00,000
Tanvi	12,00,000		Debtors	8,00,000
Umara	14,00,000	39,00,000	Cash	7,00,000
General Reserve		7,00,000	Profit and Loss Account	
Trade Payables		6,00,000	(2023-24)	2,00,000
		52,00,000		**52,00,000**

(i) Goodwill of the firm be valued at 3 years purchase of average profits for the last 5 years. The profit/loss for the previous four years were:

2022-23: ₹ 3,10,000 (loss)

2021-22: ₹ 3,00,000 (profit)

2020-21: ₹ 4,00,000 (profit)

2019-20: ₹ 2,50,000 (profit)

(ii) Umara's share of profit or loss till the date of her death was to be calculated on the basis of profit or loss for the year ended 31 March 2024.

(A) Calculate Goodwill of the firm.

(B) Pass the necessary journal entry for the treatment of goodwill on Umara's death.

(C) Calculate Umara's share in the profit or loss of the firm till the date of her death.

(D) Pass the necessary journal entry to record Umara's share of profit or loss till the date of her death.

20. Mudit and Uday were partners in a firm sharing profits in the ratio 2:3. Their capital accounts as on 1st April 2015 showed balances of 70,000 and 60,000, respectively. The drawings of Mudit and Uday during the year 2015-16 were 16,000 and 12,000, respectively. Both amounts were withdrawn on 1st January 2016. It was subsequently found that the following items had been omitted while preparing the final accounts for the year ended 31st March 2016:

(i) Interest on capitals @ 6% p.a.

(ii) Interest on drawings @ 6% p.a.

(iii) Mudit was entitled to a commission of ₹4,000 for the whole year.

Showing your work clearly, pass a rectifying entry in the books of the firm

21. Sunny and bobby were partners in a firm sharing profit and loss in the ratio of 3:2,their balance sheet as on 31st March 2022:

Liabilities		Amount (₹)	Assets		Amount (₹)
Creditors		1,90,000	Bank		5,000
Bills Payable		1,10,000	Fixed Deposits		70,000
Employees provident fund		50,000	Stock		86,000
Mrs. Sunny's Loan		55,000	Investments		1,04,000
Bobby's Loan		85,000	Debtors	1,77,000	
Investment Fluctuation Fund		30,000	(–) Provision for D/D	12,000	1,65,000
Capitals:			Other Fixed Assets		3,80,000
Sunny	2,20,000		Deferred Revenue Expenditure		35,000
Bobby	1,20,000	3,40,000	Sunny's Loan		15,000
		8,60,000			8,60,000

The firm was dissolved on 31st March 2024.The assets were realised and the liabilities were paid as under:

(a) Sunny promised to pay off Mrs. Sunny's Loan.

(b) Bobby took away stock at 20% discount and 80% of the investments at a 10% discount.

(c) Dharam a debtor of ₹60,000 had to pay the amount due 2 months after the date of dissolution. He was allowed a discount of 9% p.a. for making immediate payment.

(d) Creditors were paid ₹1,75,000 in full settlement of their claim.

(e) 90% of other fixed assets realised ₹1,98,000 and the remaining were realised at a discount of 15%

(f) Balance of investments were sold at 75% value and fixed deposits were realised at 110%.

(g) There was an old furniture which had been written off completely from the books; Bobby took away the same for 41,000 against his loan and the balance to him was given in cash.

(h) Realisation expenses ₹20,000 were paid by Sunny and Bobby equally on behalf of the firm.

You are required to prepare Realisation A/c.

22. Leena and Rohit were partners in a firm sharing profits in the ratio of 3:2. On 31st March 2025 their balance sheet was as follows:

Balance Sheet of Leena and Rohit
as of 31 March 2018

Liabilities		Amount (₹)	Assets		Amount (₹)
Sundry Creditors		80,000	Cash		42,000
Bills Payable		38,000	Debtors	1,32,000	
General Reserve		50,000	*Less:* Provision for doubtful debts	(2,000)	1,30,000
Capitals:			Stock		1,46,000
Leena	1,60,000		Plant and Machinery		1,50,000
Rohit	1,40,000	3,00,000			
		4,68,000			4,68,000

On the above date, Manoj was admitted as a new partner for a 1/5 share in the profits of the firm on the following terms:

(i) Manoj brought proportionate capital. He also brought his share of goodwill premium of ₹80,000 in cash.

(ii) 10% of the general reserve was to be transferred to provision for doubtful debts.

(iii) Claim on account of workmen's compensation amounted to ₹40,000.

(iv) Stock was overvalued by ₹16,000.

(v) Leena, Rohit and Manoj will share future profits in the ratio of 5:3:2.

Prepare the Revaluation Account, Partners' Capital Accounts and the balance sheet of the reconstituted firm.

23. Ashish, Vinit and Reema were partners sharing profits and losses in the ratio of 2 : 2: 1. Their Balance Sheet on 31st March, 2024 was as follows:

Balance Sheet of Ashish, Vinit and Reema as at 31st March, 2024

Liabilities		Amount (₹)	Assets		Amount (₹)
Capitals:			Patents		80,000
Ashish	2,00,000		Furniture		3,00,000
Vinit	2,00,000		Stock		1,70,000
Reema	1,00,000	5,00,000	Debtors	80,000	
General Reserve		50,000	Less: Provision for		
Bills Payable		80,000	doubtful debts	8,000	72,000
Creditors		40,000	Cash		48,000
		6,70,000			**6,70,000**

On the above date, Vinit retired on the following terms:

(i) Goodwill of the firm was valued at 60,000 and the same was adjusted into the capital accounts of Ashish and Reema who will share profits in future in the ratio of 3: 2.

(ii) Value of stock was to be reduced by 10,000.

(iii) Patents are found undervalued by 20%

(iv) Vinit was paid 20,000 immediately on retirement and the balance was transferred to his loan account carrying interest @ 8% p.a.

Pass necessary journal entries on Vinit's retirement.