



# SANSKRITI ACADEMY

A JOURNEY FROM ZERO TO HERO

AN INSTITUTE OF COMMERCE AND ARTS

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Class- 12<sup>th</sup>

Marks: 30

Time: 1 hours

All questions are compulsory

Qn.1 X and Y are partners sharing profits in the ratio 3:2. They admitted Z for 1/5th share. Z brings ₹60,000 as capital. The capitals of X and Y after adjustment should be:

- a) ₹90,000 and ₹60,000
- b) ₹1,08,000 and ₹72,000
- c) ₹72,000 and ₹48,000
- d) ₹1,20,000 and ₹80,000

Qn.2 A partnership deed is silent about interest on drawings. X withdraws ₹6,000 evenly throughout the year. The firm charges 6% p.a. interest on drawings at the end. This adjustment is:

- a) Valid, as per Partnership Act 1932
- b) Invalid, as per Partnership Act 1932
- c) Optional, depending on partners' mutual consent
- d) Must be adjusted through goodwill

Qn.3 A and B are partners sharing profits 3:2. C admitted for 1/4th share. He brings ₹30,000 as his share of goodwill premium in cash. A and B will share this premium in:

- a) 3:2
- b) 1:1
- c) 2:3
- d) Sacrificing ratio

Qn.4 Goodwill is valued at 3 years' purchase of average profits of last 4 years. Profits: ₹50,000, ₹60,000, ₹40,000, loss of ₹10,000. Goodwill = ?

- a) ₹1,20,000
- b) ₹1,05,000
- c) ₹90,000
- d) ₹75,000

Qn.5 A and B were partners sharing profits 5:3. They omitted to provide salary to A of ₹6,000 and commission to B of ₹4,000. Profit before such adjustments was ₹80,000. The corrected profit share of A will be:

- a) ₹46,250
- b) ₹47,500
- c) ₹48,500
- d) ₹50,000

Qn.6 Hidden goodwill is calculated when:

- a) Goodwill is not recorded in books
- b) New partner does not bring goodwill in cash
- c) New partner brings only capital and total capital of firm is compared with adjusted capital
- d) Goodwill is sold outside

Qn.7 If goodwill is not brought in by new partner in cash, it is adjusted by:

- a) Debit new partner's Current ac, credit sacrificing partners' capital
- b) Debit old partners' capital, credit new partner's capital
- c) Debit goodwill A/c, credit revaluation A/c
- d) Debit revaluation A/c, credit new partner's capital

Qn.8 On admission, new partner generally brings:

- a) Only capital

- b) Only goodwill
- c) Both capital and goodwill
- d) Neither capital nor goodwill

Qn.9 The ratio in which old partners compensate each other due to change in ratio is:

- a) Sacrificing ratio
- b) Gaining ratio
- c) Old ratio
- d) Capital ratio

Qn.10 Which method of goodwill considers both average profit and normal profit?

- a) Average Profit Method
- b) Super Profit Method
- c) Capitalization Method
- d) Annuity Method

Qn.11 X and Y are partners sharing profits in the ratio 3:2. Their capitals are ₹1,00,000 and ₹50,000. The partnership deed allows interest on capital @10% p.a. but it was omitted. Profit before interest was ₹75,000. Pass adjustment entry.

Qn.12 Capital employed = ₹2,00,000. Normal rate of return = 10%. Actual average profit = ₹30,000. Find goodwill using Capitalisation of Super Profit Method (3 years' purchase).

Qn.13 Partners A, B, C share profits equally. They guaranteed D a minimum profit of ₹30,000. Firm's profit = ₹90,000. Calculate D's share and deficiency borne by old partners.

Qn.14 A and B are partners. A withdrew ₹5,000 beginning of every month. Rate of interest = 10% p.a. Calculate interest on drawings for the year.

Qn.15 X and Y share 3:2. They admit Z for 1/4th share. Capitals of X and Y are ₹60,000 and ₹40,000. Z brings proportionate capital. Calculate Z's capital and adjusted capitals of all partners.

Qn.16 X and Y are partners sharing profits in the ratio of 3:2. They admit Z as a new partner on 1st April, 2024 for 1/4th share of profits. Z brings proportionate capital in cash.

The Balance Sheet of X and Y as on 31st March, 2024 was:

Liabilities

Capital A/cs:

X 2,00,000 , Y 1,50,000 , General Reserve 50,000 , Workmen Compensation Reserve 30,000 , Profit & Loss

A/c (Cr) 20,000

Creditors 60,000 , Outstanding Bills for Repairs 280,000

Assets ₹

Cash 40,000, Bank 30,000 Debtors 1,00,000 (Less: Provision 5,000 ) 95,000

Machinery 1,50,000 , Building 2,00,000 Motor Vehicles 80,000 Plant 95,000, Land 1,00,000

Adjustments:

1. Building to be appreciated by 10%, Machinery to be depreciated by 20%.
2. Motor Vehicle found overvalued by ₹10,000
3. Bad debts amounted to ₹3,000. A new provision for doubtful debts @10% on debtors is to be created.
4. Out of Workmen Compensation Reserve, actual liability amounted to ₹20,000.
5. Z brings proportionate capital in cash.

Prepare Revaluation Account, Partners' Capital Accounts and the Balance Sheet of the new firm.