



Strive for Perfection

ANGEL'S PUBLIC SCHOOL

SAMPLE PAPER

HALF YEARLY EXAM

SESSION 2025 – 26

CLASS – XII

TIME: 3 HRS

SUBJECT: ACCOUNTANCY CODE – 55

M.M:80

GENERAL INSTRUCTIONS.

- (a) All questions are compulsory.
- (b) Question number 1 – 20 carry 01 mark each.
- (c) Question number 21 - 23 carry 04 marks each.
- (d) Question number 24 - 27 carry 06 marks each.
- (e) Question number 28 - 30 carry 08 marks each.

Accounting for Partnership Firms and Companies

1. At the time of Dissolution of a Partnership Firm, there exists an office equipment worth ₹ 68,000 in the books of the firm and its realized value is not given.

In this situation the realized value of office equipment will be _____ ●

- (a) Nil
- (b) 68,000
- (c) Market Value
- (d) Fair Value

2. **Assertion (A):** At the time of change in profit sharing ratio among the existing partners, the adjustment entry to be passed in all situations is :

Gaining Partners' Capital/Current A/cs Dr.

To Sacrificing Partners' Capital/Current A/cs

Reason(R): The above adjustment entry is passed only when profit exists on the day of change in profit sharing ratio. In case of loss the reverse entry is passed.

- (a) (A) is correct but (R) is wrong.
- (b) Both (A) and (R) are correct, but (R) is not the correct explanation of (A).
- (c) Both (A) and (R) are incorrect.
- (d) Both (A) and (R) are correct, and (R) is the correct explanation of (A).

3. X and Y are the partners in a firm sharing profits and losses in the ratio of 5:3. Z is admitted who acquires $\frac{1}{3}$ of Y's share. The new ratio among partners will be: _____
- (a) 5 : 4 : 1 (b) 4 : 5 : 1 (c) 1 : 4 : 5 (d) 5 : 2 : 1

Or

In the absence of agreement to contrary, the profit sharing ratio will be: _____

- (a) in ratio of capital (b) in ratio of work done
(c) equal (d) none of these
4. In a partnership firm, a partner withdrew ₹ 5,000 per month on the first day of every month during the year for personal expenses. If interest on drawings is charged @ 6% p.a., the interest charged will be: _____.
- (a) ₹ 3,600 (b) ₹ 1,950 (c) ₹ 1,800 (d) ₹ 1,650

5. X, Y and Z were three partners sharing profits in the ratio of 3:2:1. At the end of the year, they distributed the profits equally. The profit for the year was ₹ 1,20,000. The adjustment entry to rectify the error will be: _____.

(a) X's Capital A/c	Dr.	20,000	
To Z's Capital A/c			20,000
(b) Z's Capital A/c	Dr.	20,000	
To X's Capital A/c			20,000
(c) X's Capital A/c	Dr.	60,000	
Y's Capital A/c	Dr.	40,000	
Z's Capital A/c	Dr.	20,000	
To Profit and Loss Appropriation A/c			1,20,000
(d) None of these			

Or

If loan from a partner C ₹ 65,000 appears in balance sheet and his capital balance is ₹ 15,000 (Dr.) then amount payable to him is: _____.

- (a) ₹ 65,000 (b) ₹ 15,000 (c) ₹ 80,000 (d) ₹ 50,000

Read the following hypothetical situation, Answer Question No. 6. and 7. .

Alpha and Beta are partners with capitals of 2,00,000 and 1,00,000 respectively. The distribution of profit is according to following provisions of the deed.

- (a) Partners are entitled to interest on capital @ 5% p.a.
(b) Beta being a working partner was also allowed a yearly salary of ₹ 20,000.
(c) Profits were to be divided as follows:
 (i) First ₹ 30,000 in proportion to their capitals
 (ii) Next ₹ 20,000 in the ratio of 3:2
 (iii) Remaining profits to be shared equally.

Alpha's share in divisible profit is ₹ 39,500.

6. The total appropriations to Beta for interest on capital and salary is: _____ ●
 (a) ₹ 18,000 (b) ₹ 29,500 (c) ₹ 25,500 (d) ₹ 25,000
7. The share of divisible profit going to Beta is: _____ ●
 (a) ₹ 25,000 (b) ₹ 28,500 (c) ₹ 25,500 (d) ₹ 32,500
8. X and Y are partners in a firm sharing profits in the ratio of 5 : 3. They admitted Z as a new partner. The new profit sharing ratio will be 4 : 3 : 2. The firm's goodwill on Z's admission was valued at ₹ 1,26,000. But Z could not bring any amount of goodwill in cash. Credit will be given to: _____ ●
 (a) X ₹ 17,500; Y ₹ 10,500 (b) X ₹ 16,000; Y ₹ 12,000
 (c) X ₹ 22,750; Y ₹ 5,250 (d) X ₹ 1,02,375; Y ₹ 23,625
9. If total assets are ₹ 2,00,000; total liabilities are ₹ 40,000; amount realised on sale of assets is ₹ 1,75,000 and realisation expenses are ₹ 3,000, the profit or loss on realisation will be: _____ ●
 (a) Profit ₹ 12,000 (b) Loss ₹ 68,000
 (c) Loss ₹ 28,000 (d) Loss ₹ 25,000
10. At the time of reconstitution of a partnership firm, recording of an unrecorded liability will lead to: _____ ●
 (a) Gain to the existing partners (b) Loss to the existing partners
 (c) Neither gain nor loss to the existing partners (d) None of the above

Or

Vikas Yogesh and Kunal are partners in the ratio of 5:3:2. If Yogesh's share of profit at the end of the year amounted to ₹ 1,50,000, what will be Vikas's share of profits?

- (a) ₹ 5,00,000 (b) ₹ 1,50,000 (c) ₹ 3,00,000 (d) ₹ 2,50,000
11. At the time of dissolution of a firm, Creditors are ₹ 1,60,000; Firm's Capital is ₹ 2,40,000; Bank Balance is ₹ 25,000. Other assets realised ₹ 3,00,000. Gain/Loss in the realisation account will be: _____ ●
 (a) ₹ 75,000 (Gain) (b) ₹ 80,000 (Gain)
 (c) ₹ 1,00,000 (Loss) (d) ₹ 75,000 (Loss)
12. Ram and Shyam are partners in a firm sharing profits in the ratio of 3 : 2. They admitted Mohan as a partner for 1/4th share in the profits of the firm. Mohan brings ₹ 10,000 for his share of goodwill. Following entry is passed when Mohan's share of goodwill is credited to sacrificing partners:

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Date	Particulars	L.F.	Dr. (₹)	Cr. (₹)
	Premium for Goodwill A/c ...Dr.		10,000	
	To Ram's Capital A/c			4,000
	To Shyam's Capital A/c			6,000
	(Mohan's share of goodwill credited to sacrificing partners)			

New profit-sharing ratio of Ram, Shyam and Mohan will be

- (a) 5 : 4 : 3. (b) 5 : 1 : 2.
 (c) 7 : 5 : 4. (d) 2 : 1 : 1.

13. Assertion (A): Rent paid to a partner is debited to Profit & Loss Account.

Reason (R): It is a charge against profit and not an appropriation.

In the context of above two statements, which of the following is correct?

- (a) Assertion (A) is correct but Reason (R) is wrong.
- (b) Both Assertion (A) and Reason (R) are correct, but Reason (R) is not the correct explanation of Assertion (A)
- (c) Both Assertion (A) and Reason (R) are incorrect.
- (d) Both Assertion (A) and Reason (R) are correct, and Reason (R) is the correct explanation of Assertion (A). [1]

14. Ishu, Vishu and Nishu are partners in a firm sharing profits and losses in the ratio of 5 : 3 : 2. They decide to share profits and losses in the ratio of 2 : 3 : 5 with effect from 1st April, 2022. They also decide to record the effect of the following balances without affecting their book values by passing a Journal entry:

	Book Value (₹)
General Reserve	35,000
Profit & Loss Account	15,000
Advertisement Suspense Account	20,000

Which of the following is the correct Journal entry for the above?

- (a) Ishu's Capital A/c ...Dr. ₹ 9,000
 To Vishu's Capital A/c ₹ 9,000
(Adjustment made for net accumulated profits and reserves)
- (b) Vishu's Capital A/c ...Dr. ₹ 9,000
 To Ishu's Capital A/c ₹ 9,000
(Adjustment made for net accumulated profits and reserves)
- (c) Vishu's Capital A/c ...Dr. ₹ 9,000
 To Nishu's Capital A/c ₹ 9,000
(Adjustment made for net accumulated profits and reserves)
- (d) Nishu's Capital A/c ...Dr. ₹ 9,000
 To Ishu's Capital A/c ₹ 9,000
(Adjustment made for net accumulated profits and reserves)

Or

On 31st March, 2022, after the closure of the accounts, capital accounts of Lalit and Pankaj were ₹ 4,00,000 and ₹ 5,00,000 respectively. Interest on capital is allowable @ 6% p.a. as per the Partnership Deed. Subsequently, it was noticed that interest on capital had been omitted while determining distributable profit for the year ended 31st March, 2022 which amounted to ₹ 2,00,000.

Partners' drawings during the year had been Lalit—₹ 1,00,000 and Pankaj—₹ 50,000. Profit-sharing ratio between Lalit and Pankaj was 3 : 2. What will be the interest on capital, if the capitals are fluctuating?

- (a) Lalit—₹ 34,300 and Pankaj—₹ 23,700.
- (b) Lalit—₹ 22,800 and Pankaj—₹ 28,200.
- (c) Lalit—₹ 22,800 and Pankaj—₹ 13,450.
- (d) Lalit—₹ 28,300 and Pankaj—₹ 22,750.

[1]

- 15.** Atal, Madan and Mehra are partners in a firm. At the time of distribution of profit for the year there was dispute between the partners. Profit before interest on partner's loan was ₹ 12,000 and Madan demanded interest @ 10% p.a. on his loan of ₹ 1,60,000. There was no agreement on this matter. What will be the amount payable to Atal, Madan and Mehra respectively?
- (a) ₹ 4,800 to each partner.
- (b) ₹ 4,000 to each partner.
- (c) Loss of ₹ 2,400 for Atal and Mehra and Madan will take home ₹ 16,800.
- (d) ₹ 800 to Atal, 10,400 to Madan and ₹ 800 to Mehra. [1]

- 16.** From the following information, calculate the amount due to Shiv, the retiring partner:

	₹
Capital account balance	1,50,000
Loan account balance	1,25,500
Accrued interest on loan	4,000
Value of Goodwill	1,25,000
Gain (Profit) on Revaluation	25,000
Share of Profit	50%

(a) ₹ 3,45,000. (b) ₹ 3,54,500.

(c) ₹ 3,44,000. (d) ₹ 3,54,000.

17. Rao and Reddy are partners in a firm sharing profits in the ratio of 3 : 2. Their capitals after adjustments are ₹ 80,000 and ₹ 60,000 respectively. They admit Shiv as a partner on his capital contribution of ₹ 35,000. New profit-sharing ratio of partners is to be 5 : 3 : 2. Capital Accounts of the old partners are to be proportionate to their profit-sharing ratio adjusted on the basis of Shiv's Capital.

The surplus capital to be paid to Reddy will be _____ ●

- (a) ₹ 5,000. (b) ₹ 6,000.
(c) ₹ 7,500. (d) ₹ 8,000.

[1]

18. Mukesh and Rajesh are partners. Interest on drawings of Rajesh for the year ended 31st March, 2022 @ 10% p.a. was ₹ 1,200. What was the total drawings of Rajesh if he withdrew a fixed amount during the middle of each month?

- (a) ₹ 20,000. (b) ₹ 22,000.
(c) ₹ 24,000. (d) ₹ 30,000.

Or

19. Ram, a partner withdrew ₹ 6,000 in the beginning of each quarter and interest on drawings was calculated as ₹ 1,500 at the end of accounting year 31st March, 2022. What is the rate of interest on drawings charged?

- (a) 8%. (b) 9%.
(c) 10%. (d) 5%.

[1]

20. At the time of dissolution of a firm, firm's total assets were ₹ 5,00,000, creditors were ₹ 1,00,000. Realisation expenses amounted to ₹ 10,000. Assets realised 20% more than the book value and creditors were paid 5% less. Gain/loss on realisation will be _____ ●

- (a) Gain = ₹ 95,000. (b) Loss = ₹ 75,000.
(c) Gain = ₹ 4,95,000 (d) Loss = ₹ 1,00,000.

[1]

21. Akshit, Yogesh and Zakhir are partners in a firm. Total capital employed is ₹ 5,40,000 contributed by them in their profit sharing ratio. Yogesh retires from the firm. On the day of retirement the firm had a balance of ₹ 90,000 in the General Reserve Account. Yogesh took one of the unrecorded assets of the firm valued at ₹ 54,000 in part payment and balance amount was paid in cash.

Pass necessary entries on Yogesh's retirement.

- 22.** From the following Balance Sheet of Girish and Gokul, calculate interest on capital and interest on drawings @ 5% per annum for the year ended 31st March, 2022.

Liabilities	Amount (₹)	Assets	Amount (₹)
Capital Accounts:		Sundry Assets	1,84,000
Girish	90,000		
Gokul	70,000		
Profit and Loss Appropriation A/c (2021-2022)	24,000		
	1,84,000		1,84,000

During the year, Girish withdrew ₹ 2,000 at the beginning of every month and Gokul withdrew ₹ 15,000 during the year. The profits for the year ended 31st March, 2022 were ₹ 84,000.

Or

X, Y and Z are partners sharing profits and losses in the ratio of 3:2:1. From 31st March 2022, they decided to share profits and losses equally.

The partnership deed provides that in the event of any change in the profit sharing ratio, the goodwill should be valued at two years' purchase of the average profits of the preceding five years. The profits and losses for the preceding years are 2017-18 profit ₹ 90,000, 2018-19 profit ₹ 70,000, 2019-20 loss ₹ 30,000, 2020-21 profit ₹ 50,000 and 2021-22 profit ₹ 70,000.

It was realised that the following omission was made.

(4)

A computer purchased on October 1st 2021 for ₹ 25,000 was wrongly considered as revenue expenditure and debited to Profit and Loss Account, on which depreciation is to be charged @ 20% p.a.

Calculate value of goodwill after the above adjustment and give journal entry for treatment of goodwill on change in profit sharing ratio.

- 23.** Sindhu, Rahul and Kamlesh are partners in a firm sharing profits and losses in the ratio of 4 : 3 : 3. Their fixed capitals are ₹ 1,00,000, ₹ 2,00,000 and ₹ 3,00,000 respectively. For the year 2021–22, interest on capital was credited to them @ 10% p.a. instead of 9% p.a.

Pass an adjustment entry and show the working clearly.

(4)

- 24.** Alia, Karan and Shilpa were partners in a firm sharing profits in the ratio of 7 : 2 : 1 respectively. Their fixed capitals were as follows:

Alia—₹ 3,00,000; Karan—₹ 2,00,000 and Shilpa—₹ 1,00,000.

The partnership deed provided for the following for division of profit:

- 10% of the net profit will be transferred to General Reserve.
- Shilpa was guaranteed profit of ₹ 50,000. Any loss of guarantee to Shilpa was to be shared by Ali and Karan equally.

Net profit of the firm for the year ended 31st March, 2022 was ₹ 2,00,000.

Prepare Profit & Loss Appropriation Account for the year ended 31st March, 2022.

(6)

- 25.** Nishant Ltd. acquired assets of ₹ 25,00,000 and took over creditors of ₹ 5,00,000 from Ram Enterprises for a purchase consideration of ₹ 24,00,000. The consideration was paid by the issue of 9% Debentures of ₹ 100 each at a premium of 20%, to be redeemed at par after 5 years.

Pass the necessary Journal entries for the above transactions.

(6)

Or

S Ltd. has an authorised capital of ₹ 10,00,000 divided into Equity Shares of ₹ 10 each. The company invited applications for 50,000 shares. Applications for 48,000 shares were received. All calls were made and duly received except the final call of ₹ 3 per share on 1,000 shares. These shares on which the final call was not received were forfeited. Show how the Share Capital will appear in the Balance Sheet of the company as per Schedule III Part I of the Companies Act, 2013. Also prepare Notes to Accounts for the same.

- 26.** Monu, Nigam and Shreya were partners in a firm sharing profits and losses in the ratio of 4 : 3 : 1. The firm closes its books on 31st March every year. As per the terms of Partnership Deed on the death of any partner, share of goodwill of the deceased partner was to be calculated on the basis of 50% of the net profits credited to that partner's Capital Account during the last four completed years before death. Monu died on 1st July, 2022.

Profits for the last four years were:

Year	Profit (₹)
2018–19	97,000
2019–20	1,05,000
2020–21	30,000
2021–22	84,000

His share of profit in the year of his death was to be calculated on the basis of sales. Sales for the year ended 31st March, 2022 was ₹ 21,00,000. From 1st April, 2022 to 30th June, 2022, the firm's sales were ₹ 2,00,000.

Pass necessary Journal entries relating to the amount of goodwill and profit to be transferred to Monu's Capital Account. Also show your workings clearly.

(6)

- 27.** Anita, Asha and Amrit are partners sharing profits in 3 : 2 : 1 ratio. From 1st April, 2022, they decided to share profits in the ratio of 2 : 3 : 1. The partnership deed provided that in the event of any change in profit-sharing ratio, goodwill should be valued at three years' purchase of average profit of last five years. The profits and losses of last five years were:

Year ending on 31st March, 2018	₹ 1,20,000
Year ending on 31st March, 2019	₹ 3,00,000
Year ending on 31st March, 2020	₹ 3,40,000
Year ending on 31st March, 2021	₹ 2,80,000
Year ending on 31st March, 2022	₹ 40,000 (Loss)

Pass the necessary Journal entry to record the above change.

(6)

- 28.** Pranav, Karan and Rahim were partners in a firm sharing profits and losses in the ratio of 2 : 2 : 1. On 31st March, 2022 their Balance Sheet was as follows:

Balance Sheet of Pranav, Karan and Rahim as on 31.3.2022

Liabilities		Amount (₹)	Assets		Amount (₹)
Creditors		3,00,000	Fixed Assets		4,50,000
General Reserve		1,50,000	Stock		1,50,000
Capitals:			Debtors		2,00,000
Pranav	2,00,000		Bank		1,50,000
Karan	2,00,000				
Rahim	1,00,000	5,00,000			
		9,50,000			9,50,000

Karan died on 12.6.2022. According to the partnership deed, the legal representatives of the deceased partner were entitled to the following:

- Balance in his Capital Account.
- Interest on Capital @ 12% p.a.
- Share of goodwill. Goodwill of the firm on Karan's death was valued at ₹ 60,000.
- Share in the profits of the firm till the date of his death, calculated on the basis of last year's profit. The profit of the firm for the year ended 31.3.2022 was ₹ 5,00,000.

Prepare Karan's Capital Account to be presented to his representatives.

(8)

29.

Arnab, Ragini and Dhrupad are partners sharing profits in the ratio of 3 : 1 : 1. Last year, conflicts arose due to certain issues of disagreements and on 31st March, 2022, they decided to dissolve the firm. On that date their Balance Sheet was as under:

BALANCE SHEET OF ARNAB, RAGINI AND DHRUPAD as at 31st March, 2022

Liabilities	₹	Assets	₹
Creditors	60,000	Bank	50,000
Arnab's Brother's Loan	95,000	Debtors	1,70,000
Dhrupad's Loan	1,00,000	Less: Provision for Doubtful Debts	20,000
Investment Fluctuation Reserve	50,000	Stock	1,50,000
Capital A/cs:		Investments	2,50,000
Arnab	2,75,000	Building	3,00,000
Ragini	2,00,000	Profit & Loss Account	50,000
Dhrupad	1,70,000		
	6,45,000		
	9,50,000		9,50,000

The assets were realised and the liabilities were paid as under:

- Arnab agreed to pay his brother's loan.
- Investments realised 20% less.
- Creditors were paid at 10% less.
- Building was auctioned for ₹ 3,55,000. Commission on auction was ₹ 5,000.
- 50% of the stock was taken over by Ragini at market price which was 20% less than the book value and the remaining was sold at market price.
- Dissolution expenses were ₹ 8,000. ₹ 3,000 were to be borne by the firm and the balance by Dhrupad. The expenses were paid by him.

Prepare Realisation Account and Partners' Capital Accounts.

(8)

30.

Sneha, Alka and Megha were partners sharing profits and losses in the ratio of their capitals. Their Balance Sheet as on 31st as March, 2022 stood under:

Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	30,000	Cash in hand	32,000
Bills Payable	12,000	Debtors	20,000
General Reserve	18,000	Less: Provision for Bad debts	(1,000)
Capital A/c:		Stock	28,000
Sneha	90,000	Investments	46,000
Alka	60,000	Furniture	25,000
Megha	30,000	Machinery	90,000
	2,40,000		2,40,000

On the above date Sneha retired.

Goodwill of the firm is valued at ₹ 30,000 and is to be adjusted in the Capital accounts of Alka and Megha who decide to be equal partners in future.

Fill in the missing information in the Revaluation Account, Partners' Capital Accounts and the Balance Sheet of the new firm after Sneha's retirement.

Dr.		Revaluation A/c		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)		
To Provision for debtors A/c	.....	By Investments A/c	5,000		
To Machinery A/c	.....		.....
.....	2,000	By Loss transferred to:			
		Sneha's Capital A/c	.....	
		Alka's Capital A/c	.....	
		Megha's Capital A/c	.....	
		

Dr.		Partners' Capital A/cs				Cr.	
Particulars	Sneha (₹)	Alka (₹)	Megha (₹)	Particulars	Sneha (₹)	Alka (₹)	Megha (₹)
By Sneha's Capital A/c	By Balance b/d	.....	.....	.....
.....
By Cash	15,000			By Alka's Capital A/c	.....	
By Sneha's Loan A/c			By Megha's Capital A/c	.....	
By Balance c/d	A/c	.....	

Balance Sheet of the new firm

Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	30,000	Cash in hand	.....
Bills Payable	12,000	Debtors	20,000
Claim for damages	2,000	Less: Provision	(1,500)
Sneha's Loan A/c	.....	Stock	28,000
Capital A/cs		Investments	.....
Alka	.....	Furniture	25,000
Megha	.....	Machinery	81,000
		Prepaid Insurance	2,000
