RKG INSTITUTE

B - 193, Sector - 52, Noida

CLASS 12 - ACCOUNTANCY

Test

Time Allowed: 1 hour **Maximum Marks: 45**

General Instructions:

All Questions are Compulsory. Use of calculator is Prohibited

1. How drawing against capital is differ from drawings against profit: **[1]**

a) Drawings against capital will not be recorded at all

b) Drawings against capital will reduce the capital

c) Drawings against capital will effect current account

d) Drawings against capital will reduce the profit

2. Current Accounts of partners are maintained if: **[1]**

a) capitals are fluctuating

b) None of these

c) capitals are fixed

d) Both capitals are fixed and capitals are fluctuating

3. X and Y are partners. X's capital is Rs. 10;000 and Y's capital is Rs. 6.000. Interest is payable @ 6%,p.a.Y is entitled to a salary of Rs. 300 per month. Profit for the current year before charging any Interest and Salary to Y is Rs. 8,000. Divide the profit between X & Y.' **[1]**

4. Match the following: **[2]**

Column A	Column B
(a) Minimum Number of members.	(i) 8.
(b) Maximum number of member for bank.	(ii) 2.
(c) Maximum number of member for other.	(iii) 10.
(d) Types of partners.	(iv) 20.

5. Match with appropriate option adopted when partnership deed is not available: **[2]**

Column A	Column B
(a) Sharing of Profit and Loss.	(i) Not charged.
(b) Interest on capital.	(ii) Equally.
(c) Interest on partner's loan.	(iii) Not Allowed.
(d) Interest on drawings.	(iv) 6% p.a.

6. There are two partners in a firm L and M. N is admitted into the firm for $\frac{1}{3}$ share of profits with a guaranteed profit of Rs 18000 p.a. The firm's total profit is 42000. If L stood as a guarantor of guaranteed profit to N, how much profit would be given to L? **[2]**

a) 20000 b) 10000

c) 22000 d) 15000

7. State True or False: **[2]**

a) Under the fixed capital method, any addition to capital will be shown in the partner's capital account.

b) If a fixed amount is withdrawn by a partner on the first day of every month, interest on the total amount is charged for $6\frac{1}{2}$ months.

8. Fill in the blanks: **[2]**

a) Interest on loan taken by a partner is recorded on ________ side of profit and loss account.

b) In the absence of partnership deed rate of interest on partner, loan will be ________.

9. Mihir and Tom are partners share profits and losses in the ratio of 2:1. They admit Dev as a partner with $\frac{1}{4}$ share in profits with a guarantee that his share of profit shall be at least ₹ 50,000. The net profit of the firm for the year ending March 31, 2016, was ₹ 1,60,000. Prepare Profit and Loss Appropriation Account. **[4]**

10. On 1 st April, 2017 P, Q and R started a business with capitals of ₹6,00,000; ₹4,50,000 and ₹3,50,000 respectively. According to partnership agreement: **[6]**

i. Profit earned in any year will be distributed as under: Upto ₹1,80,000 equally Excess over ₹1,80,000 one-third to P, one-sixth to Q and one-half to R.
ii. Allow interest on capital @6% p.a. and charge interest on drawings @8% p.a.
iii. P is entitled to get a salary of ₹4,000 per month together with a commission of 5% on net profit remaining after considering salary and interest but before charging any commission.
iv. Q is entitled to get a salary of ₹5,000 per month together with a commission of 5% on net profit remaining after considering salary, interest and after charging all commissions.

Drawings of the partners during the year were :
P withdrew regularly ₹5,000 at the beginning of the every month.
Q withdrew regularly ₹7,500 at the end of the every month.
R withdrew ₹70,000 during the year. The profit for the year ended 31st March, 2018 before all of the above adjustments was ₹4,96,310.
Distribute the profit among the partners and prepare partners' capital accounts when Capitals are fluctuating.

OR

On 1st April, 2013 Mohan and Sohan entered into partnership for doing business of dry fruits. Mohan introduced Rs 1,00,000 as capital and Sohan introduced Rs 50,000. Since Sohan could introduce only Rs 50,000 it was further agreed that as and when there will be a need Sohan will introduce further capital. Sohan was also allowed to withdraw from his capital when the need for the capital was less. During the year ended 31st March, 2014, Sohan introduced and withdrew the following amounts of capital.

Date	Capital Introduced	Capital withdrawn
1st May, 2013	10,000	-
30th June, 2013	-	5,000
30th September, 2013	97,000	-

1st February, 2014	-	87,000

The partnership deed provided for interest on capital @ 6% per annum. Calculate interest on capitals of the partners.

11. On 31st March, 2014, the balances in the capital accounts of Esha, Manav and Daman after making adjustments for profits and drawings were ₹3,20,000, ₹2,40,000 and ₹1,60,000 respectively. Subsequently, it was discovered that the interest on capital and drawings had been omitted. **[6]**

    - The profit for the year ended on 31st March, 2014 was ₹90,000.
    - During the year, Esha and Manav each withdrew a sum of ₹48,000 in equal instalments in the middle of every month and Daman withdrew ₹60,000.
    - The interest on drawings was to be charged @5% per annum and interest on capital was to be allowed @ 10% per annum.
    - The profit-sharing ratio of the partners was 3 : 2 : 1.

    Showing your workings clearly, pass the necessary rectifying entry.

12. X and Y are partners in a firm. Their capitals as on April 1, 2017 were ₹2,50,000 and ₹1,80,000 respectively. They share profits equally. On July 1, 2017, they decided that their capitals should be ₹2,00,000 each. The necessary adjustments in the capitals were made by withdrawing or introducing cash. According to the partnership deed, interest on Capital is to be allowed at 8% p.a. X is to get an annual salary of ₹4,000 and Y is allowed a monthly salary of ₹800. It was found that Y was regularly withdrawing his monthly salary. **[8]**
    The manager of the firm is entitled to a commission of 10% of the profit before any adjustment is made according to the partnership deed.
    Net profit for the year ended on 31st March, 2018, before charging interest on capital and salary, was ₹80,000. Prepare the profit and loss appropriation account, partner's capital accounts and current accounts.

13. X and Y are partners sharing profits and losses in the ratio of 7 : 3. Their Capital Accounts as at 1st April, 2018 stood at X-₹ 5,00,000; Y-₹ 4,00,000. Partners are allowed interest on capital @ 5% p.a. Drawings of the partners during the year ended 31st March, 2019 were ₹ 72,000 and ₹ 50,000 respectively. Profit for the year before allowing interest on capital and salary to Y @ ₹ 5,000 per month was ₹ 8,00,000. 10% of the net profit is to be set aside as General Reserve. **[8]**
    Pass the Journal entries for Appropriation. Prepare Profit and Loss Appropriation Account for the year ended 31st March, 2019, and Capital and Current Accounts of the partners.