|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | | | | | | | | | | | | | |
| **Periodic Test I 2022-23** | | | | | | | | | | | | | |
|  | | | | | | | | | | | | | |
| **Subject: ACCOUNTANCY**  **Grade: XII** | | | | | | Max. Marks:35Time: 80 MINUTES | | | | | | | |
| **Name:** | | | | | | | | | | | **Section:** | **Roll No:** | |
| *General Instructions:*   * *Attempt all parts of a question together.* * *Working notes should accompany solutions.* * *Journal entries must accompany narrations* | | | | | | | | | | | | | |
| 1 | Which of the following items is not dealt through Profit and Loss Appropriation Account? | | | | | | | | | | | | 1 |
|  | a | Interest on Partner’s Loan | | | | | B | | | Partner’s Salary | | |  |
|  | c | Interest on Partner’s Capital | | | | | d | | | Partner's Commission | | |  |
| 2. | Which of the following factors decreases the value of goodwill? | | | | | | | | | | | | 1 |
|  | a | | Favorable location | | | | b | | | Favorable contracts | | |  |
|  | c | | Customer satisfaction | | | | d | | | Continuously incurring losses | | |  |
| 3 | 5. Goodwill of a firm is not affected by its: | | | | | | | | | | | | 1 |
|  | a | | | Quality of Product | | | | b | | Management | | |  |
|  | c | | | Market Situation | | | | d | | Number of Employees | | |  |
| 4 | E, F and G are partners sharing profits in the ratio of 3:3:2. As per the partnership agreement, G is to get a minimum amount of `80,000 as his share of profits every year and any deficiency on this account is to be personally borne by E. The net profit for the year ended 31st March 2020 amounted to `3,12 ,000. Calculate the amount of deficiency to be borne by E? | | | | | | | | | | | | 1 |
|  | a | | | | 1,000 | | | | b | 4,000 | | |  |
|  | c | | | | 8,000 | | | | d | 2,000 | | |  |
| 5 | Average profit earned by a firm is Rs. 75,000 which includes undervaluation of stock of Rs. 5,000 on average basis. The capital invested in the business is Rs. 7,00,000 and the normal rate of return is 7%. What will be the amount of goodwill on the basis of 5 times the super profit? | | | | | | | | | | | | 1 |
| 6 | Ajay, Binod and Chandra entered into partnership on 1st April 2019 with a capital of `3,00,000, `2,00,000 and `1,00,000 respectively. In addition to capital Chandra has advanced a loan of `1,00,000. Since they had no agreement to guide them, they faced following issues during and at the end of the year.   1. Ajay wanted interest on capital to be provided @8% p.a. but Binod and Chandra did not agree. 2. Chandra wanted that interest on loan be paid to him @ 10% pa but Ajay and Binod wanted to pay @ 5% p.a. 3. Ajay and Binod demanded to share profits in the ratio of their capital contribution, Chandra is not in agreement with this proposal.   You are required to suggest and help them resolve these issues. | | | | | | | | | | | | 3 |
| 7 | The following were the profits of a firm for the last three years.  Year ending Profit  2000 - 4,00,000 (including an abnormal gain of Rs.50,000)  2001 - 5,00,000 (after charging an abnormal loss of Rs. 1,00,000)  2002 - 4,50,000 (excluding Rs. 50,000 payables on the insurance of plant and machinery)  Calculate the value of firm's goodwill on the basis of two years purchase of the average profits for the last three years. | | | | | | | | | | | | 3 |
| 8 | Following relates to the profit earned by a firm for the last four year; Rs.15,000, Rs.25,000, Rs.65,000 and Rs.75,000. The total assets of the firm are Rs.6,40,000 and outside liabilities Rs.1,40,000. Normal rate of return is 6%.  Calculate goodwill of the firm under capitalization of super profit method. | | | | | | | | | | | | 4 |
| 9 | Rohit, Raman and Raina are partners in a firm. Their capital accounts on 1st April 2019, stood at `2,00,000, `1,20,000 and `1,60,000 respectively. Each partner withdrew `15,000 during the financial year 2019-20. As per the provisions of their partnership deed:   1. Interest on capital was to be allowed @ 5% per annum. 2. Interest on drawings was to be charged @ 4% per annum. 3. Profits and losses were to be shared in the ratio 5:4:1.   The net profit of `72,000 for the year ended 31st March 2020, was divided equally amongst the partners without providing for the terms of the deed.  You are required to pass a single adjustment entry to rectify the error (Show workings clearly). | | | | | | | | | | | | 6 |
| 10 | Asif and Ravi are partners in a firm, sharing profits and losses in the ratio of 3:2. Their fixed capitals as on 1st April 2016, were 6,00,000 and 4,00,000 respectively.  Their partnership deed provides for the following:   1. Partners are to be allowed interest on their capital @ 10% per annum. 2. They are to be charged interest on drawings @ 4% per annum. 3. Asif is entitled to a salary of 2,000 per month. 4. Ravi is entitled to a commission of 5% of the correct net profit of the   Firm before charging such commission.   1. Asif is entitled to a rent of 3,000 per month for the use of his premises   by the firm.  The net profit of the firm for the year ended 31st March 2017, before providing for any of the above clauses was 4,00,000. Both partners withdrew 5,000 at the beginning of every month for the entire year.  You are required to prepare a Profit and Loss Appropriation Account for the year ended 31st March 2017. | | | | | | | | | | | | 6 |
| 11 | R and S two partners of a business firm, agreed to appropriate the profits of their firm on the following terms:   1. Interest is payable on capital @ 5% per annum. 2. R will be entitled to a salary of ‘500 per month. 3. Interest on loan to be given by the firm to the partners to be charged @ 10% p.a. 4. Interest on drawings to be charged from the partners @ 5% per annum. 5. S will get commission @ 1% on the sales made during the year. 6. R is entitled to a Rent of ' 25,000 per annum for allowing the firm to carry on the business in his premises.   The net profit of the firm for the year ended 31st March 2015, was ' 1,80,000 before taking into account any of the above terms:   |  |  |  | | --- | --- | --- | | Particulars | R | S | | Capital Balances on 1st April 2014 | 1,50,000 | 1,40,000 | | Loan advanced on 1st October, 2014 | --- | 1,00,000 | | Drawings made during the year | 40,000 | 30,000 |   During the year 2014-15, sales of the firm amounted to ' 7,00,000.  From the above information prepare:   1. Profit and Loss Appropriation Account (b) Partners' Capital Account. | | | | | | | | | | | | **8** |