



B.K. BIRLA CENTRE FOR EDUCATION

SARALA BIRLA GROUP OF SCHOOLS
A CBSE DAY-CUM-BOYS' RESIDENTIAL SCHOOL

PRE MID TERM EXAM, 2025-26 ACCOUNTANCY 055

Class: XII
Date: 4.08.25
Admission No:

Time: 1hr
Max Marks: 25
Roll No:

General Instructions:

Read the following instructions very carefully and strictly follow them:

- I. This question paper contains 10 questions. All questions are compulsory.
- II. Marks are indicated against each question.

Q1) Observe picture below of Companies Act. To which provisions of partnership is it relevant? (1)



- (A) It decides the type of business the partners can do
- (B) It states the maximum number of partners
- (C) It decides who is competent to enter a partnership agreement
- (D) It states the nationality of a partner

Q2) With regards to Interest on loan from a partner which of the following statements are TRUE. (1)

- (i) It is a charge against the profit.
 - (ii) It is an appropriation of the profit.
 - (iii) Interest on loan must be provided at 6% p.a. even if there is a loss for the firm.
 - (iv) Interest on loan is shown in the debit side of partners capital/current a/c.
- (A) Option (i),(ii) and (iii) (B) Option (ii),(iii) and (iv)
(C) Option (i) and (iii) (D) Option (ii) and (iv)

Q3) Assertion (A): In the absence of an agreement, partners share profits equally.

Reason (R): The Partnership Act, 1932 states that profits should be shared in the capital ratio.

Choose the correct option from the following:

(1)

- (A) Both (A) and (R) are correct and (R) is the correct explanation of (A)
- (B) Both (A) and (R) are correct but (R) is not the correct explanation of (A)
- (C) Only (A) is correct but (R) is not correct
- (D) Only (R) is correct but (A) is not correct

Q4) Rakhi and Tina are partners. They have a partnership deed that allows interest on capital @10% p.a. and interest is charged on drawings @5% p.a. Rakhi withdrew Rs.10,000 and Tina Rs. 20,000 during the year.

The total interest on drawing of both the partners is. (1)
 (A) Rs.500 (B) Rs.750
 (C) Rs.250 (D) Cannot be calculated as date is missing

Q5) Which of the following is NOT true about partnership business. (1)
 (A) It can be started with at least two persons.
 (B) Partnership is formed to do only legal economic activity.
 (C) It is always better to get a Partnership registered.
 (D) All the partners always have limited liability.

Q6) Average profit of last few years was 80,000. (3)
 Balance of Capital A/c of Ali and Bali were 1,80,000 and 1,20,000. The normal rate of return is 20%.
 Calculate goodwill if it is valued at 4 years purchase of the super profit

OR

Profits of last three years were 25,000; 30,000 and 50,000. If weights were assigned as 3,3 and 4 first and later changed to 2,3 and 5 how will it impact the value of goodwill if its value at the weighted average profit method.

Q7) Pass journal entries in the books of AS Ltd a partnership firm of two partners Alok and Sublok. (3)
 (i) Transferred 1,20,000 net profit to profit and loss appropriation a/c.
 (ii) Alok and Sublok was allowed interest on capital Rs.7,500 and Rs.5,000 respectively.
 (iii) Distributed profit in the ratio of interest on capital.

Q8) Ansari and Bansuri are two partners. The profit of the year Rs.1,85,000 was divided equally among the partners. Without taking into the consideration of the following: (4)
 (i) Interest on capital Rs. 6,500 and Rs.2,500 respectively.
 (ii) Interest on drawing Rs.2,500 and Rs.1,500 respectively.
 (iii) Profit Sharing Ratio 8:7
 Clearly show the working and pass an adjusting journal entry.

Q9) The profit for the last three years ended (4)
 31st March 2022; Rs.1,20,000 ; 31st March 2023 ; Rs. (30,000) and 31st March 2024; Rs.70,000
 The profits of 31st March 2022 include additional capital investment of Rs.40,000 which was passed through profit and loss A/c ; On 1st July 2022 there was a massive fire and a capital loss of machinery of Rs.90,000 was recorded in profit and loss A/c. Calculate the goodwill if it is valued at 2 years purchase of the weighted average adjusted profit. If the weights of last three years were 5; 7 and 8 respectively.
 Clearly show the adjustment table.

Q10) Read the passage below and answer the questions that follow.
 Subir and Tina decided to set up a partnership to sell plant based vegan snacks. Since both of them had a family, they decided to withdraw a salary of Rs 12000 per quarter. Subir also withdrew Rs 1,00,000 on 31st December, 2024. The partnership deed provided for 10% p.a. interest on drawings. Tina introduced Rs 50,000 as additional capital on 31st January, 2024 to increase the inventory. The net distributable profit was Rs 200,000 as on 31st March 2024, which was divided between Subir and Tina equally after providing 25% to general reserve.
 (i) What was the total salary credited to partners' capital accounts? (1)
 (ii) What was the profit credited in each partner's accounts? (1)
 (iii) Interest on Subir's drawings will be how much? (1)
 (iv) Prepare capital accounts of each partners and find their closing balance if the opening capital of the partners were 2,80,000 and 1,50,000 respectively. (3)

----- ALL THE BEST -----