

PUC-II YEAR MIDTERM EXAMINATION-2022

MARKS 100

SUBJECT ACCOUNTANCY (30)

Time 3 Hours 15 Minutes

Instructions

- 1) All the sub questions of Section-A should be answered continuously at one place
- 2) Provide working notes wherever necessary
- 3) 15 minutes of extra time has been allotted for the candidates to read questions
- 4) Figures in the right hand margin indicate full marks

SECTION - A**I. Answer ANY EIGHT of the following questions, each carry one marks :****8X1=8**

- 1) Non profit organisation is formed for
a) profit b) service c) profit & service d) Loss
- 2) The Agreement between partners must be in writing (State True/False)
- 3) State any one features of partnership.
- 4) Expand NPSR.
- 5) New Ratio - Old Ratio = _____
- 6) Who is an Executor ?
- 7) What is Capital Fund ?
- 8) What is the minimum number of partners in a partnership firm ?
- 9) When do you prepare Executor's A/c ?
- 10) State any one method of valuation of Goodwill.

SECTION - B**II. Answer ANY FIVE of the following questions, each carrying two marks :****5X2=10**

- 11) What is Subscription in case of not for profit organisation ?
- 12) State any two features of Partnership
- 13) Write any two contents of partnership deed
- 14) State any two reasons for admitting a new partner.
- 15) State any two rights acquired by a New Partner.
- 16) How do you close P & L Appropriation A/C ?
- 17) Give the meaning of Dissolution of a partnership firm.
- 18) Write the journal entry for payment of Liability on Dissolution of a firm.

SECTION - C**III. Answer ANY FOUR of the following questions, each carrying six marks :****4X6=24**

- 19) From the following particulars, Prepare a Receipt & Payment Account

Particulars	Rs.
Opening Balance <i>Receipt</i>	
Cash in Hand <i>₹</i>	5,000
Cash at Bank <i>₹</i>	25,000
Subscription <i>₹</i>	1,65,000
Donations <i>₹</i>	35,000
Investment purchased <i>Payment</i>	80,000
Rent paid <i>₹</i>	20,000
General Expenses <i>₹</i>	21,500
Postage <i>₹</i>	2,000
Courier charges <i>₹</i>	1,000
Sundry Expenses <i>₹</i>	2,500
Closing Cash in hand <i>₹</i>	12,000

- 20) Sagar and Prakash started business with Capital of Rs. 1,00,000 & Rs. 80,000 respectively on 1-4-2015 as per profit sharing ratio 3 : 2 for the year ending they earned profits of Rs. 36,000 before allowing.

- a) Interest on Capital at 5%.
 - b) Interest on Drawings Sagar Rs. 600, Prakash Rs. 1,000
 - c) Yearly Salary of Prakash Rs. 10,000 & Commission to Sagar Rs. 4,000
 - d) Their drawings during the year Sagar Rs. 16,000, Prakash Rs. 20,000
- Prepare Profit & Loss Appropriation A/C.

- 21) Harsh withdrew Rs. 2,500 at the end of each month. The partnership deed provides for charging interest on drawings @ 12% p.a. Calculate interest on drawings as per Average period method for the year ending 31-12-2018.
- 22) Uday & Kiran partners in a firm. Uday's drawings for the year 2015-16 given below.
- | Rs | Date |
|-------|---------------|
| 5,000 | on 01-04-2015 |
| 8,000 | on 30-06-2015 |
| 3,000 | on 01-12-2015 |
| 2,000 | on 31-03-2016 |
- Calculate interest on Uday's Drawing at 10% p.a. for the year ending 31-03-2016 under product method.
- 23) Divakar & Prabhakar are partners with profit sharing ratio 3:2. They admit Sudhakar into business & new ratio was agreed to be 5:4:3. Calculate sacrifice ratio.
- 24) Amar, Dinesh & Ganesh are the partners with ratio 5:3:2. Dinesh retires, remaining partners decide to share the profits of the firm in the ratio of 3:2. Calculate gain ratio of Amar & Ganesh.
- 25) Girish, Mahesh & Varun are partners with PSR 6:3:2. Their capitals on 1-4-2017 at Rs. 60,000, Rs. 30,000, Rs. 20,000 respectively on 30 September 2017. Varun died the deceased partners share of Goodwill is Rs. 10,000. The deceased partners share in accrued profit upto the date of death is Rs. 4,200. Varun's commission is Rs. 600 p.m. drawings upto the date of death Rs. 8,000 Interest on Capital 10% p.a. Prepare Varun's Capital A/C.

SECTION D

IV. Answer ANY FOUR from the following, each carrying twelve marks : 4X12=48

- 26) Following are the Balance Sheet, Receipt & Payment Account of Karnataka Education Trust Bangalore.

Balance Sheet as on 31-3-2017

Liabilities	Rs.	Assets	Rs.
Outstanding office expenses	5,000	Cash in hand	15,000
Bank Loan	35,000	Furniture	25,000
Capital Fund	1,20,000	Building	70,000
		Sports Materials	20,000
		Library Books	30,000
	1,60,000		1,60,000

Dr. Receipt and Payment A/c for the year ended 31st March 2018 Cr			
Receipts	Rs.	Payments	Rs.
To Balance b/d	15,000	By Office expenses	22,000
• Subscriptions	50,000	• Postage	100
• Entrance Fees	8,000	• Printing	500
• Donations	12,000	• Salary	25,000
• Interest	5,000	• Purchase of Books	10,000
		• Bank loan paid	5,000
		• Subscription to Newspaper	600
		• Balance c/d	26,800
Total	90,000	Total	90,000

Adjustments :

- Outstanding Subscription Rs. 5,000
- Subscription in Advance Rs. 5,000
- Prepaid Salary Rs. 2,500
- Capitalise 50% of Entrance fees and 100% Donations.
- Depreciate Building by 10% p.a.

Prepare : i) Income & Expenditure A/C ii) Balance Sheet as on 31-3-2018.

27) A and B partners are with profit sharing ratio 2:1.

Balance Sheet as on 31-3-2020

Liabilities	Rs.	Assets	Rs.
Creditors	20,000	Cash in hand	5,000
Bills payable	10,000	Stock	15,000
Reserve	12,000	Debtors	20,000
Capitals		Machinery	30,000
A	60,000	Building	60,000
B	40,000	Investments	12,000
	1,42,000		1,42,000

On 1-4-2020 'C' admitted with

- Cash Rs. 25,000 as his Capital and Rs. 15,000 as Goodwill for his 1/5 share in future profit (as per As-26)
- Appreciate Building at 20%.
- Stock is revalued at Rs. 12,000
- Provision for Doubtful debt (PDD) is maintained at 5% on Debtors.
- Outstanding Salary Rs. 2,000.

Prepare : i) Revaluation Account
ii) Partner's Capital Account
iii) New Balance Sheet of the firm.

28) Shankar and Sharan are partners with 3:1 ratio.

Balance Sheet as on 31-3-2019

Liabilities	Rs.	Assets	Rs.
Creditors	46,000	Cash at Bank	30,000
Reserve	4,000	Bills Receivable	4,000
Capitals :		Debtors	16,000
Shankar	30,000	Stock	20,000
Sharan	16,000	Furniture	1,000
		Building	25,000
	96,000		96,000

On 1-4-2019 Sharad was admitted into the firm.

- He pays Rs. 15,000 as Capital for 1/5 share and Rs. 8,000 for Goodwill (as per As-26)
- Half of the Goodwill is to be withdrawn by old partners.
- Stock is reduced by 10%.
- 5% PDD on Debtors.
- Building appreciated by 20%.
- An item of Rs. 1,800 included in creditors is not likely to be claimed and hence should be written back.

Prepare : i) Revaluation Account
ii) Partner's Capital Account
iii) New Balance Sheet

29) Srikant, Girish and Mohan are partners with equal profit sharing ratio.

Balance Sheet as on 31-3-2021

Liabilities	Rs.	Assets	Rs.
Creditors	30,000	Cash	24,000
Bills payable	20,000	Bills Receivable	28,000
Bank overdraft	25,000	Stock	36,000
Reserve	15,000	Investment	9,000
Capitals :		Debtors	20,000
Srikant	60,000	Furniture	25,000
Girish	50,000	Machinery	32,000
Mohan	30,000	Building	50,000
		Profit and Loss A/c	6,000
	2,30,000		2,30,000

On 1-4-2021 Mohan retired and the following adjustment are to be made.

- Goodwill of the firm is created Rs. 18,000 and retained in the business. (As per As-26)
- Maintain PDD 5% on Debtors.
- Increase Stock by Rs. 4,000.
- Depreciate Machinery, Furniture by 10% each.

Prepare : i) Revaluation Account
ii) Partner's Capital Accounts
iii) Balance Sheet as on 1-4-2021

30) D, B and P are partners with PSR 2:2:1

Liabilities	Rs.	Assets	Rs.
Creditors	49,000	Cash	8,000
Reserve	18,500	Debtors	19,000
D' Capital	82,000	Stock	42,000
B' Capital	60,000	Building	2,07,000
P' Capital	75,500	Patents	9,000
	2,85,000		2,85,000

P' retired on 31-3-2018. Goodwill of the firm was valued at Rs. 60,000 (As-26)

Bad debt Rs. 2,000 written off.

Patents were considered as value on.

Prepare : i) Revaluation Account ii) Partner's Capital Account iii) Balance Sheet

31) S and M partners with PSR 3:2.

Liabilities	Rs.	Assets	Rs.
S. Capital	32,500	Cash at Bank	40,500
M. Capital	11,500	Stock	7,500
Creditors	48,000	Debtors	21,500
Reserve	13,500	Less : PDD	500
		Fixed Assets	36,500
	1,05,500		1,05,500

1) The firm dissolved on 31-3-2018. <https://www.karnatakaboard.com>

2) Debtors Realised at a discount of 5% stock realised at Rs. 7,000.

3) Fixed Assets realised at Rs. 42,000, Realisation Expenses Rs. 1,500

4) Creditors are paid at book value.

Prepare Necessary Ledger A/C.

32) R and G partners with PSR 3:2.

Balance Sheet as on 31-3-2018

Liabilities	Rs.	Assets	Rs.
Creditors	10,000	Cash at Bank	5,000
Bills payable	10,000	Bills Receivable	10,000
R' Loan	5,000	Debtors	20,000
Reserve	10,000	Stock	15,000
Capital :		Machinery	15,000
R	30,000	Furniture	10,000
G	40,000	Goodwill	30,000
	1,05,000		1,05,000

Firm dissolved Assets realised.

1) Bills Receivable Rs. 7,500, Debtors & Stock 10% less than book value.

2) Machinery 5% more than book value.

3) Goodwill Rs. 12,000.

4) Furniture taken by G at Rs. 8,000, Expenses Rs. 600.

5) All the liabilities paid in full.

Prepare : i) Realisation A/C ii) Partners Capital A/C iii) Bank A/C

SECTION - E

(Practical Oriented questions)

Answer ANY TWO of the following questions, each carrying five marks :

2X5= 10

33) Classify the following into Capital & Revenue.

- a) Legacies b) Subscription c) Life membership fees
d) Special Donations e) Sale of old Newspapers

34) Prepare two partners' current A/c under fixed capital system with imaginary data

35) Prepare Executor's Loan A/c with imaginary figures showing the repayment in two annual equal installments with interest.
