

CBT SEPTEMBER 2023
KENDRIYA VIDYALAYA SANGTHAN BHOPAL REGION
SUBJECT - ACCOUNTANCY
CLASS XII

1	<p>If goodwill is already appearing in the books of accounts at the time of retirement, then it should be written off in -----.*</p> <p>(A) Old Ratio (B) Sacrificing Ratio (C) Gaining Ratio (D) New Ratio</p>	1
ANS.1	<p>(A) Old Ratio</p> <p>Explanation- If goodwill is already appearing in the books of accounts at the time of retirement, then it should be written off in Old Ratio & Debited by Old Partners Capital Account.* i.e. Old Partner's Capital A/c Dr.</p> <p style="text-align: right;">To Goodwill A/c</p>	1
2	<p>B and C were partners sharing profits in the ratio 2 : 2 : 1, having capital accounts as Rs. 50,000, Rs. 50,000 and Rs. 25,000, respectively. B retired. On that date, balance in General Reserve was Rs. 15,000. If firm's Goodwill is valued at Rs. 30,000 and Gain (profit) on Revaluation is Rs. 7,050, amount payable to B will be:</p> <p>(A) Rs. 50,820 (B) Rs. 70,820 (C) Rs. 8,820 (D) Rs. 9,000</p>	1
Ans.2	<p>(B)Rs. 70,820</p> <p>Explanation-</p> <p>Amount Payable to B= Capital Balance of His = Rs.50,000 (Cr.Balance)</p> <p>B's Share in General Reserve i.e. 15,000 x 2/5 = Rs.6,000 (Cr.Balance)</p> <p>B's Share of Gain on Revaluation i.e.7050, x 2/5 = Rs.2,820 (Cr. Balance)</p> <p>B's Share of Goodwill (30,000 x 2/5) = Rs.12,000 (cr. Balance)</p> <p>Total Amount Payable to B= Rs.70820</p>	1
3	<p>Karan, Aman and Girish were Partners with capitals of Rs. 3,00,000; Rs.2,50,000 and Rs.2,00,000 respectively as on 31st March, 2018. Aman died, partners decided to pay the entire amount to Aman's Executor but they only had Rs.50,000 cash and rest of the amount was to be brought in by Karan and Girish in such a way that their future capital will be equal. Calculate the amount to be brought in by Karan and Girish.</p> <p>(A) Rs.50,000 by Karan and Rs.1,50,000 by Girish (B) Rs.50,000 by Girish and Rs.1,50,000 by Karan (C) Rs.25,000 by Karan and Rs.1,25,000 by Girish (D)Rs.25,000 by Girish and Rs.1,25,000 by Karan</p>	1

Ans.3	<p>(A) Rs.50,000 by Karan and Rs.1,50,000 by Girish</p> <p>Explanation-</p> <table border="1" data-bbox="229 174 1166 454"> <thead> <tr> <th data-bbox="229 174 711 253">Particulars</th> <th data-bbox="711 174 871 253">Karan (Rs.)</th> <th data-bbox="871 174 1031 253">Aman (Rs.)</th> <th data-bbox="1031 174 1166 253">Girish (Rs.)</th> </tr> </thead> <tbody> <tr> <td data-bbox="229 253 711 331">Balance of Capital A/c (Cr.) Old Capital</td> <td data-bbox="711 253 871 331">3,00,000</td> <td data-bbox="871 253 1031 331">2,50,000</td> <td data-bbox="1031 253 1166 331">2,00,000</td> </tr> <tr> <td data-bbox="229 331 711 409">Balance of Capital A/c (Cr.) New Capital</td> <td data-bbox="711 331 871 409">3,50,000</td> <td data-bbox="871 331 1031 409">3,50,000</td> <td data-bbox="1031 331 1166 409">(2,00,000)</td> </tr> </tbody> </table> <p data-bbox="229 454 1166 607"> Karan's Capital Balance = 3,00,000 Aman's Capital Balance = 2,50,000 Girish Capital Balance = 2,00,000 Cash paid = 50,000 </p>	Particulars	Karan (Rs.)	Aman (Rs.)	Girish (Rs.)	Balance of Capital A/c (Cr.) Old Capital	3,00,000	2,50,000	2,00,000	Balance of Capital A/c (Cr.) New Capital	3,50,000	3,50,000	(2,00,000)	1
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4	<p>Gaining Ratio is calculated by deducting:</p> <p>(A) Sacrificed profit share from new profit share of the partner. (B) Sacrificed profit share from old profit share of the partner. (C) New profit share from old profit share of the partner. (D) Old profit share from new profit share of the partner</p>	1												
Ans.4	<p>(D) Old profit share from new profit share of the partner.</p> <p>Explanation- Gaining Ratio = New Ratio (-) Old Ratio</p>	1												
5	<p>Realisation account is a :</p> <p>(A) personal account (B) real account (C) nominal account (D) none of the above.</p>	1												
Ans.5	<p>(C) Nominal Account</p> <p>Explanation- It Records only Losses & Gain on Assets /Liabilities therefore it is nominal account.</p>	1												
6	<p>In case of dissolution, total creditors of the firm were Rs40,000; creditors worth Rs10,000 were given a piece of furniture costing Rs8,000 in full and final settlement. Remaining creditors allowed a discount of 10%. What will be the amount with which cash will be credited in the realisation account for payment to creditors:</p> <p>(A) 28,000 (B) 27,000 (C) 20,000 (D) 25,000</p>	1												
Ans.6	<p>(B) 27,000</p> <p>Explanation- Creditors Rs.40,000 – creditors of Rs.10,000 taken over furniture so remaining Creditors= Rs.30,000 (-) Discount 10% i.e. 3,000 = Rs.27,000 will be paid to creditors & journal entry will be</p> <p>Realisation A/c Dr. Rs.27,000 To Cash A/c Rs.27,000 (cash paid to remaining creditors)</p>	1												
7	<p>Assertion (A) : Realisation account is prepared at the time of dissolution of partnership.</p>	1												

	<p>Reason (R) : Realisation account records the cash release from sale of assets and amount paid to external liabilities.</p> <p>(A)Both Assertion (A) and Reason (R) are True and Reason (R) is correct explanation of Assertion.</p> <p>(B) Both Assertion (A) and Reason (R) are True and Reason (R) is not correct explanation of Assertion.</p> <p>(C) Assertion (A) is true, Reason (R) is false.</p> <p>(D) Assertion (A) is false, Reason (R) is true.</p>																													
Ans.7	<p>(D) Assertion (A) is false, Reason (R) is true</p> <p>Explanation- Realisation account prepared at the time of dissolution of the Firm not at the time of partnership therefore Assertion is False but Reason is true because realisation account is prepared for recording of the cash release from sale of assets and amount paid to external liabilities.</p>	1																												
8	<p>At the time of dissolution total assets are worth Rs3,00,000 and external liabilities are worth Rs1,20,000. If assets realised 120% and realisation expenses paid were Rs4,000, then profit/loss on realisation will be:</p> <p>(A)Profit Rs60,000</p> <p>(B)Loss Rs60,000</p> <p>(C)Loss Rs56,000</p> <p>(D)Profit Rs56,000</p>	1																												
Ans.8	<p>(D)Profit Rs56,000</p> <p>Explanation- Realisation A/C</p> <table border="1"> <thead> <tr> <th colspan="2">Dr.</th> <th colspan="2">Cr.</th> </tr> <tr> <th>Particulars</th> <th>Rs.</th> <th>Particulars</th> <th>Rs.</th> </tr> </thead> <tbody> <tr> <td>To Sundry Assets A/c</td> <td>300000</td> <td>By External Liabilities A/c</td> <td>1,20,000</td> </tr> <tr> <td>To Bank A/c (Realisation Expenses)</td> <td>4000</td> <td>By Bank A/c (Amount Realised from Assets 300000 x 120/100)</td> <td>3,60,000</td> </tr> <tr> <td>To Bank A/c (External Liabilities))</td> <td>120000</td> <td></td> <td></td> </tr> <tr> <td>To Partner's Capital A/c (Profit on Realisation A/c)</td> <td>56,000</td> <td></td> <td></td> </tr> <tr> <td></td> <td>480000</td> <td></td> <td>480000</td> </tr> </tbody> </table>	Dr.		Cr.		Particulars	Rs.	Particulars	Rs.	To Sundry Assets A/c	300000	By External Liabilities A/c	1,20,000	To Bank A/c (Realisation Expenses)	4000	By Bank A/c (Amount Realised from Assets 300000 x 120/100)	3,60,000	To Bank A/c (External Liabilities))	120000			To Partner's Capital A/c (Profit on Realisation A/c)	56,000				480000		480000	1
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9	<p>On death of a partner, debtors of Rs. 34,000 were shown in the Balance sheet. Out of this Rs. 4,000 became bad. One debtor became insolvent. 70% were recovered from him out of Rs. 10,000. Full amount is expected from the balance debtors. On account of this item loss in revaluation account will be:</p> <p>(A)Rs. 10,200</p> <p>(B)Rs. 3,000</p> <p>(C)Rs. 7,000</p> <p>(D)Rs. 4,000</p>	1																												

