Aarohan Coaching Institute

Class Test · Partnership Accounts

Date: 02 Nov 2026 | **Class XII · Accountancy** | Duration: 60 Minutes | Max. Marks: 35

Section A — 1 Mark Questions

Q1. [CBSE 2024] Ravi, Vani and Toni were equal partners in a firm. After the retirement of Vani, the capital balances of Ravi and Toni were ₹ 1,56,000 and ₹ 1,08,000 respectively. The new capital of the firm was determined at ₹ 2,80,000. It was decided that the capital will be in proportion of the profit sharing ratio of the remaining partners. Toni will bring ____ for deficiency of his new capital.

(A) ₹ 40,000 **(B)** ₹ 12,000
(C) ₹ 20,000 **(D)** ₹ 32,000

Q2. [CBSE 2025] Which of the following will *not* result in compulsory dissolution of a partnership firm ?

(A) When all partners or all but one partner become insolvent.
(B) When the business of the firm becomes illegal.
(C) When some event has taken place which makes it unlawful for the partners to carry on the business of the firm in partnership.
(D) When a partner dies.

Q3. Which of the following account is affected, when shares are issued to promoters?

(A) Preliminary expenses account **(B)** Share premium account
(C) Goodwill account **(D)** Promoters personal account

Q4. [CBSE 2026] **Assertion (A) :** The retiring partner or the executors of the deceased partner are entitled to their share of goodwill at the time of retirement or death.
Reason (R) : Goodwill is earned by the firm with the efforts of all the existing partners (including the retiring or deceased partner).
Choose the correct option from the following :

(A) Both Assertion (A) and Reason (R) are correct and Reason (R) is the correct explanation of Assertion (A).
(B) Both Assertion (A) and Reason (R) are correct, but Reason (R) is not the correct explanation of Assertion (A).
(C) Assertion (A) is correct, but Reason (R) is incorrect.
(D) Assertion (A) is incorrect, but Reason (R) is correct.

Q5. [CBSE 2020] 'Security Deposits' are presented in the Balance Sheet of the company under the subhead :

(A) Other Non-Current Assets
(B) Long-term Loans and Advances
(C) Fixed Assets
(D) Other Current Liabilities

Q6. [CBSE 2026] Paramount Ltd. forfeited 2,000 equity shares of ₹ 100 each, ₹ 80 called up, issued at a premium of 10%, for non-payment of first call of ₹ 20 per share. On forfeiture of these shares, Equity Share Capital Account will be _____ by _____.

(A) debited, ₹ 1,60,000
(B) credited, ₹ 1,60,000
(C) debited, ₹ 2,00,000
(D) credited, ₹ 2,00,000

Q7. [CBSE 2023] Read the following hypothetical situation and answer questions number 10 and 11 on the basis of information given :
Anu, Charu and Divya are partners sharing profits and losses in the ratio of 2 : 1 : 2. Their capitals were ₹ 5,00,000, ₹ 3,00,000 and ₹ 2,00,000 respectively. Anu personally guaranteed that in any year, Divya's share of profit after allowing interest on capital to all partners @ 5% p.a. would not be less than ₹ 75,000. The profit for the year ending 31st March, 2022 amounted to ₹ 2,00,000. Divya's amount of guarantee is short by the following amount :

(A) ₹ 75,000
(B) ₹ 5,000
(C) ₹ 15,000
(D) ₹ 20,000

Q8. A, B and C are equal partners, they wanted to change the profit sharing ratio in to 4 : 3 : 2. They raised the goodwill to Rs. 90,000 but want to write it off immediately. The effected accounts will be :

(A) C's Capital A/c Dr. 10,000
To A's Capital A/c 10,000

(B) B's Capital A/c Dr. 10,000
To A's Capital A/c 10,000

(C) C's Capital A/c Dr. 10,000
To B's Capital A/c 10,000

(D) A's Capital A/c Dr. 10,000
To C's Capital A/c 10,000

Section B — 3 Marks Questions

Q1. Rahul, Robin and Rajesh are partners sharing profits in the ratio of 3 : 2 : 1. Calculate the new profit sharing ratio of the remaining partners if (i) Rahul retires; (ii) Robin retires; (iii) Rajesh retires.

Q2. The ratio of Current Assets (₹32,00,000) to Current Liabilities (₹20,00,000) is 1.6 : 1. The accountant of the firm is interested in maintaining a current Ratio of 2 : 1, by paying off a part of the Current Liabilities. Compute the amount of the Current Liabilities that should be paid, so that the Current Ratio at the level 2 : 1 may be maintained.

Q3. [CBSE 2026] Tara, Dev and Ishaan were partners in a firm sharing profits and losses in the ratio of 4 : 3 : 1. The partnership deed provided for charging interest on drawings @ 10% p.a. The drawings of Tara, Dev and Ishaan during the year ending 31st March, 2025 amounted to ₹ 30,000; ₹ 18,000 and ₹ 12,000 respectively. After the final accounts were prepared, it was

discovered that interest on drawings was not taken into consideration. Give necessary adjusting journal entry to correct the omission. Show your workings clearly.

Section C — 4 Marks Questions

Q1. [CBSE 2023] Shiv Ltd. was registered with an authorised capital of ₹ 9,00,000 divided into equity shares of ₹ 10 each. The company issued a prospectus inviting applications for issuing 80,000 equity shares. The company received applications for 79,000 equity shares. All calls were made and duly received except the second and final call of ₹ 3 per share on 4,000 shares held by Anu. These shares were forfeited.
(a) Present the 'Share capital' in the Balance Sheet of the company as per Schedule III, Part I of the Companies Act, 2013.
(b) Also prepare 'Notes to Accounts' for the same.

Q2. Discuss the main provisions of the Indian Partnership Act 1932 that are relevant to partnership accounts if there is no partnership deed.

Q3. Amann, Babita and Suresh are partners in a firm. Their profit sharing ratio is 2:2:1. Suresh is guaranteed an amount of Rs. 10,000 as share of profit, every year. Any deficiency on that account shall be met by Babita. The profits for two years ending March 31, 2019 and March 31, 2020 were Rs. 40,000 and Rs. 60,000, respectively. Prepare the Profit and Loss Appropriation Account for the two years.

Section D — 6 Marks Questions

Q1. [CBSE 2024] Pass necessary journal entries relating to issue of debentures and to write off discount/loss on issue of debentures in the books of Srijan Ltd. in the following cases :
(i) 900, 6% debentures of ₹ 1,000 each are issued at 5% discount and redeemable at par. Balance in Securities Premium account is ₹ 50,000.
(ii) 700, 8% debentures of ₹ 1,000 each are issued at 10% discount and redeemable at a premium of 10%. Balance in Securities Premium account is ₹ 1,00,000.