



GOVERNMENT OF KARNATAKA
KARNATAKA SCHOOL EXAMINATION AND ASSESSMENT BOARD
6TH CROSS, MALLESHWARAM, BENGALURU – 560 003
2025 -26 II PUC MODEL QUESTION PAPER – 1

SUBJECT: ACCOUNTANCY

MAXIMUM MARKS: 80

TIME: 03 HOURS

NUMBER OF QUESTIONS: 32

Instructions:

- 1] The question paper contains four parts A, B, C and D. Part – A contains four sections I, II, III and IV.
- 2] Provide working notes wherever necessary.
- 3] 15 minutes extra has been allotted for candidates to read the questions.
- 4] Figures in the right hand margin indicate full marks.
- 5] For PART - A questions, only the first written answers will be considered for evaluation.

PART – A

I. Choose the correct answer from the choices given. (5 x 1 = 5)

- 1] P and Q are partners sharing profits in the ratio of 3:1 'R' is admitted into partnership for $\frac{1}{5}$ th share. The sacrificing ratio of P and Q will be
 - a] 2:1
 - b] 3:1
 - c] 1:1
 - d] 3:2
- 2] On dissolution of the firm partners' capital accounts are closed through,
 - a] Realisation account
 - b] Drawings account
 - c] Cash or Bank account
 - d] Loan account
- 3] The profit on reissue of forfeited shares is transferred to
 - a] General reserve A/c
 - b] Capital redemption reserve A/c
 - c] Capital reserve A/c
 - d] Revenue reserve A/c
- 4] Which of the following is shown under the head "Fixed Assets"?
 - a] Inventories
 - b] Trade receivables
 - c] Cash and Cash equivalents
 - d] Goodwill
- 5] The following groups of ratios are primarily measures risk
 - a] Liquidity, debt and profitability
 - b] Liquidity, activity and inventory
 - c] Liquidity, activity and debt
 - d] Liquidity, activity and profitability

II. Fill in the blanks by choosing the appropriate answers from those given in the bracket. **(5 x 1 = 5)**

[new profit sharing, short term, stamp, artificial, realisation, long-term]

- 6] The partnership deed should be properly drafted and prepared as per the provisions of the _____ act.
- 7] The _____ratio is used for the adjustment of continuing partners' capitals.
- 8] When realization expenses are paid by the firm on dissolution, such expenses are debited to _____account.
- 9] A company is an _____person.
- 10] Liquidity ratios are calculated to measure the _____solvency of the business.

III. Match the following.

(5 x 1 = 5)

- | 11] A | B |
|--------------------------|-----------------------------|
| a] Valuation of goodwill | (i) Acknowledgement of debt |
| b] Executor's Account | (ii) Financing activities |
| c] Debentures | (iii) Comparative statement |
| d] Horizontal analysis | (iv) Death of a partner |
| e] Issue of Shares | (v) Common size statement |
| | (vi) Average profit method |

IV. Answer the following questions in one word or one sentence each.

(5 x 1 = 5)

- 12] State any one feature of partnership
- 13] Expand DRFI.
- 14] Give an example for non-current asset.
- 15] State any one user of financial statement analysis.
- 16] Dividend paid is an investing activity (State True / False).

PART – B

V. Answer any three questions, each question carries two marks. (3 x 2 = 6)

- 17] State any two differences between fixed capital method and fluctuating capital method.
- 18] Give the journal entry to close revaluation account when there is loss at the time of retirement of a partner.
- 19] Name any two categories of Share Capital.
- 20] Write any two objectives of financial statements.
- 21] What is cash flow statement?

PART – C

VI. Answer any three questions, each question carries six marks. (3 x 6 = 18)

22] Bhavana and Kavana are partners in a firm sharing profits and losses in the ratio of 2:1. Kavana withdrew the following amounts during the year 2024-25 which are given as under.

- a] ₹2,000 on 01.06.2024
- b] ₹3,000 on 30.09.2024
- c] ₹1,000 on 30.11.2024
- d] ₹1,500 on 01.01.2025

Calculate interest on Kavana's drawings at 10% p.a. for the year ending 31.03.2025 under product method.

23] Geetha, Latha and Sangeetha were partners sharing profits and losses in the ratio of 5:3:2 respectively. Latha retires from the business. Geetha and Sangeetha decided to share future profits in the ratio of 3:2. Calculate gaining ratio of Geetha and Sangeetha.

- 24] X, Y and Z were partners sharing profits and losses in the ratio of 2:2:1 respectively. Their capital balances as on 01.04.2024 stood at ₹1,00,000, ₹1,00,000 and ₹50,000 respectively. Y died on 31.12.2024 the partnership deed provides the following.
- Interest on capital at 10% p.a.
 - Salary to Y ₹3,000 per month
 - Y's share of goodwill. Goodwill of the firm is valued at ₹45,000 (As per AS-26)
 - Y's share of profit up to the date of death on the basis of previous year's profit. Profit for the previous year was ₹60,000.

Prepare Y's capital account.

- 25] From the following information, prepare statement of profit or loss for the year ended 31.03.2025 as per schedule III of the Companies Act, 2013.

Particulars	₹
Revenue from operations	8,00,000
Purchases of goods	2,00,000
Salaries to employees	1,00,000
Bonus	20,000
Depreciation	50,000
Interest on debentures	25,000
Interest on borrowings	20,000
Tax	1,15,500

- 26] From the following information, calculate cash flows from financing activities.

Particulars	01.04.2024	31.03.2025
	₹	₹
Equity Share	10,00,000	15,00,000
Capital Long-term Loan	4,50,000	8,00,000

During the year long-term loan repaid ₹2,00,000 with interest of ₹10,000 and paid dividend of ₹25,000.

PART – D

VII. Answer any three questions, each question carries twelve marks. (3 x 12 = 36)

27] Girisha and Yogisha are partners sharing profits and losses in the ratio of 3:2 respectively. Their balance sheet as on 31.03.2025 was as follows :

Balance Sheet as on 31.03.2025

Liabilities	₹	Assets	₹
Creditors	74,000	Cash	31,000
Bills payables	41,000	Debtors 1,00,000	
General Reserve	50,000	Less : PDD <u>6,000</u>	94,000
Capital Accounts :		Stock	30,000
Girisha	1,40,000	Furniture	20,000
Yogisha	80,000	Machinery	40,000
		Buildings	1,60,000
		Profit and Loss A/c.	10,000
	3,85,000		3,85,000

On 01.04.2025, they admit 'Kallesha' into Partnership on the following terms:

- Kallesha should bring in ₹60,000 as capital for 1/6th share and ₹25,000 towards goodwill [As per AS-26]
- Goodwill amount is withdrawn by the old partners.
- Depreciate Furniture and Machinery by 10% each.
- Value of building is appreciated by 15%
- Maintain PDD at 10% on Debtors.

Prepare :

- Revaluation Account
- Partners Capital Accounts and
- New Balance Sheet of the firm as on 01.04.2025

- 28] Shankara and Sadananda are partners sharing profits and losses in the ratio of 3:2. Their balance sheet as on 31.03.2025 was as follows:

Balance sheet as on 31.03.2025

Liabilities	₹	Assets	₹
Creditors	35,000	Cash at Bank	30,000
Bills Payables	15,000	Bills Receivable	10,000
Bank Loan	25,000	Debtors	60,000
Shankara's Loan	10,000	Investments	40,000
Reserve Fund	30,000	Furniture	5,000
Capitals:		Machinery	70,000
Shankara	1,00,000	Building	80,000
Sadananda	80,000		
	2,95,000		2,95,000

On the above date the firm was dissolved.

Additional Information:

- a] The assets were realized as follows : Bills receivable ₹8,000, Debtors ₹55,000, Investments ₹50,000, Furniture ₹4,000, Machinery ₹65,000
- b] Building was taken over by Shankara at ₹90,000.
- c] Creditors and Bills payable were settled at 10% discount. d] Realisation expenses were ₹3,000.

Prepare :

- i] Realisation Account
 ii] Partners' Capital Accounts
 and iii] Bank Account.

- 29] Ramakrishna Company Limited issued 20,000 equity shares of ₹100 each at a premium of ₹10 per share. The amount was payable as follows:

On application ₹20

On allotment ₹55 (including premium)

On first and final call ₹35

All the shares were subscribed and money duly received except the first and final call on 1,000 shares. The directors forfeited these shares and reissued them as fully paid at ₹80 per share.

Pass the necessary journal entries regarding issue, forfeiture and reissue of share.

- 30] Give the Journal entries for issue of debentures for the following cases in the books of HCL Company Ltd.,
- Issue of ₹50,000, 8% debentures of ₹100 each at a discount of 10% and redeemable at par.
 - Issue of ₹50,000, 8% debentures of ₹100 each at a premium of 10% and redeemable at par.
 - Issue of ₹50,000, 8% debentures of ₹100 each at a premium of 10% and redeemable at a premium of 10%.
 - Issue of ₹50,000, 8% debenture of ₹100 each at a discount of 10% and redeemable at a premium of 10%.
- 31] From the following Balance Sheet of Universal Company Ltd., prepare comparative balance sheet as on 31.03.2024 and 31.03.2025.

Balance Sheet as on 31.03.2024 and 31.03.2025

Particulars	31.03.2024 ₹	31.03.2025 ₹
I. Equity and Liabilities :		
1] Shareholders' Funds		
Share Capital	11,00,000	21,00,000
Reserves and Surplus	4,00,000	5,00,000
2] Non-Current Liabilities		
Long-term loans	2,00,000	5,00,000
3] Current Liabilities		
Trade payables	3,00,000	6,00,000
Total	20,00,000	37,00,000
II. Assets :		
1] Non-Current Assets		
Tangible Assets	7,00,000	16,00,000
Intangible Assets	3,00,000	4,00,000
Long-term Investments	4,00,000	5,00,000
2] Current Assets		
Inventories	4,50,000	6,50,000
Trade receivables	1,00,000	4,00,000
Cash and Cash equivalents	50,000	1,50,000
Total	20,00,000	37,00,000

32] From the following particulars, Calculate:

- a] Current ratio
- b] Interest coverage ratio
- c] Fixed assets turnover ratio
- d] Working capital turnover ratio
- e] Operating profit ratio and
- f] Return on investment

Particulars	₹
Equity share capital	2,00,000
Preference share capital	50,000
Reserve fund	92,000
10%	2,00,000
debentures	50,000
Current	4,75,000
liabilities Fixed	1,17,000
Assets Current	75,000
Assets Net	15,00,000
profit after tax	25,000
Revenue from	4,50,000
operations Tax	
Operating profit	
