



GOVERNMENT OF KARNATAKA

KARNATAKA SCHOOL EXAMINATION AND ASSESSMENT BOARD

6TH CROSS, MALLESHWARAM, BENGALURU – 560 003

2025 -26 II PUC MODEL QUESTION PAPER – 2

SUBJECT: ACCOUNTANCY (30)

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] Sanjaya and Gopi are partners sharing profits in the ratio of 4:3. Nikhil is admitted into partnership for $\frac{1}{8}$ th share. The sacrificing ratio of Sanjaya and Gopi is
a] Equal b] 4 : 3 c] 4 : 1 d] 4 : 2
- 2] Issued capital is a part of
a] Reserve Capital b] Unissued Capital c] Authorised Capital d] Subscribed Capital
- 3] Debentures which are transferrable by mere delivery are
a] Registered debentures b] First debentures
c] Bearer debentures d] Secured debentures
- 4] Current assets does not include
a] Building b] Current Investment
c] Inventories d] Trade Receivables
- 5] Common size statements are also known as
a] Dynamic Analysis b] Vertical Analysis
c] External Analysis d] Horizontal Analysis

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

[cash/bank, liquid, investing, financing, agreement, death]

- 5] Partnership comes into existence as a result of _____ among the partners.
- 7] Executors account is generally prepared at the time of _____ of a partner.
- 8] On dissolution of a firm, partner's loan account is transferred to _____ Account.
- 9] Quick ratio is also known as _____ ratio.
- 10] _____ activities relate to purchase and sale of fixed assets.

III. Match the following.

(5 x 1 = 5)

11]

A

- a] Fixed capital method
- b] Gained Share
- c] Equity shareholders
- d] Financial Statements
- e] Profitability Ratio

B

- (i) Owners of a company
- (ii) Earning per share
- (iii) Partners capital and current accounts
- (iv) New share – Old share
- (v) Old share + Acquired share
- (vi) Statement of profit and loss and balance sheet

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

(5 x 1 = 5)

- 12] State any one method of valuation of Goodwill.
- 13] Court can order a firm to be dissolved when a partner becomes insane. [State True/False]
- 14] Expand DRR.
- 15] State any one technique of financial statement analysis.
- 16] Give the meaning of cash inflow.

PART – B

V. Answer any three questions, each question carries two marks.

(3 x 2 = 6)

- 17] Define partnership.
- 18] Goodwill of the firm is valued at 2 years purchase of the average profits of the last 4 years. The total profits of the last 4 years are ₹60,000. Calculate the goodwill of the firm.
- 19] Give the meaning of over subscription.
- 20] State any two items that are shown under the head “Current Liabilities”.
- 21] Write any two examples for financing activities.

PART – C

VI. Answer any three questions, each question carries six marks.

(3 x 6 = 18)

- 22] Ravi and Kiran are partners commenced business on 01.04.2024, sharing profits and losses in the ratio of 3:2 with capitals of ₹1,50,000 and ₹1,00,000 respectively.

They earned a profit of ₹50,000 for the year before allowing:

- a] Interest on capital at 10% per annum.
- b] Interest on drawings: Ravi ₹4,000 and Kiran ₹2,000.
- c] Commission payable to Ravi ₹3,000 per annum.
- d] Salary payable to Kiran ₹8,000 per annum.

Prepare profit and loss appropriation account for the year ended 31.03.2025.

- 23] Shiva, Shankar and Chandru are partners sharing profits in the ratio of 3:2:1. Shankar retires and his share is acquired by Shiva and Chandru in the ratio of 1:1. Calculate the new profit sharing ratio of Shiva and Chandru.
- 24] X, Y and Z are partners sharing profits and losses in the ratio of 2:2:1. The balance sheet of the firm as on 31.03.2024 was as follows:

Balance sheet as on 31.03.2024

Liabilities	₹	Assets	₹
Creditors	30,000	Cash	20,000
<u>Capitals</u>		Stock	40,000
X	50,000	Debtors	20,000
Y	30,000	Buildings	50,000
Z	20,000		
	1,30,000		1,30,000

'X' died on 30.09.2024. His executors are entitled to the following:

- a] His capital on the date of death.
- b] His share of profit till the date of death. Estimated profit for the current year is ₹40,000
- c] Interest on capital is allowed at 10% per annum.
- d] His drawings till death amounted to ₹10,000.
- e] Salary to 'X' is ₹1,000 per month.

Prepare X'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
Cost of materials consumed	4,00,000
Salaries and Wages	1,00,000
Depreciation on plant and machinery	40,000
Interest on debentures	10,000
Interest on borrowings	20,000
Tax	30%

- 26] ABC Ltd., arrived at a net profit of ₹3,50,000 for the year ended 31.03.2025. Depreciation for the year was ₹1,00,000. There was a profit of ₹40,000 on assets sold which was transferred to statement of profit or loss. There was also a loss on sale of equipment ₹5,000 which was transferred to statement of profit or loss. Trade receivables increased during the year ₹30,000 and trade payables also increased by ₹40,000.

Compute cash flow from operating activities by indirect method.

PART – D

VII. Answer any THREE questions, each question carries twelve marks.

(3 x 12 = 36)

27] Rekha and Chetana are partners sharing profits and losses in the ratio of 2:1 respectively. Their Balance sheet as on 31.03.2025 was as follows.

Balance Sheet as on 31.03.2025

Liabilities	₹	Assets	₹
Creditors	40,000	Cash	10,500
Bills payables	20,000	Debtors 40,000	
General Reserve	15,000	Less: PDD 1,500	38,500
Capital Accounts :		Stock	10,000
Rekha	60,000	Furniture	30,000
Chetana	40,000	Machinery	20,000
		Buildings	60,000
		Profit and loss Account	6,000
	1,75,000		1,75,000

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

- a] Mohan should bring in ₹30,000 as capital for 1/4th share and ₹12,000 towards goodwill [AS-26]
- b] Half of the Goodwill amount is withdrawn by the old partners.
- c] Depreciate Furniture and Machinery by 10% each.
- d] Value of buildings appreciated by ₹22,500
- e] Maintain PDD at 10% on Debtors.

- Prepare :**
- i] Revaluation Account
 - ii] Partners Capital Accounts and
 - iii] New Balance Sheet of a firm.

28] Anup and Sumit are equal partners in a firm. They decided to dissolve the partnership firm on 31.03.2025, Their balance sheet was as follows:

Balance sheet as on 31.03.2025

Liabilities	₹	Assets	₹
Creditors	15,000	Cash	5,000
Bills Payable	15,000	Investments	15,000
Anup Loan	10,000	Bills Receivable	20,000
Reserve Fund	10,000	Debtors	50,000
Capitals:		Stock	20,000
Anup	1,00,000	Machinery	30,000
Sumit	1,00,000	Furniture	20,000
		Buildings	90,000
	2,50,000		2,50,000

- a] The assets were realized as follows :
 Bills receivables ₹15,000, Debtors and Stock 10% less than Book value, Machinery 5% more than book value and buildings at ₹50,000.
- b] Furniture was taken over by Anup for ₹10,000.
- c] Investment was taken over by Sumit for ₹9,000.
- d] Dissolution expenses were ₹1,000.
- e] All the liabilities were discharged in full.

Prepare :

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

- 29] Konica Co. Ltd., issued 20,000 equity shares of ₹10 each at a premium of ₹2 per share. The amount was payable as follows :
- ₹3 on Application
 ₹7 on Allotment (including premium)
 ₹2 on First and Final call
- All the shares were subscribed and the money duly received except the first and final call on 2000 shares. The directors forfeited these shares and re-issued them as fully paid at ₹8 per share.
- Pass the necessary journal entries for Issue, Forfeiture and Re-issue of shares.

- 30] Pass necessary journal entries at the time of redemption of debentures in each of the following:
- i] 'A' company Ltd., issued 20,000, 8% debentures of ₹100 each at par and redeemable at par at the end of 5 years out of capital.
 - ii] 'B' company Ltd., issued 8,000, 12% debentures of ₹100 each at par. These debenture are redeemable at 10% premium at the end of 4 years.
 - iii] 'C' company Ltd., issued 10% debentures of the total face value of ₹8,00,000 at a premium of 5% to be redeemed at par at the end of 4 years.
 - iv] 'D' company Ltd., issued ₹6,00,000, 10% debentures at a discount of 5% but redeemable at a premium of 5% at the end of 5 years.
 - v] 'E' company Ltd., issued 4,000, 8% debentures of ₹100 each at a premium of 5% to be redeemed at par at the end of 4 years.

- 31] From the following information prepare Common Size Balance Sheet of Reliance Co. Ltd.,

Liabilities	31.03.2024 ₹	31.03.2025 ₹
I. Equity and Liabilities		
Equity share capital	4,00,000	6,00,000
Reserves and Surplus	1,00,000	1,50,000
Secured Loans	2,00,000	1,50,000

Trade Payables	75,000	1,00,000
Other current liabilities	25,000	50,000
Total	8,00,000	10,50,000
II. Assets		
Fixed Assets	3,50,000	5,00,000
Non – current investment	1,50,000	2,00,000
Inventories	1,00,000	1,50,000
Trade Receivables	1,25,000	1,50,000
Cash and Cash Equivalents	75,000	50,000
Total	8,00,000	10,50,000

32] From the following particulars, Calculate:

- a] Current Ratio
- b] Debt – Equity Ratio
- c] Inventory Turnover Ratio
- d] Trade Receivable Turnover Ratio
- e] Gross profit Ratio and
- f] Operating Ratio

Particulars	₹
Revenue from Operations	15,00,000
Gross Profit	3,00,000
Current Assets	5,00,000
Current Liabilities	2,50,000
Long-term Debt	6,00,000
Shareholders Fund	10,00,000
Average Inventory	2,00,000
Net credit revenue from operations	10,00,000
Average Trade Receivables	4,00,000
Operating Expenses	1,00,000
