

2025-26 II PUC PREPARATORY EXAMINATION

SUBJECT: 30 – 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] Profit or loss on revaluation is shared among the partners in the:
a] Old profit sharing ratio b] New profit sharing ratio c] Capital ratio d] Equal ratio
- 2] After transferring liabilities like creditors and bills payables to the realisation account, in the absence of any information regarding their payment, such liabilities are treated as:
a] Never paid b] Fully paid
c] Partly paid d] Paid at deductible percentage.
- 3] Debentures cannot be redeemed at:
a] Premium b] Discount c] Par d] More than 10% premium
- 4] Percentage of each liability to the total liabilities is shown in:
a] Common size balance sheet b] Common size income statement
c] Comparative balance sheet d] Comparative income statement
- 5] Best example for extraordinary items:
a] Salary paid b] Tax paid c] Rent paid d] Loss due to theft

II. Fill in the blanks by choosing the appropriate answers from those given in the bracket:

(5 x 1 = 5)

[fluctuating capital, current assets, profitability, fixed capital, similar, capital reserve]

- 6] Under _____ method, the capitals of the partners shall remain fixed.
- 7] Accounting treatment at the time of retirement and death is _____.
- 8] Profit on forfeiture of shares is transferred to _____ account.
- 9] Income statement is prepared to ascertain _____.
- 10] Current ratio is the proportion of _____ to current liabilities.

III. Match the following:

(5 x 1 = 5)

11]

A

B

- | | |
|---------------------------|--|
| a] The partnership Act | (i) Long term provisions |
| b] Executor's account | (ii) Official signature of the company |
| c] Common seal | (iii) Short-term provisions |
| d] Provision for taxation | (iv) 1932 |
| e] Efficiency | (v) Can be measured by activity ratios |
| | (vi) Death of a partner |

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] A firm is compulsorily dissolved when a partner decides to retire. (State True/False)
- 14] Expand TDS.
- 15] Give the meaning of analysis.
- 16] Mention any one benefit of cash flow statement.

PART – B

V. Answer any THREE questions, each question carries TWO marks.

(3 x 2 = 6)

- 17] State the rules relating to the followings in the absence of partnership deed:
a) Interest on drawings.
b) Interest on advances from partners.

- 18] Give the journal entry to close Revaluation account when there is a profit, at the time of retirement of a partner.
- 19] Write the meaning of issue of shares for consideration other than cash.
- 20] State any two accounting postulates.
- 21] Mention any two activities which are classified as per AS-3.

PART – C

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

- 22] Anil and Sunil are partners in a firm. Anil's drawings for the year 2024–25 are given as under:
 ₹5,000 on 01.04.2024
 ₹8,000 on 30.06.2024
 ₹3,000 on 01.12.2024
 ₹2,000 on 31.03.2025
 Calculate interest on Anil's drawings at 10% p.a. for the year ending 31.03.2025 under product method.
- 23] Sharath and Bharath are partners sharing profits and losses in the ratio of 5:3. They admit Kamath into the partnership. The new profit sharing ratio is 3:2:1 respectively. Find out the sacrifice ratio of the old partners.
- 24] P, Q and R are partners sharing profits and losses in the ratio of 2:2:1. The balance sheet of the firm as on 31.03.2025 was as follows:

Balance sheet as on 31.03.2025

Liabilities	₹	Assets	₹
Creditors	20,000	Cash	20,000
Bills payable	10,000	Stock	30,000
Reserve fund	10,000	Debtors	20,000
Capitals:		Buildings	40,000
P	50,000	Machinery	20,000
Q	30,000	Furniture	10,000
R	20,000		
	1,40,000		1,40,000

'P' died on 31.12.2025. 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] Share of goodwill. Goodwill of the firm ₹45,000. (As per AS 26)
- e] Salary to 'P' is ₹2,000 per month.

Prepare P'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 and wages	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 flow from financing activities:

Particulars	01-04-2024 (₹)	31-03-2025 (₹)
Preference share capital	4,00,000	5,00,000
Equity share capital	6,00,000	8,00,000
Secured loan	4,50,000	3,50,000
10% Debentures	3,00,000	4,50,000

During the year dividend paid ₹80,000 and interest paid ₹70,000.

PART – D

- VII. Answer any THREE questions, each question carries TWELVE marks. (3 x 12 = 36)

- 27] Mohan, Madan and Murali were partners sharing profits and losses in the ratio of 2:2:1 respectively. Their Balance Sheet as on 31.3.2025 was as under.

Balance Sheet as on 31-03-2025

Liabilities	₹	Assets	₹
Creditors	35,500	Cash at bank	20,000
Reserve Fund	20,000	Debtors	40,000
Profit & Loss A/c	2,500	Less PDD:	2,000
Capital A/c:		Stock	15,000
Mohan	50,000	Machinery	25,000
Madan	30,000	Furniture	10,000
Murali	20,000	Buildings	50,000
Total	1,58,000	Total	1,58,000

Murali retired on 1.4.2025 from the firm. The following adjustments are to be made:

- Stock to be increased by 20%.
- Maintain P.D.D at 10% on debtors.
- Depreciate Machinery and Furniture by 10% each.
- Buildings are revalued at ₹60,000.
- Goodwill of the firm valued at ₹15,000. (As per AS26)

Prepare: i] Revaluation account, ii] Partners capital accounts and
iii] Balance sheet as on 1.4.2025.

- 28] Harish and Suresh are partners sharing profits and losses equally. They agreed to dissolve their partnership on 31.3.2025. Their Balance Sheet was as follows:

Balance Sheet as on 31. 3. 2025

Liabilities	₹	Assets	₹
Creditors	25,000	Cash at bank	14,000
Bills payable	10,000	Bills receivable	5,000
Suresh's loan	10,000	Stock	18,000
Reserve fund	5,000	Debtors	25,000
Capitals: Harish	40,000	Less: P.D.D	3,000
Suresh	30,000	Buildings	23,000
		Machinery	38,000
	1,20,000		1,20,000

On the above date firm was dissolved. The following information is available:

Assets were realised as follows:

- Stock ₹25,000, Debtors ₹20,000, Bills Receivable ₹4,000 and Machinery ₹33,000.
- Building was taken over by Suresh at ₹25,000.
- Creditors are taken over by Harish at book value.
- Bills payable were paid by the firm at 5% discount.
- Suresh paid the realisation expenses of ₹1000 and he was to get a remuneration of ₹2,000 for completing dissolution process.

Prepare: a] Realisation account, b] Partners' capital accounts and c] Bank account.

- 29] Sun India Ltd., issued 30,000 equity shares of ₹100 each at a premium of ₹20 per share. The amount was payable as follows:

₹30 on application

₹50 on allotment (including premium)

₹40 on first and final call

All the shares were subscribed and money duly received except the first and final call money on 5,000 shares. The directors forfeited these shares, out of 5,000 forfeited shares only 3,000 shares were reissued as fully paid up for ₹80 per share.

Pass the necessary journal entries in the books of the company.

- 30] Give the necessary journal entries at the time of Redemption of Debentures for the following transactions:

- P Company Ltd., issued 10% debentures of the total value of ₹2,00,000 at a premium of 5% to be redeemed at par at the end of four years.
- Q Company Ltd., issued 15,000, 9% debentures of ₹100 each at par and redeemable at par at the end of five years.
- R Company Ltd., issued 5,000, 12% debentures of ₹100 each at par. These debentures are redeemable at 10% premium at the end of four years.
- S Company Ltd., issued 8% debentures of ₹4,00,000 at a premium of 10% to be redeemed at par at the end of four years.
- T Company Ltd issued ₹2,00,000, 12% debentures at a discount of 5% but redeemable at a premium of 5% at the end of 5 years.

- 31] From the following information, Prepare Comparative Balance Sheet.

Particulars	31-3-2024	31-3-2025
	₹	₹
Share capital	8,00,000	10,00,000
Reserves and Surplus	1,00,000	1,20,000
Long term borrowings	50,000	50,000
Trade payables	80,000	1,00,000
Fixed assets	7,00,000	9,00,000
Inventories	2,00,000	1,80,000
Trade receivables	1,00,000	1,50,000
Cash and cash equivalents	30,000	40,000

- 32] From the following particulars, calculate:

- Current ratio,
- Debt to capital employed ratio,
- Trade receivables turnover ratio,
- Trade payables turnover ratio,
- Operating ratio and
- Net profit ratio.

Particulars	₹
Revenue from operations	10,00,000
Gross profit	2,00,000
Inventory	1,50,000
Net credit revenue from operations	6,00,000
Trade receivables	1,50,000
Net credit purchases	5,00,000
Trade payables	2,50,000
Operating expenses	1,00,000
Net profit	1,00,000
Debentures	2,00,000
Share capital	4,00,000
