# KENDRIYA VIDYALAYA SANGATHAN, BHOPAL REGION

## First Pre-Board Examinations (2025-26)

## SUBJECT:-ACCOUNTANCY (055)

## CLASS XII : SET-1

**TIME 3 HOURS** **MAX. MARKS 80**

**GENERAL INSTRUCTIONS:**

1. This question paper contains 34 questions. All questions are compulsory.
2. This question paper is divided into two parts, Part A and B.
3. **Both part are compulsory for all candidates**.
4. Question 1 to 16 and 27 to 30 carries 1 mark each.
5. Questions 17 to 20, 31and 32 carries **3** marks each.
6. Questions from 21 ,22 and 33 carries **4** marks each
7. Questions from 23 to 26 and 34 carries **6** marks each
8. There is no overall choice. However, an internal choice has been provided in 7 questions of **one mark**, 2 questions of **three marks**, 1 question of **four marks** and 2 questions of **six marks.**

| S.No. | Question | Marks |
|---|---|---|
| | Part A :- Accounting for Partnership Firms and Companies | |
| 1 | A partners capital account was credited with Rs.90,000 during the year. Which of the following can be possibility for such a credit in his capital account?<br>A) Opening Balance B) Drawing during the year<br>c) Loss during the year d) Capital Introduced. | 1 |
| 2 | A,B and C were partners sharing profits and losses in the ratio of 5:4:3. C's fixed Capital balance as on March 31, 2024 was □ 5,40,000. Which of the following items would have affected this Capital balance?<br>A. Profit/Loss for the year<br>B. Additional Capital introduced<br>C. Reduction in Capital due to Capital Adjustment<br>D. Both B and C | 1 |
| 3 | Rohit Limited forfeited 15,000 shares of Rs.20 each on which Rs.8(including Rs.2 premium)was paid. Out of these 13,000 shares were re-issued @ Rs.19 per share as fully paid up. Determine the amount of forfeited shares balance.<br>A) Rs.90,000 B)Rs.91,000<br>C)Rs.12,000 D) Rs.16,000<br>OR<br>Day Ltd. purchased equipment and paid Rs.2,20,000 by cheques and issued 16,000 equity shares of Rs.10 each at 25% premium. The purchase consideration will be<br>A) Rs3,40,000 B)Rs.4,20,000<br>C)Rs.3,80,000 D)Rs.2,00,000 | 1 |

| | | |
|---|---|---|
| 4 | Ganga and Jamuna are partners sharing profits in the ratio of 2:1. They admit Saraswati for 1/5th share in future profits. On the date of admission, Ganga's capital was □ 1,02,000 and Jamuna's capital was □ 73,000. Saraswati brings □ 25,000 as her share of goodwill and she agrees to contribute proportionate capital of the new firm. How much capital will be brought by Saraswati?<br>A. □ 43,750 B. □ 37,500<br>C. □ 50,000 D. □ 40,000<br>OR<br>A and B were partners in a firm. A withdrew Rs.3,00,000 during the year for personal use. The partnership deed provides for charging interest on drawing @ 10% p.a. Interest on A's drawing for the year ended $31^{st}$ March ,2024 will be<br>A) Rs.9000 B) Rs.30,000 C)Rs.18,000 D)Rs.15,000 | 1 |
| 5 | Assertion(A): The value of Goodwill calculated on Average profit Method and Super profit Method is not the same<br>Reason (R): The value of Goodwill calculated on Average profit Method and Super profit Method is not the same as the basis of valuation is different.<br>In the context of the above two statements, which of the following is correct?<br>A. Both Assertion(A) and Reason (R) are true and Reason(R) is the correct explanation of Assertion(A)<br>B. Both Assertion(A) and Reason (R) are true and Reason(R) is not the correct explanation of Assertion(A)<br>C. Assertion(R) is true but the Reason(R) is false<br>D. Assertion(R) is false but the Reason(R) is true | 1 |
| 6 | The amount of share capital which a company is authorised to issue by its Memorandum of Association is known as................................<br>A) Nominal Capital B) Issued Capital<br>C) Reserve Capital D) Subscribed Capital<br>OR<br>According to Securities and Exchange Board of India(SEBI), guidelines, minimum subscription of capital cannot be less than 90% of......<br>A) Authorised capital B) Issued capital C)Reserve capital D) Subscribed capital | 1 |
| 7 | Sachin Ltd. issued 80,000, 10% Debentures of □ 100 each at certain rate of discount and were to be redeemed at 20% premium. Existing balance of Securities Premium before issuing of these debentures was □ 25,00,000 and after writing off Loss on Issue of Debentures, the balance in Securities Premium was □ 5,00,000. At what rate of discount, these debentures were issued?<br>A. 10% B. 5%<br>C. 25% D. 15% | 1 |

| | | |
|---|---|---|
| 8 | X, a partner was assigned to look after the dissolution process and was allowed a remuneration of Rs.15,000. Actual realisation expenses amounted to Rs.20,000, being paid by another partner Y. By what amount realisation account will be debited for the above mentioned information?<br>A) Rs.20,000 B)Rs.35,000 C)Rs.5,000 D)Rs.15,000<br>OR<br>Aman, Bhumi and Charu were partners sharing profits and losses in the ratio 3:2:1. Their books showed Workmen Compensation Reserve of □ 1,00,000. Workmen Claim amounted to □ 60,000. How it will affect the books of Accounts at the time of dissolution of firm?<br>A. Only □ 40,000 will be distributed amongst partner's capital account<br>B. □ 1,00,000 will be credited to Realisation Account and □ 60,000 will be paid off.<br>C. □ 60,000 will be credited to Realisation Account and will be even paid off. Balance □ 40,000 will be distributed amongst partners.<br>D. Only □ 60,000 will be credited to Realisation Account and will be even paid off | 1 |
| 9 | Assertion: Partner's current accounts are opened when their capital are fluctuating.<br>Reasoning: In case of Fixed capitals all the transactions other than Capital are done through Current account of the partner.<br>A. Both A and R are true and R is the correct explanation of A.<br>B. Both A and R are true but R is not the correct explanation of A.<br>C. A is true but R is false<br>D. A is false but R is true | 1 |
| 10 | Rahul, a partner took over Machinery of □ 50,000 in full settlement of his Loan of □60,000. Machinery was already transferred to Realisation Account. How it will effect the Realisation Account?<br>A. Realisation Account will be credited by □ 60,000<br>B. Realisation Account will be credited by □ 10,000<br>C. Realisation Account will be credited by □ 50,000<br>D. No effect on Realisation Account | 1 |
| 11 | Shyam a partner was being guaranteed that his share of profits will not be less than □ 20,000 p.a. Deficiency, if any was to be borne by other partners Kanak and Gori equally. For the year ended 31st March, 2024 the firm incurred loss of □ 60,000.<br>What amount will be debited to Kanak's Capital Account in total at the end of the year?<br>A. □ 20,000 B. □ 40,000 C. □ 45,000 D. □ 30,000 | 1 |
| 12 | Jay Ltd. Forfeited 100 shares of Rs.10 each for non-payment of first call of Rs.1 per share and second and final call of Rs.3 per share. The minimum price per share at which these shares can be reissued will be<br>A) Rs.6 B) Rs.4 C) Rs.10 D) Rs.16 | 1 |
| 13 | Forfeiture of shares leads to reduction of ________________Capital.<br>A. Authorised<br>B. Issued<br>C. Subscribed<br>D. Called up | 1 |

| | | |
|---|---|---|
| 14 | P, Q and R were partners in the ratio of 3:2:1. As on 1st July 2020, they decided to alter their ratio. For this purpose P decided to give ¼ of his share to Q, and Q decided to give ½ of his share to P and R equally. What will be the Sacrifice/Gain of P?<br><br>A. 3/24 Sacrifice B. 1/24 Sacrifice C. 2/24 Gain D. 1/24 Gain | 1 |
| 15 | Aen, Ben and Cen were partners sharing profit and losses in the ratio of 2:2:1. Books are closed on 31st March every year. Cen dies on 5th November,2023. Under the partnership deed, the executors of the deceased partner are entitled to his share of profit to the date of death, calculate on the basis of last year's profit. Profit for the year ended 31st March ,2023 was Rs. 2,40,000. Cen's share of profit will be:<br>A. Rs. 28,000 B. Rs. 32,000 C. Rs. 28,800 D. Rs. 48,000<br><br>OR<br><br>Mohit, Jikhar were partners sharing profits and losses in the ratio 3:2: Their Capital balance as on March 31, 2024 was □ 3,70,000; and □ 3,50,000 respectively. On the same date, they admitted Sachin as a new partner for 20% share. Sachin was to bring □ 2,00,000 as his capital and his share of goodwill. What will be the amount of Goodwill brought in by Sachin on his admission as a new partner?<br>A. □ 16,000 B. □ 80,000<br>C. □ 2,60,000 D. □ 3,05,000 | 1 |
| 16 | A,B and C were partners in a firm sharing profits and losses in the ratio of 5:3:2.They admitted D as a new partner who acquired his share entirely from A. If A sacrificed 1/5th from his share to D,D share in the profits of the firm will be<br>A) 1/10 B) 1/5 C) 3/10 D)2/5 | 1 |
| 17 | Centy and Denty were partners in a firm sharing profits in the ratio of 3:2. On February,2023 firm was dissolved. After transferring assets and outsider's liabilities to realization a/c, you are given the following information:<br><br>a. A creditor for Rs. 2,00,000 accepted building of Rs.2,80,000 at Rs.2,20,000 and paid balance amount to the firm Rs.20,000.<br><br>b. A second creditor for Rs. 75,000 accepted furniture at Rs.60,000 in full settlement of his claim.<br><br>c. A third creditor amounting to Rs.80,000 accepted Rs.20,000 in cash and investments of the book value of Rs.65,000 in full settlement of his claim.<br><br>Pass necessary journal entries for the above transactions in the books of the firm assuming that all payments were made by cheque. | 3 |
| 18 | Ram, Mohan and Sohan were partners sharing profits in the ratio of 2 : 1 : 1. Ram withdrew Rs. 3,000 every month and Mohan withdrew Rs. 4,000 every month. Interest on drawings @ 6% p.a. was charged, whereas the partnership deed was silent about interest on drawings. Showing your working clearly, pass the necessary adjustment entry to rectify the error<br><br>OR<br><br>Raju and Munni were partners sharing profits and losses in the ratio 4 : 1. They admitted Chunni into partnership for 1/5 share. Chunni was to bring Rs 2,00,000 as capital and her share of goodwill. Goodwill of the firm was valued at Rs 3,00,000 and Chunni was unable to bring anything. Journalise at the time of admission of Chunni? | 3 |

19

X Ltd. obtained loan of Rs. 8,00,000 from State Bank of India and issued 10,000; 9% Debentures of Rs. 100 each as collateral security. How will issue of debentures be shown in the Balance sheet , also prepare notes to account .

OR

A company forfeited 8,000 shares of □ 10 each on which □ 8 were called and □ 6 was paid. Out of these 5,000 shares were re- issued at maximum possible discount. Pass necessary journal entries.

3

20

Anshul, Babita and Chander were partners in a firm running a successful business of car accessories. They had agreed to share profits and losses in the ratio of 1/2 : 1/3 : 1/6 respectively. After running business successfully and without any disputes for 10 years, Babita decided to retire due to old age and the Anshul and Chander decided to share future profits and losses in the ratio of 3 : 2. The accountant passed the following journal entry for Babita share of goodwill and missed some information. Fill in the missing figures in the following Journal entry and calculate the gaining ratio.

| Date | Particulars | L.F | Dr | Cr |
|---|---|---|---|---|
| | Anshul's Capital A/c Dr<br>Chander's Capital A/c Dr<br>To Babita's Capital A/c<br>(Chander's share of Goodwill debited to the amounts of continuing partners in their gaining ratio) | | ----------<br>21,000 | <br><br>--------- |

3

21

'Track India Ltd.' is registered with an authorized capital of Rs. 10,00,000 divided into Rs. 1,00,000 equity shares of Rs.10 each . The company issued 50,000 equity shares. Rs.2 per share were payable with application , Rs. 3 per share allotment and the balance amount on the first and final call. The issue was fully subscribed and all the amount due was received except the first and final money on 500 shares allotted to Balaram.

Present the 'Share Capital' in the balance sheet of 'Track India Ltd.' as per schedule III part 1 of the Companies Act, 2013. Also prepare notes to account for the same.

4

22

The balance sheet of Suresh, Ramesh and Kamlesh who were sharing profit and losses in the ratio of 3:3:4 as at 31 st March 2022 was as follows:

| Liabilities | Rs | Assets | Rs |
|---|---|---|---|
| General reserve | 10,000 | Cash | 16,000 |
| Bills payable | 5,000 | Stock | 44,000 |
| Loan | 12,000 | Investments | 47,000 |
| Capital | | Land and building | 60,000 |
| Suresh 60,000 | | Suresh's loan | 10,,000 |
| Ramesh 50,000 | | | |
| Kamlesh 40,000 | 1,50,000 | | |
| | 1,77,000 | | 1,77,000 |

Suresh died on 30th June 2022. The partnership deed provided for the following on the death of a partner:

a) Goodwill of the firm be valued at two years purchase of average profits for last three years.
b) Suresh's share of profit till the date of his death was to be calculated on the basis of sales. Sales for the year ended $31^{st}$ March,2022 was Rs 4,00,000 and that from $1^{st}$ April to $30^{th}$ June 2022 Rs 1,50,000. The profit for the year ended $31^{st}$ March, 2022 was Rs 1,00,000.
c) interest on capital was to be provided @6%p.a
d) The average profit of last three years were Rs 42,000
e) According to Suresh's will, the executor should donate his share to "Matrichaya"-an orphanage for girls. **Prepare Suresh's capital account to be rendered to his executor.**

4

**23** i. Pioneer Fitness Ltd. took over the running business of Healthy World Ltd. having assets of □10,00,000 and liabilities of □ 1,70,000 by: **6**

a) Issuing 8,000 8% Debentures of □ 100 each at 5% premium redeemable after 6 years @ □ 110; and

b) Cheque for □ 50,000.

Pass the Journal entries in the books of Pioneer Fitness Ltd.

ii. Pass the necessary journal entries for 'Issue of Debenture' for the following:

a. Arman Ltd. issued 750, 12% Debentures of □100 each at a discount of 10% redeemable at a premium of 5%.

b. Sohan Ltd. issued 800, 9% Debentures of □100 each at a premium of 20 per debenture redeemable at a premium of □10 per Debenture.

c.

**24** Sarah and Varsha were partners in a firm sharing profits and losses in the ratio of 3:2. Their Balance Sheet as at 31st March, 2023 was as follows:

Balance Sheet of Sarah and Varsha as at 31st March, 2023

| Liabilities | Amount Rs. | Assets | Amount Rs. |
|---|---|---|---|
| Capitals: | | Plant & Machine | 200000 |
| Sarah 60000 | | Stock | 30000 |
| Varsha 50000 | 110000 | Debtors 50000 | |
| Provident Fund | 120000 | Less: PDD 5000 | 45000 |
| Creditors | 50000 | Cash | 25000 |
| Workmen Compensation Fund | 20000 | | |
| | 300000 | | 300000 |

On 1st April, 2023, they decided to admit Tasha as a new partner for 1/4th share in the profits of the firm on the following terms:

i) Tasha brought Rs. 40,000 as her capital and Rs. 20000 as her share of premium for goodwill.

ii) Plant and Machinery was valued at Rs. 1,90,000.

iii) An item of Rs. 20,000, included in creditors, is not likely to be claimed and should be written off.

iv) Capitals of the partners in the new firm are to be in the new profit sharing ratio on the basis of Tasha's capital, by bringing or paying off cash, as the case may be.

Prepare Revaluation Account and Partners Capital Accounts

OR ( Next Page)

OR — 6

Meghna, Mehak and Mandeep were partners in a firm whose Balance Sheet as on 31st March, 2023 was as under:

Balance Sheet

| *Liabilities* | | Amount | *Assets* | Amount |
|---|---|---|---|---|
| Creditors | | 28,000 | Cash | 27,000 |
| General Reserve | | 7,500 | Debtors | 20,000 |
| Capitals: | | | Stock | 28,000 |
| Meghna | 20,000 | | Furniture | 5,000 |
| Mehak | 14,500 | | | |
| Mandeep | 10,000 | 44,500 | | |
| | | 80,000 | | 80,000 |

Mehak retired on this date under following terms:

**(i)** To reduce stock and furniture by 5% and 10% respectively.
**(ii)** To provide for doubtful debts at 10% on debtors.
**(iii)** Goodwill was valued at Rs12,000.
**(iv)** Out of the total creditors , creditors of Rs.8,000 were settled at Rs.7,100.
**(v)** Mehak should be paid off and the entire sum payable to Mehak shall be brought in by Meghna and Mandeep in such a way that their capitals should be in their new profit-sharing ratio and a balance of Rs.25,000 is maintained in the cash account.

Prepare Revaluation Account and partners' capital accounts of the new firm.

25 Hema and Garima were partners in a firm sharing profits in the ratio of 3:2.On March 31, 2015, their Balance Sheet was as follows: Balance sheet of HEMA and GARIMA. — 6

| liabilities | Amount | Assets | Amount |
|---|---|---|---|
| Creditors | 36,000 | Bank | 40,000 |
| Garima's Husband's Loan | 60,000 | Debtors | 76,000 |
| Hema's loan | 40,000 | Stock | 2,00,000 |
| Capital: | | Furniture | 20,000 |
| Hema Rs2,00,000 | | Lease hold premises | 1,00,000 |
| Garima Rs1,00,000 | 3,00,000 | | |
| | 4,36,000 | | 4,36,000 |

On the above date the firm was dissolved. The various assets were realized and liabilities were settled a sunder:

**(i)** Garima agreed to pay her husband's loan.
**(ii)** Lease hold premises realized Rs.1,50,000 and DebtorsRs.2,000 less.
**(iii)** Half the creditors agreed to accept furniture of the firm as full settlement of their claim and remaining half agreed to accept 5%less.
**(iv)** 50% Stock was taken over by Hema on cash payment of Rs.90,000 and remaining stock was sold for Rs.94,000.
**(v)** Realization expenses of Rs.10,000 were paid by Garima on behalf of Firm.

Prepare Realization A/c at the time of dissolution of the firm.

| | | |
|---|---|---|
| 26 | Creative Ltd issued equity shares Rs.10,00,000 divided into Rs.10 shares at a premium @ 20% per share, payable as under:<br>On Application Rs.3 per share<br>On Allotment Rs.5 per share(including premium)<br>On First and Final Call Balance<br>Over payments on application were to be applied towards sums due on allotment. Where no allotment was made, money was to be refunded in full. The issue was oversubscribed to the extent of 1,20,000 shares. Applicants for 10,000 shares were sent letters of regret. Shares were allotted in full to the remaining applicants. All the money due was duly received except a shareholder who applied for 110 shares failed to pay allotment and first call his share were forfeited and re-issue at Rs.9.50 fully paid up.<br>Give Journal Entries to record the above transactions in the books of the company.<br>OR<br>Give necessary journal entries<br>i) The Board of Directors of Jeeva Ltd forfeited 200 equity shares of Rs 10 each, Rs 8 paid up, for non payment of final call of Rs 2. 70 of these shares reissued @ Rs 7 per share as fully paid up.<br>ii) Josh ltd forfeited 300 shares of Rs 100 each (Rs 70 called up) issued at par on which the shareholder had paid only Rs 30 per share. Out of these, 20 shares were reissued as Rs 80 paid up for Rs 70 per share. | 6 |
| | **Part B :- Analysis of Financial Statements** | |
| 27 | Which of the following explains the significance of financial analysis?<br>(a) Ignores qualitative aspect (b) Judges operational efficiency<br>(c) Suffers from the limitations of financial statements<br>(d) It is affected by personal ability and bias of the analysis<br>OR<br>When an analyst analysis the financial statements of an enterprise over a number of years, the analysis is called ____________________analysis.<br>A. Static<br>B. External<br>C. Horizontal<br>D. Vertical | 1 |
| 28 | Current ratio 1.5:1, Working capital Rs. 30,000. What will be the current liabilities:<br>(a) Rs. 20.000 (b) Rs. 60.000 ( c) Rs.1,65,000 (d) Rs. 1,50,000 | 1 |

| | | |
|---|---|---|
| 29 | Insurance Claim received by Albert Co. Ltd. of □ 5,00,000 for Loss of Machinery due to theft will be recorded in Cash Flow Statement in which of the following manner?<br>A. Added under Operating Activities as Extraordinary Item and Subtracted from Operating Activities also.<br>B. Subtracted under Operating Activities as Extraordinary Item and Added to Operating Activities also.<br>C. Added under Operating Activities as Extraordinary Item and Outflow under Investing Activity also.<br>D. Subtracted under Operating Activities as Extraordinary Item and Inflow under Investing Activities also.<br>OR<br>Which of the following transactions will result into flow of cash ?<br>(a ) Cash withdrawn from bank Rs. 20,000.<br>(b) Issued Rs. 20,000, 9% debentures for the vendors of machinery.<br>( c ) Received Rs 19,000 from debtors.<br>( d) Deposited cheques of Rs. 10,000 into bank. | 1 |
| 30 | While computing cash from operating activities, which of the following item(s) will be added to the net profit:<br>(i) Decrease in the value of Inventory<br>(ii) Increase in the Share Capital<br>(iii) Increase in the value of trade receivables<br>(iv) Increase in the value of outstanding expences<br>A. Only (i)<br>B. Only (i) and (ii)<br>C. Only (i) and (iii)<br>D. Only (i) and (iv) | 1 |
| 31 | Classify the following items under Major heads and Sub-head (if any) in the Balance Sheet of a Company as per schedule III of the Companies Act 2013.<br>(i) Securities Premium Reserve (ii) Debentures (iii) Current maturities of long-term debts | 3 |

32 From the following information prepare common sized statement of profit and loss of smart Ltd. 3

| Particulars | 2023-24 Rs. | 2022-23 Rs. |
|---|---|---|
| Revenue from Operation | 20,00,000 | 20,00,000 |
| Cost of Material Consumed | 6,00,000 | 4,00,000 |
| Employee Benefits Expenses | 4,00,000 | 2,00,000 |
| Tax Rate | 50% | 50% |

OR

Complete the Comparative Statement of profit and loss;

| Particulars | 2022-23 | 2023-24 | Absolute change | % change |
|---|---|---|---|---|
| Revenue from operation | 16,00,000 | 20,00,000 | ? | ? |
| Less Employees benefits expenses | 8,00,000 | ? | ? | 25% |
| Less other expenses | 2,00,000 | ? | (1,00,000) | ? |
| Profit before tax | 6,00,000 | ? | ? | 50% |
| Tax @ 30% | ? | ? | 90,000 | ? |
| Profit after tax | 4,20,000 | ? | 2,10,000 | ? |
| | | | | |

33 (a) Current ratio of a company is 2.5:1 , Liquid ratio is 1.5:1 , if value of inventory is Rs60,000 calculate value of Current assets, current liabilities and liquid assets. 4

(b) Calculate debt to capital employed ratio from the following information.

Shareholder funds □ 15,00,000
8% Debenture □ 7,50,000
Current liabilities □ 2,50,000
Non -current Assets □ 17,50,000
Current Assets □7,50,000.

OR

From the following information, determine the opening and closing inventory :

Inventory Turnover Ratio ................................ 4 Times
Total Sales................................................. Rs.3, 00,000
Rate of Gross Profit on Cost.................... 25%
Closing inventory is 3 times more than opening inventory .

| | | |
|---|---|---|
| 34 | **From the following balance sheets of a company, prepare cash Flow Statement:** | 6 |

| PARTICULARS | 31/3/2023 | 31/3/2024 |
|---|---|---|
| **I. Equity and Liabilities** | | |
| **Shareholder's Funds :** | | |
| Equity Share Capital | 1,00,000 | 1,00,000 |
| Reserves and Surplus | 30,000 | 60,000 |
| **Non-Current Liabilities** | | |
| Debentures | 60,000 | 80,000 |
| **Current Liabilities** | | |
| Creditors | 30,000 | 35,000 |
| Bills Payable | 30,000 | 10,000 |
| Other Current Liabilities | 40,000 | 45,000 |
| TOTAL | 2,90,000 | 3,30,000 |
| **II Assets** | | |
| **Non-Current Assets:** Fixed Assets | 1,50,000 | 1,90,000 |
| Non-Current Investments | 40,000 | 30,000 |
| **Current Assets:** | | |
| Stock | 40,000 | 55,000 |
| Debtors | 40,000 | 45,000 |
| Cash | 20,000 | 10,000 |
| TOTAL | 2,90,000 | 3,30,000 |

Additional Information:

(i) Depreciation charged during the year amounted to Rs.22,000.

(ii) Dividend paid during the year amounted to Rs.12,000.