

**Government of Karnataka**  
**KARNATAKA SCHOOL EXAMINATION AND ASSESSMENT BOARD**  
**MODEL QUESTION PAPER-2 2024-25**  
**SECOND YEAR P.U.C**  
**ACCOUNTANCY (30)**

**Time: 03 Hours**

**(Total No. of questions:32)**

**Max. Marks: 80**

**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:**

**(5×1=5)**

1. A and B are partners sharing profits in the ratio of 3:1. They admit C for 1/4 share in the future profits. The new profit sharing ratio will be:
  - a)  $A \frac{9}{16}, B \frac{3}{16}, C \frac{4}{16}$
  - b)  $A \frac{8}{16}, B \frac{4}{16}, C \frac{4}{16}$
  - c)  $A \frac{10}{16}, B \frac{2}{16}, C \frac{4}{16}$
  - d)  $A \frac{2}{16}, B \frac{4}{16}, C \frac{10}{16}$
2. Commission payable to deceased partner will be credited to his capital account with:
  - a) Annual commission
  - b) Monthly commission
  - c) Half yearly commission
  - d) Actual commission
3. The following journal entry appears in the books of X Co. Ltd.

Bank A/c	Dr.	4,75,000	
Loss on issue of debentures A/c	Dr.	75,000	
	To 12% Debentures A/c		5,00,000
	To Premium on Redemption of Debentures A/c		50,000

Debentures have been issued at a discount of:
  - a) 15%
  - b) 5%
  - c) 10 %
  - d) 20%
4. Comparative statements are also known as:
  - a) Dynamic analysis
  - b) External analysis
  - c) Vertical analysis
  - d) Horizontal analysis
5. The two basic measures of liquidity are:
  - a) Inventory turnover ratio and current ratio
  - b) Gross profit ratio and operating ratio
  - c) Current ratio and liquid ratio
  - d) Current ratio and average collection period

**II. Fill in the blanks by choosing the appropriate answers from those given in the brackets:** **(5×1=5)**  
**(Cash outflow, Reserves and Surplus, Cash inflow, Asset, Complimentary, Calls in advance)**

6. \_\_\_\_\_ Account is debited for the increase in the value of an asset.
7. Call money received in advance is called \_\_\_\_\_
8. Capital reserve is shown under \_\_\_\_\_ head.
9. Analysis and interpretation are \_\_\_\_\_ to each other
10. Issue of new debentures is \_\_\_\_\_.

**III. Match the following:** **(5×1=5)**

- |                           |  |
|---------------------------|--|
| <b>11.           A</b>    | <b>B</b>   |
| a) Fixed capital method   | i) when the business of the firm becomes illegal |
| b) New Share              | ii) Solvency Ratio                               |
| c) Compulsory Dissolution | iii) Formal annual reports                       |
| d) Financial statements   | iv) Capital and Current A/cs.                    |
| e) Debt-Equity Ratio      | v) Old Share + Acquired Share                    |
|                           | vi) Profitability Ratio                          |

**VI. Answer the following questions in one word or one sentence each: (5×1=5)**

12. State any one special aspect of partnership accounts.
13. Court can order a firm to be dissolved when a partner becomes insane.  
(State True or False)
14. When the shares are forfeited?
15. Expand D R R.
16. Give an example for cash outflows from financing activities.

**PART-B**

**Answer any three questions. Each question carries 2 marks:** **(3×2=6)**

17. In the absence of partnership deed, specify the rules relating to the following;
  - a) Sharing of profit and losses
  - b) Interest on partners' capital
18. Give the journal entry to close Revaluation Account when there is a profit at the time of retirement of a partner.
19. State any two categories of share capital.
20. State any two accounting postulates.
21. If purchases are ₹72,000, opening trade payables are ₹12,000 and closing trade payables are ₹9,000, calculate cash payments to suppliers.

**PART-C**

**Answer any three questions, each question carries 6 marks:** **(3×6=18)**

22. Calculate interest on drawings of Mr. Kiran @10% p.a. if he withdrew ₹1,000 per month by the short cut method (Average period method):
  - a) At the beginning of each month
  - b) At the end of each month.
23. Harish, Girish, and Suresh are partners in a firm sharing profits and losses in the ratio of 4:3:2. Suresh retires from the firm. Harish and Girish agreed to share equally in future. Calculate gain ratio of Harish and Girish.
24. P, Q, and R are partners sharing profits and losses in the ratio of 2:2:1. Their Capital balances on 01.04.2023 stood at ₹90,000, ₹60,000 and ₹40,000 respectively. Mr. Q died on 01.01.2024 partnership deed provides the following:
  - a) Interest on capital at 10% p.a.

- b) Salary to Q, ₹2,000 per month.  
 c) Q's share of Goodwill (as per AS-26). Total goodwill of the firm is ₹54,000.  
 d) His share of profit up to the date of death on the basis of previous year's profit.  
 e) Profit of the firm for the year 2022-23 is ₹30,000  
 Prepare Q's Executors Account.

25. From the following information, prepare Balance Sheet Surya Ltd., for the year ending 31<sup>st</sup> March 2024 as per Schedule III of Companies Act, 2013.

Particulars	₹
Equity Share Capital	20,00,000
Inventories	14,00,000
Plant and Machinery	10,00,000
Preference Share Capital	12,00,000
General Reserve	6,00,000
Other Current liabilities	20,00,000
Land and Buildings	20,00,000
Current Investments	8,00,000
Cash equivalents	10,00,000
Short term loan from Chandra Ltd.,	4,00,000

26. From the following particulars, calculate cash flow from investing activities.

Particulars	Purchased ₹	Sold ₹
Plant	4,40,000	50,000
Investments	1,80,000	1,00,000
Goodwill	2,00,000	-----
Patents	-----	1,00,000

**Additional information:**

- a) Interest received on debentures held as investments ₹60,000  
 b) Dividend received on shares held as investment ₹10,000  
 c) A plot of land had been purchased for investment purpose and was let out for commercial use and rent received ₹30,000.

**PART-D**

**Answer any three questions. Each question carries 12 marks: (3×12=36)**

27. M and N are equal partners in a firm. Their Balance Sheet as on 31.03.2024 stood as follows:

**Balance Sheet as on 31.03.2024**

Liabilities	₹	Assets	₹
Creditors	40,000	Stock	39,000
Bank Loan	8,000	Debtors	32,000
		Less: PDD	<u>1,000</u>
Capitals:		Land & Buildings	40,000
M	80,000	Machinery	36,000
N	40,000	Motor Car	8,000
	120,000	Cash at Bank	14,000
	<b>168,000</b>		<b>168,000</b>

On 01.04.2024, 'O' is admitted into partnership for  $\frac{1}{5}$ <sup>th</sup> share in future profits on the following terms:

- a) 'O' brings ₹26,000 as his capital.  
 b) Goodwill of the firm is valued at ₹12,000 (**as per AS-26**).  
 c) Motor car and Machinery are to be depreciated by 20% and ₹3,800 respectively.

- d) Provision for doubtful debts is to be maintained at 10%.
- e) The Capital Accounts of all the partners are to be adjusted in their new profit sharing ratio 2:2:1, based on O's Capital **after making all the adjustments including goodwill** (Adjustments are to be made in cash).
- f) Sacrifice ratio of old partners' is **1:1**

Prepare:

- i) Revaluation Account,
- ii) Partners' Capital Accounts, &
- iii) New Balance Sheet of the firm.

28 Sudeep, Ganesh and Darshan are partners sharing profits and losses in the ratio of 1:2:1. Their Balance Sheet as on 31.3.2024 was as follows:

**Balance sheet as on 31.3.2024**

Liabilities	₹	Assets	₹
Creditors	20,000	Cash	15,000
Bills Payable	6,000	Debtors	15,000
Bank O/D	4,000	Stock	18,000
Reserve fund	8,000	Furniture	12,000
Puneeth's loan	5,000	Machinery	20,000
Capitals: Sudeep	42,000	Buildings	60,000
Ganesh	35,000		
Darshan	20,000		
	<b>1,40,000</b>		<b>1,40,000</b>

On the above date they decided to dissolve the firm:

a) Assets realised as follows:

Debtors ₹13,500, Stock ₹19,800, Buildings ₹62,000, Vehicle which was unrecorded also realised at ₹4,000 and Machinery realised at book value.

b) Furniture was taken over by Sudeep at a valuation of ₹9,000.

c) Creditors were settled at 10% less. Darshan took over Puneeth's loan.

d) Bank O/D was paid along with interest ₹400.

e) Realisation expenses amounted to ₹4,000.

Prepare:

- i) Realisation A/c,
- ii) Partners' Capital Accounts, and
- iii) Cash A/c.

29. Krupa Company Ltd., issued 20,000 Equity Shares of ₹10 each. The amount was Payable is as follows.

On application	₹ 2
On allotment	₹ 3
On first and final call	₹ 5

Applications were received for 25,000 Shares. Excess applications were rejected and money refunded. All the money was duly received except the first and final call on 500 shares held by Akash. The Directors forfeited these shares and then re-issued to Sagar at ₹7 per share as fully paid-up.

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

30. Pass the necessary journal entries for the followings:

- a) Issue of 300, 8% debentures of ₹100 each at a premium of 10% and redeemable at a par.
- b) Issue of 300, 8% debentures of ₹100 each at a par but redeemable at a premium of 10%.
- c) Issue of 300, 8% debentures of ₹100 each at a discount of 10% and redeemable at a premium of 10%.

d) Issue of 300, 8% debentures of ₹100 each at a premium of 5% and redeemable at a premium of 5%.

31. From the following information, prepare Comparative Statement of Profit and Loss for the year ending 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2024 of Raju Co. Ltd.,

Particulars	31-3-2023	31-3-2024
	₹	₹
Revenue from Operations	8,00,000	9,00,000
Other Income	20,000	40,000
Employees Benefit Expenses	1,00,000	1,20,000
Cost of Materials consumed	4,00,000	5,00,000
Other Expenses	20,000	30,000
Financial Cost	30,000	20,000
Depreciation	70,000	70,000
Income tax	30%	30%

32. From the following Balance Sheet and other information, calculate the following ratios:

- Quick Ratio,
- Proprietary Ratio,
- Inventory turnover Ratio,
- Trade Receivable turnover Ratio,
- Gross profit Ratio,
- Operating Ratio.

Balance Sheet as on 31/03/2024

Particulars	Note Number	Amount ₹
<b>Equity and Liabilities:</b>		
<b>Shareholders' funds</b>		
a) Share Capital		3,00,000
b) Reserves and Surplus		50,000
<b>Non-current Liabilities</b>		
Long term borrowings		50,000
<b>Current Liabilities</b>		
Trade Payables		1,00,000
Total		5,00,000
<b>Assets</b>		
<b>Non-current Assets</b>		
Fixed Assets		3,00,000
<b>Current Assets</b>		
Inventories		50,000
Trade Receivables		70,000
Cash and Cash equivalents		80,000
Total		5,00,000

Other information: i) Revenue from operations ₹3,00,000  
ii) Cost of Revenue from operations ₹1,85,000  
iii) Operating expenses ₹ 65,000.

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