

Government of Karnataka
KARNATAKA SCHOOL EXAMINATION AND ASSESSMENT BOARD
MODEL QUESTION PAPER-3 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. When fixed amount is withdrawn on the first day of every month, interest on total amount for the year ending will be calculated for:
 - a) 2½ months
 - b) 4½ months
 - c) 6½ months
 - d) 8½ months
2. On dissolution of the firm, partners' capital accounts are closed through:
 - a) Realisation Account
 - b) Drawings Account
 - c) Loan Account
 - d) Cash / Bank Account.
3. Non-current assets are:
 - a) Expected to use in the business for long period
 - b) Involved in entities operating cycle
 - c) Primarily held for trading
 - d) Cash and cash equivalents
4. Percentage of each liability to the total liabilities is shown in:
 - a) Common Size Income Statement
 - b) Common Size Balance Sheet
 - c) Both the above
 - d) Comparative Balance Sheet
5. _____ are especially interested in the average payment period, since it provides them with a sense of the bill-paying patterns of the firm.
 - a) Customers
 - b) Lenders and suppliers
 - c) Stockholders
 - d) Borrowers and buyers

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

(5×1=5)

(direct, capital profit, new, indirect, agreement, financial)

6. Partnership is the result of _____ between two or more persons to do business and share its profits and losses.
7. _____ ratio is required for sharing future profits and also for adjustment of capitals.
8. Premium on issue of debentures is a_____.

9. _____ statements are the basic and formal annual report.
10. Cash flow statement prepared by _____ method is used by most companies in practice.

III. Match the following:

(5×1=5)

- | | |
|------------------------------------|-------------------------------|
| 11. A | B |
| a) Gaining Ratio | i) long-term in nature |
| b) Dissolution of Partnership firm | ii) Financial Analysis tool |
| c) Issued Capital | iii) Short-term in nature |
| d) Trend Analysis | iv) Closing down of business |
| e) Liquidity Ratios | v) Part of authorised capital |
| | vi) Retirement of a partner |

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

12. Write the formula for Sacrificing Ratio.
13. Deceased partner may be paid in one lump sum or instalments with interest. (State True or False).
14. Expand OPC.
15. Can the company purchase its own debentures?
16. Give an example for extraordinary item.

PART-B

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

17. State any two differences between fixed and fluctuating capital methods.
18. Pass the journal entry to close retiring partner's capital account when the payment is made immediately.
19. Give the meaning of issue of shares for consideration other than cash.
20. How will you disclose the following items in the Balance Sheet of a Company?
a) Loose Tools
b) Proposed dividends.
21. State any two uses of cash flow statement.

PART-C

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

22. Kumar and Patil are partners in a firm. Kumar withdrew ₹4,000 quarterly at the beginning of each quarter. Calculate the interest on drawings at 9% p.a. for the year ending 31.03.2024, under product method.
23. Naveen, Suresh and Tarun are partners sharing profits and losses in the ratio of 5:3:2. Suresh retires from the firm and his share is acquired by Naveen and Tarun in the ratio of 2:1. Calculate New profit sharing ratio.
24. Arathi, Bharthi and Hema are partners sharing profits in the ratio of 3:2:1 and their Balance Sheet as on 31st March 2024, stood as follows:

Balance sheet as on 31st March,2024

Liabilities	₹	Assets	₹
Bills Payable	12,000	Buildings	21,000
Creditors	14,000	Cash in hand	12,000
Reserved Fund	12,000	Bank	13,700
Capitals:		Debtors	12,000
Arathi 20,000		Bills Receivable	4,300
Bharthi 12,000		Stock	1,750
Hema <u>8,000</u>	40,000	Investment	13,250
	78,000		78,000

Bharthi died on 1st June, 2024 and according to the deed of the said partnership her executors are entitled to be paid as under.

- The capital to her credit at the time of her death and interest there on at 10% per annum.
- Her proportionate share of reserve fund.
- Her share in goodwill ₹3,800 (as per AS-26)
- Her drawings up to the date of death amounted to ₹ 2000.

Prepare Bharti's Executors Account.

25. From the following trial balance and other information, prepare Statement of Profit and Loss for the year ending 31st March 2024 as per Schedule III of Companies Act, 2013.

Sl. No.	Particulars	Debit ₹	Credit ₹
1.	Land and buildings	4,00,000	
2.	Trade receivables	1,00,000	
3.	Trade payables		2,00,000
4.	10% Debentures (01/04/2023)		3,00,000
5.	Sales		15,00,000
6.	Net purchases	10,00,000	
7.	Wages and salaries	50,000	
8.	Contribution to provident fund	10,000	
9.	Plant and machinery	2,00,000	
10.	Goodwill	2,40,000	
	Total	20,00,000	20,00,000

Adjustments:

- Income tax ₹1,09,800.
- Depreciation on plant and machinery at 10% and amortisation of goodwill by ₹24,000.

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

Particulars	2023 ₹	2024 ₹
Preference share capital	5,00,000	8,00,000
Long term borrowings	6,00,000	5,00,000

Additional information:

Particulars	₹
Dividend paid on equity share capital	50,000
Dividend tax paid	10,000
Interest paid on long term borrowings	30,000

PART-D

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

27. Red and Black are partners in a firm sharing profits and losses in the ratio of 6:4. Their balance sheet as on 31.03.2024 was as follows.

Balance Sheet as on 31.03.2024

Liabilities	₹	Assets	₹
Creditors	20,000	Cash in Hand	5,000
Bills Payable	6,000	Debtors	20,000
General Reserve	4,000	Less: PDD	<u>2,000</u>
Capitals:		Stock	17,000
Red	40,000	Buildings	30,000
Black	<u>30,000</u>	Furniture	30,000
	70,000		
	100,000		100,000

On 01.04.2024, White is admitted into the partnership on the following terms:

- He brings ₹25,000 as capital and ₹8,000 towards goodwill for 1/6th share in the future profits.
- Depreciate furniture at 10% and appreciate buildings by 20%.
- Provision for doubtful debts is no longer.
- Provide ₹1,000 for repair charges.
- Goodwill amount is to be withdrawn by the Old Partners **(as per AS-26)**.

Prepare: i). Revaluation Account,
ii). Partners' Capital Accounts, &
iii). Balance Sheet of the firm after admission.

28. Shruti, Pallavi and Roopa were partners in a firm sharing profits and losses in the ratio of 2:2:1. They decided to dissolve the firm. Their Balance Sheet on the date of dissolution was as follows:

Balance Sheet as on 31/03/2024

Liabilities	₹	Assets	₹
Creditors	30,000	Cash at Bank	6,000
Bills payable	20,000	Debtors	30,000
Roopa's Loan	8,000	Stock	30,000
P & L A/c	10,000	Furniture	22,000
Capitals:		Machinery	20,000
Shruti	40,000	Buildings	50,000
Pallavi	30,000		
Roopa	20,000		
	1,58,000		1,58,000

The assets realised as follows:

- Debtors realised 10% less than the book value, the Stock realised 15% more than the book value, Buildings realised at ₹60,000.
- The Furniture was taken over by Shruti at ₹20,000.
- The Machinery was taken over by Pallavi at ₹15,000.
- Creditors and Bills Payable were paid off at a discount of 5% and other liabilities were paid in full.
- Cost of dissolution amounted to ₹1,500.

Prepare:

- Realisation Account,
- Partners' Capital Accounts, and
- Bank Account.

29. The Shreedevi Trading Company Ltd., issued 10,000 Preference shares of ₹10 each at premium of ₹2 per share payable as follows:

On application	₹ 2
On allotment	₹ 6 (including premium)
On first and final call	₹ 4

All the shares were subscribed and the money duly received except the first and final call on 1,000 shares. These shares were forfeited and out of these only 800 shares are reissued at ₹8 each as fully paid-up.

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

30. Soundarya Company Ltd., issued 15,000, 10% debentures of ₹100 each on April 01, 2023 at a discount of 5% redeemable at a premium of 5%. Pass journal entries relating to the issue of debentures and debentures interest for the period ending March 31, 2024 assuming that interest was paid half yearly on September 30 and March 31 and tax deducted at source is 10%.

31. The followings are the Balance Sheets of Alpha Ltd., as at March 31st, 2023 and 2024

Particulars	March 31 st , 2023 ₹	March 31 st , 2024 ₹
I. Equity and Liabilities:		
Equity Share Capital	2,00,000	4,00,000
Reserves and Surplus	1,00,000	1,50,000
Long Term Loans	2,00,000	3,00,000
Current Liabilities	1,20,000	1,70,000
Total	6,20,000	10,20,000
II. Assets:		
Fixed Assets	2,00,000	5,00,000
Non-current Investment	1,00,000	1,25,000
Current Assets	2,55,000	3,25,000
Term Loan and Advances	65,000	70,000
Total	6,20,000	10,20,000

You are required to prepare a Comparative Balance Sheet

32. From the following information, you are required to calculate:

- a. Current Ratio,
- b. Total Assets to Debt Ratio,
- c. Fixed Assets Turnover Ratio,
- d. Working Capital Turnover Ratio,
- e. Operating Profit Ratio,
- f. Book Value Per Share.

Particulars	₹
Revenue from Operations	20,00,000
Paid up Equity Shares of ₹10each	5,00,000
Current Assets	4,00,000
Operating Profit	16,00,000
13% Debentures	1,00,000
General Reserve	1,00,000
10% Preference Shares of ₹10 each	2,00,000
Current Liabilities	2,50,000
Plant and Machinery	3,00,000
Furniture	5,00,000
Net profit after Tax	1,00,000
