

**MODEL QUESTION PAPER**  
**SECOND YEAR P.U.C**  
**ACCOUNTANCY (30)**

**Time: 3 Hours 15 Minutes (Total No. of questions:32) Max Marks: 80**

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**Instructions:**

1. The question paper contains five parts A, B, C, D and E.  
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.

**SECTION -A**

- I. Choose the correct answer from the choices given: (5×1=5)**
1. In order to form partnership there should be at least
    - a) One person
    - b) Two persons
    - c) Seven persons
    - d) Ten person
  2. X, Y and Z are partners sharing profits and losses in the ratio of 3:2:1.  
If Y retires, the new profit sharing ratio of X and Z will be:
    - a) 3:1
    - b) 3:2
    - c) 2:1
    - d) 1:2
  3. Mahendra Ltd. forfeited 4,000 equity shares of ₹10 each issued at a premium of ₹2 per share, for non-payment of first and final call of ₹4 per share. On forfeiture, 'Share forfeiture Account' will be credited by:
    - a) ₹ 16,000
    - b) ₹ 24,000
    - c) ₹ 30,000
    - d) ₹ 40,000
  4. Current Assets does not include:
    - a) Short term investments
    - b) Buildings
    - c) Inventories
    - d) Cash and cash equivalents
  5. ABC Co. extends credit terms of 45 days to its customer. Its credit collection would be considered poor, if its average collection period was \_\_\_\_\_ days.
    - a) 30 days
    - b) 36 days
    - c) 47 days
    - d) 37 days
- II. Fill in the blanks by choosing the appropriate answers from those given in the brackets: (5×1=5)**  
**(short term, creditors, debited, vertical, old partners' capital, credited)**
6. At the time of admission of a new partner, general reserve appearing in the old balance sheet is transferred to \_\_\_\_\_ account.
  7. If a partner takes over an asset, such partner's capital account is \_\_\_\_\_.

8. Debenture holders are the \_\_\_\_\_ of the Company.  
9. Common Size Statement is also known as \_\_\_\_\_ analysis.  
10. Liquidity ratios are calculated to measure the \_\_\_\_\_ solvency of the business.

**III. Match the following**

**(5×1=05)**

**11. A**

**B**

- |                                    |  |
|------------------------------------|--|
| a) Partnership Deed                | i) Investing activity                    |
| b) Gain ratio                      | ii) 2013                                 |
| c) Dissolution of partnership firm | iii) Written agreement                   |
| d) Companies Act                   | iv) Retirement of a partner              |
| e) Purchase of fixed asset         | v) Closing down the business of the firm |
|                                    | vi) Admission of a partner               |

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

12. State any one method of valuation of goodwill.  
13. Debentures can be converted into shares. (State True/False)  
14. Give an example for non-current asset.  
15. State any one importance of Financial statement analysis.  
16. Expand ICAI.

**PART-B**

**V. Answer any three questions. Each question carries 2 marks: (3×2=06)**

17. Define partnership.  
18. Mention any two circumstances for retirement of a partner.  
19. What is minimum subscription?  
20. Give the meaning of financial statements.  
21. Write any two objectives of preparing cash flow statement.

**PART-C**

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

22. Arun & Varun are the partners commence business on 01/04/2022 sharing profits & losses in the ratio of 2:1 with capitals of ₹80,000 & ₹50,000 respectively. They earned a profit of ₹20,000 before allowing the following:

- a) Interest on capital @ 8% p.a.  
b) Interest on drawings: Arun ₹2,000, Varun ₹2,500  
c) Salary to Arun ₹3,000 p.a.  
d) Commission to Varun ₹2,000 p.a.

Prepare P & L Appropriate A/c for the year ending 31/03/2023.

23. Geetha, Seetha and Saritha are partners sharing profits in the ratio of 4:3:2. Geetha retires. Seetha and Saritha decided to share profits in future in the ratio of 5:3. Calculate gaining ratio of Seetha and Saritha.

24. P, Q and R are partners sharing profits and losses in the ratio of 2:2:1 respectively. Their capital balances on 01/04/2023 stood at ₹70,000, ₹50,000 and ₹40,000 respectively. 'Q' died on 30.06.2023.

The partnership deed provides the following:

- a) Q's capital.  
b) Interest on capital at 6% p.a.  
c) Salary to Q at ₹1,000 per month.

- d) Q's share of goodwill. Goodwill of the firm is ₹60,000 (as per AS26)  
 e) Q's share of accrued profit up to the date of his death ₹4,000.  
 Prepare Q's Capital Account.

25. From the following information prepare statement of profit and loss for the year ended 31-03-2023 as per Schedule III of Companies Act, 2013.

Particulars	₹
Revenue from operations	5,00,000
Purchase of goods	3,00,000
Salaries to employees	40,000
Leave encashment	10,000
Rent and taxes	30,000
Repairs to machinery	20,000
Tax	30%

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

	31/03/2022	31/03/2023
	₹	₹
Equity share capital	20,00,000	30,00,000
Secured loan	9,00,000	16,00,000

- a) During the year secured loan repaid ₹4,00,000 with interest of ₹20,000.  
 b) Received dividend of ₹50,000.

#### PART-D

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

27. 'A' and 'B' are partners in a firm sharing profits and losses in the ratio of 3:2. Their balance sheet as on 31.03.2023 was as follows.

#### Balance Sheet as on 31.03.2023

Liabilities	₹	Assets	₹
Creditors	20,000	Cash at Hand	5,000
Bills Payable	6,000	Debtors	20,000
Reserve Fund	4,000	Less: PDD	2,000
Capitals:		Stock	17,000
A	40,000	Buildings	30,000
B	30,000	Furniture	30,000
	70,000		
	<b>100,000</b>		<b>100,000</b>

On 01.04.2023, 'C' is admitted into the partnership on the following terms:

- a) C should bring in ₹25,000 as capital and ₹8,000 towards goodwill for 1/6<sup>th</sup> share in the future profits.  
 b) Depreciate furniture at 10% and appreciate buildings by 20%.  
 c) Provision for doubtful debts is no longer necessary.  
 d) Provide ₹1,000 for repair charges.  
 e) Goodwill is to be withdrawn by the Old Partners. (as per AS26)  
 Prepare: i). Revaluation Account  
 ii). Partners' Capital Accounts &  
 iii). New balance sheet of the firm as on 01/04/2023.

28. Rashmi and Geetha are partners sharing profits and losses in the ratio of 3:2. Their Balance Sheet as on 31-3-2023 was as follows:

**Balance Sheet as on 31/03/2023**

Liabilities	₹	Assets	₹
Creditors	10,000	Cash at Bank	5,000
Bills payable	10,000,	Bills Receivable	10,000
Rashmi's Loan	5,000	Debtors	20,000
Reserve Fund	10,000	Stock	15,000
Capitals:		Machinery	15,000
Rashmi	30,000	Furniture	10,000
Geetha	40,000	Goodwill	30,000
	<b>1,05,000</b>		<b>1,05,000</b>

On the above date the firm was dissolved.

a) The assets were realized as follows:

Bills Receivable ₹7,500, Debtors and Stock at 10% less than the book value, machinery realised 5% more than the book value, and Goodwill realised for ₹12,000.

b) Furniture was taken over by Geetha at ₹8,000.

c) Rashmi paid the dissolution expenses of ₹800 for which she paid ₹ 1,000 for completing the dissolution process.

d) All the liabilities were discharged in full.

Prepare:

1. Realisation A/c
2. Partners' Capital Accounts and
3. Bank A/c

29. Sagar Company Ltd. issued 10,000 equity shares of ₹100 each at a premium of 10 per share. The amount was payable as follows:

On application	₹20
On allotment	₹50(including premium)
On first and final call	₹40

All the shares were subscribed and the money duly received except the first and final call on 500 shares. The Directors forfeited these shares and re-issued them as fully paid at ₹80 per share.

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

30. Pass the journal entries for the followings:

- a) Issue of ₹50,000, 8% debentures of ₹100 each at a discount of 10% and redeemable at a par.
- b) Issue of ₹50,000, 8% debentures of ₹100 each at a premium of 10% and redeemable at a par.
- c) Issue of ₹50,000, 8% debentures of ₹100 each at a premium of 10% and redeemable at a premium of 10%.
- d) Issue of ₹50,000, 8% debentures of ₹100 each at a discount of 10% and redeemable at a premium of 10%.

31. From the following information, Prepare Comparative Position Statement (Balance Sheet) of Janatha Co. Ltd.

Particulars	31-3-2022 (₹)	31-3-2023(₹)
Share Capital	4,00,000	5,00,000
General Reserve	50,000	60,000
Secured Loans	15,000	20,000
Current Liabilities	50,000	70,000
Buildings	2,00,000	2,50,000
Machinery	1,50,000	2,00,000
Stock	1,00,000	1,10,000
Trade Receivables	65,000	90,000

32. The following is the Summarized Profit and loss Account for the year ended 31 March 2023 and balance sheet as on that date.

**Trading and Profit and Loss account for the year ended 31st March 2023**

Dr. Cr.

Particulars	₹	Particulars	₹
To Opening Stock	65,000	By Sales	2,00,000
To Purchases	1,00,000	By Closing Stock	15,000
To Gross profit	50,000		
	<u>2,15,000</u>		
	15,000		<u>2,15,000</u>
To Administrative Expenses	12,000	By Gross Profit	50,000
To Selling Expenses	3,000		
To Interest			
	<u>20,000</u>		
To Net Profit	<u>50,000</u>		<u>50,000</u>

**Balance Sheet as on 31<sup>st</sup> March 2023**

Liabilities	₹	Assets	₹
Capital	1,00,000	Land and Building	50,000
Profit and Loss A/C	20,000	Plants and Machinery	30,000
Creditors	25,000	Furniture	20,000
Bills Payable	15,000	Stock	15,000
		Debtors	15,000
		Bills Receivable	12,500
		Cash in Hand	17,500
	<u>1,60,000</u>		<u>1,60,000</u>

You are required to Calculate:

- Stock turnover Ratio
- Trade Receivable Turnover Ratio
- Trade Payable Turnover Ratio
- Gross Profit Ratio
- Operating Ratio
- Net Profit Ratio

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### Specific Instructions (Section-wise):

#### Part – A: One Mark Questions:

1. Questions should be straight, simple, understandable, free from grammatical and spelling errors.
2. Generally, questions of remember, understand and apply are best suited to this section.
3. Each and every question should test a definite objective.
4. Typology of questions are as follows:
  - I. **MCQ - 05 questions**
  - II. **Fill in the blanks - 05 questions (appropriate answer should be given in the brackets)**
  - III. **Match the following- 05 questions (any one from each chapter)**
  - IV. **Very short answer -05 questions (True/false-01 question, Expand -01 question, very short answer type-03 questions).**

**All the questions are compulsory.**

#### Part – B: Two Marks Questions:

1. Questions should be selected from the **stipulated chapters only (chapters from 01, 03, 05, 07 and 10).**
2. Questions under this section may be in a question form/statement form/small calculations, etc
3. Questions under this section may be as follows: - **Definition, meaning, features, merits, demerits, types, examples, situations, circumstances, steps, differences, methods, small calculations, journal entry, etc.** Fair combination and above should be there.
4. **Out of 5 questions, only 3 questions are to be answered**

#### Part – C: Six Marks Questions:

1. Problems should be selected from the **stipulated chapters only. (Chapter-01, 02/03, 07 and 10).**
2. Items, transactions, entries, etc. should suit the scheme of evaluation.
3. **Out of 05 problems, 03 problems are to be answered.**
4. Each and every problem should test a definite objective.
5. Problems should be clear, precise and unambiguous language well within the comprehension of the students.
6. Chapter wise 6 marks problems in Book I and Book II Books:

Chapter No	Topic / Unit
	<b>Book-I</b>
Ch.- 1	1) Preparation of Profit and Loss Appropriation A/c (5 items only) (Opening capital should be given in the problem) <b>or</b> 2) Preparation of Profit and Loss Appropriation A/c with guarantee of profit (4 items only) <b>or</b> 3) Calculation of interest on drawings: when fixed amount is withdrawn every month / quarterly (For 1 partner only) <b>or</b> 4) Calculation of interest on drawings: when varying amounts are withdrawn at different intervals using product method. (Only 4 drawings should be given for 1 partner only)

Ch. 2/3	<p align="center"><u>On Chapter-3 (Admission):</u></p> <p>1) Calculation NPSR of all partners when share of acquisition is given or not given. <b>Or</b>                  2) Calculation of Sacrificing Ratio of old partners when OPSR and NPSR are given. <b>Or</b></p> <p align="center"><u>On Chapter-4 (Retirement):</u></p> <p>1) Calculation of NPSR of continuing partners when acquired share is given <b>or</b>                  2) Calculation of gaining ratio of continuing partners when acquired share is given or OPSR and NPSR are given</p>
<b>3 (Death)</b>	<p>1) Preparation of Deceased Partner's Capital A/c (5 items only) <b>or</b>                  2) Preparation of Deceased Partner's Executors A/c (5 items only)</p>
	<b>Book-II</b>
Ch.-03	<p>1) Preparation of Balance Sheet of a Company (as per companies act 2013)  <b>(Note: Out of 5 major heads, 3 items should be given directly for major heads and 4 items should be given for remaining 2 major heads.) or</b>                  2) Preparation of Statement of Profit and Loss of a Company (as per companies act 2013) <b>(Note: Income and tax should be given directly and 4 items of expenses which needs Notes to Accounts should be given)</b></p>
Ch.- 6	<p>1) Preparation of Cash Flow Statement from Operating Activities (4 items only) <b>or</b>                  2) Ascertainment of Cash Flows from Investing Activities using indirect method (4 items only) <b>or</b>                  3) Ascertainment of Cash Flows from Financing Activities using indirect method (4 items only).</p>

**Section – D: Twelve Marks Questions:**

1. Problems should be selected from the stipulated chapters only. (see chapter wise distribution of marks).
2. Items, transactions, entries, etc., should suit to the scheme of evaluation.
3. Each and every question should test a definite objective.
4. Generally, apply and analyse **(HOTS)** based questions are best suited to this section.
5. **Out of 06 problems, 03 problems are to be answered.**
6. Chapter wise 12 marks problems in Book I and Book II:

Chapter No	Topic / Unit
	<b>Book-1</b>
Ch. 2 / 3	<p align="center"><u>On chapter – 3 Admission:</u></p> <p>1) Preparation of Revaluation A/c, Partners' Capital Accounts and Balance Sheet after Admission under any one of four goodwill methods (<b>as per AS26</b>), without capital adjustments. <b>Or</b>                  2) Preparation of Revaluation A/c, Partners' Capital Accounts and Balance Sheet after Admission under any one of four goodwill methods, (<b>as per AS26</b>) with capital adjustments of old partners by cash only as per NPSR. <b>or</b></p> <p><b>Note: Problem should not be asked on Goodwill already appears in the books (i.e. Old Balance Sheet) or</b></p> <p align="center"><u>On chapter – 4 Retirement:</u></p> <p>1) Preparation of Revaluation A/c, Partners' Capital Accounts and Balance Sheet after Retirement <b>when goodwill does not appear in the old Balance Sheet</b>, without capital adjustments. (<b>Goodwill treatment as per AS26</b>) <b>or</b>                  2) Preparation of Revaluation A/c, Partners' Capital Accounts and Balance Sheet after Retirement with adjustment of Continuing partners' Capitals through cash only as per NPSR. NPSR should be given in the problem. (<b>Goodwill treatment as per AS26</b>)</p>

	<p><b>Note:</b></p> <p><b>a) Problem should not be asked on Goodwill already appears in the books. (i.e., In Old Balance Sheet).</b></p> <p><b>b) If 12 marks problem is asked on admission, then 6 marks should be asked on retirement and vice versa)</b></p>
Ch.- 4	<p>1) Preparation of Realisation A/c, Partners' Capital A/cs. and Cash / Bank A/c, when realisation expenses is paid by the firm. <b>or</b></p> <p>2) Preparation of Realisation A/c, Partners' Capital A/cs. and Cash / Bank A/c, when realisation expenses is paid by the partner who gets remuneration for it.</p>
	<b>Book-II</b>
Ch. - 1	<p>1) Journal Entries relating to issue of shares at par, forfeiture and re-issue (9 entries only). <b>Or</b></p> <p>2) Journal Entries relating to issue of shares at premium, forfeiture and re-issue (9 entries only). <b>Or</b></p> <p><b>Note:</b></p> <p><b>a) Problem may also be asked on over subscription under the above two methods of issue.</b></p> <p><b>b) Problems should not be asked on issue of shares at Discount.</b></p>
Ch. - 2	<p>1) Journal Entries relating to terms and conditions of issue and redemption of debentures under any four situations. <b>Or</b></p> <p>2) Journal Entries relating to the issue of debentures and debenture Interest. <b>Or</b></p> <p>3) Journal Entries relating to redemption of debentures under any five situations when the redemption is made by payment in lump-sum. <b>Or</b></p> <p>4) Preparation of Debenture A/c, Debenture Interest A/c and Discount on issue of debentures A/c for three years, when redemption made by payment in installments.</p>
Ch. - 4	<p>1) Preparation of Comparative Balance Sheet (8 items only) <b>Or</b></p> <p>2) Preparation of Comparative Statement of Profit and Loss (8 items only). <b>Or</b></p> <p>3) Preparation of Common Size Balance Sheet (8 items only). <b>Or</b></p> <p>4) Preparation of Common Size Statement of Profit and Loss (8 items only).</p>
Ch. - 5	<p><b>Calculation of six ratios</b></p> <p><b>(Question can be asked from combination of any four ratios.)</b></p>

**This should be strictly followed while setting the question paper**