SINDHI HIGH SCHOOL, HEBBAL
Pre Board Examination [2025-26]
Subject: Accountancy (055)

Class: XII **Max Marks: 80**
Date: 17.11.2025 **Reading Time: 8:25-8:40 am**
No. of Sides: 08 **SET A** **Writing Time: 8:40-11:40 am**

GENERAL INSTRUCTIONS:

1. This question paper contains 34 questions. All questions are compulsory.
2. This question paper is divided into two parts, Part A & B.
3. Part A:- Accounting for Partnership Firms & Companies
4. Part B:- Analysis of Financial Statements
5. Question 1 to 16 & 27 to 30 carries 1 mark each.
6. Questions 17 to 20, 31& 32 carries 3 marks each.
7. Questions from 21, 22 & 33 carries 4 marks each
8. Questions from 23 to 26 & 34 carries 6 marks each
9. 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 & 2 questions of six marks.

Q. No.	Question	Marks
	Part A:- Accounting for Partnership Firms & Companies	
1.	Assertion (A): Partner's current accounts maintained under 'Fixed Capital Method' may show a debit or a credit balance. Reason (R): In the 'Fixed Capital Method', all items like share of profit or loss, interest on capital, drawings, interest on drawings, etc. are recorded in the partner's capital accounts. Choose the correct option from the following: (A) Assertion (A) & Reason (R) are correct, but Reason (R) is not the correct explanation of Assertion (A). (B) Both Assertion (A) & Reason (R) are correct & Reason (R) is the correct explanation of Assertion (A). (C) Assertion (A) is correct, but Reason (R) is not correct. (D) Both Assertion (A) & Reason (R) are not correct. **OR** A partner's capital account was credited with ₹80,000 during the year. Which of the following can be the possibility for such a credit in his capital account? A. Opening Balance B. Drawings during the year C. Loss during the year D. Capital introduced	**1**
2.	On 1st July, 2024, A, B & C entered into partnership sharing Profits & Losses in the ratio 5:3:2. C was guaranteed that his share of profits will not be less than ₹60,000 p.a. Deficiency if any will be borne by A & B equally. For the year ended March 31st, 2025, firm incurred loss of ₹1,25,000. Deficiency will be borne by A & B will be: A. A ₹30,000 & B ₹30,000 B. A ₹43,750 & B ₹26,250 C. A ₹42,500 & B ₹42,500 D. A ₹35,000 & B ₹35,000	**1**
3.	(a) KLB Ltd. forfeited 3,000 shares of ₹10 each, ₹8 per share called up for non-payment of first call of ₹2 per share. All these shares were reissued at ₹7 per share, ₹8 paid up. The amount transferred to Capital Reserve Account will be : (A) ₹18,000 (B) ₹24,000 (C) ₹15,000 (D) ₹3,000 **OR** (b) NUK Ltd. forfeited 1,000 shares of ₹10 each, fully called up for non-payment of final call of ₹2 per share. 800 of these shares were reissued at ₹11 per share fully paid.	**1**

	The amount credited to Capital Reserve Account will be: (A) ₹6,400 (B) ₹8,000 (C) ₹7,200 (D) ₹10,000	
4.	Pista Ltd. took over running business of Vista Ltd. comprising of Assets of ₹45,00,000 & Liabilities of ₹7,50,000 & in consideration issued them 30,000, 9% debentures of ₹100 each at 5% discount & a cheque of ₹10,00,000. Determine the amount of Goodwill or Capital Reserve. A. Goodwill ₹9,00,000 B. Capital Reserve ₹9,00,000 C. Goodwill ₹1,00,000 D. Capital Reserve ₹1,00,000 **OR** Dawn Ltd. purchased Equipment & paid ₹2,20,000 by cheque & issued 16,000 equity shares of ₹10 each at 25% premium. The purchase consideration will be: A. ₹3,40,000 B. ₹4,20,000 C. ₹3,80,000 D. ₹2,00,000	**1**
5.	Hema & Tara were partners in a firm sharing profits & losses in the ratio of 2:3. They admitted Ojas as a new partner. Hema surrendered **⅓rd** of her share & Tara surrendered ½ of her share in favour of Ojas. The new profit sharing ratio of Hema, Tara & Ojas will be : (A) 8:9:13 (B) 3:2:5 (C) 2:3:5 (D) 2:3:25	**1**
6.	The average profit for last five years of a firm of Suman & Dhawan was ₹6,00,000. The normal rate of return in a similar business is 10%. Goodwill of the firm is valued at ₹40,00,000 calculated by capitalisation of super profit. Find out the amount of capital employed by the firm. A ₹10,00,000 B ₹20,00,000 C ₹15,00,000 D ₹5,00,000	**1**
7.	Shrikant & Ajay were partners in a firm sharing profits & losses in the ratio of 5:3. Shrikant withdrew ₹10,000 in the beginning of each quarter during the year ended 31st March, 2023. Interest on Shrikant's drawings @ 6% p.a for the year ended 31st March, 2023 will be: (A) ₹2,400 (B) ₹1,200 (C) ₹1,500 (D) ₹900	**1**
8.	**(a)** Aaroh, Bhuvan & Charu were partners in a firm sharing profits & losses in the ratio of 1:2:6. Charu died. Aaroh & Bhuvan acquired Charu's share in the ratio of 2:1. The new profit sharing ratio between Aorah & Bhuvan after Charu's death will be: (A) 2:1 (B) 1:2 (C) 5:4 (D) 4:5 **OR** **(b)** Nicku, Mala & Ritu were partners in a firm sharing profits in the ratio of 5:3:2. Nicku died on 30th September, 2023. The deceased partner was entitled to his share of profit up to the date of death which was to be calculated on the basis of previous year's profit. The previous year's profit was ₹80,000. Nicku's share of profit will be: (A) ₹10,000 (B) ₹20,000 (C) ₹30,000 (D) ₹40,000	**1**
9.	Lata, Mehu & Namita were partners in a firm sharing profits & losses in the ratio of 3:2:1. They decided to dissolve the firm on 31st March, 2023. Creditors took over stock of book value of ₹80,000 at 80%, in part settlement of their amount of ₹90,000. The balance amount was paid to the creditors by cheque. The amount paid by cheque to the creditors will be : (A) ₹26,000 (B) ₹64,000 (C) ₹80,000 (D) ₹1,44,000	**1**
10.	Arun & Barun were partners sharing Profits &Losses in the ratio 3:2. They admitted Charan into partnership for 20% share. Charan was to bring proportionate Capital & he brought ₹3,50,000 (including ₹50,000 for goodwill share) in firm. If adjusted capital of	

	Arun after Revaluation Gain/Loss, Accumulated Profits/Losses & Goodwill treatment was ₹8,40,000, what was Barun's Capital after Revaluation Gain/Loss, Accumulated Profits/Losses & Goodwill treatment? A. ₹5,60,000 B. ₹3,60,000 C. ₹12,00,000 D. ₹6,60,000 **OR** Seema & Laksh were partners in a firm sharing profits & losses in the ratio of 2:1. Their capitals were ₹2,00,000 & ₹1,80,000 respectively. They admitted Aadi as a new partner on 1st April, 2023 for **⅕th** share in future profits. Aadi brought ₹1,50,000 as his share of capital. The goodwill of the firm on Aadi's admission will be: (A) ₹7,50,000 (B) ₹2,20,000 (C) ₹3,70,000 (D) ₹1,50,000	**1**
11.	Nikhil, Arun & Mansi were partners in a firm sharing profits & losses in the ratio of 4:3:3. With effect from 1st April, 2023, they decided to share profits & losses in the ratio of 5:3:2. Due to change in the profit sharing ratio, Mansi's gain or sacrifice will be: (A) Gain **1/10** (B) Sacrifice **3/10** (C) Sacrifice **1/10** (D) Gain **3/10**	**1**
	From the given hypothetical situation, answer Q 12 – 14. Floater Ltd. issued 60,000; 8% debentures of ₹100 each at 5% Discount & to be redeemed at 10% premium at the end of 5 years. On the date of issue, balance in Securities Premium was ₹8,00,000 & Statement of Profit Loss (Dr.) was ₹5,00,000.	
12.	Loss on Issue of Debentures is to be written off as _____ out of Securities Premium & _____ out of Statement of Profit & Loss. A. ₹4,50,000; ₹4,50,000 B. ₹6,00,000; ₹3,00,000 C. ₹8,00,000; ₹1,00,000 D. ₹4,00,000; ₹5,00,000	**1**
13.	After writing off Loss on Issue of Debentures, _____ balance in Statement of Profit & Loss will be _____ A. Debit ; ₹6,00,000 B. Credit ; ₹6,00,000 C. Debit ; ₹4,00,000 D. Credit ; ₹4,00,000	**1**
14.	Premium on Redemption of Debentures account will have a balance of_____ to be treated as _____ in the first year. A. ₹9,00,000 ; Non-Current Liabilities B. ₹9,00,000 ; Current Liabilities C. ₹6,00,000 ; Non-Current Liabilities D. ₹6,00,000 ; Current Liabilities	**1**
15.	Sanya, Sarthak & Nitya were partners in a firm sharing profits & losses in the ratio of 4:3:1. They decided to dissolve the firm on 31st March, 2023. On this date, the firm had debtors amounting to ₹3,00,000 & provision for doubtful debts of ₹30,000. On dissolution, debtors for ₹20,000 proved bad & the remaining debtors realised 90%. Amount realised from the debtors will be : (A) ₹3,00,000 (B) ₹2,25,000 (C) ₹2,80,000 (D) ₹2,52,000	**1**

16. Manu, Sonu & Rahul were partners in a firm sharing profits & losses in the ratio of 4:3:2. With effect from 1st April, 2023, they decided to share profits & losses in the future in the ratio of 3:2:1. Their Balance Sheet showed Workmen Compensation Reserve of ₹84,000. The claim on account of Workmen Compensation is estimated at ₹75,000. The journal entry to give effect to the above transaction will be : **1**

	Date	Particulars	Dr. (₹)	Cr. (₹)
A.		Workmen Compensation Reserve A/c Dr.	84,000	
		To Workmen Compensation Claim A/c		75,000
		To Manu's Capital A/c		4,000
		To Sonu's Capital A/c		3,000
		To Rahul's Capital A/c		2,000
B.		Workmen Compensation Reserve A/c Dr.	84,000	
		To Workmen Compensation Claim A/c		75,000
		To Manu's Capital A/c		4,500
		To Sonu's Capital A/c		3,000
		To Rahul's Capital A/c		1,500
C.		Manu's Capital A/c Dr.	500	
		To Rahul's Capital A/c		500
D.		Workmen Compensation Reserve A/c Dr.	84,000	
		To Workmen Compensation Claim A/c		75,000
		To Manu's Capital A/c		3,000
		To Sonu's Capital A/c		3,000
		To Rahul's Capital A/c		3,000

17. Raju, Rinku & Munni were partners sharing Profits & Losses in the ratio 3:1:1. They admitted Chunni into partnership for **⅕th** share. It was decided that Munni will have **¼th** share in future profits. Goodwill of the firm was valued at ₹3,20,000 & Chunni was unable to bring anything. Calculate New Ratio, Sacrificing Ratio & journalise for goodwill at the time of admission of Chunni.

OR

Yashasvi, Nitish & Harshit were partners sharing Profit &Loss in the ratio 5:3:2. W.e.f 01 April, 2025, they decided to share future Profit &Loss in the ratio 4:3:2. On the date of reconstitution, Goodwill was appearing in the books at ₹4,00,000. Goodwill of the firm was valued at ₹7,20,000 on the date of reconstitution.
Determine gain or sacrifice for each partner & pass necessary entries. **3**

18. Hemant & Pankaj were partners sharing Profit & Loss in the ratio of 3:2. The firm was dissolved on March 31, 2024 & the following balances were appearing in the books of the firm: **3**

a. Hemant's Loan ₹80,000
b. Ruby's Loan ₹50,000
c. Creditors ₹1,00,000
d. Capital Balances after all adjustments - Hemant ₹1,60,000 & Pankaj -₹1,40,000
Assets of the firm realised at ₹6,00,000.
You are required to show the amounts & order of payments as per section 48 of Indian Partnership Act 1932 at the time of Dissolution of the firm.

19. Sumi Ltd. acquired assets of ₹8,00,000 & took over sundry creditors of ₹2,00,000 from Pandora Ltd. for a purchase consideration of ₹9,00,000. The payment was made by issuing a cheque of ₹4,60,000 & remaining by issue of 9% Debentures of ₹100 each at a premium of 10%. Pass necessary journal entries for the above transactions in the books of Sumi Ltd. **3**

20. Ankur & Vikram were partners sharing Profits &Losses in the ratio 3:2. They decided to share future Profits & Losses equally. On the date of reconstitution there was Investment Fluctuation Reserve of ₹4,00,000 in the books of accounts.
Pass entries in the following cases: **A**. Value of Investment reduced by ₹2,50,000.
B. Value of Investment increased by ₹5,00,000.
C. There was no change in value of investments. **3**

21. Shri Ganga Ltd. was registered with an authorised capital of ₹7,00,000 divided into equity shares of ₹10 each. It offered to the public for subscription 50,000 equity shares. The amount was payable as follows:

On application	: ₹4 per share
On allotment	: ₹4 per share
On first & final call	: Balance

The issue was fully subscribed. All the amounts were duly received except the first & final call money on 4,000 equity shares.
Show the Share Capital in the Balance Sheet of the company as per Schedule III, Part I of the Companies Act, 2013. Also prepare 'Notes to Accounts' for the same. **4**

22. On 31st March, 2023, the capitals of Raghav & Diya stood at ₹4,00,000 & ₹3,00,000 respectively, after the necessary adjustment in respect of drawings & net profit. Subsequently, it was discovered that interest on capital @ 10% p.a had been omitted. The Net Profit for the year ended 31st March, 2023 amounted to ₹1,00,000. During the year ended 31st March, 2023, Raghav's drawings were 2,000 drawn at the beginning of each month, while Diya's drawings were ₹3,000 drawn at the beginning of each quarter. Pass the necessary adjustment entry. **4**

23. **i)** Buddha Limited took over assets of ₹40,00,000 & liabilities of ₹6,50,000 of Ginny Limited. Buddha Limited issued 30,000, 8% Debentures of ₹100 each at 10% discount, to be redeemed at 5% premium along with cheque of ₹5,00,000. Pass necessary journal entries in the books of Buddha Ltd.
ii) A company forfeited 8,000 shares of ₹10 each on which ₹8 were called (including ₹1 premium) & ₹6 was paid (including ₹1 premium). Out of these 5,000 shares were re-issued at maximum possible discount. Pass necessary journal entries. **6**

24. Black, White & Grey were partners sharing profits in ratio of 5:3:2. On 1st October, 2020, White died & on this date after all adjustments his amount due from firm was calculated at ₹44,000. It was agreed that ₹4,000 will be paid immediately to his executors & remaining will be paid in four equal yearly instalments with interest @ 10% p.a. on outstanding amount. Prepare White's Executor's Loan A/c till the loan is paid off assuming the year ending as 31st March every year. **6**

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

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

Liabilities		(₹)	Assets		(₹)
Capital:	Sarah 60,000		Plant & Machinery		2,00,000
	Varsha 50,000	1,10,000	Stock		30,000
Workmen's Compensation Fund		20,000	Debtors	50,000	
Provident Fund		1,20,000	Less: PDD	5,000	45,000
Creditors		50,000	Cash		25,000
		3,00,000			3,00,000

On 1st April, 2023, they decided to admit Tasha as a new partner for ¼th share in the profits of the firm on the following terms:
(i) Tasha brought ₹40,000 as her capital & ₹20,000 as her share of premium for goodwill.
(ii) Plant & Machinery was valued at ₹1,90,000.

(iii) An item of ₹20,000, included in creditors, is not likely to be claimed & should be written off.
(iv) Capitals of the partners in the new firm are to be in 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 & Partner's Capital Accounts.

OR

Inder, Jonny & Kapil were partners in a firm sharing profits & losses in the ratio of 9:3:4. Their Balance Sheet as at 31st March, 2023 was as follows :

Balance Sheet of Inder, Jonny & Kapil as at 31st March, 2023

Liabilities	(₹)	Assets	(₹)
Capital: Inder 90,000		Fixed Assets	1,20,000
Jonny 75,000		Stock	60,000
Kapil 60,000	2,25,000	Debtors	1,00,000
General Reserve	80,000	Cash	35,000
Creditors	10,000		
	3,15,000		3,15,000

Kapil retired from the firm on 31st March, 2023 on the following terms:
(i) Bad Debts amounting to ₹5,000 were to be written off.
(ii) Fixed Assets were revalued at ₹96,000.
(iii) Stock was undervalued by ₹29,000.
(iv) Creditors were paid off.
(v) Goodwill of the firm was valued at ₹80,000 & Kapil's share of goodwill was to be adjusted in the accounts of Inder & Jonny.
(vi) New profit sharing ratio between Inder & Jonny was 3:2.
Pass the necessary journal entries in the books of the firm on Kapil's retirement.

6

26. (a) Pass necessary journal entries for forfeiture & reissue of shares in the following cases:
(i) Neon Ltd. forfeited 2,000 shares of ₹10 each issued at a premium of ₹2 per share for non-payment of allotment money of ₹5 per share (including premium). The first & final call of ₹2 per share was not yet made. Out of these, 1,500 shares were reissued at ₹7 per share, ₹8 paid up.
(ii) Mamta Ltd. forfeited 3,000 shares of ₹10 each on which the first call of ₹3 per share was not received. The second & final call of ₹1 per share was not yet called. Out of these, 2,000 shares were reissued at ₹9 per share, ₹9 paid up.

6

OR

(b) Sai Ltd. invited applications for issuing 60,000 shares of ₹10 each. The amount was payable as follows: On application - ₹5 per share
On allotment - ₹1 per share
On first & final call - Balance
Applications were received for 58,000 shares. Rajat, the holder of 300 shares, did not pay allotment money & Usha, the holder of 500 shares, paid her entire share money along with allotment money. Rajat's shares were forfeited immediately after allotment. First & final call was made afterwards & duly received.
Pass necessary journal entries for the above transactions.
Open 'Calls-in-arrears' & 'Calls-in-advance' Account, wherever required.

Part B :- Analysis of Financial Statements

27. Analysis of Financial Statements is useful & significant to different users. Which of the following users is particularly interested in the firm's ability to meet their class over a very short period of time?
(A) Labour Unions (B) Trade Payables
(C) Top Management (D) Finance Manager

1

28. **(a)** Which of the following tools of "Analysis of Financial Statements" indicate the trend & direction of financial position & operating results ? **1**

(A) Comparative statements (B) Common size statements

(C) Cash flow analysis (D) Ratio analysis

OR

(b) _____ indicate the speed at which activities of the business are being performed.

(A) Liquidity ratios (B) Turnover ratios

(C) Solvency ratios (D) Profitability ratios

29. (a) Which of the following transactions will result in cash flows from operating activities? **1**

(A) Cash receipts from sale of investments ₹ 60,000

(B) Cash receipts from sale of goods ₹ 94,000

(C) Dividend received ₹ 31,000

(D) Payment of cash for purchase of fixed assets ₹ 3,00,000

OR

(b) Dividend paid by a financing company, is classified under which of the following:

(A) Operating Activities

(B) Investing Activities

(C) Financing Activities

(D) Cash & Cash Equivalents

30. Which of the following transactions will result inflow of cash? **1**

A. Cash withdrawn from bank ₹71,000

B. Issue of 9% debentures of ₹1,00,000 to the vendors of Machinery.

C. Received from debtors ₹74,000

D. Redeemed 10% debentures by converting into Equity Shares.

31. (a) From the following Balance Sheet of Hira Ltd. as at 31 2023, prepare Comparative Balance Sheet :

Balance Sheet of Hira Ltd.
as at 31st March, 2023 & 2024

Particulars	Note No.	31.03.2023(₹)	31.03.2022(₹)
I Equity & Liabilities:			
1. Shareholder's Funds			
(a) Share Capital		15,00,000	12,00,000
2. Non-Current Liabilities			
(a) Long-term Borrowings		10,00,000	5,00,000
3. Current Liabilities			
(a) Trade Payables		1,00,000	3,00,000
Total		**26,00,000**	**20,00,000**
II Assets:			
1. Non-Current Assets			
(a) Property, Plant & Equipment & Intangible Assets		20,00,000	15,00,000
2.Current Assets			
(a) Inventories		1,50,000	1,00,000
(b) Trade Receivables		4,50,000	4,00,000
Total		**26,00,000**	**20,00,000**

OR

(b) From the following information of NK Ltd., prepare a Common Size Statement of Profit & Loss for the years ended 31st March 2022 & 31st March, 2023 : **3**

Particulars	31.03.2023 (₹)	31.03.2022 (₹)
Revenue from Operations (₹)	25,00,000	20,00,000
Cost of Materials Consumed (₹)	8,00,000	6,00,000
Employee Benefit Expenses (₹)	4,00,000	4,00,000
Income Tax Rate (%)	20	30

32. Classify the following items under major heads & sub-heads (if any) in the Balance Sheet of the company as per Schedule III, Part I of the Companies Act, 2013**:** **3**

(a) Capital Work-in-Progress
(b) Stores & Spares
(c) Public Deposits

33. **(a)** Total Assets ₹3,00,000 **4**
Non-current Assets ₹2,60,000
Non-current Liabilities ₹80,000
Shareholders' Funds ₹2,00,000
Calculate the Current ratio on the basis of above information.

(b) If Current Ratio is 4:1, Current Assets are ₹60,000 & Quick Ratio is 2.5:1, then calculate the of amount of 'Inventory'.

34. **(a)** Calculate 'Cash Flows from Investing Activities' from the following information: **6**

Particulars	31.03.2023 (₹)	31.03.2022 (₹)
Plant & Machinery	4,10,000	3,00,000
Goodwill	1,80,000	80,000

Additional Information :
A machine costing ₹85,000 (depreciation provided thereon ₹15,000) was sold for ₹62,000. Depreciation charged during the year amounted to ₹48,000.

(b) Calculate 'Cash Flows from Financing Activities' from the following information:

Particulars	31.03.2023 (₹)	31.03.2022 (₹)
Equity Share Capital	15,00,000	10,00,000
Bank Overdraft	90,000	1,20,000
Loan from bank	7,00,000	6,00,000

Additional Information :
(i) Interest paid on bank loan amounted to ₹60,000.
(ii) Dividend paid ₹1,10,000.

****