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: 09 **SET B** **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 and B.
3. Part A:- Accounting for Partnership Firms and Companies
4. Part B:- Analysis of Financial Statements
5. Question 1 to 16 and 27 to 30 carries 1 mark each.
6. Questions 17 to 20, 31and 32 carries 3 marks each.
7. Questions from 21 ,22 and 33 carries 4 marks each
8. Questions from 23 to 26 and 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 and 2 questions of six marks.

Q.No.	Question	Marks
	Part A:- Accounting for Partnership Firms and Companies	
1.	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 2 – 4. 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.	
2.	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**
3.	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**
4.	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**
5.	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**

6. 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

7. Abha, Manju and Rhea were partners in a firm sharing profits and losses in the ratio of 3:3:4. During the year ended 31st March, 2023, Rhea withdrew ₹30,000 at the beginning of each half year. Interest on Rhea's drawings @ 10% p.a. for the year ended 31st March, 2023 will be: **1**

(A) ₹6,000 (B) ₹4,500 (C) ₹3,000 (D) ₹1,500

8. 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/loss, interest on capital, drawings, interest on drawings, etc. are recorded in the Partners' Capital A/cs.

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. **1**

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

9. 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: **1**

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

10.	(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. The amount credited to Capital Reserve Account will be: (A) ₹6,400 (B) ₹8,000 (C) ₹7,200 (D) ₹10,000	**1**
11.	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**
12.	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**
13.	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**
14.	**(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**
15.	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**

16.	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**
17.	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. **OR** 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.	**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: 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.	**3**
19.	Gundola Ltd. took over assets of ₹9,00,000 & liabilities of ₹3,00,000 from AK Ltd. for an agreed purchase consideration of ₹14,00,000. The payment was made through a bank draft of ₹5,00,000 & the remaining by issue of 8% Debentures at a discount of 10%. Record journal entries in the books of Gundola Ltd. for the above transactions.	**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. Shivalik Limited was registered with an authorized capital of ₹10,00,000 divided into equity shares of ₹10 each. It offered 50,000 equity shares to the public. The amount was payable as follows: On Application - ₹2 per share
On Allotment - ₹6 per share
On First and Final call - Balance
The issue was fully subscribed. All the amounts were duly received except the allotment & first and final call money on 4,000 equity shares. These equity shares were forfeited. Present 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. Misha and Prisha were partners in a firm sharing profits and losses in the ratio of 3:2. On 1st April, 2022, their capital accounts showed balances of ₹50,000 and ₹30,000 respectively. During the year, Misha withdrew ₹12,900 while Prisha withdrew ₹9,600. They were allowed interest on capital @ 10% p.a. Interest on drawings of ₹660 was charged on Misha's drawings and ₹540 on Prisha's drawings. Prisha had advanced a loan of ₹20,000 to the firm on 1st August, 2022. The net profit for the year ended 31st March, 2023 amounted to ₹22,600.
Prepare Profit & Loss Appropriation Account for the year ended 31st March, 2023. **4**

23. **(a)** Sunrise Ltd. acquired assets of ₹3,60,000 and took over creditors of ₹1,00,000 from Moonlight Ltd. for an agreed purchase consideration of ₹4,80,000. Sunrise Ltd. issued 9% Debentures of ₹100 each at a discount of 4% in satisfaction of the purchase consideration. Pass necessary journal entries in the books of Sunrise Ltd. Show your workings clearly.
(b) Grapple Ltd. took over assets of ₹25,00,000 & liabilities of ₹5,00,000 from Allore Ltd. for an agreed purchase consideration of ₹18,00,000. Grapple Ltd. issued 11% Debentures of ₹100 each at 20% premium in satisfaction of the purchase consideration. Pass necessary journal entries in the books of Grapple Ltd. Show your workings clearly. **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. **(a)** 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 : **6**

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		
	3,00,000		3,00,000

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.

OR

(b) 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 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.

26. **(a)** Qumtan Ltd. invited applications for issuing 1,00,000 equity shares of ₹10 each at a premium of ₹6 per share. The amount was payable as follows:
On Application and Allotment ₹8 per share (including premium ₹3)
On First and Final call Balance (including premium)
Applications for 1,60,000 shares were received. Applications for 10,000 shares were rejected & pro-rata allotment was made to the remaining applicants. Excess money received on application and allotment was returned. Dheeraj, who was allotted 200 shares, failed to pay the first & final call money. His shares were forfeited. All the forfeited shares were reissued at ₹5 per share fully paid up.
Pass necessary journal entries in the books of Qumtan Ltd.

OR

(b) Printkit Limited invited applications for issue of 80,000 equity shares of ₹10 each. The amount was payable as follows: On Application ₹3 per share
On Allotment ₹2 per share
On First and Final call Balance
Applications for 1,50,000 shares were received. Applications for 10,000 shares were rejected & pro-rata allotment was made to the remaining applicants on the following basis: Category (A) Applicants for 80,000 shares were allotted 40,000 shares.
Category (B) Applicants for 60,000 shares were allotted 40,000 shares.
Excess money received on application was adjusted towards amount due on allotment & first & final call. All the amounts due on allotment and first & final call were duly received. Pass necessary journal entries in the books of Printkit Limited.

6

	Part B :- Analysis of Financial Statements	
27.	Which of the following is not a tool of Analysis of Financial Statements? (A) Ratio Analysis (B) Comparative Statement (C) Statement of Profit & Loss (D) Cash flow Statement	**1**
28.	**(a)** Analysis of Financial Statements is useful and significant to different users. Which of the following users is particularly short period of time? (A) Labour Unions (B) Trade Payables (C) Top Management (D) Finance Manager **OR** **(b)** _____ ratios are calculated to determine the ability of the business to service its debt in the long run. (A) Liquidity (B) Turnover (C) Solvency (D) Profitability	**1**
29.	The transaction 'Acquisition of machinery by issue of Equity Shares of ₹5,00,00,000' will result in: (A) Cash inflow of ₹5,00,00,000 from financing activities (B) Cash outflow of ₹5,00,00,000 from financing activities (C) Cash outflow of ₹5,00,00,000 from investing activities (D) No flow of cash **OR** The transaction 'Capital Gains Tax paid on sale of fixed assets' is classified under which of the following: (A) Operating Activities (B) Investing Activities (C) Financing Activities (D) Cash and Cash Equivalents	**1**
30.	<table><tr><td>Particulars</td><td>1-4-2022</td><td>31-3-2023</td></tr><tr><td>Provision for Tax</td><td>₹10,000</td><td>₹25,000</td></tr></table> Tax paid during the year ended 31st March, 2023 was ₹15,000. While calculating Net Profit before Tax and Extra ordinary items, the amount of provision for tax to be added is _____. (A) ₹30,000 (B) ₹25,000 (C) ₹10,000 (D) ₹15,000	**1**

31. (a) From the given Balance Sheet of Geox Ltd., prepare Common Size Balance Sheet: **3**

Balance Sheet of Geox Ltd. as at 31st March, 2023

Particulars	Note No.	31.03.2023(₹)	31.03.2022(₹)
I Equity & Liabilities:			
1. Shareholder's Funds			
(a) Share Capital		4,00,000	2,50,000
2. Non-Current Liabilities			
(a) Long-term Borrowings		2,00,000	1,50,000
3. Current Liabilities			
(a) Trade Payables		2,00,000	1,00,000
Total		**8,00,000**	**5,00,000**
II Assets:			
1. Non-Current Assets			
(a) Property, Plant & Equipment & Intangible Assets		4,00,000	1,50,000
2.Current Assets			
(a) Inventories		2,00,000	70,000
(b) Trade Receivables		2,00,000	80,000
Total		**8,00,000**	**5,00,000**

OR

(b) From the following information, prepare a Comparative Statement of Profit and Loss for the year ended 31st March, 2022 and 2023:

Particulars		31.03.2023	31.03.2022
Revenue from Operations	(₹)	10,00,000	8,00,000
Employee Benefit Expenses	(₹)	2,50,000	1,00,000
Other Expenses	(₹)	5,50,000	4,00,000
Income Tax Rate	(%)	50	50

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) Loose Tools
(b) Provision for Tax
(c) Copyrights

33. **4**

(a) Total Assets ₹3,00,000
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 and Quick Ratio is 2.5:1, then calculate the of amount of 'Inventory'.

34. From the following Balance Sheet of Yogita Ltd., Calculate 'Cash Flows from Investing Activities' and 'Cash flows from Financing Activities'. Show your working properly. **6**

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

Particulars	Note No.	31.03.2023(₹)	31.03.2022(₹)
I Equity & Liabilities:			
1. Shareholder's Funds			
(b) Share Capital		4,00,000	2,00,000
(c) Reserves & Surplus	**1**	2,00,000	1,00,000
2. Non-Current Liabilities			
(b) Long-term Borrowings	**2**	1,50,000	2,20,000
3. Current Liabilities			
(a) Short Term borrowings	**3**	1,00,000	-------
(b) Trade Payables		70,000	50,000
(c) Short Term Provisions	**4**	50,000	30,000
Total		**9,70,000**	**6,00,000**
II Assets:			
1. Non-Current Assets			
(a) Property, Plant & Equipment & Intangible Assets			
(i) Tangible Assets (Property, Plant & Equipment)	**5**	7,00,000	4,00,000
2.Current Assets			
(a) Inventories		1,70,000	1,00,000
(b) Trade Receivables		1,00,000	50,000
(c) Cash & Cash Equivalents		---	50,000
Total		**9,70,000**	**6,00,000**

Notes to Accounts:

Note No.	Particulars	31.03.2023(₹)	31.03.2022(₹)
1.	**Reserves & Surplus**		
	Balance in Statement of Profit & Loss	1,50,000	80,000
	General Reserve	50,000	20,000
		2,00,000	**1,00,000**
2.	**Long Term Borrowings**		
	10% Bank Loan	1,50,000	2,20,000
		1,50,000	**2,20,000**
3.	**Short Term Borrowings**		
	Bank Overdraft	1,00,000	--
		1,00,000	--
4.	**Short Term Provisions**		
	Provision for Tax	50,000	30,000
		50,000	**30,000**
5.	**Tangible Assets (Property, Plant & Equipment)**		
	Plant & Machinery	7,90,000	4,70,000
	Less: Accumulated Depreciation	(90,000)	(70,000)
		7,00,000	**4,00,000**

Additional Information:

i) ₹50,000 was charged as depreciation on Plant & Machinery. A machinery costing ₹60,000 (Book Value ₹45,000) was sold for ₹42,000

ii) Bank Loan was repaid on 1st April, 2022.