BUDHA DAL PUBLIC SCHOOL PATIALA

Pre Board Examination (12 December 2025)

Subject – ACCOUNTANCY

Class XII (Set – B)

M.M.80

Time: 3 hrs.

General Instructions:

1. *All questions are compulsory.*
2. *Question number 1-16 and 27 – 30 carries 1 mark each.*
3. *Question no. 17-20 and 31 & 32 carries 3 marks each.*
4. *Question no. 21-22 and 33 carries 4 marks each.*
5. *Question no. 23-26 and 34 carries 6 marks each.*
6. *Use of calculator is not allowed.*

Q1. Emi, Nemi and Kimi are partners sharing profits in the ratio of 5 : 3: 2. They have admitted Vimi into the partnership for 1/6th share. An extract of their balance sheet on 1st April, 2025 is as follows (1)

Liabilities	Amt (Rs.)	Assets	Amt (Rs.)
Investment Fluctuation Fund	27,000	Investment (Cost)	3,00,000

In the market value of investment is Rs. 2,90,000, then the investment fluctuation fund will be shown in the balance sheet of the firm at

a) Rs. 27,000 b) Rs. 20,000 c) Rs. 10,000 d) Nil

Q2. A, B and C are sharing profits and losses in the ratio of 3 : 1 : 1. On 1st April, 2025, C decided to retire from the firm and his share was taken by A and B in the ratio of 1 :2. There was a Workmen compensation reserve of Rs. 50,000 was available at the time of retirement of C. There was a claim on account of workmen compensation for Rs. 30,000 which was accepted by the firm. (1)

In the relation, A's capital account will be

a) credited by Rs. 12,000 b) debited by Rs. 12,000
c) debited by Rs. 30,000 d) credited by Rs. 30,000

Q3. Current account of a partner (1)

a) will always have a credit balance
b) will always have a debit balance
c) can never have a debit balance
d) may have a debit or credit balance

Q4. Manoj drew an equal amount regularly at the end of every month for 6 month. Interest on his-drawings was Rs. 500 at 5% p.a. Total drawings of Major will be (1)

a) Rs. 24,000 b) Rs. 40,000 c) Rs. 48,000 d) Rs. 50,000

Q5. X and Y were in partnership sharing profits and losses in the ratio of 2 :1. They admitted Z as a new partner. Z brought Rs. 20,000 as her share of goodwill premium, which was entirely credited to X's capital account. (1)

On the date of admission, goodwill of the firm was valued at Rs. 60,000. Calculate the new profit sharing ratio.

a) 1 : 2 : 1 b) 2 : 1 : 1 c) 1 : 1 : 1 d) 3 : 2 : 1

Q6. Anuj and Raheem are partners sharing profits and losses in the ratio of 2 :1. They admit Sonam for 1/5th share in future profits. On the date of admission, Anuj's capital was Rs. 51,000 and Raheem's capital was Rs. 36,500. (1)

Sonam brings Rs. 12,500 as her share of goodwill and she agrees to contribute proportionate capital of the new firm. How much capital will be brought by Sonam?

a) Rs. 21, 875 b) Rs. 18,750 c) Rs. 25,000 d) Rs. 20,000

Q7. X Ltd. purchased business of Y Ltd. for Rs. 9,60,000 payable 25% by cheque and balance by issue of 9% Debentures of Rs. 100 each at a discount of 4% redeemable at a premium of 6%. 9% Debentures Account is credited with (1)

a) Rs. 9,60,000 b) Rs. 10,00,000 c) Rs. 7,50,000 d) Rs. 7,20,000

OR

Vipin Ltd. took over assets of Rs. 3,00,000 and liabilities of Rs. 10,000 of Deepak Ltd. for Rs. 2,70,000 payable by issue of 9% Debentures of Rs. 100 each at 20% premium. Which of the following statement is correct?

a) Goodwill Account is to be debited with Rs. 20,000
b) Capital Reserve is to be debited with Rs. 20,000
c) Goodwill Account is to be credited with Rs. 20,000
d) Capital Reserve is to be credited with Rs. 20,000

Q8. **Assertion (A):** Tetra Ltd. has issued 20,000 Equity Shares which was subscribed. All the calls were made except Rs. 25 per share which was resolved to be 'Reserve Capital'. Share capital shown in Balance Sheet as 'Subscribed and Fully Paid-up' will be nil. **(1)**

Reason (R): Reserve Capital can be called at the time of winding up.

In the context of above two statements, which of the below option is correct?

(a) Assertion (A) is correct but Reason (R) is incorrect.
(b) Both Assertion (A) and Reason (R) are correct, but (R) is not the correct explanation of Assertion (A).
(c) Both Assertion (A) and Reason (R) are incorrect
(d) Both Assertion (A) and Reason (R) are correct, and Reason (R) is the correct explanation of Assertion (A).

Q9. Gyan and Govind are partners sharing profits in the ratio of 3 : 1. On 31st March, 2024, firm's net profit is Rs. 3,75,000. The partnership deed provided interest on capital to Gyan and Govind which is Rs. 50,000 and Rs. 25,000 respectively and interest on drawings for the year is Rs. 16,000 of Gyan and Rs. 14,000 of Govind. Each partner is also entitled for commission @ 5% on profit after interest and all commissions. Calculate the profit to be transferred to Partners' Capital Accounts. **(1)**

a) Rs. 3,00,000 b) Rs. 3,30,000 c) Rs. 3,60,000 c) Rs. 3,75,000

Q10. Profit earned by a firm after retaining Rs. 22,500 to its reserve was Rs. 1,12,500. The firm had total tangible assets of Rs. 15,00,000 and outside liabilities Rs. 4,50,000. The value of goodwill as per Capitalisation of Average Profit Method was valued at Rs. 75,000. Calculate Normal Rate of Return. **(1)**

a) 10% b) 5% c) 12% d) 8%

Q11. Book value of creditors given in the Balance Sheet before dissolution was Rs. 4,00,000. Half of the creditors accepted furniture of Rs. 2,40,000 at an agreed value of 10% less than the book value and cash of Rs. 16,000 in settlement of their claim. Remaining creditors were paid at a discount of 5%. Bank Account will be credited in Realisation Account for payment to creditors by **(1)**

a) Rs. 19,00,000 b) Rs. 2,16,000 c) Rs. 2,06,000 d) Rs. 2,00,000

From the given hypothetical situation, answer (Q. No. 12 to 14) from the following:

As on 31st March, 2024

i) Issued share capital – Rs. 80,00,000 (8,00,000 shares)
ii) Called-up share capital – Rs. 12 per share on 8,00,000 shares (fully paid)
iii) Securities premium – Rs. 5,00,000

As on 31st March, 2025

i) Issued share capital – Rs. 1,20,00,000 (12,00,000 shares)
ii) Called-up share capital – Rs. 15 per share on 12,00,000 shares (fully paid)
iii) Securities premium – Rs. 10,00,000

Additional Information

- New shares issued for cash – 4,00,000 shares
- Shares issued for consideration (Non-cash) – 1,00,000 shares
- Shares forfeited – 5,000 shares with an unpaid amount of Rs. 7 per share

Q12. What is the total face value of shares issued for cash during the year 2024-25? **(1)**

a) Rs. 40,00,000 b) Rs. 72,00,00 c) Rs. 12,00,000 d) Rs. 1,20,00,000

Q13. Shares issued for cash during the year were issued at .. (assuming they were issued at a uniform price) **(1)**

a) Rs. 10 b) Rs. 11 c) Rs. 12 d) Rs. 11.25

Q14. If 4,000 forfeited shares were re-issued at Rs. 22 per share, with a face value of Rs. 10 per share, how much total cash was received? **(1)**

a) Rs. 88,000 b) Rs. 40,000 c) Rs. 48,000 d) Rs. 89,000

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Q15. Alok Ltd. forfeited 600 Equity Shares of Rs. 10 each, fully called-up, held by Param for non-payment of allotment money of Rs. 3 per share and first and final call of Rs. 4 per share. Out of these, few shares was reissued at a discount of Rs. 2 per share and Rs. 500 transferred to Capital Reserve as gain on reissue. Number of shares reissued were (1)

a) 200 shares b) 300 shares c) 400 shares d) 500 shares

Q16. Tushar Ltd. forfeited 1200 shares of Rs. 10 each issued at a premium of 10% for non-payment of first and final call money of Rs. 3 (including premium). Out of these 800 shares were reissued to Mohan as Rs. 10 paid-up for Rs. 11 per share. What is the minimum amount that company should collect at the time of reissue of the remaining 400 shares? (1)

a) Rs. 1600 b) Rs. 1200 c) Rs. 800 d) Rs. 400

Q17. X, Y and Z are partners sharing profits in the ratio of 4 : 3: 2. Y retired and his capital after making adjustments for reserves and profit on revaluation was Rs. 1,85,600. X and Z agreed to pay him certain amount in settlement of his claim. Journal entry for goodwill passed was as given below : (3)

JOURNAL

Date	Particulars	L.F.	Dr (Rs.)	Cr (Rs.)
	X's Capital A/c ....Dr.		7,800	
	Z/s Capital A/c ....Dr.		6,600	
	To Y's Capital A/c			14,400
	(Y's share of goodwill adjusted in the Capital Accounts of gaining partners in their gaining ratio)			

Calculate the amount agreed to be paid to Y and New Profit-sharing Ratio of X and Z.

Q18. Rajan Ltd. issued 2,000 shares of Rs. 100 each. All calls were received except on 200 shares on which only Rs. 90 per share were received. These shares were forfeited and out of the forfeited shares 100 shares were reissued at Rs. 80 each as fully paid-up. (3)

Pass necessary Journal entries for forfeiture and reissue of shares and prepare the Forfeited Shares Account.

Q19. Ashok, Bhim and Chitra are partners in a firm. For the year ended 31st March, 2024, profit of the firm Rs. 2,40,000 was distributed equally among them, without giving effect to the following terms of the partnership deed. (3)

a) Bhim's guarantee to the firm that the firm would earn profit of at least Rs. 2,70,000, Shortfall, if any in profit will be met by him.
b) Profits to be shared in the ratio of 2 : 2 : 1.

You are required to pass the necessary journal entries to rectify the error in accounting.

Q20. Calculate goodwill of a firm on the basis of three years' purchase of the weighted average profit of the last four years. Profits of these four years ended 31st March, were : (3)

Year Ended	31st March, 2021	31st March, 2022	31st March, 2023	31st March, 2024
Profit (Rs.)	4,04,000	4,96,000	4,00,000	6,00,000

The weights assigned to each year ended 31st March are: 2021 – 1 ; 202 – 2 ; 2023 – 3 and 2024 – 4.
You are provided with the following additional information:

a) On 31st March, 2023, a major plant repair was undertaken for Rs. 1,20,000 which was accounted as expense. It is to be capitalized for goodwill calculation subject to adjustment of depreciation @ 10% p.a. on Reducing Balance Method.
b) Closing Stock for the year ended 31st March, 2022 was overvalued by Rs. 48,000.

Q21. Honey Well Ltd. is a company with authorised capital of 2,00,00,000 divided into 16,00,000 Equity Shares of 10 each and 40,000 Preference Shares of 100 each. It issued for subscription 5,00,000 Equity Shares at a premium of 10 each payable 10 on application (including premium of ₹5); 8 (including balance premium) on allotment and balance as First and Final Call. (4)

It also issued 20,000, 8% Preference Shares at par payable 50 on application and balance on allotment. Equity Shares were subscribed three times and allotment was made to all the applicants on pro rata. Preference shares were fully subscribed.
All calls were made. Due amount was received except First and Final Call on 10,000 Equity Shares held by Raman, which were forfeited.

Allotment money on 2,000, 8% Preference Shares was not received.

Show the share capital in the Balance Sheet of the company prepared as per Schedule III of the Companies Act, 2013.

Q22. Amit, Sumit and Namit entered into partnership on 1st October, 2023 to share profits and losses in the ratio of 4 : 3: 2. Total capital of the firm was fixed at Rs. 9,00,000 to be contributed by Amit, Sumit and Namit in the ratio of 4: 3: 2. Amit gave loan of Rs. 50,000 on 1st January, 2024. The partnership deed provided for interest on capital @ 10% p.a., interest on drawings @ 12% p.a. salary to Sumit @ Rs. 2,500 per month and salary to Namit @ Rs. 10,000 per quarter. Sumit's drawings during the period ended 31st March, 2024 were Rs. 25,000. Profit of the firm for the period ended 31st March, 202 before providing for any interest and salary was Rs. 58,000. (4)

You are requested to prepare Profit & Loss Appropriation Account and Partners' Current Accounts.

Q23. Sangita Ltd. invited applications for issuing 1,00,000 Equity Shares of 10 each. The amount was payable as follows: (6)

(1) On Application - Rs. 3 per Share

(ii) On Allotment - Rs. 2 per share

(iii) On First & Final Call - Balance

Applications were received for 2,20,000 shares. Applications for 20,000 shares were refused allotment and their application money was refunded. Shares were allotted to the remaining applicants as follows:

I) Allotted 50% shares to Sun who had applied for 40,000 shares.

II) Allotted in full to Moon who had applied for 20,000 shares.

III) Allotted balance of the shares on pro rata basis to the other applicants.

Excess application money was utilised in payment of allotment and final call. All calls were made and were duly received except the first and final on 600 shares allotted to an applicant in category III. His shares were forfeited. The forfeited shares were reissued for 9 per share fully paid-up.

Pass the necessary Journal entries in the books of Sangita Ltd. to record the above assuming that Calls-in-Arrears Account is maintained.

OR

On 1st July, 2023, Moon Craft Ltd. issued 10,000, 9% Debentures of Rs. 100 each at a premium of 4%, redeemable at a premium of Rs. 15 per debenture in two equal annual instalments starting from the end of third year. Company has a balance of Rs. 60,000 in Securities Premium on the date of issue of debentures.

Pass the necessary Journal entries for the financial year 2023-24. Also prepare Loss on Issue of Debentures Account.

Q24. Usha and Asha are partners in a firm sharing profits in the ratio of 3 : 2. Their Balance Sheet as at 31st March, 2024 was as follows: (6)

Balance Sheet of Usha and Asha as at 31st March, 2024

Liabilities		Amount (Rs.)	Assets		Amount (Rs.)
Creditors		27,000	Cash		24,000
General Reserve		18,000	Debtors	48,000	
Bill Payable		5,000	Less : Provision for Doubtful Debts	4,800	43,200
Capital A/cs :			Stock		30,000
Usha	40,000		Patents		7,400
Asha	35,000	75,000	Building		20,400
		1,25,000			**1,25,000**

Neelam is admitted into the partnership giving her 1/5th share in the profits. Neelam is to be bring in Rs. 30,000 as her Capital and her share of Goodwill in cash subject to the following terms:

a) Goodwill of the firm is valued at Rs. 50,000
b) Stock to be reduced by 10% and Provision for Doubtful Debts be reduced by Rs. 2,400.
c) Patents are of nil value
d) There was a claim against the firm for damages of Rs. 2,000.. The claim has now been accepted.
e) The partners have decided that General Reserve will continue in the books of new firm at its original value.

Pass the necessary Journal entries to give effect to the above arrangement.

B-4

OR

Kavya, Manya and Navita were partners sharing profits s 50%, 30% and 20% respectively. On 31st March, 2024, their Balance Sheet stood as follows:

Liabilities		Amount (Rs.)	Assets		Amount (Rs.)
Capital A/cs:			Fixed Assets		8,90,000
Kavya	6,00,000		Investments		2,00,000
Manya	5,00,000		Stock		1,30,000
Navita	4,00,000	15,00,000	Debtors	4,00,000	
General Reserve		1,00,000	Less : Provision for Doubtful Debts	30,000	3,70,000
Creditors		1,40,000	Bank		1,50,000
		17,40,000			**17,40,000**

On the above data, Kavya retired and Manya and Navita agreed to continue the business on the following terms:

a) Firm's goodwill was valued at Rs. 60,000 and it was decided to adjust Kavya's share of goodwill in the capital accounts of continuing partners.
b) There was a claim for workmen's compensation to the extent of Rs. 4,000.
c) Investments were revalued at Rs. 2,13,000.
d) Fixed Assets were to be depreciation by 10%
e) Kavya was to be paid Rs. 20,000 through a bank draft and the balance was transferred to her loan account which will be paid in two equal annual instalments together with interest @ 10% p.a.

Prepare Revaluation Account, Kavya's Capital Account and Kavya's Loan Account till it is finally paid.

Q25. Susan, Geeta and Rashi are partners sharing profits and losses in the ratio of 5 :3 : 2. Their Balance Sheet as at 31st March, 2024, was as under: (6)

Balance Sheet of Susan, Geeta and RAshi as at 31st March, 2024

Liabilities		Amount (Rs.)	Assets		Amount (Rs.)
Sundry Creditors		50,000	Cash at Bank		70,000
Workmen Compensation Reserve		25,000	Sundry Debtors	65,000	
Employees' Provident Fund		5,000	Less : Provision for Doubtful Debts	5000	60,000
Bank Loan		55,000	Goodwill		50,000
Capital A/cs:			Furniture		1,00,000
Susan	2,20,000		Building		3,80,000
Geeta	1,70,000				
Rashi	1,35,000	5,25,000			
		6,60,000			**6,60,000**

The partners decided to dissolve their partnership on 1st April, 2024. Following transaction took place at the time of dissolution.

a) Realisation expenses of Rs. 2,000 were paid by Susan on behalf of the firm.
b) Geeta took over goodwill for her own business at Rs. 40,000
c) Building was taken by Rashi at Rs. 3,00,000.
d) Only 80% of the debtors paid their dues.
e) Bank Loan was paid along with interest of Rs. 5,000.
f) The firm retrenched their employees before the dissolution and it had to pay Rs. 15,000 as compensation. This liability was not appearing in the above Balance Sheet.
g) An unrecorded asset of Rs. 6,900 was given for an unrecorded liability of Rs. 6,000 in settlement.

You are required to prepare the Realisation Account.

Q26. Victoria Ltd. invited applications for 1,00,000 Equity shares of Rs. 10 each, payable Rs. 2 on application, Rs. 3 on allotment and the balance on first and final call. (6)

Applications were received for 3,00,000 shares and the shares were allotted on pro rata basis. The excess application money was to be adjusted against allotment.

Mohan, a shareholder, who had applied for 3,000 shares did not pay the call money and his shares were forfeited and later reissued at Rs. 8 per share as fully paid.

Answer the following questions on the basis of the above information:

1. State the amount of excess application money refunded to the applicants.
   a) Rs. 50,000 b) 1,00,000 c) Rs. 1,20,000 d) Rs. 1,50,000
2. State the excess application money adjusted in Shares Allotment Account.
   a) Rs. 1,50,000 b) Rs. 2,00,000 c) Rs. 2,50,000 d) Rs. 3,00,000
3. State the amount received towards Shares Allotment Account.
   a) Rs. 2,00,000 b) Rs. 2,50,000 c) Rs. 3,00,000 d) Nil
4. State the amount forfeited at the time of forfeiture of Mohan's shares.
   a) Rs. 4,000 b) Rs. 4,500 c) Rs. 5,000 d) Rs. 6,000
5. State the amount credited to 'Calls-in-Arrears' at the time of forfeiture of shares
   a) Rs. 4,000 b) Rs. 4,200 c) Rs. 4;500 d) Rs. 5,000
6. Sate the amount transferred to Capital Reserve.
   a) Rs. 2,000 b) Rs. 2,500 c) Rs. 3,000 d) Rs. 3,500

Q27. Which of the following are known as Efficiency Ratio? **(1)**

a) Liquidity Ratios b) Solvency Ratios c) Activity Ratios d) Profitability Ratios

Q28. Analysis of Financial Statements is useful and significant to different users. Which of the following users is particularly interested in the firm's ability to meet their claims over a very short period of time? **(1)**

a) Labour Unions b) Trade Payables c) Top Management d) Finance Manager

Q29. The Debt-Equity Ratio of a company is 2 :1. Which of the following transactions will increase the Debt-Equity Ratio? **(1)**

a) Issue of shares Rs. 1,00,000
b) Issue of 9% Debentures Rs. 4,00,000
c) Issue of bonus shares Rs. 3,00,000
d) Payment of creditors Rs. 50,000

Q30. 'Interest received on investment' will come under which type of activity from the following, while preparing cash flow statement of a non-financial enterprise? **(1)**

a) Investing Activity b) Financing Activity c) Operating Activity d) Both (b) and (c)

Q31. Classify the following items under Major Heads and Sub-heads (if any) in the balance sheet of a Company as per Schedule III of the Companies Act, 2013: **(3)**

i) Current maturities of Long-term Debts
ii) Furniture and Fixtures
iii) Provision for Warranties
iv) Income received in advance
v) Capital Advances
vi) Advances recoverable in cash within the operating cycle

Q32. Prepare a Comparative Statement of Profit & Loss from the following information extracted from the Statement of Profit & Loss for the year ended 31st March, 2017 and 2018 : **(3)**

Particulars	2017-18 (Rs.)	2016-17 (Rs.)
Revenue from Operations	12,00,000	10,00,000
Other income (% of Revenue from Operations)	25%	25%
Employee Benefit Expenses (% of Total Revenue)	40%	30%
Tax Rate	40%	40%

Q33. a) Calculate Revenue from operations of 'BN Ltd.' from the following information: **(4)**

Current Assets	Rs. 8,00,000
Quick Ratio	1.5 : 1
Current Ratio	2 : 1
Inventory Turnover Ratio	6 Times

Goods were sold at a profit of 25% on cost.

b) Operating ratio of a company is 60%. State whether 'purchase of goods costing Rs. 20,000' will increase, decrease or not change the operating ratio.

B-6

i) Calculate Cash Flow from Investing Activities for the year ended 31st March, 2024 from the following information: (6)

Particulars	31st March, 2024 (Rs.)	31st March, 2023 (Rs.)
Plant and Machinery	15,00,000	12,00,000
Accumulated Depreciation	(2,40,000)	(1,80,000)
12% Investments	4,00,000	3,00,000
Goodwill	1,20,000	1,50,000
Patents	1,50,000	1,20,000

Additional Information:

a) During the year ended 31st March, 2024, Machinery costing Rs. 1,50,000 was sold at loss of Rs. 30,000

b) Depreciation charged during the year was Rs. 1,00,000.

c) Additional Investments were purchased on 1st July, 2023.

ii) From the following particulars, calculate the Cash Flow from Operating Activities:

Profit earned during the year 2023-24 was Rs. 1,00,000 after considering the following items:

Particulars	31st March, 2024 (Rs.)
Depreciation on Fixed Assets	4,000
Amortisation of Goodwill	2,000
Transfer to Reserve	2,800
Gain on Sale of Land	1,700
Loss on Sale of Furniture	500
Provision for Tax	40,000

Following is the position of Current Assets and Current Liabilities:

Particulars	Closing (Rs.)	Opening (Rs.)
Trade Receivables	6,000	4,800
Trade Payable	4,000	6,000
Inventories	3,200	4,000
Outstanding Expenses	2,400	1,600
Provision for Tax	40,000	35,000

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2025)

MM: 80

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(6×1=6)

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