Sample Question Paper
Subject: Accountancy
Full Marks: 80   Time: 3 Hours.

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. Question 1 to 16 and 27 to 30 carries 1 mark each.
4. Questions 17 to 20, 31and 32 carries 3 marks each.
5. Questions from 21 ,22 and 33 carries 4 marks each.
6. Questions from 23 to 26 and 34 carries 6 marks each.
7. There is no overall choice. However, an internal choice has been provided few questions.

Q.No.	Question	Marks Allotted
	PART – A **(Accounting for Partnership firm and Companies (Any Ten)**	
1	A partnership firm has four partners. How many additional partners can be admitted in the partnership firm as per provision of Companies Act, 2013. a) 50 b) 46 c) 96 d) 25	1
2	A and B are partners sharing profits and losses in the ratio of 3: 2. During the year, each partner had withdrawn Rs. 15,000 at the beginning of every quarter, interest on drawing @ 8%. The average period for the calculation of interest on drawing will be a) 6½ months b) 7½ months c) 5½ months d) 6 months **Or** Remi, Manju and Pinki were partners in a firm sharing profits and losses in the ratio of 3:3:4. During the year ended 31st March, 2024, Remi withdraw Rs. 30,000 at the end of each half year. Interest on Remi's drawings @10% p.a. for the year ended 31st March, 2024 will be a) ₹ 6,000 b) ₹ 4,500 c) ₹ 3,000 d) ₹ 1,500.	1 1
3	Which of the following items, does not appear in the Profit and Loss Appropriation Account? a) Salary to partners b) Interest on Capitals c) Interest on Drawings	1

	d) Drawings	
4	**Assertion (A):** Partnership is the relation between persons who have agreed to share the profits of the business carried on by all or any of them acting for all **Reason (R):** If a partner carries on any business of the same nature and competing with that of the firm, he/she shall account for and pay to the firm all profit made by him/her in that business. In the context of above two statements, which of the following is correct? a) Both (A) and (R) are correct. b) Both (A) and (R) are incorrect c) Both (A) and (R) are correct and (R) is the correct explanation of (A) d) Both (A) and (R) are correct but (R) is not the correct explanation of (A).	1
5	X and Y are partners in a firm sharing profits and losses in proportion of 2:1. They admit a new partner Z for 1/6th share in profit. What is the Sacrificing Ratio of X and Y? a) 3:1 b) 2:1 c) 2:3 d) 3:2	1
6	300 shares of ₹100 each issued at premium of 10% per share were forfeited for the non-payment of ₹ 20 per share on final call. At the time of forfeiture, Share Capital Account Will be debited with a) ₹ 30,000 b) ₹ 60,000 c) ₹ 40,000 d) ₹ 45,000 OR 500 shares of ₹ 10 each were forfeited for the non-payment of first call of ₹2 per share (the final call of ₹3 per share was not made). Later, 300 shares were re-issued @ of ₹ 6 per share ₹ 7 paid up. The Capital Reserve will be a) ₹ 1,500 b) ₹ 300 c) ₹ 1,200 d) ₹ 2,500	1 1
7	Securities Premium Reserve can be used for a) Paying interest on debentures b) To issue fully paid bonus shares to the shareholders c) Paying tax liability d) Paying dividend on shares.	1
8	A, B and C are partners sharing profits and losses in the ratio of 3:2:1. A and B have guaranteed that C's share of profit will not be less than ₹ 15,000, any	1

	deficiency to be borne by A and B in the ratio of 2:3. If the profit for the year is ₹ 60,000, then the deficiency to be shared by A and B will be a) ₹ 3,000 and ₹ 2,000 b) ₹ 2,000 and ₹ 3,000 c) ₹ 4,000 and ₹ 6,000 d) ₹ 6,000 and ₹ 4,000	
9	The loss on issue of debentures is written off from: a) Securities Premium Reserve b) Security Reserve c) Debentures Redemption Reserve d) Reserve Capital	1
10	The part of authorized capital which is not offered to the public is called: a) Unsubscribed Capital b) Subscribed Capital c) Issued Capital d) Unissued Capital.	1
11	On dissolution of a firm, Reserve Fund is transferred to a) Realisation A/C b) Partners' Capital A/Cs in their Profit-sharing ratio c) Partners' capital A/Cs in their Capital ratio d) iv) Cash Account	1
12	M, N and O were partners in a firm sharing profit and losses in the ratio 3:2:1. O retired and his share was taken over by M and N in the ratio of 1:4. The new profit-sharing ratio of M and N is a) 3:2 b) 8:7 c) 7:3 d) 2:3 **OR** A, B and C are partners sharing profits in the ratio of 5:3:2. A retires and the new ratio is 2:3. Then gaining ratio will be a) 3:2 b) 5:3 c) 1:4 d) None of these	1 1
13	**Assertion (A):** Calls in arrears represent the amount that shareholders have failed to pay on the shares they hold: **Reason (R):** Calls in arrears are treated as a liability of the company. In the context of above two statements, which of the following is correct? a) Both (A) and (R) are true, and (R) is the correct explanation of (A) b) Both (A) and (R) are true, but (R) is not the correct explanation of (A) c) (A) is true, but (R) is false d) (A) is false, but (R) is true.	1

	OR Phiba Ltd. issued 10,000 equity sharesof ₹ 10 each, payable as follows: ₹ 3 on Application ₹ 4 on Allotment ₹ 3 on First and Final Call All the money due was received except, Iba, a share holder holding 2,000 shares, did not pay the first and Final Call. Calls in arrears Account will be debited with a) ₹ 6,000 b) ₹ 8,000 c) ₹ 6,500 d) ₹ 10,000	1
14	P, Q and R are partners sharing profits and losses in the ratio of 3:2:1. Q died. At that time, goodwill of the firm was valued at ₹ 15,000. What contribution has to be made by P and R in order to pay Q's Executor? a) ₹ 20,000 and ₹ 10,000 b) ₹ 15,000 and ₹ 15,000 c) ₹ 1250 and ₹ 3750 d) ₹ 3750 and ₹ 1250 OR A, B and C were partners sharing profits and losses in the ratio of 5:3:2. B died on 30th June, 2024. The sale and the profit for the year ended 31st March, 2024 was ₹ 15,00,00 and ₹ 5,00,000 respectively. The sale from the beginning of the accounting year till the date of death was ₹ 5,00,000. The amount of profit to be credited to B's Capital Account will be a) ₹ 33,333 b) ₹ 60,000 c) ₹ 55,000 d) ₹ 50,000	1 1
15	Debentures which do not carry any specific ratio of interest are known as a) Registered Debentures b) Zero Coupon Rate Debentures c) Bearer Debentures d) Secured Debentures	1
16	Which of the following is not correct for goodwill: a) It is an intangible asset b) It is a fictitious asset c) It may have a realizable value d) It is amortised	1
17	A company forfeited 500 shares of ₹10 each, ₹8 called up for non-payment	3

	of final call of ₹2 per share. Later 300 shares were re-issued at ₹7 per share, ₹8 paid up. Pass journal entries to record the above transactions.	
18	Damy Co. Ltd acquired assets worth ₹ 4,00,000 and took over liabilities worth ₹ 50,000 from Kiran Ltd at an agreed purchase consideration of ₹3,60,000 to be satisfied by issue of 7% Debentures of ₹ 100 each at a discount of 10%. Pass journal entries to record the above transactions.	3
19	A firm earned an average profit of ₹ 3,00,000 during the last few years. The normal rate of return in this class of the business is 15%. The assets of the business were ₹ 17,00,000 and its liabilities were ₹ 2,00,000. Calculate the goodwill of the firm by capitalization of average profit.	3
20	A and B are partners sharing profit and losses in the ratio of 3:2. The capital as on 1st April, 2024 was ₹5,00,000 and ₹3,00,000. During the year, A had withdrawn ₹ 25,000 and B had withdrawn ₹ 15,000. On 1st October, 2024. B had advanced a loan of ₹1,00,000. The partnership deed provides for interest on capital @ 5% p.a and interest on drawing @ 10% p.a. A is entitled to receive a salary of ₹ 6,000 per quarter. Profit made during the year ended 31st March, 2025 was ₹ 1,40,000. Prepare Profit and Loss Appropriation Account.	3

21

A) Asha, Rishi and Pankaj were partners in a firm sharing profits and losses in the ratio of 3:1:1. Their Balance sheet as at 31st March, 2024 was as follows: **4**

Balance sheet of Asha, Rishi and Pankaj as at 31st March, 2024

Liabilities	₹	Assets	₹
Creditors	90,000	Bank	20,000
General Reserve	60,000	Stock	1,10,000
Capitals		Investment	70,000
Asha - 60,000		Building	1,35,000
Rishi – 1,00,000		Goodwill	15,000
Pankaj – 40,000	2,00,000		
	3,50,000		3,50,000

Pankaj died on 30th September, 2024. According to partnership deed, his legal representative is entitled to the following:

i) Balance in his capital Account.

ii) Share of profit up to the date of death to be calculated on the basis of last year's profit.

iii) Share of goodwill calculated on the basis of 2 years purchase of average profits of last four years.

iv) Interest on capital @ 12% p.a. The profit for the last four years were: 2020 – 21 ₹ 30,000; 2021 – 22 ₹ 40,000; 2022-23 ₹ 60,000; 2023 – 24 ₹ 70,000.

Prepare Pankaj's Capital Account to be rendered to his legal representative.

Or

B) Ankit, Rajesh and Vikram are partners in a firm sharing profits and losses in the ratio of 2:1:1 respectively. Firm closes its accounts on 31st March every year. Rajesh died on 30th September, 2024. There was a balance of ₹ 1,25,000 in Rajesh's Capital Account in the beginning of the year. **4**

In the event of death of any of the partner, the partnership deed provide the following:

i) Interest on capital is to be provided @ 6% p.a.

ii) The executor of deceased partner shall be paid ₹ 24,000 for his share of goodwill.

iii) His share of reserve fund which is ₹ 12,000 shall be paid to his executor.

iv) His share of profit till the date of death will be calculated on the basis of sales. It is also specified that the sales during the year 2023 – 24 were ₹ 4,00,000. The sales from 1st April, 2024 to 30th September, 2024 were ₹ 1,20,000. The profit of the firm for the year ending 31st March, 2024 was ₹ 2,00,000. Prepare Rajesh's Capital Account.

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A) Blue and Green are partners in a firm sharing profits and losses in the ratio of 5:3. They admit Purple into partnership for ¼ th share of profit for which she brings ₹ 50,000 as capital and ₹ 16,000 as goodwill. Half of the goodwill is withdrawn by Blue and Green. At the time of admission, the Revaluation Profit was ₹ 4,000. There was a goodwill already in the books at ₹ 8,000. Pass journal entries to record the above transactions.

Or

B) A and B are partners sharing profits and losses in the ratio of 3:2. They admitted C into partnership and decided to share profits and losses in the ratio of 2:1:1. At the time of admission the General Reserve and Revaluation loss were ₹ 24,000 and ₹ 2,500 respectively. C brought ₹ 30,000 as capital but was unable to bring his share of goodwill. Goodwill was valued at ₹ 40,000 at the time of admission.
Show journal entries to record the above transactions.

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A) Sonu and Alex were partners in a firm sharing profits and losses in the ratio 3:2. On 31st March, 2025. Their Balance Sheet was as follows:

<u>Balance Sheet as on 31st March, 2025</u>

Liabilities	₹	Assets	₹
Creditors	60,000	Cash	1,66,00
Reserve Fund	60,000	Debtors	1,44,000
Capitals:		Stock	1,50,000
Sonu 5,00,000		Investments	2,60,000
Alex 4,00,000	9,00,000	Furniture	3,00,000
	10,20,000		10,20,000

On 1st April, 2025, they admitted Nidhi as a new partner for ¼ th share in the profits on the following terms:

i) Goodwill of the firm was valued at ₹ 4,00,000 and Nidhi brought the necessary amount in cash for her share of goodwill premium, half of which was withdrawn by the old partners.
ii) Stock was to be increased by 20% and furniture was to be reduced to 90%.
iii) Investments were to be valued at ₹ 3,00,000. Alex took over investments at this value.
iv) Nidhi brought ₹ 3,00,000 as her capital and the capital's of Sonu and Alex were adjusted in the new profit – sharing ratio. For this purpose, Current Accounts are to be opened.

Prepare Revaluation Account and Partner's Capital Accounts.

Or

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B) Ajay, Biraj and Chandan were partners in a firm sharing profits in the ratio of ½, 1/3 and 1/6 respectively. Chandan retired on 1st April, 2025. The Balance Sheet of the firm on the date of Chandan's retirement was as follows: 6

Balance Sheet as on 31st March, 2025.

Liabilities	₹	Assets	₹
Sundry Creditors	15,600	Bank	3100
General Reserve	9,000	Debtors	30,000
Capital A/cs:		Stocks	25,000
Ajay – 40,000		Investments	10,000
Biraj - 36,500		Patents	5,000
Chandan-20,000		Machinery	48,000
	96,500		
	1,21,100		1,21,100

It was agreed: -

i. Goodwill was to be valued at ₹27,000
ii. Depreciation of 10% was to be provided on Machinery.
iii. Patents were to be reduced by 20%.
iv. An old office equipment previously written off was now sold for ₹600.
v. Chandan took over Investments for ₹12,800.

Prepare Revaluation Account, Partners Capital Accounts, and Balance Sheet.

24 A) Rayan and Doff were partners in a firm sharing profits in the ratio of their capitals. On 31st March, 2025 their Balance Sheet was follows: 6

Balance Sheet as on 31st March, 2025.

Liabilities	₹	Assets	₹
Creditors	1,70,000	Bank	1,10,000
Workmen Compensation Reserve	2,10,000	Debtors	2,40,000
		Stock	1,30,000
General Reserve	2,00,000	Furniture	2,00,000
Capital – A/cs:		Machinery	9,00,000
Rayan 7,00,000			
Doff 3,00,000	10,00,000		
	15,80,000		15,80,000

On the above date the firm was dissolved.

a) Rayan took 50% of stock at ₹10,000 less than book value.
b) Furniture was taken by Doff for ₹1,50,000 and machinery was sold

for ₹7,50,000.

c) Creditors were paid in full.

d) There was an unrecorded bill for repairs for ₹1,60,000 which was settled and paid at ₹1,40,000.

e) Dissolution expenses ₹10,000.

Prepare Realisation Account, Partners Capital Accounts and Bank Account.

Or

B) Archana, Vandana and Arti were partners in a firm sharing profits and losses in the ratio of 5:3:2. Their Balance Sheet on 31st March, 2025 was as follows: 6

<u>Balance Sheet as on 31 – 3 - 2025</u>.

Liabilities	₹	Assets	₹
Capitals:		Investments	80,000
Archana 80,000		Plant	1,00,000
Vandana 70,000		Stock	40,000
Arti 60,000		Debtors	50,000
	2,10,000	Cash at Bank	30,000
General Reserve	30,000		
Creditors	60,000		
	3,00,000		3,00,000

The firm was dissolved on the above date:

i) Assets realized as follows:

Debtors ₹40,000

Stock ₹50,000

Plant ₹60,000

ii) 25% of the Investments were taken over by Vandana at ₹18,000. Remaining Investments were taken over by Archana at 10% less than the Book value.

iii) Expenses of realization ₹20,000 were paid by Arti.

Prepare Realisation Account, Partners Capital Accounts and Bank Account.

25 A) Sakhi Ltd. issued 50,000 equity shares of ₹10 each, payable as follows: 6

On Application ₹ 3 per share

On Allotment ₹ 4 per share

Balance on First and Final Call.

Applications were received for 61,000 equity shares, of which 1000 applications were rejected and remaining applications were allotted on pro-rata basis. Mr. Sunil who had applied for 600 shares did not pay allotment and call money. His shares were forfeited and later all the shares were reissued at ₹8 per shares, fully paid up. Pass journal entries in the books of Company.

	OR B) Sunshine Ltd issued 30,000 equity shares of ₹10 each, at a premium of ₹ 2 per share, payable as follows: ₹ 3 on Application ₹ 5 on Allotment (including premium) ₹ 2 on First Call and Balance on Final Call. Applications were received for 45,000 equity shares and allotment was made on pro-rata basis in the ratio of 4:3, the remaining application being rejected and the money refunded. Mr. Ajay who was holding 600 shares did not pay the allotment money and his shares were immediately forfeited. First Call was then made and all the money was received. The company did not make the final call. Show the journal entries in the books of the Company.	6
26	A) Pass journal entries relating to issue of debentures in the book of Bhalary Ltd. in each of the following cases: i) Issued 20,000 8% Debentures of ₹100 each at par, redeemable at premium of 6%. ii) Issued ₹4,00,000 10% Debentures of ₹100 each at a premium of 10%, redeemable at a premium of 8%. iii) Issued 20,000 10% Debentures of ₹100 each at a discount of 10% redeemable at par. **Or** B) On 1st April, 2024, Radhika Ltd issued 10,000, 12% Debentures of ₹100 each at a discount of 10%, redeemable at a premium of 10% after 4 years. Pass journal entries at the time of issue and show the Loss on Issue of Debentures A/c for four years.	6 6
	PART – B **(Analysis of Financial Statements)**	
27	In cash Flow Statement, Rent received by real estate company is classified under: a) Operating Activities. b) Investing Activities. c) Financing Activities. d) None of the above.	**1**
28	The Ideal Liquid Ratio is a) 1:2 b) 1:1 c) 2:1 d) 3:2	**1**
29	Comparative Statement is an example of a) Vertical Analysis b) Horizontal Analysis	**1**

c) Ratio Analysis
d) Cash Flow Analysis

Or

Which of the following is not required to be prepared under the companies Act? **1**

a) Common size statement
b) Balance Sheet
c) Directors and Auditor's Report
d) Statement of Profit and Loss A/c.

30 Zet Ltd. purchased a building for ₹50,00,000 from Jerry Ltd. paying 40% by the issue of 9% Debentures and the balance by cheque. The above transaction will result in: **1**

a) Decrease in cash and cash equivalents ₹20,00,000.
b) Cash used in investing activities ₹20,00,000.
c) Cash generated from financing activities ₹20,00,000
d) Cash used in investing activities ₹30,00,000

Or

Provision for tax for the year ended 31st March, 2025 and 31st March, 2024 were ₹2,80,000 and ₹2,20,000 respectively. During the year, provision for tax made was ₹2,40,000. **1**

The amount of Tax paid during the year is

a) ₹2,80,000
b) ₹1,80,000
c) ₹3,00,000
d) ₹2,50,000

31 Prepare a Common Size Income Statement for the year ended 31st March, 2025. **3**

Particulars	₹
Revenue from Operations	5,00,000
Cost of Revenue from operations	2,50,000
Other expenses	1,50,000
Tax @	40%

Or

Complete the following Comparative Balance Sheet. **3**

Particulars	31-3-24	31-3-25	Absolute change	Percentage change
Share holders Fund	6,00,000	??	2,00,000	??

Non-current liabilities	4,00,000	??	Nil	??
Current Liabilities	??	3,00,000	1,00,000	??
Total	??	??	??	??
Non current Assets	8,00,000	??	??	25%
Current Assets	??	??	??	??
Total	??	??	??	??

32 A) State any three objectives of Financial Statement Analysis. **3**

Or

B) Under which major heads and sub heads will the following items be placed in the Balance Sheet of the Company as per schedule III Part – I of Companies Act, 2013. **3**

i) Proposed Dividend
ii) Goodwill
ii) Prepaid Expenses.

33 A) The Inventory Turnover Ratio is 5 times. Revenue from Operations is ₹5,00,000. Gross profit is 25% on cost. Calculate the value of Opening Inventory and Closing Inventory if Closing Inventory is ₹8000 more than Opening Inventory. **4**

Or

B) The Revenue from Operation is ₹10,00,000. Gross Profit is 25%. Operating Expenses is ₹50,000 and Non-Operating expenses is ₹ 30,000. Calculate operating ratio and net profit ratio. **4**

34 A) Following are the Balance Sheets of Shai Co Ltd. as on 31st March, 2024 and 2025. **6**

Particulars	Note No.	2025 (₹)	2024 (₹)
I. **Equity & Liabilities**:			
1. Shareholder's Fund			
(a) Share Capital		70,000	60,000
(b) Reserves & Surplus	I	44,000	8000
2. Non Current Liabilities			
(a) 10% Debentures		50,000	50,000
3. Current Liabilities			
(a) Trade Payables	2	25,000	9000
		189,000	1,27,000
II. **Assets**:			
1. Non Current Assets			
(a) Plant and Machinery		98,000	84,000
(b) Non current Investment		16,000	6000
2. Current Assets:			

(a) Current Investments	18,000	20,000
(b) Inventories	49,000	12,000
(c) Cash and Bank balances	8000	5000
	1,89,000	1,27,000

Notes to Accounts:

	31-3-25 (₹)	31-3-24 (₹)
1. Reserve and Surplus:		
General Reserve	30,000	20,000
Surplus i.e. Balance in statement of Profit and Loss	14,000	(12,000)
	44,000	8,000
2. Trade Payable:		
Sundry Creditors	23,500	6,500
Bills Payable	1,500	2500
	25,000	9,000

Additional Information:

i) Depreciation provided on Machinery during the year ₹ 8,000

ii) Interest paid on Debentures ₹ 5,000.

Prepare Cash Flow Statement.

Or

B) From the following Balance Sheets of Eastern Co. Ltd, prepare Cash Flow Statement. **6**

Particulars	Note No.	31-3-2025 ₹	31-3-2024 ₹
I. Equity and Liabilities:			
1. Shareholders Funds			
(a) Share Capital		7,00,000	5,00,000
(b) Reserves and Surplus	1	2,50,000	2,00,000
2. Non Current Liabilities			
(a) Long term borrowings	2	2,50,000	70,000
3. Current Liabilities:			
(a) Outstanding Expenses		10,000	15,000
(b) Trade Payables		50,000	30,000
(c) Short Term Provisions	3	30,000	15,000
Total		12,90,000	8,30,000

II. Assets:			
1. Non Current Assets:			
a) Fixed Assets:			
i) Tangible Assets	4	8,00,000	4,50,000
ii) Intangible Assets	5	70,000	1,00,000
2. Current Assets:			
a) Inventories		1,25,000	1,00,000
b) Trade Receivables		2,50,000	1,50,000
c) Cash and Cash equivalents		45,000	30,000
Total		12,90,000	8,30,000

Note to Accounts:

Particulars	31-3-2025	31-3-2024
	₹	₹
1. Reserve and Surplus:		
General Reserve	1,70,000	1,50,000
Statement of Profit and Loss	80,000	50,000
	2,50,000	2,00,000
2. Long Term Borrowings:		
Debentures	2,50,000	70,000
3. Short Term Provisions:		
Provision for Tax	10,000	5000
Propose Dividend	20,000	10,000
	30,000	15,000
4. Tangible Assets:		
Plant and Machinery	8,80,000	5,00,000
Less: Accumulated Depreciation	(80,000)	(50,000)
	8,00,000	4,50,000
5. Intangible Assets:		
Goodwill	70,000	1,00,000

Additional Information:

i) Tax paid ₹9,000.

ii) A part of the machine costing ₹ 25,000, accumulated ₹10,000 was sold for ₹9,000.

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