

II PUC MID-TERM EXAMINATION, SEPT./OCT- 2026

SUBJECT : ACCOUNTANCY (30)

Time : 3 Hrs.

Max Marks : 80

Instructions:

1. The question paper contains four parts A, B, C and D. 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.
5. For Part-A questions, only the first written answers will be considered for evaluation.

PART-A

I Choose the correct answer from the choices given:

5x1=5

1. The liability of a partner for acts of the firm is
A) Limited B) Unlimited C) Minimum D) Maximum
2. Profit or loss on revaluation is shared among the partners in the
A) Old profit sharing ratio B) New profit sharing ratio C) Capital ratio D) Equal ratio
3. Amount payable to the executors of the deceased partner is transferred to
A) Executors account B) All partners capital account
C) Remaining partners capital account D) Deceased partner capital account
4. The accumulated profits and reserves are transferred to :
A) Realisation account B) Partners capital account
C) Bank account D) Cash account
5. Debenture holders are
A) Owners of the company B) Lenders of the company
C) Debtors of the company D) Trustees of the company

II Fill in the blanks by choosing the appropriate answers from those given in the brackets.

5x1=5

(Tangible, Not transferred, Legal, Intangible, Subscribed, old)

6. A partnership firm has no separate _____ entity.
7. Goodwill is an _____ asset.
8. Share gained is calculated by deducting _____ share from the new share.
9. Partner's loan is _____ to the Realisation Account.
10. _____ is the part of the issued capital.

III Match the following :

5x1=5

- | A | B |
|----------------------------|--|
| a) Consent of all partners | i) Acknowledgement of debts |
| b) Average profit method | ii) Credited to all partners capital account |
| c) Profit on Realisation | iii) Alteration of partnership deed |
| d) Common seal | iv) Debited to all partners capital account |
| e) Debentures | v) Valuation of Goodwill |
| | vi) Official signature of the company |

IV Answer the following question in ONE word or ONE sentence each:

5x1=5

12. In absence of partnership deed, the profit and losses of the firm is to be shared equally. State true/false.
13. State any one reason for admission of a new partner.
14. Who is an Executor?
15. Expand OPC.
16. What is coupon rate?

PART-B

V Answer any THREE questions, each question carries 2 marks:

3x2=6

17. State any two differences between fixed capital system and Fluctuating capital system.
18. How do you close revaluation account on retirement of a partner. If there is loss.
19. Mention any two modes of disposal of amount due to retiring partner.
20. State any two types of shares that can be issued by a company.
21. What is forfeiture of shares?

(P.T.O.)

PART-C

VI Answer any THREE questions. Each question carries 6 marks.

3x6=18

22. Anil and Vinay are partners in a firm sharing profit and losses in the ratio of 3 : 2. Anil withdrawn ₹ 4,000 quarterly at the beginning of each quarter. Calculate the interest on drawing at 9% p.a. for the year ending 31-03-2026 under proucdt method.
23. Anitha and Nethra are partners commenced Partnership business on 1-4-2025 sharing profits and losses in the ratio of 3 : 2 with capitals of ₹ 1,00,000 and ₹ 80,000 respectively. They earned profits of ₹ 25,000 for the year before allowing:
- Interest on Capitals @ 10% p.a.
 - Interest on drawings : Anitha ₹ 1,000 and Nethra ₹ 800
 - Commission payable to Anitha ₹ 2000 p.a.
 - Salary payable to Nethra ₹ 3000 p.a.

Prepare Profit & Loss appropriation A/c for the year ending 31-03-2026.

24. Savitha and Sandhya are partners in a firm sharing profits and losses in the ratio of 3 : 2. They admit Devika into the partnership for 1/6th share in the profits. Calculate new profit sharing ratio.
25. Anand, Chandu and Sunil are partners in a firm sharing profits and losses in the ratio of 4 : 3 : 2. Anand retires from the firm. Chandu and Sunil agreed to share future profits in the ratio of 5 : 3. Calculate gain ratio of Chandu and Sunil.
26. Raga, Tala and Shruti were partner's sharing profits and losses in the ratio of 6 : 3 : 2 respectively. Their capital balances on 01-04-2026 stood at ₹ 60,000, ₹ 30,000 and ₹ 20,000 respectively. Shruti died on 30th Sept. 2026. According to partnership deed, Shruthi's executors are entitled to get the following :
- The deceased partner's share of goodwill is ₹ 9,000.
 - The deceased partner's share in accrued profit up to the date of her death is ₹ 4,200.
 - Shruti's commission is ₹ 600 p.m.
 - Interest on capital at 10% p.a.
- Prepare Shruti's Capital Account.

PART-D

VII Answer any THREE questions. Each question carries 12 marks.

3x12=36

27. Vinay and Harsha are partners in a firm. Their Balance Sheet as on 31-03-2026 was as follows:

Balance Sheet as on 31-03-2026

Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	1,50,000	Cash at Bank	50,000
General Reserve	50,000	Stock	50,000
		Furniture	1,20,000
Capitals:		Debtors	40,000
Vinay	1,20,000	Buildings	1,00,000
Harsha	80,000	Investments	40,000
	4,00,000		4,00,000

On 01-4-2026 Komal is admitted into the partnership on the following terms :

- He brings in ₹ 60,000 as his capital and ₹ 20,000 towards Goodwill for 1/4th share in the future profits. Goodwill is to be withdrawn by the Old Partners. (As Per AS 26)
- Depreciate Furniture by 10% and appreciate Buildings by ₹ 22,000.
- Investments are to be revalued at ₹ 50,000.
- Creditors were unrecorded to the extent of ₹ 5,000.

Prepare : i) Revaluation Account,
ii) Partners' Capital Account
iii) New Balance sheet of the firm.

28. Anil, Sunil and Ashok are partners sharing profits and losses equally. Their Balance sheet as on 31-03-2026 was as follows :

Balance Sheet as on 31-3-2026			
Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	30,000	Cash	26,000
Bank overdraft	25,000	Bills receivable	28,000
Reserve fund	15,000	Stock	45,000
Capital A/c:		Debtors	30,000
Anil 60,000		Furniture	25,000
Sunil 50,000		Machinery	50,000
Ashok 30,000	1,40,000	Profit Loss A/c	6,000
	2,10,000		2,10,000

Ashok retired on 01-4-2026 from the business and the following adjustments are to be made :

- Goodwill of the firm valued at ₹ 18,000 (as per AS 26)
- Maintain provision for doubtful debts at 5% on Debtors
- Increase stock by ₹ 6,000.
- Depreciate Machinery and Furniture by 10% each.

Prepare: i) Revaluation Account
 ii) All Partners Capital A/c
 iii) Balance Sheet as on 01-04-2026.

29. Ravi, Kumar and Dinesh are partners in a firm sharing profits and losses in ratio of 1 : 2 : 1. Their Balance Sheet as on 31-3-2026 was as follows :

Balance Sheet as on 31-03-2026			
Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	20,000	Cash	15,000
Bills payable	6,000	Debtors	15,000
Bank overdraft	4,000	Stock	18,000
Reserve fund	8,000	Furniture	12,000
Vani's loan	5,000	Machinery	20,000
Capital : Ravi	42,000	Buildings	60,000
Kumar	35,000		
Dinesh	20,000		
	1,40,000		1,40,000

On the above date they decided to dissolve the firm :

- Assets realised as follows : Debtors ₹ 13,500, Stock ₹ 19,800, Buildings ₹ 62,000, vehicle which was unrecorded also realised ₹ 4,000 and Machinery realised at book value.
- Furniture was taken over by Ravi at a valuation of ₹ 9000.
- Creditors were settled at 10% less. Dinesh took over Vani's loan.
- Interest on Bank O/D due ₹ 400 was also paid off.
- Realisation expenses amounted to ₹ 4,000.

Prepare : 1) Realisation A/c
 2) Partners Capital Accounts and
 3) Cash A/c

30. Ganga and Tunga are partners sharing profits and losses equally. They agreed to dissolve their partnership on 31-03-2026. Their Balance sheet was as follows :

Balance Sheet as on 31-03-2026

Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	25,000	Cash at Bank	14,000
Bills payable	10,000	Bills Receivable	5,000
Tunga's Loan	10,000	Stock	18,000
Reserve fund	5,000	Debtors	25,000
Capitals :		Less : PBD	3,000
Ganga	40,000	Buildings	23,000
Tunga	30,000	Machinery	38,000
	1,20,000		1,20,000

On the above date firm was dissolved. The following information is available :

- Stock ₹ 25,000, Debtors ₹ 20,000, Bills Receivable ₹ 4,000 and Machinery ₹ 33,000
- Creditors are taken over by Ganga at book value.
- Bills payable were paid by the firm at 5% discount.
- Tunga paid the realisation expenses of ₹ 1000 and he was to get a remuneration of ₹ 2,000 for completing dissolution process.

Prepare : a) Realisation Account, b) Partners' Capital Accounts and c) Bank Account.

31. XYZ Company Ltd., issued 10,000 shares of ₹ 100 each at premium of 10 each. The amount was payable as follows ::

₹ 10 per share on application
₹ 60 per share on allotment (Including premium)
₹ 40 per share on first and final call.

All the shares were allotted and the money duly received except the first and final call on 2000 shares. The directors forfeited these shares and re-issued at ₹ 80 per share as fully paid up.

Pass the necessary Journal Entries in the books of XYZ company Ltd.

32. Give the journal entries for the followings :

- Issue of 1000, 12% debentures of ₹ 100 each at par but redeemable at a premium of 8%.
- Issue of 1000, 12% debentures of ₹ 100 each at premium of 10% and redeemable at par.
- Issue of 1000, 12% debentures of ₹ 100 each at a discount of 10% but redeemable at par.
- Issue of 1000, 12% debentures of ₹ 100 each at a discount of 5% but redeemable at a premium of 5%
