

**CLASS 12 ACCOUNTANCY**  
**MODEL QUESTION PAPER – SET 1**

**Time: 3 Hours**

**Maximum Marks: 80**

**● SECTION A – MCQs**

**(1×20 = 20 Marks)**

1. Goodwill is valued under which head in Balance Sheet?
  - a) Current Asset
  - b) Intangible Asset
  - c) Fictitious Asset
  - d) Revenue Expenditure
  
2. Gaining Ratio is calculated at the time of:
  - a) Admission
  - b) Retirement
  - c) Dissolution
  - d) Incorporation
  
3. Share premium can be used for:
  - a) Dividend
  - b) Writing off preliminary expenses
  - c) Salaries
  - d) Revenue expenses
  
4. Debentures are shown under:
  - a) Current Liabilities
  - b) Non-current Liabilities
  - c) Reserves
  - d) Assets
  
5. Interest on Capital is:
  - a) Mandatory
  - b) Allowed only if mentioned in partnership deed
  - c) Always 12%
  - d) Illegal
  
6. Cash Flow Statement is prepared as per:
  - a) AS-1
  - b) AS-2
  - c) AS-3
  - d) AS-10

7. Issue of shares at premium increases:
- a) Revenue
  - b) Capital Reserve
  - c) Securities Premium
  - d) Profit
8. Revaluation Account is prepared at time of:
- a) Admission
  - b) Retirement
  - c) Death
  - d) All of these
9. Bank Overdraft is:
- a) Operating Activity
  - b) Investing Activity
  - c) Financing Activity
  - d) Asset
10. Reserve Capital is:
- a) Part of Authorised Capital
  - b) Uncalled Capital
  - c) Portion of uncalled capital reserved for winding up
  - d) Paid-up Capital
11. Bonus shares are issued from:
- a) Revenue profits
  - b) Capital profits
  - c) Securities Premium
  - d) All eligible reserves
12. If EBIT ₹4,00,000 and CE ₹20,00,000, ROCE equals:
- a) 10%
  - b) 15%
  - c) 20%
  - d) 25%
13. Pro-rata allotment means:
- a) Full allotment

- b) Partial proportional allotment
  - c) No allotment
  - d) Equal allotment
14. Loss on issue of debentures is shown as:
- a) Asset
  - b) Reserve
  - c) Liability
  - d) Capital
15. Interest on debentures is:
- a) Charge against profit
  - b) Appropriation
  - c) Asset
  - d) Reserve
16. If CA ₹10,00,000 and inventory ₹3,00,000, CL ₹5,00,000, quick ratio equals:
- a) 1:1
  - b) 1.2:1
  - c) 1.4:1
  - d) 2:1
17. In dissolution, unrecorded liability is:
- a) Debited to Realisation
  - b) Credited to Realisation
  - c) Debited to Capital
  - d) Ignored
18. Capital employed includes:
- a) Current liabilities
  - b) Long-term funds
  - c) Cash only
  - d) Debtors only
19. If super profit ₹3,00,000 and goodwill 2 years purchase, goodwill equals:
- a) ₹5,00,000
  - b) ₹6,00,000
  - c) ₹7,00,000
  - d) ₹8,00,000

20. Increase in creditors results in:

- a) Decrease in cash
- b) Increase in cash
- c) No effect
- d) Profit

● **SECTION B – Short Answer**

**(3×6 = 18 Marks)**

- 11. A, B, C share profits 3:2:1. C retires. Calculate new ratio if A gains 1/6 from C.
- 12. What is goodwill? Explain any two methods of its valuation.
- 13. Distinguish between Capital Reserve and Revenue Reserve.
- 14. Prepare Revaluation Account from given adjustments.
- 15. What is Cash Flow from Operating Activities?
- 16. Explain Accounting Treatment of Forfeiture of Shares.

● **SECTION C – Case Based**

**(4×3 = 12 Marks)**

**17. Case Study: Admission of Partner**

X and Y share profits in 3:2 ratio. They admit Z for 1/5 share. Z brings ₹50,000 as goodwill.

- (a) Calculate sacrificing ratio.
  - (b) Pass journal entry for goodwill.
  - (c) What is new profit-sharing ratio?
- 

**18. Case Study: Issue of Shares**

A company issued 10,000 shares of ₹10 each at ₹2 premium.

- (a) Total amount received?
  - (b) Securities premium amount?
  - (c) Journal entry for allotment.
- 

**19. Case Study: Cash Flow**

From following data calculate Net Cash Flow from Operating Activities:

Net Profit ₹1,00,000

Depreciation ₹20,000

Increase in Debtors ₹10,000

● **SECTION D – Long Answer**

**(6×5 = 30 Marks)**

20. X, Y, Z are partners sharing 4:3:2. Y retires. Prepare:

- New ratio
- Gaining ratio
- Adjust goodwill ₹90,000

21. Issue of 5,000 shares of ₹100 at 10% premium payable in instalments.  
Pass necessary journal entries.

22. Prepare Cash Flow Statement from given Balance Sheets.

23. Dissolution of partnership firm – prepare Realisation Account.

24. Calculate Current Ratio, Debt-Equity Ratio from given data and interpret.