

**CLASS 12 ACCOUNTANCY**  
**MODEL QUESTION PAPER – SET 9**

**Time: 3 Hours**

**Maximum Marks: 80**

**PATTERN**

- Section A – MCQ (1×15 = 15 Marks)
- Section B – Short Answer (4×5 = 20 Marks)
- Section C – Case Based (5×3 = 15 Marks)
- Section D – Long Answer (6×5 = 30 Marks)

**SECTION A – MCQs**

**(15 Marks)**

1. Capital Redemption Reserve is created at the time of:
  - a) Issue of shares
  - b) Redemption of preference shares
  - c) Issue of debentures
  - d) Forfeiture
2. Loss on issue of debentures is written off from:
  - a) Securities Premium
  - b) Profit & Loss A/c
  - c) Capital Reserve
  - d) Share Capital
3. Dividend paid is shown under:
  - a) Operating
  - b) Financing
  - c) Investing
  - d) None
4. If net assets ₹40,00,000 and new partner brings ₹10,00,000 for 1/5 share, implied value equals:
  - a) ₹45,00,000
  - b) ₹48,00,000
  - c) ₹50,00,000
  - d) ₹52,00,000
5. If normal profit ₹5,00,000 and actual profit ₹8,00,000, super profit equals:
  - a) ₹2,00,000
  - b) ₹3,00,000

- c) ₹4,00,000
  - d) ₹5,00,000
6. Bonus shares affect:
- a) Cash
  - b) Total capital
  - c) Reserves
  - d) Liabilities
7. Interest on debentures is shown in Cash Flow under:
- a) Operating
  - b) Financing
  - c) Investing
  - d) Not shown
8. Capital employed equals:
- a) Total assets
  - b) Equity only
  - c) Long-term funds
  - d) CA – CL
9. If CA ₹15,00,000; inventory ₹5,00,000; CL ₹5,00,000; quick ratio equals:
- a) 1:1
  - b) 1.5:1
  - c) 2:1
  - d) 3:1
10. DRR investment sold above book value; profit is credited to:
- a) DRR
  - b) P&L
  - c) Capital Reserve
  - d) Share Capital
11. If 3,000 shares ₹10 at ₹2 premium issued; total receipt equals:
- a) ₹30,000
  - b) ₹33,000
  - c) ₹36,000
  - d) ₹40,000
12. If goodwill ₹9,00,000 and sacrificing ratio 2:1; A's sacrifice equals:
- a) ₹3,00,000

- b) ₹4,00,000
  - c) ₹6,00,000
  - d) ₹5,00,000
13. In fluctuating capital method, interest on capital is credited to:
- a) Current A/c
  - b) Capital A/c
  - c) P&L
  - d) Cash
14. If revaluation profit ₹1,20,000 shared 4:3:3; C's share equals:
- a) ₹36,000
  - b) ₹40,000
  - c) ₹48,000
  - d) ₹30,000
15. If 10% debentures ₹6,00,000; annual interest equals:
- a) ₹50,000
  - b) ₹60,000
  - c) ₹70,000
  - d) ₹80,000

**● SECTION B – Short Answer**

**(4x5=20 Marks)**

**16.**

Explain any four differences between:  
Capital Reserve and Revenue Reserve.

**17.**

A and B share profits 3:2.  
C admitted for 1/5 share.  
Calculate new profit sharing ratio.

**18.**

Explain Operating, Investing and Financing Activities with examples.

**19.**

Calculate Goodwill under Average Profit Method:

Past Profits:

₹2,00,000; ₹2,50,000; ₹3,00,000

Abnormal gain ₹50,000 (included in last year)

Goodwill = 3 years purchase.

**20.**

Calculate Debt-Equity Ratio:

Long-term Debt ₹12,00,000

Equity Share Capital ₹18,00,000

Reserves ₹6,00,000

**● SECTION C – Case Based**

**(5×3 = 15 Marks)**

**21.**

P and Q share profits 5:3.

General Reserve ₹80,000.

R admitted for 1/4 share.

(a) New ratio

(b) Sacrificing ratio

(c) Treatment of reserve

**22.**

A, B, C share profits 4:3:3.

C retires.

Goodwill ₹3,00,000.

A & B new ratio 2:1.

(a) Gaining ratio

(b) Adjustment entry

**23.**

Company issued 10,000 shares ₹10 each at ₹2 premium.  
Applications received for 12,000 shares.

- (a) Excess application money
- (b) Allotment adjustment
- (c) Journal entry

**24.**

Assets ₹4,00,000 realised ₹3,20,000.  
Creditors ₹1,50,000 paid ₹1,40,000.  
Partners A & B share profits 3:2.

Calculate loss on realisation and distribute.

**25.**

Net Profit ₹5,00,000  
Depreciation ₹1,00,000  
Increase in Debtors ₹80,000  
Decrease in Creditors ₹40,000

Calculate Cash from Operating Activities.

**● SECTION D – Long Answer**

**(6×5 = 30 Marks)**

**26.**

A & B share profits 3:2.  
C admitted for 1/4 share.

Goodwill ₹4,00,000  
General Reserve ₹1,00,000  
Revaluation profit ₹50,000

Prepare:

- Revaluation A/c
- Capital A/c

- Necessary journal entries

## 27. Issue & Redemption of Debentures

Company issued 5,000 debentures ₹100 at 5% discount redeemable at 10% premium.  
Pass necessary journal entries.

## 28. Prepare Cash Flow Statement:

<b>Liabilities</b>	<b>2024</b>	<b>2025</b>
Share Capital	15,00,000	18,00,000
Reserves	5,00,000	6,00,000
Creditors	4,00,000	3,50,000
<b>Assets</b>	<b>2024</b>	<b>2025</b>
Building	12,00,000	14,00,000
Machinery	10,00,000	9,00,000
Debtors	6,00,000	5,50,000
Cash	6,00,000	8,00,000

Additional Info:

Depreciation ₹2,00,000

Machinery sold at ₹50,000 loss

Dividend Paid ₹3,00,000

## 29.

A & B share profits 2:1.

Capitals: A ₹2,00,000, B ₹1,50,000.

Assets realised ₹2,50,000.

Creditors ₹2,00,000 paid fully.

B insolvent and pays ₹20,000 only.

Prepare necessary accounts.

**30.**

Current Assets ₹12,00,000

Inventory ₹4,00,000

Current Liabilities ₹6,00,000

EBIT ₹4,00,000

Capital Employed ₹20,00,000

Calculate:

- Current Ratio
- Quick Ratio
- Return on Capital Employed and interpret results.