

Karnataka Board Class 12 2nd PUC Accountancy 2026 Question Paper

Time Allowed :3 Hours	Maximum Marks :70	Total questions :37
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General Instructions

Read the following instructions very carefully and strictly follow them:

1. The paper is divided into Section A and Section B.
2. Section A includes objective-type questions.
3. All questions in Section A are compulsory.
4. Section B includes short answer, and long answer type questions.
5. Answers must be written legibly within the word limit.
6. Use of unfair means or electronic devices is prohibited.
7. Follow the correct format and instructions for each section.

1. In order to form a partnership, there should be atleast :

- (A) One person
- (B) Two people
- (C) Seven people
- (D) Fifty people

2. A, B and C are partners sharing profits in the ratio of 5 : 3 : 2. If C retires, the New Profit Sharing Ratio between A and B will be :

- (A) 3 : 2
- (B) 5 : 3
- (C) 5 : 2
- (D) 1 : 1

3. Unrecorded liabilities, when paid are shown in

- (A) Debit side of Realisation A/c
 - (B) Debit side of Bank A/c
 - (C) Credit side of Realisation A/c
 - (D) Debit side of Cash A/c
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4. Issued capital is a part of :

- (A) Reserve capital
 - (B) Unissued capital
 - (C) Authorised capital
 - (D) Subscribed capital
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5. Following is an extraordinary item :

- (A) Salary paid
 - (B) Tax paid
 - (C) Rent paid
 - (D) Loss due to theft
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II. Fill in the blank by choosing the appropriate answer from the choices:

6. Partnership comes into existence as a result of _____ among the partners.

7. Old Ratio – New Ratio = _____ Ratio.

8. On dissolution of a firm, Partner's Loan Account is transferred to _____ Account.

9. Loans which are repayable within _____ months, are called as short-term borrowings.

10. Common Size Statement is also known as _____ analysis.

11. Match the items in Column A with the correct corresponding items in Column B:

Column A:

- a) Valuation of goodwill
- b) Debentures
- c) Revenue from operations
- d) Profitability Ratio
- e) Cash flow statement

Column B:

- i) Acknowledgement of debt
 - ii) Earnings per share
 - iii) Inflows and Outflows of cash
 - iv) Average profit method
 - v) Sales
 - vi) Financial position
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12. Profit or loss on revaluation is transferred to all partners' capital accounts in case of retirement of a partner. [State True/False]

13. State any one type of shares.

14. What do you mean by Redemption of debentures?

15. State any one user of Financial Statement Analysis.

16. Expand R.O.I.

17. State any two differences between fixed capital method and fluctuating capital method.

18. Mention any two modes of disposal of amount due to retiring partner.

19. Give the meaning of over subscription.

20. Name the two types of financial statements.

21. Write any two examples for financing activities.

22. Ravi and Kiran commenced partnership business on 01.04.2024 with capitals of 1,50,000 and 1,00,000 respectively. Their profit sharing ratio is 3 : 2 respectively.

They earned a profit of 50,000 for the year, before allowing :

- a) Interest on capital at 10% per annum.**
- b) Interest on drawings : Ravi 4,000 and Kiran 2,000.**
- c) Commission payable to Ravi 3,000 per annum.**
- d) Salary payable to Kiran 8,000 per annum.**

Prepare Profit and Loss Appropriation Account for the year ended 31.03.2025.

23. Geetha, Latha and Sangeetha are partners sharing profits and losses in the ratio of 5 : 3 : 2 respectively. Latha retires from the firm. Geetha and Sangeetha decided to share future profits in the ratio of 3 : 2.

Calculate Gaining Ratio of Geetha and Sangeetha.

24. Anil, Vishal and Sunil are partners sharing profits and losses in the ratio of 4 : 3 : 3. Their capitals on 01.04.2025 are 1,00,000, 80,000 and 50,000 respectively.

Vishal died on 31.12.2025. The partnership deed provides the following :

- a) Interest on capital at 12% per annum.**

b) Salary to Vishal 2,000 per month.

c) Vishal's share of goodwill 14,000 [as per A.S. – 26].

d) Vishal's share of accrued profit upto the date of death, based on previous year profit.

Firm's previous year profit was 36,000.

Prepare Vishal's Executors Account.

25. From the following particulars, prepare statement of profit and loss for the year ended 31.03.2025 as per Schedule III of Companies Act, 2013 :

Particulars	
Revenue from operations	8,00,000
Purchases	4,00,000
Salaries	1,00,000
Finance costs	30,000
Depreciation	20,000
Rent	15,000
Administrative expenses	35,000
Income Tax	60,000

26. LG Company Limited earned a net profit of 7,00,000 for the year ended 31.03.2025.

Depreciation for the year is 1,50,000. There was a profit of 60,000 on assets sold which

was transferred to statement of profit and loss.

Trade receivables decreased during the year by 55,000 and trade payables also decreased by 45,000.

Compute cash flow from operating activities by indirect method.

27. Govind and Sudeep are partners sharing profits and losses in the ratio of 3 : 1 respectively. Their Balance sheet as on 31.03.2025 is as follows :

Balance Sheet as on 31.03.2025

On 01.04.2025, they admitted Tarun into partnership on following terms :

- a) Tarun should bring in 30,000 as capital for $\frac{1}{5}$ th share and 10,000 towards goodwill [As per A.S. – 26].
- b) Goodwill amount is withdrawn by old partners.
- c) Depreciate furniture at 5%.
- d) Appreciate building value by 10%.
- e) Machinery revalued at 27,000.

Prepare :

- i) Revaluation Account,
- ii) Partners' Capital Accounts and
- iii) New Balance Sheet of firm on 01.04.2025.

Liabilities		Assets	
Creditors	45,000	Cash	16,000
Bills payable	25,000	Debtors	40,000
General Reserve	20,000	Stock	34,000
Capitals :		Furniture	20,000
Govind	90,000	Machinery	30,000
Sudeep	40,000	Building	80,000
	2,20,000		2,20,000

28. Anitha and Sunitha are equal partners. Their Balance Sheet on 31.03.2025 is as under :

Balance Sheet as on 31.03.2025

Liabilities		Assets	
Creditors	40,000	Cash at Bank	45,000
Bills Payable	20,000	Debtors	35,000
Vanitha's Loan	25,000	Bills Receivable	15,000
Profit and Loss A/c	30,000	Computers	30,000
Capitals :		Machinery	50,000
Anitha	60,000	Land	70,000
Sunitha	70,000		
	2,45,000		2,45,000

On the above date, the firm is dissolved and following information is available :

a) Assets realised as follows :

Debtors 30,000 ; Bills Receivable 12,000 ; Computers 25,000 ; Machinery 45,000 ; Land 85,000 ; and Unrecorded investment 3,000

b) Liabilities are paid in full.

c) Cost of dissolution amounted to 6,000.

Prepare :

- i) Realisation Account,
- ii) Partners' Capital Accounts and
- iii) Bank Account.

29. Supreme Company Limited issued 10,000 equity shares of 100 each at a premium of 10 per share. The amount payable is as follows :

On application 20

On allotment 50 (including premium)

On first and final call 40.

All the shares were subscribed and money duly received except the first and final call

on 500 shares.

The directors forfeited these shares and re-issued them as fully paid-up at 80 per share.
Pass the necessary journal entries regarding issue, forfeiture and re-issue of shares.

30. Atridatta Company Limited issued 10,000, 10% debentures of 100 each on 01.04.2024 at a discount of 10% and redeemable at a premium of 10%.

Pass journal entries relating to the issue of debentures and debenture interest for the period ending 31.03.2025 assuming that interest is paid half yearly on 30th September and 31st March, tax deducted at source is 10%.

31. From the following Balance sheets of Sunstar Company Limited on 31.03.2024 and 31.03.2025, prepare Comparative Balance sheet :

Balance sheets as on 31.03.2024 and 31.03.2025

Particulars	31.03.2024 (₹)	31.03.2025 (₹)
I. Equity and Liabilities:		
1. Shareholders Funds :		
a) Share capital	5,00,000	7,50,000
b) Reserves and Surplus	1,00,000	1,20,000
2. Non-Current Liabilities :		
Long-term Borrowings	3,00,000	4,00,000
3. Current Liabilities :		
Trade payables	1,50,000	1,80,000
Total	10,50,000	14,50,000
II. Assets :		
1. Non-current Assets :		
a) Fixed Assets :		
i) Tangible Assets	4,00,000	7,00,000
ii) Intangible Assets	2,00,000	2,50,000
b) Long-term Investments	1,50,000	1,20,000
2. Current Assets :		
a) Inventories	80,000	1,00,000
b) Trade Receivables	1,20,000	2,00,000
c) Cash and Cash equivalents	1,00,000	80,000
Total	10,50,000	14,50,000

32. From the following particulars, calculate :

- a) Current Ratio,
- b) Debt to Capital Employed Ratio,
- c) Trade Receivables Turnover Ratio,
- d) Trade Payables Turnover Ratio,
- e) Operating Ratio and
- f) Net Profit Ratio.

Particulars	
Revenue from operations	5,00,000
Gross Profit	1,00,000
Inventory	75,000
Net credit revenue from operations	3,00,000
Trade receivables	75,000
Net credit purchases	2,50,000
Trade payables	1,25,000
Operating expenses	50,000
Net profit	50,000
Debentures	1,00,000
Share capital	2,00,000
