CBSE · CLASS 12 · ACCOUNTANCY

CBSE Class 12 Accountancy Guess Paper 2027

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Section Part A

Accounting for Partnership Firms and Companies - compulsory, 60 marks. Q1-16 (16 one-mark MCQ incl. assertion-reason), Q17-20 (4 short-answer x3), Q21-22 (2 long-answer-I x4), Q23-26 (4 long-answer-II x6).

Q1. Pista Ltd. took over running business of Vista Ltd. comprising of Assets of `45,00,000 and Liabilities of `7,50,000 and in consideration issued them 30,000, 9% debentures of `100 each at 5% discount and a cheque of `10,00,000. Determine the amount of Goodwill or Capital Reserve. (A) Goodwill `9,00,000 (B) Capital Reserve `9,00,000 (C) Goodwill `1,00,000 (D) Capital Reserve `1,00,000. — 1 mark

Q2. Deen, Raju and Hari were partners in a firm sharing profit and losses in the ratio of 7 : 6 : 7. On 31st March, 2025 Raju died. Deen and Hari decided to take over Raju's share equally. The new profit sharing ratio between Deen and Hari will be: (A) 1 : 1 (B) 7 : 6 (C) 6 : 7 (D) 3 : 2. — 1 mark

Q3. On 1st July, 2024, A, B and C entered into partnership sharing Profits & Losses in the ratio 5:3:2. C was guaranteed that his share of profits will not be less than `60,000 p.a. Deficiency if any will be borne by A and B equally. For the year ended March 31, 2025, firm incurred loss of `1,25,000. Deficiency will be borne by A and B will be: (A) A `30,000 and B `30,000 (B) A `43,750 and B `26,250 (C) A `42,500 and B `42,500 (D) A `35,000 and B `35,000. — 1 mark

Q4. Pali Limited offered 2,00,000 shares of `10 each at a premium of `2 per share. Applications were received for 1,95,000 shares, which were duly allotted. The amount was payable as `3 on Application (including `1 premium), `6 on Allotment (including `1 premium) and balance on call. Manoj, holding 6,000 shares failed to pay allotment money and his shares were immediately forfeited. Out of the forfeited shares, 4,000 shares were re-issued @ `11 per share as fully paid up. The amount of Capital Reserve will be: (A) `16,000 (B) `12,000 (C) `8,000 (D) `18,000. — 1 mark

Q5. Jai and Veeru were in a partnership sharing Profit & Loss in the ratio 5:3. Their Capitals were `10,00,000 and `8,00,000 respectively. The firm was also having reserves of `7,00,000. Normal rate of return was 10%. Firm made average profits of `2,30,000 for the year ended March 31, 2025 (after adjustment of loss of machinery of book value of `2,00,000 by fire against which insurance claim of `1,50,000 was admitted). Value of goodwill as per Capitalisation of super profits will be: (A) `10,00,000 (B) `3,00,000 (C) `18,00,000 (D) Nil. — 1 mark

Q6. Ikka, Dukka and Teeka were partners sharing profits and losses in the ratio of 2:2:1. Their fixed Capital balances were `5,00,000; `4,00,000 and `3,00,000 respectively. For the year ended March 31, 2024 profits of `84,000 were distributed without providing for Interest on Capital @ 10% p.a as per the partnership deed. While passing an adjustment entry, which of the following is correct? (A) Teeka will be debited by `4,200 (B) Teeka will be credited by `4,200 (C) Teeka will be credited by `6,000 (D) Teeka will be debited by `6,000. — 1 mark

Q7. Tula, Ram and Madhvi were partners in a firm. The partnership deed provided for interest on partners drawings @ 12% p.a. The firm closes its books on 31st March every year. Starting from 31st December, 2025 Madhvi withdrew `40,000 at the end of every month for her personal use. Interest on Madhvi's drawings will be: (A) `19,200 (B) `4,800 (C) `2,400 (D) `1,600. — 1 mark

Q8. Suman and Tanya were partners in a firm sharing profits and losses in the ratio of 2 : 1. With effect from 1st April, 2025, they decided to share the profits equally. On that date furniture was appearing in the books of the firm at `4,50,000. At the time of change in the profit sharing ratio, it was found to be undervalued by 10%. In the new balance sheet, furniture will be shown at: (A) `4,05,000 (B) `4,50,000 (C) `4,95,000 (D) `5,00,000. — 1 mark

Q9. Dawn Ltd. purchased Equipment and paid `2,20,000 by cheque and issued 16,000 equity shares of `10 each at 25% premium. The purchase consideration will be: (A) `3,40,000 (B) `4,20,000 (C) `3,80,000 (D) `2,00,000. — 1 mark

Q10. Chandan, Ravi and Mahesh were partners in a firm sharing profits and losses in the ratio of 5 : 4 : 1. From 1st April, 2025 they decided to share the future profits in the ratio of 3 : 2 : 1. On that date there existed a general reserve of `7,00,000 in the books of the firm which they decided to distribute among themselves. In which ratio will the general reserve be distributed among the partners? (A) New profit sharing ratio (B) Old profit sharing ratio (C) Sacrificing / Gaining ratio (D) Equally. — 1 mark

Q11. If 600 shares of `10 each, issued at a premium of `1 per share are forfeited on which `8 per share (including premium) have been called and `6 per share (including premium) have been paid, then 'Share Forfeiture Account' will be _____ by _____. (A) credited, `3,000 (B) debited, `3,000 (C) debited, `3,600 (D) credited, `3,600. — 1 mark

Q12. Rama, a partner took over Machinery of `50,000 in full settlement of her Loan of `60,000. Machinery was already transferred to Realisation Account. How will it effect the Realisation Account? (A) Realisation Account will be credited by `60,000 (B) Realisation Account will be credited by `10,000 (C) Realisation Account will be credited by `50,000 (D) No effect on Realisation Account. — 1 mark

Q13. T.D. Ltd. issued `10,00,000, 9% debentures at a discount of 10% redeemable at a certain rate of premium. On issue of these 9% debentures, the premium on redemption of debentures account was credited by `1,00,000. The amount of 'loss on issue of debentures' was: (A) `1,00,000 (B) `2,00,000 (C) `3,00,000 (D) Nil. — 1 mark

Q14. P, Q and R were partners in a firm sharing profits and losses in the ratio of 4 : 3 : 1. P died on 1st September, 2022. On the date of P's death, the profits of the firm were calculated as `80,000. P's share of profit will be adjusted by: (a) Debiting Profit and Loss Account with `40,000. (b) Debiting Profit and Loss Appropriation Account by `40,000. (c) Debiting Profit and Loss Suspense Account with `80,000. (d) Debiting Profit and Loss Suspense Account with `40,000. — 1 mark

Q15. X, a partner was assigned to look after the dissolution process and was allowed remuneration of `15,000. Actual realisation expenses amounted to `20,000, being paid by another partner Y. By what amount Realisation account will be debited for the above-mentioned information? (A) `20,000 (B) `35,000 (C) `5,000 (D) `15,000. — 1 mark

Q16. Which of the following is not correct about collateral security? (A) It is a primary security. (B) It is an additional security. (C) It is a subsidiary security. (D) It is a secondary security. — 1 mark

Q17. Bat, Cat and Rat were partners sharing profits and losses in the ratio 5:3:2. Cat retired and on that date there was a balance of Investment of `4,00,000 and Investment Fluctuation Reserve of `1,00,000 was appearing in the balance sheet. Pass necessary journal entries for Investment Fluctuation reserve in the following cases: (i) Market Value of Investments was `4,80,000. (ii) Market Value of Investments was `3,80,000. (iii) Market Value of Investments was `2,90,000. — 3 marks

Q18. Hemant and Pankaj were partners sharing Profit & Loss in the ratio of 3:2. The firm was dissolved on March 31, 2024 and the following balances were appearing in the books of the firm: (a) Hemant's Loan `80,000 (b) Ruby's Loan `50,000 (c) Creditors `1,00,000 (d) Capital Balances after all adjustments - Hemant `1,60,000 and Pankaj `1,40,000. Assets of the firm realised at `6,00,000. You are required to show the amounts and order of payments as per section 48 of Indian Partnership Act 1932 at the time of Dissolution of the firm. — 3 marks

Q19. Annex Ltd. issued 1,00,000 shares of `10 each at a premium of 10% to the public for subscription. The whole amount was payable on application. Applications were received for 3,00,000 shares and the board decided to allot shares to all shareholders on pro-rata basis. Pass necessary journal entries for the above transactions in the books of Annex Ltd. — 3 marks

Q20. On January 01, 2025 Ritu Ltd. Issued `40,00,000, 8% Debentures of `100 each at 5% discount to be redeemed at 10% premium at the end of 5 years. Balance in Securities Premium on the date of such issue was of `2,70,000. Pass entries for Issue of debentures. — 3 marks

Q21. X, Y and Z were partners sharing profits and losses equally. Y died on 1st October, 2023 and total amount transferred to Y's executors was `15,60,000. Y's executors were being paid `3,60,000 immediately and balance was to be paid in four equal quarterly instalments, together with Interest @ 6% p.a. Pass entries till payment of first two instalments. — 4 marks

Q22. Archana, Vandana and Arti were partners in a firm sharing profits and losses in the ratio of 5 : 3 : 2. Balance Sheet as at 31st March, 2023: Liabilities - Capitals Archana `80,000, Vandana `70,000, Arti `60,000 (total `2,10,000), General Reserve `30,000, Creditors `60,000 (total `3,00,000); Assets - Investments `80,000, Plant `1,00,000, Stock `40,000, Debtors `50,000, Cash at Bank `30,000 (total `3,00,000). The firm was dissolved. (i) Assets were realised: 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 its book value. (iii) Expenses of realisation `20,000 were paid by Arti. Prepare Realisation Account. — 4 marks

Q23. Dhwani and Iknoor were partners sharing Profits & Losses in the ratio 3:2. Balance Sheet on March 31, 2025: Liabilities - Dhwani's Capital `2,40,000, Iknoor's Capital `2,60,000, Investment Fluctuation Reserve `50,000, Employee Provident Fund `50,000, General Reserve `60,000, Creditors `40,000, Bills Payable `30,000, Bank Overdraft `20,000 (total `7,50,000); Assets - Cash in Hand `50,000, Building `3,00,000, Debtors `80,000 less Prov for Doubtful Debts `8,000 = `72,000, Stock `88,000, Accrued Income `20,000, Profit and Loss `1,00,000, Investment `1,20,000 (total `7,50,000). They admitted Ishaya into partnership for 25% share. Ishaya brings `2,50,000 as capital and `40,000 for goodwill. Goodwill of the firm was valued at `2,00,000. Agreements: (a) Bad Debts amounted to `5,000 and Provision for doubtful debts to be created at same existing rate. (b) Investments were valued at `1,00,000. (c) Accrued Income was recovered only of `14,500 in settlement. (d) Building was overvalued by 20%. (e) Capital of Dhwani and Iknoor were to be adjusted on the basis of Ishaya's capital contribution; necessary adjustment to be done by opening Current Accounts. Prepare Revaluation Account and Partner's Capital Account at the time of admission of partner. — 6 marks

Q24. Varun and Vivek were partners in a firm sharing profits in the ratio of 3:2. The balance in their capital and current accounts as on 1st April, 2022 were: Capital accounts Varun `3,00,000 (Cr.), Vivek `2,00,000 (Cr.); Current accounts Varun `1,00,000 (Cr.), Vivek `28,000 (Dr.). The partnership deed provided that Varun was to be paid a salary of `5,000 p.m. whereas Vivek was to get a commission of `30,000 for the year. Interest on capital was to be allowed @ 8% p.a. whereas interest on drawings was to be charged @ 6% p.a. The drawings of Varun were `3,000 at the beginning of each quarter while Vivek withdrew `30,000 on 1st September, 2022. The net profit of the firm for the year 2022-23, before making the above adjustments was `1,20,000. Prepare Profit and Loss Appropriation Account and Partners' Capital and Current Accounts. — 6 marks

Q25. [Same case as Q26 - Dharma Ltd.] Subscribed and fully paid capital of Dharma Ltd. will be: (A) `9,00,000 (B) `8,30,000 (C) `8,56,000 (D) Nil. — 6 marks

Q26. Pass necessary journal entries for forfeiture and reissue of forfeited shares in the following cases: (i) Diksha Ltd. forfeited 3,000 shares of `10 each for non-payment of final call of `2 per share. Out of these, 600 shares were reissued as fully paid up in such a way that `4,200 was transferred to capital reserve. (ii) Ashoka Ltd. forfeited 2,000 equity shares of `100 each issued at a premium of 10% for non-payment of allotment money of `60 per share (including premium). The first and final call of `20 per share was not yet made. The forfeited shares were re-issued at `70 per share fully paid up. — 6 marks

Section Part B

Analysis of Financial Statements (Option-I) - 20 marks. Q27-30 (4 one-mark MCQ), Q31-32 (2 short-answer x3), Q33 (1 long-answer-I x4), Q34 (1 long-answer-II x6).

Q27. Which of the following will not amount to cash outflow from operating activities? (A) Purchase of marketable securities (B) Cash payment to suppliers of goods (C) Payment of employee benefit expenses (D) Payment of insurance premium. [Part B Option I] — 1 mark

Q28. Which of the following transaction will affect the 'Gross Profit Ratio' of a company: (i) Revenue from operations `1,00,000 (ii) Purchased goods worth `70,000 (iii) Goods costing `15,000 withdrawn for personal use (iv) Goods costing `50,000 sold for `60,000. (A) (iv) (B) (i) and (ii) (C) (ii) and (iii) (D) (i) and (iii). [Part B Option I] — 1 mark

Q29. Inventory Turnover Ratio of a company was 5 times. The firm had Revenue from operations of `5,00,000 and Gross Profit was 25% of Cost of Revenue from Operations. Determine the amount of Opening Inventory if Closing Inventory was `60,000. (A) `80,000 (B) `60,000 (C) `1,00,000 (D) `50,000. [Part B Option I] — 1 mark

Q30. The process of identifying the financial strengths and weaknesses of the firm by properly establishing relationships between the various items of Balance Sheet and the Statement of Profit and Loss is called: (A) Comparative Statement Analysis (B) Cash Flow Analysis (C) Financial Analysis (D) Common Size Analysis. [Part B Option I] — 1 mark

Q31. Classify the following items under major heads and sub-heads (if any) in the Balance Sheet of the company as per Schedule-III, Part-I of the Companies Act, 2013: (i) Stores and Spare parts (ii) Livestock (iii) Public Deposits. [Part B Option I] — 3 marks

Q32. Prepare Common Size Statement of Profit and Loss for the year ended March 31, 2025: Revenue from Operations `40,00,000; Other Expenses `4,00,000; Other Income `6,00,000; Employee Benefit Expenses `8,00,000; Purchases of Stock in Trade `10,00,000; Change in Inventory `(2,00,000); Tax Rate 50%. [Part B Option I] — 3 marks

Q33. From the following information, calculate: (i) Current ratio and (ii) Debt to capital employed ratio. Total Assets `6,00,000; Non-Current Liabilities `1,40,000; Shareholders' Funds `4,20,000; Non-current Assets `5,20,000. [Part B Option I] — 4 marks

Q34. For the year ended 31st March 2025, Sona Ltd. made a profit of `4,00,000 after charging depreciation of `75,000 on fixed assets and a transfer of `1,50,000 to general reserve. Goodwill written off during the year was `80,000. The company sold machinery of the book value of `90,000 at `95,000. During the year, trade receivables increased by `40,000 and trade payables increased by `30,000. Prepaid expenses increased by `2,000 and outstanding wages decreased by `20,000. Calculate cash flows from operating activities. [Part B Option I] 6 marks

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