ISC · CLASS 12 · ACCOUNTS

ISC Class 12 Accounts Guess Paper 2027

Time: 3 hours · Maximum marks: 80 · 39 questions

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Section A

Partnership and Company Accounts (60 marks, compulsory). Q1: ten one-mark sub-parts (multiple choice, assertion-reason and short answers). Q2-Q5: 3 marks each. Q6-Q8: 6 marks each. Q9-Q10: 10 marks each. Internal choice in five questions.

Q1. Ravi is a shareholder at Sarang Ltd., holding 5,000 shares of ₹20 each. He paid only application money of ₹5 including premium of ₹1. His shares were forfeited after the Final Call was made. 1 mark

The maximum discount per share that can be offered by Sarang Ltd. to re-issue the forfeited shares is:

(a) ₹1
(b) ₹4
(c) ₹5
(d) ₹15

Q2. Why is it advisable for an unlisted manufacturing company to start transferring its profits to Debenture Redemption Reserve from the year of the issue of its non-convertible debentures? 1 mark

Q3. Bisco Ltd. issued 10,000, 9% Debentures of ₹100 each at a discount of 4%, redeemable at a premium of 8% after five years. The company had a balance of ₹80,000 in Securities Premium Account and ₹1,00,000 in Statement of Profit and Loss. 1 mark

Give the journal entry to write off the Loss on issue of Debentures.

Q4. On 1st April 2023, Anand Limited issued 10%, 50,000 Debentures of ₹100 each as collateral security to ABC Bank against a loan raised of ₹80,00,000. It also issued 12%, 40,000 Debentures of ₹100 each on 1st October, 2023 in the stock market to invest money in a new line of product. 1 mark

How much interest on Debentures become payable by the company on 31st March 2024?

(a) ₹7,40,000
(b) ₹2,40,000
(c) ₹5,00,000
(d) ₹4,80,000

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Q5. Assertion: Commission allowed to a partner is debited to Profit and Loss Appropriation Account. 1 mark
Reason: Commission allowed to a partner is treated as a charge against profit.
Which one of the following is correct?
(a) Both Assertion and Reason are true and Reason is the correct explanation for Assertion.
(b) Both Assertion and Reason are true but Reason is not the correct explanation for Assertion.
(c) Assertion is true and Reason is false.
(d) Both Assertion and Reason are false.

Q6. 'Mindspace Business Parks REIT acquires three office assets from sponsor K Raheja Corp for ₹2916 crores.' (Source: www.livemint.com, 28 Nov, 2025) 1 mark
Mention the heading and the sub-heading under which office assets of Mindspace Business Parks REIT will be shown in the Balance Sheet as per Schedule III of the Companies' Act, 2013.

Q7. On the date of Sahil's retirement as a partner from a firm, Goodwill was valued at ₹1,25,000 under Capitalisation of Super Profit method. Super Profit of the firm was ₹15,000. 1 mark
Find the Normal Rate of Return that was used to ascertain the Goodwill of the firm.

Q8. Rahul and Nikhil are partners in a firm. They admit Tanvi for 1/5th share. On the date of her admission, the firm's book shows the following balances: 1 mark
Rahul's Capital: ₹2,80,000
Nikhil's Capital: ₹2,20,000
Tanvi contributes 20% of the adjusted capital of Rahul and Nikhil. She also contributes ₹20,000 as half of her share of goodwill.
Pass the journal entry to record the capital contribution made by Tanvi.

Q9. Priya was a partner in a firm. On the date its dissolution, her loan was appearing on the liability side of the Balance Sheet at ₹25,000. Priya accepted an unrecorded asset of ₹17,500 and the balance was paid to her in cash. 1 mark
Give the Journal entry for the above transaction.

Q10. At the time of dissolution, a firm did not provide any information regarding realisation of the following assets: 1 mark
P Freehold Premises
Q Office Equipment
R Goodwill
S Furniture
Choose the assets to be realised at the book value of the firm.
(a) P, Q, R
(b) P, Q, S
(c) P, R, S
(d) Q, R, S

Q11. APL Ltd., an unlisted construction company has 50,000, 10% Debentures of ₹100 each due for redemption at par on 31st March, 2024. The Debenture Redemption Investment was purchased on 30th April, 2023 and was sold on the date of redemption at 104% less 0.7% commission. APL Ltd. had sufficient balance in its Debenture Redemption Reserve A/c as per the provisions of the Companies' Act, 2013. 3 marks

You are required to prepare the following Ledger Accounts for the year 2023-2024:

(i) Debenture Redemption Reserve A/c [1]

(ii) Debenture Redemption Investment A/c [2]

Q12. During the year 2024-25, IP Ltd. issued: 3 marks

• 10,000, 7% Debentures of ₹50 each at a discount of 5% to the Promoters of the company.

• 2,000, 7% Debentures of ₹50 each at par to BL & Co. for the settlement of their underwriting commission.

You are required to record the necessary journal entries in the books of IP Ltd. for the issue of debentures. (Ignore writing off capital losses and interest on debentures)

Q13. Kriti and Atif are partners sharing profits and losses equally. On 31st March, 2024, they admitted David as a third partner for 1/5 share in the profits. 3 marks

It is decided that on David's admission:

• Atif would retain his original share

• Goodwill would be valued by the super profit method on the basis of the following information:

(a) Balance Sheet of Kriti and Atif (an extract) as at 31st March, 2024

Liabilities	Amount (₹)	Assets	Amount (₹)
General Reserve	25,000	Current A/c: Atif	10,000
Capital A/c: Kriti 2,50,000; Atif 1,75,000	4,25,000		
Current A/c: Kriti	40,000		

(b) The normal rate of return is 12% per annum.

(c) Average profits of the firm for last four years are ₹74,000.

You are required to calculate:

(i) The sacrificing ratio of the partners.

(ii) The value of goodwill of the firm at four years' purchase of the super profit.

Q14. Mita, Sita and Rita are partners in a firm. Rita retires from the firm on 31st March, 2024. Her claim, including her capital and her share of goodwill, is determined at ₹2,50,000. On this date the firm's books showed: 3 marks

(a) An unrecorded investment valued at ₹60,000 which was given to an unrecorded creditor of ₹1,16,000 in settlement of his claim of ₹70,000.

(b) An unrecorded vehicle which was given to Rita at the market value of ₹46,000 in part settlement of her claim.

The balance of Rita's claim was discharged by cheque.

You are required to pass journal entries to record the above transactions in the books of the firm on 31st March, 2024.

Q15. Sameer and Daulat were partners sharing profits and losses in the ratio of 2:3. They decided to dissolve the firm on 31st March, 2025. Their Balance Sheet was as under: 6 marks

Balance Sheet of Sameer and Daulat as at 31st March 2025

Liabilities	₹	Assets	₹
Sameer's Capital	4,50,000	Land & Building	3,20,000
Daulat's Capital	3,00,000	Investments	1,80,000
Trade Creditors	60,000	Trade Debtors 70,000 less Provision for doubtful debts 5,000	65,000
Sameer's Loan	50,000	Closing Stock	45,000
		Cash at Bank	2,50,000
Total	8,60,000	Total	8,60,000

Additional information: The firm was dissolved subject to the following adjustments:

(a) Sameer took over closing stock for the settlement of his loan.

(b) Debtors of ₹15,000 proved bad.

(c) Land & Building was realised at 25% above the book value.

(d) Sameer paid realisation expenses of ₹15,000.

You are required to prepare the Realisation Account.

Q16. Ravi and Prakash are partners sharing profits and losses in the ratio of 3:7. The Balance Sheet of Ravi and Prakash as at 31st March, 2025 is given below: 6 marks

Balance Sheet of Ravi and Prakash as at 31st March 2025

Liabilities	₹	Assets	₹
Ravi's Capital	65,000	Goodwill	10,000
Prakash's Capital	35,000	Land & Building	60,000
Workmen Compensation Reserve	20,000	Office Equipment	50,000
Bills Payable	15,000	Debtors	24,000
Bank Overdraft	25,000	Bills Receivable	16,000
Total	1,60,000	Total	1,60,000

On 1st April, 2025, they admit Nasir for 1/4th share of profits on the following terms:

(a) Nasir to bring ₹50,000 as his capital and the necessary amount as his share of goodwill.

(b) Firm's Goodwill to be valued at ₹1,20,000.

(c) Liability for Workmen Compensation to be recorded as ₹15,000.

(d) Capital Accounts of Ravi and Prakash to be adjusted based on Nasir's capital and his share of profit. Any deficit or surplus in their capital to be adjusted by opening Current Account.

You are required to:

(i) Prepare Partners' Capital Account. [5]

(ii) Calculate the balance of Cash at bank on the date of Nasir's admission. [1]

Q17. Hoody Ltd. made the following borrowings in the year 2023-24: 6 marks
On 1st April, 2023: Ten year, 10% Bank Loan from AZ Bank secured by a primary security and 20,000, 6% Debentures of ₹100 each as collateral security, the issue of which was recorded in the books. | ₹25,00,000
On 1st October, 2023: 5,000, 8% Debentures of ₹100 each, redeemable at par in five equal annual instalments. | ₹5,00,000
The terms of the borrowings were:
• The redemption of 8% Debentures to begin from 30th September, 2024.
• Interest on Bank Loan and Debentures to be paid annually.
Additional information: In the year 2023-24, the company defaulted on the payment of the interest on bank loan.
You are required to show the above items in Notes to Accounts accompanying the Balance Sheet of Hoody Ltd. prepared as per Schedule III of the Companies Act, 2013, as at 31st March, 2024.

Q18. Maconie Ltd. issued 50,000 Equity Shares of ₹10 each at ₹15, payable as follows: 10 marks
(a) On Application, ₹6 including premium of ₹2
(b) On Allotment, ₹5 including balance of premium
(c) Remaining amount on First and Final call after 3 months of shares being allotted
Applications were oversubscribed. Applications for 5,000 shares were rejected and money refunded immediately, and the remaining applications were allotted on pro rata basis in the ratio of 7:5.
Journal of Maconie Ltd.
1. Bank A/c Dr. ? | To Share Application A/c ? (Being application money received)
2. Share Application A/c Dr. ---- | To Share Capital A/c ? | To Securities Premium A/c 1,00,000 | To Bank A/c 30,000 | To Share Allotment A/c ? (Being application money transferred and adjusted)
3. Share Allotment A/c Dr. 2,50,000 | To Share Capital A/c 1,00,000 | To Securities Premium A/c 1,50,000 (Being allotment money due)
4. Bank A/c Dr. ? | To Share Allotment A/c ? | To Calls in advance A/c 8,000 (Being allotment money received including amount received for call)
5. Share First & Final Call A/c Dr. 2,00,000 | To Share Capital A/c 2,00,000 (Being first call money due)
6. Bank A/c Dr. 1,92,000 | Calls in advance A/c Dr. 8,000 | To Share First & Final Call A/c 2,00,000 (Being share first & final call money received)
7. Interest on calls in advance A/c Dr. ? | To Shareholders' A/c ? (Being interest due on calls in advance as per provisions of Table F of Schedule I of the Company Act, 2013)
You are required to:
(i) Complete the entries no. 1, 2, 4 and 7 along with the missing information represented by '?'. [8]
(ii) Pass journal entries to pay and close Interest on Calls-in-Advance Account. [2]

Q19. Julie, Jenny and Sadiq were partners in a firm. On 1st April, 2024, the firm's book showed the following balances: 10 marks

Particulars | Julie (₹) | Jenny (₹) | Sadiq (₹)
Capital Account | 4,50,000 | 1,50,000 | 2,50,000
Current Account | 50,000 (Cr) | 20,000 (Cr) | 30,000 (Dr)

• On 1st July, 2024, Julie gave a loan of ₹1,00,000 to the firm.
• On 1st October, 2024, the firm took Jenny's premises on rental basis and agreed to pay ₹5,000 per month.

Their Partnership Deed provided the following:
(a) Interest on Capital to be allowed @ 8% per annum.
(b) Interest on Current Account to be allowed / charged @ 10% per annum.
(c) Interest on Drawings to be charged @ 6% per annum.
(d) 10% of the net profit to be transferred to General Reserve.

Jenny withdrew ₹4,000 at the end of each month starting from 30th April, 2024 and Sadiq withdrew ₹4,000 at the beginning of each month starting from 1st October, 2024.

After considering interest on Julie's loan and rent allowed to Jenny, the net profit of the firm for the year ended 31st March, 2025, stood at ₹2,60,000.

You are required to:
(i) Prepare Profit and Loss Appropriation Account for the year ended 31st March, 2025. [7]
(ii) Prepare Julie's Loan Account. [2]
(iii) Record the closing entry for rent allowed to Jenny. [1]

Section B

Management Accounting (20 marks) - attempt EITHER Section B OR Section C. Q11: five one-mark sub-parts; Q12: 3 marks (common size / comparative statement); one 6-mark Cash Flow Statement question; one question of which any three 2-mark ratio parts are answered. Internal choice in two questions.

Q20. Bank overdraft of Asha Ltd. on 31st March, 2024 and 31st March, 2025 were ₹30,000 and ₹36,000 respectively. 1 mark

How will the change in Bank overdraft be shown in the Cash Flow Statement of Asha Ltd. for the year ended 31st March, 2025?
(a) Add to Financing Activities
(b) Add to Operating Activities
(c) Less from Operating Activities
(d) Less from Financing Activities

Q21. Debt Equity Ratio of JP Ltd. is 1.8:1. 1 mark

Mention whether this ratio will improve / reduce / not change after issue of 5,000, 6% Debentures of ₹100 each.

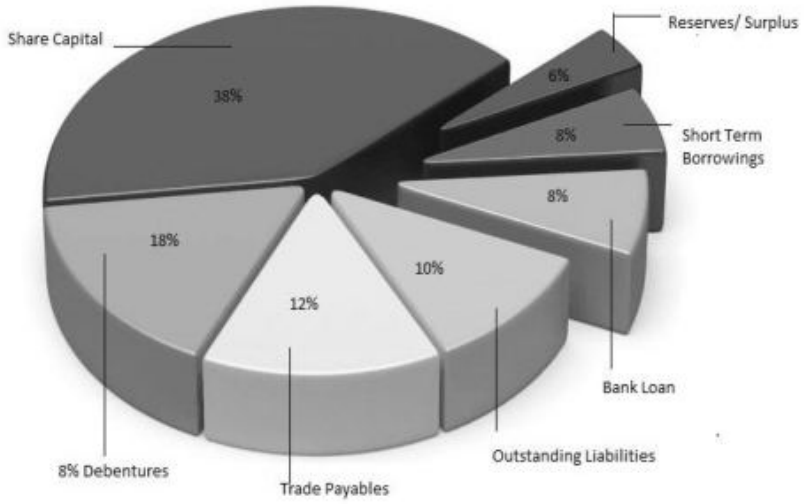
Q22. Silver prices scaled a new peak of ₹1,73,000 per kg on Monday after an unprecedented single-day gain of ₹11,000 per kg driven by increasing demand from investors amid a global shortage of the precious metal. (Source (edited): www.economictimes.indiatimes.com, 13 Oct, 2025) 1 mark

Calculate the percentage change (up to two decimal places) in prices of silver.

Q23. Sunshine Ltd. had a Current Ratio of 0.7:1; its Current Assets being ₹2,00,000 and Current Liabilities being ₹2,50,000. 1 mark
What will be the revised Current Ratio of Sunshine Ltd., after it dishonours one of its Bills Payable of ₹30,000?

Q24. "The current ratio estimates a firm's capacity of paying short-term or current liabilities, including payables and debts, with its short-term or current assets. A current ratio less than 1.00 implies that the business's debts due within 12 months are more significant than its assets. Conversely, a ratio greater than 1.00 indicates that the company has sufficient assets to cover its short-term obligations." (Source: Economic Times, May 16, 2025) 1 mark
Based on the above extract, explain why a very high current ratio might not always indicate an optimal financial health.

Q25. The pie chart below shows the Equity and Liabilities of Moonside Ltd. as at 31st March, 2025 (as read from the chart: Share Capital 38%, Reserves/Surplus 6%, Short Term Borrowings 8%, Bank Loan 8%, Outstanding Liabilities 10%, Trade Payables 12%, 8% Debentures 18%). 3 marks
You are required to prepare the Equity and Liability side of Common Size Statement of Moonside Ltd. as at 31st March, 2025, when the total of the Equity and Liabilities side is ₹10,00,000.



Q26. From the following Balance Sheet of Raj Ltd. and the additional information given below, you are required to prepare a Cash Flow Statement (as per AS 3) for the year 2024-25. 6 marks

Balance Sheet of Raj Ltd. as at 31st March, 2025 and 31st March, 2024

Particulars | Note | 31.3.2025 (₹) | 31.3.2024 (₹)

I Equity and Liabilities

1. Shareholders' Funds (a) Equity Share Capital | | 4,35,000 | 3,28,000

(b) Reserve and Surplus | 1 | 1,20,000 | 80,000

2. Non-Current Liabilities: Long-term borrowings (7% Debentures) | | 5,00,000 | 4,00,000

3. Current Liabilities: Short-term Provision (Provision for Tax) | | 15,000 | 10,000

Total | | 10,70,000 | 8,18,000

II Assets

1. Non-Current Assets: Property, Plant & Equipment (Plant & Machinery) | | 6,00,000 | 3,80,000

2. Current Assets (a) Short-term Investments | | 3,00,000 | 2,20,000

(b) Inventories | | 80,000 | 1,00,000

(c) Cash & Bank Balances (Cash at Bank) | | 90,000 | 1,18,000

Total | | 10,70,000 | 8,18,000

Notes to Accounts:

1. Reserve and Surplus: Balance in Statement of Profit & Loss 1,05,000 (2024: 70,000); Securities Premium 15,000 (2024: 10,000); Total 1,20,000 (2024: 80,000)

Additional information: During the financial year 2024-25, the company:

- Issued additional Debentures on 1st April, 2024 at a premium of 5%.
- Sold Plant & Machinery at a loss of ₹20,000, the book value of which was ₹80,000.
- Purchased additional Plant & Machinery for ₹3,50,000.

Q27. Calculate the value of Closing Inventory of Lily Ltd. from the particulars given below: 2 marks

Particulars |

Revenue from Operations | ₹5,50,000

Opening Inventory | ₹1,00,000

Inventory Turnover Ratio | 4 times

Gross Profit | 20% of Revenue from Operations

Q28. Calculate the operating ratio from the information given below. 2 marks

Particulars | ₹

Opening Inventory | 20,000

Closing inventory | 9,000

Purchases | 80,000

Wages | 8,000

Carriage inward | 3,000

Depreciation | 18,000

Amortization | 6,000

Gross Profit | 48,000

Q29. Calculate the Quick Ratio (up to two decimal places) of TXT Ltd. from the particulars given below: 2 marks

Particulars | ₹
Working Capital | 80,000
Current Liabilities | 50,000
Note: Current Assets include Inventory of ₹20,000.

Section C

Computerised Accounting (20 marks) - alternative to Section B. Q15: five one-mark sub-parts; Q16: 3 marks; Q17: any three of four 2-mark short answers; Q18: spreadsheet case with any three 2-mark parts (6 marks).

Q30. How is a cell range specified in a spreadsheet? 1 mark

Q31. Mention the shortcut key to copy a selected cell. 1 mark

Q32. What is data abstraction in DBMS? 1 mark

Q33. Which formula will capture the correct number of numerical values from the following range? 1 mark
A2:A5 & C2:C5

Q34. Mention any two types of charts available in a spreadsheet. 1 mark

Q35. (i) List any three data types used in SQL. 3 marks
(ii) Define Composite Attribute with suitable examples.

Q36. Give the meaning of Database design. 2 marks

Q37. Differentiate between Desktop Database and Server Database. 2 marks

Q38. List the components of storage manager. 2 marks

Q39. The IT Department in a school prepared the following data that showed the marks obtained by students in three subjects (out of 100). 6 marks

Row | B: Roll No. | C: Mathematics | D: Computer Science | E: English | F: Total
2 | 101 | 88 | 75 | 92 | ??
3 | 102 | 65 | 80 | 70 | 215
4 | 103 | 78 | 82 | ?? | 240
5 | 104 | 90 | ?? | 84 | 256
6 | 105 | ?? | 64 | 73 | 222

Based on the above data, answer any three of the following questions:
(i) Write the formula to calculate the total marks of the student with Roll No. 101 in cell F2. [2]
(ii) Write the formula to find the marks of the student with Roll No. 103 in cell E4 in the subject English. [2]
(iii) Mention the formula to calculate the marks obtained by the student with Roll No. 104 in the subject Computer Science in cell D5. [2]
(iv) State the formula to calculate the marks of the student with Roll No. 105 in the subject Mathematics in cell C6. [2]

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