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INDIAN SCHOOL SALALAH
FIRST TERM EXAMINATION – SEPTEMBER 2025



ACCOUNTANCY 055

Class: XII

Date: 28/09/2025

Time: 3 Hrs

Maximum Marks: 80

GENERAL INSTRUCTIONS:

1. This question paper contains 34 questions. All questions are compulsory.
2. Question 1 to 20 carries 1 mark each.
3. Questions 21 to 26 carries 3 marks each.
4. Questions from 27 to 29 carries 4 marks each
5. Questions from 30 to 34 carries 6 marks each

1.	VL Ltd. offered for public subscription 90,000 equity shares of ₹ 10 each at a premium of 10%. The entire amount was payable on application. Applications were received for 1,00,000 shares and allotment was made to all the applicants on pro-rata basis. The amount received on application was _____. (A) ₹ 10,00,000 (B) ₹ 9,00,000 (C) ₹ 9,90,000 (D) ₹ 11,00,000	1
2.	A partner's capital account was credited with ₹ 80,000 during the year. Which of the following can be the possibility for such a credit in his capital account? (A) Opening Balance (B) Drawings during the year (C) Loss during the year (D) Capital introduced	1
3.	A, B and C are sharing profits in the ratio of 3 : 2 : 1. B retires and on the day of B's retirement Goodwill is valued at ₹60,000. A and C decided to share future profits in the ratio of 3 : 2. Journal entry will be : (A) A's Capital A/c Dr. 18,000 C's Capital A/c Dr. 42,000 To B's Capital A/c 60,000 (B) A's Capital A/c Dr. 6,000 C's Capital A/c Dr. 14,000 To B's Capital A/c 20,000 (C) A's Capital A/c Dr. 36,000 C's Capital A/c Dr. 24,000 To B's Capital A/c 60,000 (D) A's Capital A/c Dr. 12,000 C's Capital A/c Dr. 8,000 To B's Capital A/c 20,000	1
4.	Sunrise Ltd. took over the running business of Moonlight Ltd. comprising 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	1

	(D) Capital Reserve ₹ 1,00,000	
5.	Alice and Brian were partners sharing Profits & Losses in the ratio 3:2. They admitted Charles into partnership for 20% share. Charles was to bring proportionate capital and he brought Rs. 7,00,000 (including Rs. 1,00,000 for goodwill share) into the firm. If the adjusted capital of Alice after Revaluation Gain/Loss, Accumulated Profits/Losses, and Goodwill treatment was Rs. 16,80,000, what was Brian's Capital after Revaluation Gain/Loss, Accumulated Profits/Losses, and Goodwill treatment? (A) Rs. 11,20,000 (B) Rs. 7,20,000 (C) Rs. 24,00,000 (D) Rs. 13,20,000	1
6.	Arun, Bashir and Joseph were partners in a firm sharing profits and losses in the ratio of 5 : 3 : 2. They admitted Daksh as a new partner who acquired his share entirely from Arun. If Arun sacrificed 15th from his share to Daksh, Daksh's share in the profits of the firm will be : (A) 1/5 (B) 1/10 (C) 3/10 (D) 2/5	1
7.	 appear in a Company's Balance Sheet under the Sub-head Short-term Provision (A) Interest Accrued but not due on Borrowings (B) Provision for Tax (C) Unpaid Dividend (D) Calls in Advance	1
8.	Max Ltd. issued 30,000, 8% debentures of ₹100 each at a discount of 10%, redeemable at a certain rate of premium. On issue of these debentures, 'Loss on Issue of Debentures Account' was debited with ₹4,50,000. The rate of premium on redemption of debentures was _____. (A) 15% (B) 10% (C) 5% (D) 20%	1
9.	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
10.	Arun and Bhaskar were partners in a firm sharing profits and losses in the ratio of 3:2. Arun withdrew ₹15,000 at the beginning of every alternate month starting from 1st April, 2024 during the year ended 31st March, 2025. Interest on Arun's drawings @ 8% p.a. for the year ended 31st March, 2025 will be: (A) ₹8,400 (B) ₹1,200 (C) ₹4,200 (D) ₹3,600	1
11.	Money received in advance from the shareholders before it is actually called up by the directors is :	1

	(A) credited to calls in advance account. (B) debited to calls in advance account. (C) credited to calls account. (D) debited to calls in arrears account.	
12.	1,000 shares of ₹100 each were forfeited for non-payment of final call money of ₹10 per share. The minimum amount that the company must collect at the time of reissue of these shares will be: (A) ₹10,000 (B) ₹90,000 (C) ₹100,000 (D) ₹1,00,000	1
13.	Radhika Limited forfeited 20,000 shares of ₹ 10 each on which ₹ 6 (including ₹ 1 premium) was paid. Out of these 18,000 shares were re-issued @ ₹ 8 per share as fully paid up. Determine the amount of Share Forfeited balance. (A) ₹ 10,000 (B) ₹ 72,000 (C) ₹ 18,000 (D) ₹ 90,000	1
14.	X, Y and Z were partners sharing Profit & Losses in the ratio 5:3:2. Y retired, and he gifted half of his share to X and remaining half was taken over equally by X and Z. Determine the new Profit-sharing Ratio. (A) 29 : 11 (B) 13 : 7 (C) 1 : 1 (D) 5 : 2	1
15.	On 1st April 2024, ABC Ltd. issued 20,000, 13% debentures of ₹100 each at a discount of 10% redeemable at a premium of 5% after 4 years. Total amount of interest on debentures for the year ending 31st March, 2025 will be: (A) ₹2,00,000 (B) ₹2,60,000 (C) ₹1,00,000 (D) ₹3,00,000	1
16.	Reema and Sahil were partners in a firm sharing profits and losses in the ratio of 1:2. Their capitals were ₹5,00,000 and ₹3,00,000 respectively. They admitted Karan as a new partner on 1st April, 2024 for a 1/4th share in future profits. Karan brought ₹4,00,000 as his share of capital. The goodwill of the firm on Karan's admission will be: (A) ₹16,00,000 (B) ₹4,00,000 (C) ₹8,00,000 (D) ₹12,00,000	1
17.	Issued 5,000, 12% debentures of ₹100 each at a discount of 2%, redeemable at a premium of 5%. In such case : (A) Loss on Issue will be Credited by ₹10,000. (B) Loss on Issue will be debited by ₹35,000. (C) Premium on Redemption will be debited by ₹25,000. (D) Premium on Redemption will be credited by ₹35,000.	1
18.	Interest accrued but not due on loans appear in a Company's Balance Sheet under the Sub-head (A) Short-term Borrowings (B) Trade Payables (C) Other Current Liabilities (D) Short-term Provisions	1

19.	Oliver, Henry and Liam were partners in a firm sharing profits and losses in the ratio of 2:2:1. Oliver retired and surrendered 1/3rd of his share in favour of Henry and the remaining share in favour of Liam. The new profit-sharing ratio between Henry and Liam will be: (A) 2:1 (B) 8:7 (C) 1:2 (D) 1:1	1
20.	Assertion (A): Computer in a Company's Balance Sheet is shown under sub-head 'Property, Plant and Equipment'. Reason (R): Computer Software in a Company's Balance Sheet is shown under sub-head 'Intangible Assets'. Options: (a) Both (A) and (R) are true, but (R) is not the correct explanation of (A) (b) Both (A) and (R) are true and (R) is a correct explanation of (A) (c) Both (A) and (R) are false (d) (A) is false, but (R) is true.	1
21.	Reema and Seema are partners sharing profits equally. The Partnership Deed provides that both Reema and Seema will get a monthly salary of ₹ 15,000 each, Interest on Capital will be allowed @ 5% p.a. and Interest on Drawings will be charged @ 10% p.a. Their capitals were ₹ 5,00,000 each and drawings during the year were ₹ 60,000 each. The firm incurred net loss of ₹ 1,00,000 during the year ended 31st March 2024. Prepare Profit and Loss Appropriation Account for the year ended 31st March 2024.	3
22.	Aarav and Bhavya are partners sharing profits in the ratio of 2 : 1. They admit Chandini for 1/4th share in profits. Chandini brings in ₹ 30,000 for his capital and ₹ 8,000 out of his share of ₹ 10,000 for goodwill. Before admission, goodwill existed in the books at ₹ 18,000. Pass Journal entries to give effect to the above arrangement.	3
23.	X, Y and Z are partners in a firm sharing profits and losses in the ratio of 3 : 2 : 1. Z retired from the firm on 1st April, 2022. On the date of Z's retirement, following balances existed in the books of the firm. General Reserve – ₹ 1,80,000 Profit & Loss Account (Dr.) ₹ 30,000 Investment Fluctuation Reserve ₹ 24,000 (Investment: Book value- 5,00,000; Market value- 4,76,000) Employee's Provident Fund ₹ 20,000. Pass Necessary Journal entries for the adjustment of these items on Z's retirement.	3
24.	Bharat Ltd had an authorised capital of 8,00,000 equity shares of ₹20 each. The company offered for subscription 2,00,000 shares. The issue was fully subscribed. The amount payable on application was ₹4 per share, ₹8 per share were payable each on allotment and on the first and final call. A shareholder holding 200 shares failed to pay the allotment money. His shares were forfeited immediately after the allotment. Show how the Share Capital will be presented in the company's Balance Sheet (as per Schedule III, Part I of the Companies Act, 2013) if the final call has not yet been made. Also prepare the Notes to Accounts for the same.	3
25.	Under which major heads and sub-heads will the following items be placed in the Balance Sheet of the company as per Schedule III, Part I of the Companies Act, 2013? (i) Debentures with maturity period in current financial year (ii) Securities Premium (iii) Provident Fund	3

26.	Nexus Corp Ltd. took loan of ₹ 5,00,000 from a bank giving ₹ 6,00,000; 9% Debentures as collateral security. Pass Journal entries regarding issue of debentures, if any, and show this in the Balance Sheet of the company.	3																												
27.	Amit, Sumit and Pulkit were partners sharing Profit & Loss in the ratio 5:3:2. Their Capitals were ₹ 8,00,000; ₹ 7,00,000 and ₹ 5,00,000 respectively. According to Partnership Deed:- (a) Interest on Capital @ 10% p.a. (b) Salary to Amit ₹ 10,000 p.m and Pulkit ₹ 15,000 per quarter. (c) Commission to Sumit ₹ 70,000. (d) Sumit was being guaranteed that his share of profits will not be less than ₹ 65,000. Deficiency if any will be borne by Amit and Pulkit equally. Ignoring the above terms the profits of ₹ 6,00,000, for the year ended March 31, 2025 were divided equally between partners. You are required to pass necessary adjustment entry. Show your workings clearly.	4																												
28.	Mrinaal Ltd. issued 50,000 shares of ₹ 10 each payable ₹ 3 on application, ₹ 4 on allotment and balance on first and final call. Applications were received for 1,00,000 shares and allotment was made as follows: (i) Applicants for 60,000 shares were allotted 30,000 shares. (ii) Applicants for 40,000 shares were allotted 20,000 shares. Shekhar to whom 1,000 shares were allotted from category (i), failed to pay the allotment money. Pass Journal entries up to allotment.	4																												
29.	Pass necessary journal entries for issue of debentures for the following transactions: (i) Kiero Ltd. issued 80,000, 9% debentures of ₹ 100 each at par, redeemable at a premium of 10%. (ii) Naro Ltd. issued 50,000, 10% debentures of ₹ 100 each at a premium of 5%, redeemable at a premium of 10%.	4																												
30.	A, B, and C are the three partners. On 1st April 2022, their capitals stood as: A ₹ 1,00,000, B ₹ 2,00,000, and C ₹ 3,00,000. It was decided that: (a) they would receive interest on Capitals @ 5% p.a., (b) A would get a salary of ₹ 10,000 per month, (c) B would receive commission @ 5% of net profit after deduction of commission, and (d) 10% of the net profit would be transferred to the General Reserve. Before the above items were taken into account, profit for the year ended 31st March 2023 was ₹ 5,00,000. Prepare the Profit and Loss Appropriation Account and the Capital Accounts of the Partners.	6																												
31.	Gitanjali and Yogesh are partners in a firm, sharing profits and losses in 3 : 1 respectively. The Balance Sheet of the firm as on 31st March, 2025 was as follows: BALANCE SHEET as at 31st March, 2025 <table><tr><td>Liabilities</td><td>₹</td><td>Assets</td><td>₹</td></tr><tr><td>Sundry Creditors</td><td>50,000</td><td>Furniture</td><td>60,000</td></tr><tr><td>Bills Payable</td><td>30,000</td><td>Stock</td><td>1,40,000</td></tr><tr><td>Capitals:</td><td></td><td>Debtors</td><td>80,000</td></tr><tr><td>Gitanjali</td><td>4,00,000</td><td>Cash in Hand</td><td>90,000</td></tr><tr><td>Yogesh</td><td>1,00,000</td><td>Machinery</td><td>2,10,000</td></tr><tr><td></td><td>5,80,000</td><td></td><td>5,80,000</td></tr></table>	Liabilities	₹	Assets	₹	Sundry Creditors	50,000	Furniture	60,000	Bills Payable	30,000	Stock	1,40,000	Capitals:		Debtors	80,000	Gitanjali	4,00,000	Cash in Hand	90,000	Yogesh	1,00,000	Machinery	2,10,000		5,80,000		5,80,000	6
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	5,80,000		5,80,000																											

	Anjali is admitted as a partner for 3/8th share in the profits with a capital of ₹ 2,10,000 and ₹ 50,000 for her share of goodwill. It was decided that: (i) New profit-sharing ratio will be 3 : 2 : 3. (ii) Machinery will be depreciated by 10% and Furniture by ₹ 5,000. (iii) Stock was revalued at ₹ 2,10,000. (iv) Provision for doubtful debts is to be created at 10% of debtors. (v) The capitals of all the partners were to be in the new profit-sharing ratio on basis of capital of new partner. Any adjustment to be done through Current Accounts. Prepare: Revaluation Account and Partners' Capital Accounts							
32.	On 01 August, 2022, Aetherium Solutions Ltd. issued ₹ 40,00,000, 9% Debentures of ₹ 100 each at 5% Premium, to be redeemed at 12% Premium on March 31, 2027. Balance in Securities Premium before issue was ₹ 1,50,000. You are required to (i) Pass entries for issue of debentures. (ii) Pass entry for writing off loss on Issue of debentures. (iii) Pass entries for Interest on Debentures on March 31 2023, if it is to be paid on March 31 every year. (iv) Prepare Loss on issue of debentures account.	6						
33.	Babloo Ltd. invited applications for issuing 1,00,000 equity shares of ₹ 10 each. The shares were issued at a premium of ₹ 20 per share. The amount was payable as follows: <table><tr><td>On Application and Allotment</td><td>₹ 14 per share (including premium of ₹ 10)</td></tr><tr><td>On First Call</td><td>₹ 8 per share (including premium of ₹ 5)</td></tr><tr><td>On Final Call</td><td>₹ 8 per share (including premium of ₹ 5)</td></tr></table> Applications for 96,000 shares were received. Raju, a shareholder holding 7,000 shares, failed to pay both the calls and Kaju, a holder of 5,000 shares, did not pay the final call. Shares of Raju and Kaju were forfeited. Of the forfeited shares, 8,000 shares including all the shares of Raju were reissued to Reena at ₹ 8 per share fully paid-up. Journalise the above transaction.	On Application and Allotment	₹ 14 per share (including premium of ₹ 10)	On First Call	₹ 8 per share (including premium of ₹ 5)	On Final Call	₹ 8 per share (including premium of ₹ 5)	6
On Application and Allotment	₹ 14 per share (including premium of ₹ 10)							
On First Call	₹ 8 per share (including premium of ₹ 5)							
On Final Call	₹ 8 per share (including premium of ₹ 5)							
34.	Pass Journal entries for forfeiture and reissue of shares in the following cases: a. RRR Ltd. forfeited 200 Equity Shares of ₹ 10 each, issued at a premium of ₹ 5 per share, held by Ramanathan for non-payment of the final call of ₹ 3 per share. Of these, 100 shares were reissued to Vishaal at a discount of ₹ 4 per share. b. Vikram Ltd. forfeited 5,000 shares of Rahul, who had applied for 6,000 shares for non-payment of allotment money of ₹ 5 per share and first and final call of ₹ 2 per share. Only application money of ₹ 3 was paid by him. Out of these, 3,000 shares were reissued @ ₹ 12 per share as fully paid.	6						