

## Question Paper

Conducted by the Central Board of Secondary Education (CBSE)



Time Allowed: 2 Hours

Maximum Marks: 40

### General Instructions

- (i) This question paper contains **12 questions**, divided into Part A and Part B.
- (ii) Part A is compulsory for all candidates.
- (iii) Part B has two options: **Option I - Analysis of Financial Statements** and **Option II - Computerised Accounting**. Attempt only one option.
- (iv) Questions 1 to 3 and 10 carry 2 marks each.
- (v) Questions 4 to 6 and 11 carry 3 marks each.
- (vi) Questions 7 to 9 and 12 carry 5 marks each.
- (vii) Attempt one alternative where an internal choice is provided. Write all parts of an answer at one place.

## Part A

1. Show the following information in the Balance Sheet of Ashoka Club as on 31.3.2021:

| Particulars                | Dr. (Rs.) | Cr. (Rs.) |
|----------------------------|-----------|-----------|
| Tournament Fund Investment | 2,50,000  |           |
| Tournament Expenses        | 20,000    |           |
| Tournament Fund            |           | 2,50,000  |

2. State any two situations when compulsory dissolution of a partnership firm takes place.

3. Ajay, Vijay, Sanjay and Dhananjay are partners in a firm sharing profits and losses in the ratio of 2 : 2 : 1 : 1. Vijay decided to retire from the firm. The Goodwill of the firm was valued at Rs. 12,00,000.

Pass necessary journal entry for the treatment of Goodwill on Vijay's retirement without opening goodwill account.

4(a). From the following information, calculate the amount of sports material that will be debited to the Income and Expenditure Account of Arjun Sports Club for the year ended 31st March, 2021.

| Particulars                   | 1st April, 2020 (Rs.) | 31st March, 2021 (Rs.) |
|-------------------------------|-----------------------|------------------------|
| Stock of Sports Material      | 1,50,000              | 2,20,000               |
| Creditors for Sports Material | 35,000                | 65,000                 |

Additional Information: During the year, Rs. 2,80,000 were paid to the creditors of sports material.

OR

4(b). From the following extract of 'Receipts and Payments Account' and additional information, calculate the amount of subscriptions to be shown in 'Income and Expenditure Account' for the year ended 31st March, 2021 and 'Balance Sheet' as on that date.

Receipts and Payments Account for the year ended 31st March, 2021

| Receipts                  | Amount (Rs.) |
|---------------------------|--------------|
| To Subscriptions: 2019-20 | 9,000        |
| 2020-21                   | 40,000       |
| 2021-22                   | 6,000        |
| Total                     | 55,000       |

Additional Information: The club has 500 members each paying an annual subscription of Rs. 100. Subscriptions outstanding on 31st March, 2020 were Rs. 12,000.

5. Vimal, Kamal and Nirmal were partners sharing profit & losses in the ratio of 3 : 2 : 1. Vimal died on 30th September, 2020. The partnership deed provides that the share of profit of the deceased partner till the date of his death was to be calculated on the basis of the average profits of the last three years. The profit for the last three years were: 2017-18 Rs. 70,000; 2018-19 Rs. 80,000; 2019-20 Rs. (60,000). Calculate Vimal's share of profit till the date of his death and pass necessary journal entry for the same.

**6(a).** Surya Ltd. purchased machinery from Mohan Equipment Ltd. The company paid the vendors by issue of 9% debentures and the balance through an acceptance in their favour payable after three months. The accountant of the company while Journalising the above mentioned transactions left some items blank. Fill in the blanks in the given below Journal of Surya Ltd.:  
Journal of Surya Ltd.

Date 2021 Jan. 1 - Machinery A/c Dr. (Purchased Machinery for Rs. 12,50,000 from Mohan Equipment Ltd.). Mohan Equipment Ltd. A/c Dr.; To \_\_; To Securities Premium Reserve (Issued 8000, 9% Debentures of Rs. 100 each at a premium of 25%). \_\_ Dr.; To \_\_ (B/R).

OR

**6(b).** Sujata Ltd. invited applications for issuing 50,000, 9% debentures of Rs. 100 each at a discount of 10% redeemable at par after five years. The debentures were fully subscribed and all money was duly received. The company had a balance of Rs. 3,00,000 in 'Securities Premium Reserve' which it decided to use for writing off the discount/loss on issue of debentures. It also decided to write off the remaining discount/loss on issue of debentures in the first year. Pass the Journal entries for issue of debentures and for writing off discount/loss on issue of debentures.

**7(a).** Chanda, Tara and Nisha were partners in a firm sharing profits and losses in the ratio of 3 : 2 : 1. They decided to dissolve the firm on 31st March, 2021. Pass necessary Journal Entries for the following transactions after all assets (other than cash and bank) and third party liabilities have been transferred to Realisation Account.  
(i) A typewriter completely written off from the books was sold for Rs. 9,000.  
(ii) Chanda took over stock worth Rs. 96,000 at Rs. 84,000.  
(iii) Nisha was to get remuneration of Rs. 42,000 for completing the dissolution process.  
(iv) Creditors of Rs. 23,500 took over all the investments at Rs. 10,000. Remaining amount was paid to them in Cash.  
(v) Sundry Creditors amounting to Rs. 40,000 were settled at a discount of 10%.

OR

**7(b).** Heena, Meena and Tina are partners in a firm sharing profits and losses equally. Their Balance Sheet on April 1st, 2020 was as follows:

| Liabilities                                               | Amount (Rs.) | Assets                                  | Amount (Rs.) |
|-----------------------------------------------------------|--------------|-----------------------------------------|--------------|
| Bills Payable                                             | 12,000       | Building                                | 40,000       |
| Sundry Creditors                                          | 18,000       | Machinery                               | 30,000       |
| General Reserve                                           | 12,000       | Furniture                               | 12,000       |
| Capitals :<br>Heena 30,000<br>Meena 30,000<br>Tina 28,000 | 88,000       | Stock                                   | 22,000       |
|                                                           |              | Debtors 20,000<br>Less: Provision 1,000 | 19,000       |
|                                                           |              | Bank                                    | 7,000        |
| Total                                                     | 1,30,000     | Total                                   | 1,30,000     |

Tina retired from the firm on the above date and the following was agreed upon:

- Building was to be appreciated by 20%.
  - Machinery was to be depreciated by Rs. 1,500.
  - Provision for doubtful debts was to be increased to Rs. 1,500.
  - Goodwill was valued at Rs. 21,000 on Tina's retirement and the same was to be treated without opening goodwill account.
  - The balance in Tina's Capital account will be transferred to her Loan account.
- Prepare Revaluation Account and Partners' Capital Accounts.

8. From the following 'Receipts and Payments Account' of Space Club, prepare an Income and Expenditure Account for the year ended 31st March, 2021.

Receipts and Payments Account of Space Club for the year ended 31st March, 2021

| Receipts                                        | Amount (Rs.) | Payments                | Amount (Rs.) |
|-------------------------------------------------|--------------|-------------------------|--------------|
| To Balance b/d                                  | 5,000        | By Salaries             | 31,000       |
| To Subscriptions                                | 73,000       | By Machinery (1.7.2020) | 40,000       |
| To Sale of old furniture (Book value Rs. 2,000) | 800          | By 8% Investments       | 30,000       |
| To Donations                                    | 41,800       | By Balance c/d          | 19,600       |
| Total                                           | 1,20,600     | Total                   | 1,20,600     |

Additional Information:

(i) Subscriptions in arrears on 31.03.2021 were Rs. 2,000.

(ii) On 31st March, 2021, outstanding salaries were Rs. 4,000.

(iii) 8% Investments were purchased on 31st March, 2021.

(iv) The club owned Machinery of Rs. 1,00,000 on 1st April 2020. Depreciate Machinery @ 6% p.a.

9. Pass journal entries for issue of debentures for the following transactions:

(i) Issued 3,000, 11% debentures of Rs. 100 each at par, redeemable at 5% premium.

(ii) Issued 4,000, 12% debentures of Rs. 100 each at 5% premium, redeemable at 10% premium.

(iii) Issued Rs. 3,00,000, 9% debentures of Rs. 100 each at par redeemable at par.

(iv) Issued Rs. 7,00,000, 9% debentures at a discount of 10% redeemable at par.

(v) Issued Rs. 10,00,000, 9% debentures of Rs. 100 each at 10% discount redeemable at 5% premium.

10. State the objective of preparing 'Cash Flow Statement'.

11(a). From the following information, prepare Comparative statement of Profit and Loss for the year ended 31st March 2021.

| Particulars             | 2020-21<br>(Rs.) | 2019-20<br>(Rs.) |
|-------------------------|------------------|------------------|
| Revenue from Operations | 4,00,000         | 2,00,000         |
| Other Income            | 80,000           | 40,000           |

Expenses - 50% of Revenue from operations. Tax Rate 50%.

OR

11(b). Prepare a 'Common Size statement of Profit and Loss' of Birla Ltd. for the year ended 31st March, 2021 from the following information:

| Particulars                | 2020-21<br>(Rs.) | 2019-20<br>(Rs.) |
|----------------------------|------------------|------------------|
| Revenue from Operations    | 20,00,000        | 10,00,000        |
| Purchase of stock in trade | 4,00,000         | 2,00,000         |
| Other expenses             | 40,000           | 20,000           |

Tax Rate @ 50%.

12. Following was the Balance Sheet of Bajaj Ltd. as on 31st March, 2021:

## 12. (continued)

| Particulars                   | Note No. | 31.03.2021 (Rs.) | 31.03.2020 (Rs.) |
|-------------------------------|----------|------------------|------------------|
| I. Equity and Liabilities:    |          |                  |                  |
| (a) Share Capital             |          | 19,00,000        | 17,00,000        |
| (b) Reserves and Surplus      | 1        | 6,00,000         | 3,00,000         |
| 12% long term borrowings      |          | 5,00,000         | 4,00,000         |
| (a) Short term Borrowings     | 2        | 1,70,000         | 1,75,000         |
| (b) Short term Provisions     | 3        | 2,00,000         | 1,65,000         |
| Total                         |          | 33,70,000        | 27,40,000        |
| II. Assets:                   |          |                  |                  |
| (i) Tangible Assets           | 4        | 25,00,000        | 21,00,000        |
| (ii) Intangible Assets        | 5        | 4,00,000         | 3,00,000         |
| (a) Current Investments       |          | 1,40,000         | 1,70,000         |
| (b) Inventories               |          | 2,60,000         | 1,30,000         |
| (c) Cash and Cash Equivalents |          | 70,000           | 40,000           |
| Total                         |          | 33,70,000        | 27,40,000        |

## 12. (continued)

Notes: 1. Reserves & Surplus = Surplus (P&L) 6,00,000 / 3,00,000. 2. Short term borrowings = Bank Overdraft 1,70,000 / 1,75,000. 3. Short term provisions = Provision for tax 2,00,000 / 1,65,000. 4. Tangible Assets = Machinery 25,00,000 / 21,00,000. 5. Intangible Assets = Goodwill 4,00,000 / 3,00,000.

Additional Information:

(i) Rs. 40,000 book value machinery was sold for Rs. 50,000.

(ii) Depreciation charged on machinery during the year was Rs. 2,00,000.

(iii) Rs. 1,00,000, 12% long term borrowings were obtained on 31.3.2021.

Calculate cash flows from investing and financing activities.

## Part B - Option II

**10.** Give the meaning of the terms 'Report' and 'Report Wizard'.

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**11(a).** Explain the terms 'Basic Pay', 'House Rent Allowance' and 'Tax Deducted at Source' as used in preparation of payroll.

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OR

**11(b).** Explain 'Accounts Group' and 'Loan' (Liabilities).

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**12.** State the steps in the installation of 'Computerised Accounting System'.

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