

Question Paper

Conducted by the Central Board of Secondary Education (CBSE)



Time Allowed: 3 Hours

Maximum Marks: 80

General Instructions

- (i) This question paper contains **34 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 16 and 27 to 30 carry 1 mark each.
- (v) Questions 17 to 20, 31 and 32 carry 3 marks each.
- (vi) Questions 21, 22 and 33 carry 4 marks each.
- (vii) Questions 23 to 26 and 34 carry 6 marks each.
- (viii) Attempt one alternative where an internal choice is provided. Write all parts of an answer at one place.

1(i). If a share of Rs. 100 on which Rs. 70 has been paid is forfeited, then at which minimum price can it be re-issued?

- (A) Rs. 100 (B) Rs. 30
(C) Rs. 70 (D) Rs. 130

OR

1(ii). If a share of Rs. 10 issued at a premium of Rs. 2 per share, on which Rs. 8 (including premium) has been called and Rs. 6 (including premium) has been paid by the shareholder, is forfeited, then Share Capital Account will be debited with:

- (A) Rs. 10 (B) Rs. 4
(C) Rs. 8 (D) Rs. 6

2. Which of the following items cannot be recorded in the capital account of partners if the capital accounts of partners are fixed?

- (A) Drawings (B) Withdrawal of capital
(C) Introduction of additional capital (D) Opening balance of capital

3. Ashu and Basu are partners sharing profits and losses in the ratio of 2:1. Chetan is admitted as a new partner with $\frac{1}{4}$ share in the profits which he acquires equally from Ashu and Basu. The new profit sharing ratio between Ashu, Basu and Chetan will be:

- (A) 13:5:6 (B) 13:2:1
(C) 2:13:5 (D) 1:1:1

4(i). On 1st January, 2023, Abhishek, a partner, advanced a loan of Rs. 3,00,000 to the firm. In the absence of a partnership agreement, the amount of interest on the loan for the year ending 31st March, 2023 will be:

- (A) Rs. 18,000 (B) Rs. 4,500
(C) Rs. 9,000 (D) No interest will be provided

OR

4(ii). If a partner withdraws a fixed amount at the end of each quarter, interest on drawings will be charged for _____ months.

- (A) 9 (B) 7.5
(C) 6 (D) 4.5

5(i). Bhim, Arjun and Nakul were partners in a firm sharing profits and losses in the ratio of 4:3:3. With effect from 1st April, 2023, they agreed to share profits equally. Due to change in the profit sharing ratio, Arjun's gain or sacrifice will be:

- (A) Sacrifice $\frac{1}{30}$ (B) Gain $\frac{1}{30}$
(C) Sacrifice $\frac{1}{15}$ (D) Gain $\frac{1}{15}$

OR

5(ii). Neeru and Meetu are partners in a firm with capitals of Rs. 2,00,000 and Rs. 1,50,000 respectively. If the firm earned a profit of Rs. 17,500 for the year ended 31st March, 2023, then interest on capital @ 10% p.a. would be:

- (A) Neeru Rs. 15,000; Meetu Rs. 20,000 (B) Neeru Rs. 8,750; Meetu Rs. 8,750
(C) Neeru Rs. 20,000; Meetu Rs. 15,000 (D) Neeru Rs. 10,000; Meetu Rs. 7,500

6. At the time of dissolution of a firm, the total assets were Rs. 6,00,000 and outside liabilities were Rs. 2,40,000. If assets realised Rs. 7,20,000 and realisation expenses of Rs. 8,000 were paid, the profit or loss on realisation will be:

- (A) Loss Rs. 1,20,000 (B) Profit Rs. 1,20,000
(C) Loss Rs. 1,12,000 (D) Profit Rs. 1,12,000

7. On 1st April, 2022, Mega Ltd. issued 30,000, 10% Debentures of Rs. 100 each at a discount of 10%. The total amount of interest due on debentures for the year ending 31st March, 2023 will be:

- (A) Rs. 2,70,000 (B) Rs. 3,00,000
(C) Rs. 27,000 (D) Rs. 30,000

8(i). Kishore and Bimal are partners in a firm sharing profits and losses in the ratio of 4:3. Nand is admitted as a new partner in the firm for $\frac{1}{7}$ th share in the profits. Kishore and Bimal decide to share profits and losses equally in the future. The sacrificing ratio of Kishore and Bimal will be:

- | | |
|----------|----------|
| (A) 1:1 | (B) 4:3 |
| (C) 11:3 | (D) 3:11 |

OR

8(ii). Raju, Sohan and Tina are partners in a firm sharing profits and losses in the ratio of 2:2:1. Tina is guaranteed a minimum amount of Rs. 40,000 as share of profit every year. Any deficiency arising on that account shall be borne by Raju. If profit of the firm for the year ended 31st March, 2023 is Rs. 1,60,000, Raju will bear a deficiency of:

- | | |
|----------------|----------------|
| (A) Rs. 8,000 | (B) Rs. 40,000 |
| (C) Rs. 48,000 | (D) Rs. 4,000 |

9. Assertion (A): The court does not intervene when dissolution of partnership takes place.

Reason (R): Dissolution of partnership takes place by mutual agreement between the partners.

- | | |
|---|--|
| (A) Both A and R are correct and R is the correct explanation of A. | (B) Both A and R are correct, but R is not the correct explanation of A. |
| (C) A is incorrect, but R is correct. | (D) A is correct, but R is incorrect. |

10. Maharaja Ltd. took over assets of Rs. 15,00,000 and liabilities of Rs. 2,00,000 of Dolphin Ltd. for an agreed purchase consideration of Rs. 12,60,000. It was agreed that the purchase consideration will be paid by issuing 11% Debentures of Rs. 100 each at 10% discount. The number of debentures issued will be:

- | | |
|------------|------------|
| (A) 13,000 | (B) 12,600 |
| (C) 10,000 | (D) 14,000 |

11. Misha Ltd. issued 6,000, 8% Debentures of Rs. 100 each at Rs. 96 per debenture. 8% Debentures Account will be credited by:

- | | |
|------------------|----------------|
| (A) Rs. 5,76,000 | (B) Rs. 24,000 |
| (C) Rs. 6,00,000 | (D) Rs. 60,000 |

12(i). Nominal/Authorised share capital is:

- | | |
|---|--|
| (A) that part of the share capital which is issued by the company. | (B) the amount of share capital which is actually applied for by the prospective shareholders. |
| (C) the maximum amount of share capital which a company is authorised to issue. | (D) the amount actually paid by the shareholders. |

OR

12(ii). The debentures which do not have a specific charge on the assets of the company are called:

- | | |
|---------------------------------|--------------------------------|
| (A) Redeemable Debentures | (B) Unsecured Debentures |
| (C) Zero Coupon Rate Debentures | (D) Non-Convertible Debentures |

13. Manas and Ranvir are partners in a firm having capital balances of Rs. 1,20,000 and Rs. 80,000 respectively. Sanju is admitted as a new partner in the firm for $\frac{1}{4}$ th share in future profits. Sanju brought Rs. 1,00,000 as his capital. The goodwill of the firm on Sanju's admission will be:

- | | |
|------------------|------------------|
| (A) Rs. 5,00,000 | (B) Rs. 2,00,000 |
| (C) Rs. 3,00,000 | (D) Rs. 1,00,000 |

14. Vivek and Nisha were partners in a firm sharing profits and losses in the ratio of 3:2. On 1st April, 2022, their capitals were Rs. 8,00,000 and Rs. 4,00,000 respectively. On 1st July, 2022, Vivek introduced additional capital of Rs. 2,00,000. During the year, Vivek's drawings were Rs. 40,000 while drawings of Nisha were Rs. 80,000. As per the partnership agreement, interest on capital is allowed @ 6% p.a., interest on drawings will be charged @ 5% p.a. The net profit for the year ended 31st March, 2023 amounted to Rs. 6,50,000. Interest on capital payable to Vivek will be:

- | | |
|----------------|----------------|
| (A) Rs. 48,000 | (B) Rs. 60,000 |
| (C) Rs. 57,000 | (D) Rs. 24,000 |

15. Vivek and Nisha were partners in a firm sharing profits and losses in the ratio of 3:2. Drawings of Nisha were Rs. 80,000 during the year. Interest on drawings is charged @ 5% p.a. The amount of interest on drawings of Nisha would be:

- (A) Rs. 2,000 (B) Rs. 1,000
(C) Rs. 4,000 (D) Rs. 4,800

16. Assertion (A): In a partnership firm, at the time of admission, the new partner brings in an agreed amount of capital either in cash or in kind.

Reason (R): In a partnership firm, at the time of admission, the new partner acquires the right to share the assets and the profits of the partnership firm.

- (A) Both A and R are correct and R is the correct explanation of A. (B) Both A and R are correct, but R is not the correct explanation of A.
(C) A is incorrect, but R is correct. (D) A is correct, but R is incorrect.

17(a). Prateek, Charu and Sirima were partners in a firm sharing profits in the ratio of 3:2:1. Prateek retired from the firm on 31st March, 2023. Charu and Sirima decided that the capital of the new firm will be Rs. 6,30,000. The capital accounts of Charu and Sirima after all adjustments on the date of retirement showed a credit balance of Rs. 4,35,000 and Rs. 1,89,000 respectively. Calculate the amount of actual cash to be brought into the firm or to be paid to the partners. Also pass necessary journal entries.

OR

17(b). Chaman, Burman and Aman were partners in a firm sharing profits and losses in the ratio of 3:2:1. Aman was guaranteed a minimum amount of Rs. 60,000 as his share of profit every year. The net profit for the year ended 31st March, 2023 amounted to Rs. 1,20,000. Pass necessary journal entries in the books of the firm showing the distribution of profit amongst the partners.

18. Anu, Manu, Sonu and Rohan were partners in a firm sharing profits and losses in the ratio of 1:2:1:2. With effect from 1st April, 2023, they decided to share profits and losses in the ratio of 2:4:1:3. Their Balance Sheet showed General Reserve of Rs. 90,000. The goodwill of the firm was valued at Rs. 4,50,000. Pass necessary journal entries for the above on account of change in the profit sharing ratio. Show your working clearly.

19(a). Priti Ltd. purchased assets worth Rs. 5,40,000 and took over liabilities of Rs. 1,20,000 of Payal Ltd. for a purchase consideration of Rs. 5,28,000. Priti Ltd. paid half the amount by cheque and the balance was settled by issuing 10% Debentures of Rs. 100 each at a premium of 10%. Pass necessary journal entries for the above transactions in the books of Priti Ltd.

OR

19(b). Dhatu Ltd. invited applications for issuing 4,000, 11% Debentures of Rs. 100 each at a premium of Rs. 50 per debenture. Full amount was payable on application. Applications were received for 5,000 debentures. Applications for 1,000 debentures were rejected and application money was refunded. Debentures were allotted to the remaining applicants. Pass necessary journal entries for the above transactions in the books of Dhatu Ltd.

20. On 1st April, 2023, a partnership firm had assets of Rs. 2,00,000 including cash of Rs. 6,000 and bank balance of Rs. 14,000. The partners' capital accounts showed a balance of Rs. 1,90,000 and reserves constituted the rest. If the normal rate of return is 10% and the goodwill of the firm is valued at Rs. 60,000 at 4 years purchase of super profits, find the average profits of the firm.

21. Aditi, Renu and Varsha were partners in a firm sharing profits and losses in the ratio of 3:2:5. On 31st March, 2023 their Balance Sheet showed Capitals (Aditi 5,00,000 / Renu 4,00,000 / Varsha 3,00,000 = 12,00,000), General Reserve 1,00,000, Creditors 2,00,000; Assets Buildings 6,00,000, Machinery 3,00,000, Stock 1,00,000, Patents 1,50,000, Debtors 2,50,000, Cash 1,00,000.

Varsha died on 31st July, 2023. The partnership deed provided for the following: (i) Interest on capital @ 6% p.a. (ii) Goodwill at 3 years' purchase of average profits of previous five years which were Rs. 90,000. (iii) Varsha's share of profit till date of death on basis of sales. Sales for year ended 31st March, 2023 were Rs. 60,00,000 and from 1st April, 2023 to 31st July, 2023 were Rs. 15,00,000. Profit for year ended 31st March, 2023 was Rs. 12,00,000. Prepare Varsha's Capital Account.

22. RR Ltd. was registered with an authorised capital of Rs. 8,00,000 divided into 80,000 equity shares of Rs. 10 each. The company offered to the public for subscription 40,000 equity shares. The amount per share was payable as follows: On Application - Rs. 5; On Allotment - Rs. 3; On first and final call - Balance. The issue was fully subscribed and all amounts due were received except the allotment and call money on 2,000 shares allotted to Seema. Present the Share Capital in the Balance Sheet of the company as per Schedule III, Part I of the Companies Act, 2013. Also prepare 'Notes to Accounts' for the same.

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

(i) Kajal Ltd. issued 30,000, 11% Debentures of Rs. 100 each at a discount of 10%, redeemable at a premium of 5%.

(ii) Ninja Ltd. issued 32,000, 8% Debentures of Rs. 100 each at a premium Rs. 20 per debenture, redeemable at a premium of Rs. 10 per debenture.

(iii) Him Ltd. issued 40,000, 13% Debentures of Rs. 100 each at par, redeemable at a premium of 10%.

24. Nandu, Bandu and Chandu were partners in a firm. On 31st March, 2023 they decided to dissolve the firm. Pass necessary journal entries for the following transactions after the various assets (other than cash and bank) and outside liabilities have been transferred to Realisation Account:

(i) Stock of Rs. 1,40,000 was taken by Nandu at a discount of 30%.

(ii) Creditors to whom the firm owed Rs. 40,000 accepted stock at Rs. 4,000 and the balance amount was paid to them by a cheque.

(iii) An old computer which had been written off completely from the books was sold for Rs. 4,000, whereas its estimated market value was Rs. 10,000.

(iv) Chandu had given a loan of Rs. 1,00,000 to the firm, which was paid to him through a cheque.

(v) Rs. 24,000 were recovered from a debtor which was written off as bad debt in the previous year.

(vi) Bandu was appointed to look after the dissolution work for which he was allowed a remuneration of Rs. 26,000. Bandu agreed to bear the dissolution expenses. Actual dissolution expenses of Rs. 36,000 were paid by Bandu.

25(a). Sanju and Manju were partners in a firm sharing profits and losses in the ratio of 3:2. Their Balance Sheet on 31st March, 2023 showed Capitals (Sanju 1,40,000 / Manju 1,20,000), General Reserve 40,000, Creditors 1,80,000; Plant & Machinery 80,000, Furniture 1,32,000, Investments 60,000, Debtors 76,000 (less Provision 4,000 = 72,000), Cash at Bank 1,36,000.

On 1st April, 2023, Uday was admitted into the firm for 1/4 share in profits on the following terms: (i) Furniture was to be depreciated by Rs. 6,000. (ii) Investments were valued at Rs. 72,000. (iii) Plant and Machinery was taken over by Sanju and Manju in their profit sharing ratio. (iv) Uday will bring in proportionate capital and Rs. 10,000 as his share of goodwill premium in cash. Prepare Revaluation Account and Partners' Capital Accounts.

OR

25(b). Ravi, Tanu and Sara were partners in a firm sharing profits and losses in the ratio of 5:3:2. Ravi retired from the firm due to his illness on 31st March, 2023. The Balance Sheet showed Capitals (Ravi 80,000 / Tanu 1,24,000 / Sara 66,000 = 2,70,000), Profit and Loss 1,70,000, Employees Provident Fund 20,000, Creditors 1,00,000; Fixed Assets 1,20,000, Stock 1,60,000, Debtors 2,00,000, Cash in hand 80,000.

Additional Information: (i) Creditors included Rs. 4,000 not likely to be claimed. (ii) 5% provision for doubtful debts to be created. (iii) Goodwill valued at Rs. 1,60,000. (iv) Fixed Assets overvalued by Rs. 5,000. (v) New profit sharing ratio of Tanu and Sara was 2:3. (vi) Amount due to Ravi transferred to his loan account. Prepare Revaluation Account and Partners' Capital Accounts.

26(a). Pass necessary journal entries for forfeiture and reissue of shares in the following cases:

(i) Star Ltd. forfeited 8,000 shares of Rs. 100 each issued at 10% premium for non-payment of allotment money of Rs. 40 per share (including premium) and first call of Rs. 30 per share. The second and final call of Rs. 20 per share was not yet called. Out of these, 6,000 shares were reissued at Rs. 80 paid up for Rs. 70 per share.

(ii) Premier Ltd. forfeited 3,000 shares of Rs. 10 each on which the first call of Rs. 3 per share was not received and the second and final call of Rs. 2 per share was not yet called. Out of these, 2,000 shares were reissued to Gita at Rs. 8 paid up for Rs. 12 per share.

OR

26(b). Zee Ltd. invited applications for issuing 40,000 shares of Rs. 10 each at a premium of Rs. 2 per share. The amount was payable as follows: On Application - Rs. 4 per share; On Allotment - Rs. 5 per share (including premium); On First call - Rs. 2 per share; On Second and Final call - Balance. Applications were received for 60,000 shares. Applications for 12,000 shares were rejected and money returned to the applicants. The shares were allotted on pro-rata basis to the applicants of 48,000 shares. The excess money received on application was adjusted towards sums due on allotment. All shareholders paid the allotment money except one shareholder who had applied for 1,200 shares. His shares were forfeited immediately after allotment. First call was made thereafter and all the money due was received. The second and final call was not yet made. Pass necessary journal entries.

27(i). Which of the following is not an objective of 'Analysis of Financial Statements'?

- | | |
|---|---|
| (A) To assess the current profitability and operational efficiency of the firm. | (B) To ascertain the relative importance of different components of the financial position of the firm. |
| (C) To consider the impact of price level changes. | (D) To identify the reasons for change in the profitability/financial position of the firm. |

OR

27(ii). _____ is also known as Acid-Test Ratio.

- | | |
|------------------------|---------------------|
| (A) Current Ratio | (B) Quick Ratio |
| (C) Gross profit Ratio | (D) Operating Ratio |

28. Current Ratio of Super Ltd. is 2:1. Which of the following transactions will result in decrease in this ratio?

- | | |
|---|---|
| (A) Payment of Rs. 40,000 to creditors | (B) Sale of furniture (book value Rs. 38,000) for Rs. 16,000 only |
| (C) Repayment of long term loan of Rs. 7,00,000 | (D) Cash collected from debtors Rs. 1,18,000 |

29(i). Statement I: Issue of Debentures will result in inflow of cash. Statement II: Issue of Debentures to the vendors for purchase of machinery will result in outflow of cash. Choose the correct option:

- | | |
|---|---|
| (A) Both statements are correct. | (B) Both statements are incorrect. |
| (C) Statement I is correct and Statement II is incorrect. | (D) Statement I is incorrect and Statement II is correct. |

OR

29(ii). What will be effect of 'Purchase of Marketable Securities for Cash' on Cash Flow Statement?

- | | |
|---------------------------------------|---------------------------------------|
| (A) No effect | (B) Inflow from financing activities |
| (C) Outflow from investing activities | (D) Outflow from financing activities |

30. 'Paid Rs. 5,00,000 to acquire shares in Neligare Industries and received a dividend of Rs. 30,000 after acquisition.' This transaction will result in:

- | | |
|---|---|
| (A) Cash outflow from financing activities Rs. 4,70,000 | (B) Cash inflow from investing activities Rs. 4,70,000 |
| (C) Cash inflow from financing activities Rs. 4,70,000 | (D) Cash outflow from investing activities Rs. 4,70,000 |

31. Classify the following items under major heads and sub-heads (if any) in the Balance Sheet of a company as per Schedule III, Part I of the Companies Act, 2013:

- (i) Calls in advance
- (ii) Mining rights
- (iii) Loose tools

32. Calculate 'Quick Ratio' and 'Debt-Equity Ratio' from the following information:

Total Debt Rs. 8,00,000; Inventory Rs. 2,20,000; Long Term Debts Rs. 6,00,000; Working Capital Rs. 2,40,000; Shareholders' Funds Rs. 12,00,000.

33(a). From the following information, prepare Comparative Statement of Profit and Loss for the year ended 31st March, 2023:

Particulars	2022-23	2021-22
Revenue from operations	4,00,000	2,00,000
Other income	80,000	40,000
Employee benefit expenses	50% of Revenue	50% of Revenue
Tax rate	50%	

OR

33(b). Prepare a 'Common Size Statement of Profit and Loss' of Neurosci Ltd. for the year ended 31st March, 2023 from the following information:

Particulars	2022-23	2021-22
Revenue from operations	40,00,000	20,00,000
Purchase of stock in trade	4,00,000	2,00,000
Other expenses	40,000	20,000
Tax rate	50%	

34. From the following Balance Sheet of Nishant Ltd. as at 31st March, 2023, calculate 'Cash Flows From Operating Activities'.

I. Equity and Liabilities: Share Capital 6,00,000 / 5,50,000; Reserves and Surplus 1,50,000 / 1,00,000; Long-term Borrowings (10% Debentures) 1,20,000 / 85,000; Trade Payables 89,500 / 1,02,000; Short-term Provisions (Provision for Tax) 25,000 / 38,500. Total 9,84,500 / 8,75,500.

II. Assets: Tangible Assets (Machinery less Accumulated Depreciation) 5,35,000 / 4,25,000; Intangible Assets (Goodwill) 20,000 / 56,000; Current Investments 1,20,000 / 75,000; Inventories 64,500 / 60,500; Trade Receivables 85,000 / 71,500; Cash and Cash Equivalents 1,60,000 / 1,87,500.

Additional Information: (i) A piece of machinery costing Rs. 12,000 on which accumulated depreciation was Rs. 8,000 was sold for Rs. 3,000. (ii) Interest paid on 10% Debentures amounted to Rs. 8,500.

27. 'Data, people, _____, _____ and software are five pillars of a Computerised Accounting System (CAS)'. Which of the pillars of CAS are missing from the statement?

- | | |
|-----------------------------|------------------------------|
| (A) Procedures and Hardware | (B) Printer and CPU |
| (C) Mouse and Desktop | (D) Information and Accounts |

28(i). 'Sales and Accounts Receivable Sub-system' of Accounting Information System deals with which of the following?

- | | |
|--|--|
| (A) Receipt and payment of cash sub-system | (B) Recording and maintaining the sales ledger and receivables |
| (C) Ascertaining cost of goods produced | (D) Purchase and payment to creditors |

OR

28(ii). A Null value is a special value which represents:

- | | |
|----------------------------|---------------------------|
| (A) Single value data item | (B) Item with many values |
| (C) Absence of data items | (D) Stored value |

29. The process of comparing input data with some unknown data is called:

- | | |
|---------------------|-----------------|
| (A) Data storage | (B) Data entry |
| (C) Data validation | (D) Data filter |

30(i). From the following, identify a 'Data label' as a chart element:

- | | |
|--|--|
| (A) Details and positions a legend on the chart. | (B) Indicates the individual value plotted on the chart. |
| (C) Details the data value and categories below the chart. | (D) Is a descriptive text for the chart. |

OR

30(ii). How many logical values can be entered into a logical function?

- | | |
|---------|---------|
| (A) 525 | (B) 552 |
| (C) 255 | (D) 15 |

31. Explain the advantages of using a chart.

32. Explain 'Sequential Codes' and 'Block Codes' with the help of an example.

33(a). What is meant by Accounting Cycle? List its basic phases.

OR

33(b). What is 'data formatting'? What tools are used to format a given data?

34. Write the steps to create 'If' function using formula tab and dialogue box on a given spreadsheet where the total income less expenses if greater than Rs. 10,000 then 10% savings and if income is less than Rs. 10,000 then 5% savings. Also write the syntax of the result.

- End of Question Paper -