Accountancy (055)

CBSE Class 12 Board Examination 2027 – Practice Paper No. 1

Practice Question Paper

Time: 3 hours **Max. Marks: 80**

(1) This question paper contains 34 questions. All questions are compulsory.
(2) This question paper is divided into two parts, Part A and Part B.
(3) Part A is compulsory for all candidates.
(4) Part B has two options: Option I – Analysis of Financial Statements and Option II – Computerised Accounting. Attempt only one of the two options.
(5) Questions 1 to 16 and 27 to 30 carry 1 mark each.
(6) Questions 17 to 20, 31 and 32 carry 3 marks each.
(7) Questions 21, 22 and 33 carry 4 marks each.
(8) Questions 23 to 26 and 34 carry 6 marks each.
(9) There is no overall choice. However, an internal choice has been provided in 2 questions of three marks, 2 questions of four marks and 2 questions of six marks.

PART A – Q.1 to 16 Accounting for Partnership Firms and Companies. Questions 1 to 16 are multiple choice questions of 1 mark each. Choose the correct option. **[16]**

1. Pranav and Qadir are partners sharing profits and losses in the ratio of 3 : 2. Their capitals on 1st April, 2025 were ₹4,00,000 and ₹2,00,000 respectively. The partnership deed provides for interest on capital @ 10% p.a. The firm earned a profit of ₹45,000 for the year ended 31st March, 2026, before allowing interest on capital. The amount of interest on capital allowed to Pranav and Qadir will be:

(A) Pranav ₹30,000 and Qadir ₹15,000
(B) Pranav ₹40,000 and Qadir ₹20,000
(C) Pranav ₹22,500 and Qadir ₹22,500
(D) Pranav ₹27,000 and Qadir ₹18,000

2. Sakshi, a partner, withdrew ₹6,000 at the beginning of every quarter during the year ended 31st March, 2026. Interest on drawings is charged @ 8% p.a. The interest on her drawings will be:

(A) ₹720
(B) ₹960
(C) ₹1,200
(D) ₹1,440

3. **Assertion (A):** The amount of premium for goodwill brought in cash by a new partner is credited to the capital accounts of the old partners in their sacrificing ratio.
Reason (R): The old partners give up a part of their share of profit in favour of the new partner.

(A) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).
(B) Both Assertion (A) and Reason (R) are true but Reason (R) is not the correct explanation of Assertion (A).
(C) Assertion (A) is false but Reason (R) is true.
(D) Assertion (A) is true but Reason (R) is false.

4. Ishita and Jatin share profits in the ratio of 5 : 3. They admit Kabir for 1/4th share in future profits. Kabir acquires 1/6th share from Ishita and 1/12th share from Jatin. The new profit sharing ratio of Ishita, Jatin and Kabir will be:

(A) 5 : 3 : 2
(B) 11 : 7 : 6
(C) 15 : 9 : 8
(D) 13 : 5 : 6

5. Ritu and Sohan are partners. Their combined capitals, after all adjustments for revaluation and reserves, are ₹3,80,000. Tanvi is admitted for 1/4th share in profits and brings ₹1,50,000 as her capital. She does not bring any amount for goodwill. The value of the hidden goodwill of the firm is:

(A) ₹2,20,000 (B) ₹1,50,000

(C) ₹70,000 (D) ₹30,000

6. On the admission of a new partner, the following adjustments were agreed: Plant (book value ₹2,40,000) is to be depreciated by 10%; a computer worth ₹18,000, not recorded in the books, is to be brought into the books; and outstanding salary of ₹5,000 is to be recorded. The result of revaluation will be:

(A) Loss ₹11,000 (B) Gain ₹11,000

(C) Loss ₹47,000 (D) Gain ₹13,000

7. Prakash, Qasim and Rekha share profits in the ratio of 3 : 2 : 1. Qasim retires and his share is taken over equally by Prakash and Rekha. The new profit sharing ratio of Prakash and Rekha will be:

(A) 3 : 1 (B) 1 : 1

(C) 2 : 1 (D) 5 : 3

8. Devika, a partner with 2/5th share in profits, died on 31st July, 2026. The firm closes its books on 31st March every year. Her share of profit from 1st April, 2026 to the date of her death is to be calculated on the basis of the previous year's profit, which was ₹3,60,000. Her share of profit and the account to be debited for it will be:

(A) ₹48,000; Profit and Loss Suspense A/c (B) ₹48,000; Devika's Capital A/c

(C) ₹72,000; Profit and Loss Suspense A/c (D) ₹1,44,000; Profit and Loss Appropriation A/c

9. On dissolution of a firm, an old computer which was not recorded in the books was taken over by Xavier, a partner, at ₹12,000. The journal entry for this will be:

(A) Realisation A/c Dr. ₹12,000 To Xavier's Capital A/c ₹12,000 (B) Xavier's Capital A/c Dr. ₹12,000 To Realisation A/c ₹12,000

(C) Computer A/c Dr. ₹12,000 To Realisation A/c ₹12,000 (D) Bank A/c Dr. ₹12,000 To Realisation A/c ₹12,000

10. On dissolution of a partnership firm, a loan of ₹50,000 given to the firm by Raj, a partner, will be paid:

(A) before paying the outside creditors of the firm (B) after paying the outside liabilities but before paying the partners' capitals

(C) after paying the partners' capitals (D) along with the partners' capitals in the profit sharing ratio

11. Malwa Foods Ltd. issued equity shares of ₹10 each at a premium of ₹2 per share, payable ₹3 on application, ₹5 on allotment (including premium) and ₹4 on first and final call. Shalini, who held 800 shares, paid only the application money. Her shares were forfeited after the first and final call. On forfeiture, the amount debited to Securities Premium Reserve A/c will be:

(A) Nil (B) ₹800

(C) ₹1,600 (D) ₹2,400

12. Nilgiri Tea Ltd. forfeited 600 equity shares of ₹10 each, fully called up, on which ₹4 per share had been received. Out of these, 400 shares were reissued at ₹8 per share as fully paid up. The amount transferred to Capital Reserve will be:

(A) ₹800 (B) ₹1,600

(C) ₹2,400 (D) ₹1,000

13. Satpura Cements Ltd. issued 2,000, 9% Debentures of ₹100 each at a discount of 5%, redeemable at a premium of 10%. The amount debited to Loss on Issue of Debentures A/c will be:

(A) ₹10,000 (B) ₹20,000

(C) ₹30,000 (D) ₹2,30,000

14. As per Section 52 of the Companies Act, 2013, the Securities Premium Reserve **cannot** be used for:

(A) writing off the preliminary expenses of the company (B) issuing fully paid bonus shares to the members

(C) paying dividend to the shareholders (D) writing off the discount on issue of debentures

15. **Assertion (A):** Debenture holders are the creditors of the company.
Reason (R): Interest on debentures is payable only when the company earns a profit.

(A) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A). (B) Both Assertion (A) and Reason (R) are true but Reason (R) is not the correct explanation of Assertion (A).

(C) Assertion (A) is false but Reason (R) is true. (D) Assertion (A) is true but Reason (R) is false.

16. Aditi and Bhuvan are partners sharing profits in the ratio of 1 : 2 with capitals of ₹2,00,000 and ₹1,00,000 respectively (fluctuating). After the accounts for the year were closed, it was found that interest on capital @ 5% p.a. was omitted. The adjusting entry will be:

(A) Aditi's Capital A/c Dr. ₹5,000 To Bhuvan's Capital A/c ₹5,000 (B) Bhuvan's Capital A/c Dr. ₹5,000 To Aditi's Capital A/c ₹5,000

(C) Bhuvan's Capital A/c Dr. ₹10,000 To Aditi's Capital A/c ₹10,000 (D) Profit and Loss Adjustment A/c Dr. ₹15,000 To Aditi's and Bhuvan's Capital A/cs ₹15,000

Q.17 to 20 Questions 17 to 20 carry 3 marks each. **[12]**

17. **(A)** Ankit, Bela and Chirag decided to dissolve their firm on 31st March, 2026. After transferring the assets (other than cash and bank) and outside liabilities to the Realisation Account, pass the necessary journal entries for the following:
(I) Trade creditors of ₹45,000 were paid at a discount of 5%.
(II) Ankit took over the investments (book value ₹40,000) at ₹36,000.
(III) Bela agreed to complete the dissolution work for a remuneration of ₹10,000 and to bear all realisation expenses. Actual realisation expenses of ₹8,000 were paid by her.

OR

(B) Priya, Qureshi and Rohan were partners sharing profits in the ratio of 2 : 2 : 1. Their firm was dissolved on 31st March, 2026. Pass the necessary journal entries for the following:
(I) An old computer, not recorded in the books, was sold for ₹9,000.
(II) A liability of ₹15,000 for damages, not recorded in the books, was settled by paying ₹12,000.
(III) The loss on realisation of ₹27,000 was distributed among the partners.

18. Varun is a partner in a firm. His drawings during the year ended 31st March, 2026 were as follows:

Date	Amount (₹)
1st June, 2025	20,000
30th September, 2025	12,000
1st December, 2025	16,000
28th February, 2026	8,000

Calculate interest on Varun's drawings @ 9% p.a. using the product method.

19. Sahyadri Agro Ltd. purchased machinery worth ₹4,50,000 from Konkan Tools Ltd. It paid ₹90,000 by cheque and the balance by issuing 9% Debentures of ₹100 each at a premium of 20%.
(I) Calculate the number of debentures issued to Konkan Tools Ltd.
(II) Pass the necessary journal entries in the books of Sahyadri Agro Ltd.

20. The capital employed in the business of Ojas Electricals is ₹8,00,000 and the normal rate of return in this line of business is 12%. The profits of the firm for the last three years were:

Year ended	Profit (₹)
31st March, 2024	1,30,000
31st March, 2025	1,52,000
31st March, 2026	1,47,000

Additional information:
(i) The profit for 2024-25 includes a gain of ₹12,000 from sale of an old delivery van (an abnormal gain).
(ii) The profit for 2025-26 was arrived at after charging an abnormal loss of ₹9,000 caused by a flood.
Calculate the value of goodwill of the firm at three years' purchase of super profits.

Q.21 and 22 Questions 21 and 22 carry 4 marks each. **[8]**

21. Vidarbha Textiles Ltd. was registered with an authorised capital of ₹30,00,000 divided into 3,00,000 equity shares of ₹10 each. It issued 1,20,000 equity shares as follows:
(i) 20,000 equity shares were issued as fully paid up to Shree Builders as purchase consideration for a building.
(ii) 1,00,000 equity shares were offered to the public, payable ₹3 on application, ₹3 on allotment and ₹4 on first and final call. All the shares were subscribed and the amounts were duly received, except the first and final call on 2,500 shares.
Show the share capital in the Balance Sheet of the company as at 31st March, 2026 and prepare the Notes to Accounts.

22. **(A)** Kavya, Ishaan and Rohan are partners sharing profits and losses in the ratio of 3 : 2 : 1. Their fixed capitals are ₹3,00,000, ₹2,00,000 and ₹1,00,000 respectively. The partnership deed provides:
(i) Interest on capital @ 6% p.a.
(ii) Salary to Rohan @ ₹3,000 per month.
(iii) Commission to Ishaan @ 5% of the net profit after charging interest on capital, salary and such commission.
(iv) 10% of the profit remaining after the above is to be transferred to General Reserve.
The net profit of the firm for the year ended 31st March, 2026 before the above items was ₹1,98,000. Prepare the Profit and Loss Appropriation Account.

OR

(B) Neel, Om and Pari were partners sharing profits in the ratio of 2 : 2 : 1. Pari died on 12th August, 2026. The partnership deed provides that:
(i) Her share of profit till the date of death will be calculated on the basis of sales. Sales for the year ended 31st March, 2026 were ₹15,00,000 and the profit for that year was ₹1,80,000. Sales from 1st April, 2026 to 12th August, 2026 were ₹6,00,000.
(ii) Her share of goodwill will be based on the goodwill of the firm, valued at ₹2,40,000.
Calculate Pari's share of profit and of goodwill, and pass the necessary journal entries.

Q.23 to 26 Questions 23 to 26 carry 6 marks each. **[24]**

23. (I) On 1st October, 2025, Vasant Industries Ltd. issued 5,000, 10% Debentures of ₹100 each at a discount of 4%, redeemable at a premium of 6% after five years. The whole amount was payable on application. All the debentures were subscribed and allotted, and the money was duly received. Interest on debentures is payable half-yearly on 31st March and 30th September. The company had a balance of ₹35,000 in its Securities Premium Reserve Account.
Pass the necessary journal entries for the issue of debentures, for debenture interest for the year ended 31st March, 2026, and for writing off the loss on issue of debentures in the same year.
(II) Pass the journal entry for allotment of debentures in each of the following cases:
(a) Ganga Motors Ltd. issued 1,500, 11% Debentures of ₹500 each at par, redeemable at a premium of 10%.
(b) Yamuna Papers Ltd. issued 2,000, 8% Debentures of ₹100 each at a premium of 5%, redeemable at par.

24. Ananya and Bhavesh are partners in a firm sharing profits and losses in the ratio of 3 : 2. Their Balance Sheet as at 31st March, 2026 was as follows:

Balance Sheet of Ananya and Bhavesh as at 31st March, 2026

Liabilities	₹	Assets	₹
Creditors	72,000	Bank	58,000
Workmen Compensation Reserve	30,000	Debtors 1,10,000 Less: Provision for Doubtful Debts 4,000	1,06,000
General Reserve	50,000	Stock	1,48,000
Capital Accounts:		Plant	2,40,000
Ananya	3,20,000	Building	1,60,000
Bhavesh	2,40,000		
Total	**7,12,000**	Total	**7,12,000**

On 1st April, 2026 they admitted Chitra as a new partner for 1/4th share in future profits, which she acquired equally from Ananya and Bhavesh. It was agreed that:

1. Goodwill of the firm is valued at ₹1,60,000. Chitra will bring her share of goodwill (premium) in cash, besides her capital of ₹2,00,000.
2. Stock is revalued at ₹1,60,000 and Building is appreciated by 20%.
3. Plant is to be depreciated by 10%.
4. Provision for doubtful debts is to be maintained at 5% on debtors.
5. A claim of ₹18,000 on account of workmen compensation is admitted.

On the basis of the above information, answer the following questions:

I. The new profit sharing ratio of Ananya, Bhavesh and Chitra will be:

(A) 9 : 6 : 5 (B) 19 : 11 : 10

(C) 3 : 2 : 1 (D) 11 : 19 : 10

II. The amount of premium for goodwill brought in by Chitra will be:

(A) ₹1,60,000 (B) ₹32,000

(C) ₹40,000 (D) ₹20,000

III. The premium for goodwill will be credited to:

(A) Ananya ₹24,000 and Bhavesh ₹16,000 (B) Ananya ₹20,000 and Bhavesh ₹20,000

(C) Ananya, Bhavesh and Chitra in the new ratio (D) Ananya ₹19,000 and Bhavesh ₹11,000

IV. The net gain on revaluation will be:

(A) ₹30,500 (B) ₹6,500

(C) ₹42,500 (D) ₹18,500

V. The excess of Workmen Compensation Reserve over the claim (₹12,000) will be:

(A) credited to Revaluation Account (B) credited to the capital accounts of Ananya and Bhavesh in 3 : 2

(C) credited to the capital accounts of all three partners in the new ratio (D) debited to Revaluation Account

VI. The balance of Ananya's Capital Account after all the above adjustments will be:

(A) ₹3,68,300 (B) ₹3,81,100

(C) ₹3,88,300 (D) ₹3,96,300

25. **(A)** Divya, Esha and Farhan were partners sharing profits and losses in the ratio of 5 : 3 : 2. Their Balance Sheet as at 31st March, 2026 was as follows:

Balance Sheet of Divya, Esha and Farhan as at 31st March, 2026

Liabilities	₹	Assets	₹
Creditors	85,000	Bank	70,000
Bills Payable	25,000	Debtors	1,20,000
General Reserve	60,000	Stock	1,30,000
Capital Accounts:		Furniture	60,000
Divya	3,00,000	Machinery	2,40,000
Esha	2,00,000	Land and Building	2,00,000
Farhan	1,50,000		
Total	**8,20,000**	Total	**8,20,000**

Esha retired on 31st March, 2026 on the following terms:

(i) Goodwill of the firm was valued at ₹2,00,000. Divya and Farhan will share future profits in the ratio of 3 : 2.

(ii) Land and Building was appreciated by 15% and Machinery was depreciated by 10%.

(iii) A provision for doubtful debts @ 5% was to be created on debtors.

(iv) Stock was to be reduced to ₹1,22,000.

(v) An investment of ₹15,000, not recorded in the books, was taken over by Esha.

(vi) Esha was to be paid ₹50,000 by cheque and the balance was to be transferred to her loan account.

Prepare the Revaluation Account, Partners' Capital Accounts and the Balance Sheet of the reconstituted firm.

OR

(B) Gauri, Harsh and Isha were partners sharing profits and losses in the ratio of 2 : 2 : 1. Their Balance Sheet as at 31st March, 2026 was as follows:

Balance Sheet of Gauri, Harsh and Isha as at 31st March, 2026

Liabilities	₹	Assets	₹
Creditors	60,000	Bank	35,000
Bills Payable	20,000	Debtors 75,000 Less: Provision for Doubtful Debts 5,000	70,000
Harsh's Loan	30,000	Stock	80,000
General Reserve	25,000	Investments	40,000
Capital Accounts:		Furniture	30,000
Gauri	1,20,000	Machinery	1,40,000
Harsh	90,000		
Isha	50,000		
Total	**3,95,000**	Total	**3,95,000**

The firm was dissolved on that date. Assets were realised and liabilities were paid as follows:

(i) Gauri took over the investments at ₹36,000 and Isha took over the furniture at ₹22,000.

(ii) Debtors realised ₹68,000; stock realised 90% of its book value and machinery was sold for ₹1,25,000.

(iii) Creditors were paid ₹58,000 in full settlement and bills payable were paid in full.

(iv) An old computer, not recorded in the books, was sold for ₹6,000.

(v) Realisation expenses of ₹4,000 were paid by Harsh on behalf of the firm.

(vi) Harsh's loan was paid off.

Prepare the Realisation Account, Partners' Capital Accounts and Bank Account.

26. **(A)** Deccan Spices Ltd. invited applications for 60,000 equity shares of ₹10 each at a premium of ₹2 per share, payable as follows:
₹5 on application (including premium ₹2); ₹4 on allotment; ₹3 on first and final call.
Applications were received for 96,000 shares. Applications for 6,000 shares were rejected and the money refunded. Shares were allotted to the remaining applicants on a pro-rata basis, and the excess application money was adjusted towards allotment.
Meera, who had applied for 2,700 shares, failed to pay the allotment money and the first and final call. Her shares were forfeited after the call. Later, 1,200 of the forfeited shares were reissued at ₹8 per share as fully paid up.
Pass the necessary journal entries in the books of Deccan Spices Ltd.

OR

(B) Malvan Fisheries Ltd. offered 50,000 equity shares of ₹10 each at par to the public, payable as: ₹2 on application, ₹3 on allotment, ₹2 on first call and ₹3 on second and final call.
Applications were received for 48,000 shares, and all of them were allotted. All money was duly received except that:
(i) A shareholder holding 1,000 shares paid both the calls along with the allotment money.
(ii) Another shareholder holding 600 shares failed to pay the first and the second calls. His shares were forfeited after the second and final call, and all of them were reissued at ₹8 per share as fully paid up.
Pass the necessary journal entries in the books of Malvan Fisheries Ltd. (Calls-in-Arrears Account is not maintained.)

PART B – OPTION I Analysis of Financial Statements. Questions 27 to 30 carry 1 mark each, 31 and 32 carry 3 marks each, 33 carries 4 marks and 34 carries 6 marks. **[20]**

27. From the following information, the cash flow from operating activities will be:
Profit before tax ₹1,50,000 (no income tax was paid during the year); Depreciation ₹20,000; Increase in trade receivables ₹30,000; Decrease in inventories ₹10,000; Increase in trade payables ₹12,000.

(A) ₹1,62,000 (B) ₹1,38,000
(C) ₹1,86,000 (D) ₹1,42,000

28. **Assertion (A):** When the current ratio of a company is 2 : 1, payment of ₹50,000 to trade payables will increase the current ratio.
Reason (R): When the current ratio is more than 1 : 1, an equal decrease in current assets and current liabilities increases the ratio.

(A) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).
(B) Both Assertion (A) and Reason (R) are true but Reason (R) is not the correct explanation of Assertion (A).
(C) Assertion (A) is false but Reason (R) is true.
(D) Assertion (A) is true but Reason (R) is false.

29. Bharat Finance Ltd. is a financial enterprise whose main business is investing in shares. Dividend of ₹4,00,000 received by it on its investments will be shown in its Cash Flow Statement as:

(A) Cash inflow from operating activities (B) Cash inflow from investing activities
(C) Cash inflow from financing activities (D) A non-cash item, not shown

30. Credit revenue from operations of a company is ₹9,00,000. Trade receivables at the beginning and at the end of the year are ₹1,40,000 and ₹1,60,000 respectively. The Trade Receivables Turnover Ratio is:

(A) 5.63 times (B) 6 times
(C) 6.43 times (D) 3 times

31. **(A)** From the following information, prepare a Comparative Balance Sheet of Jalgaon Pipes Ltd.:

Particulars	31-03-2026 (₹)	31-03-2025 (₹)
I. Equity and Liabilities		
Share Capital	12,00,000	10,00,000
Reserves and Surplus	1,50,000	2,00,000
Long-term Borrowings	5,00,000	4,00,000
Current Liabilities	2,50,000	2,00,000
Total	**21,00,000**	**18,00,000**
II. Assets		
Property, Plant and Equipment and Intangible Assets	15,00,000	12,00,000
Current Assets	6,00,000	6,00,000
Total	**21,00,000**	**18,00,000**

OR

(B) From the following information for the year ended 31st March, 2026, prepare a Common Size Statement of Profit and Loss of Ratnagiri Canning Ltd.:
Revenue from operations ₹8,00,000; Other income ₹40,000; Cost of materials consumed ₹4,40,000; Employee benefits expenses ₹80,000; Other expenses ₹1,20,000; Tax rate 30%.

32. Under which major heads and sub-heads will the following items be shown in the Balance Sheet of a company as per Schedule III of the Companies Act, 2013?
(I) Loose tools
(II) Mining rights
(III) Unpaid dividend

33. **(A)** From the following information of Nashik Agro Products Ltd., calculate (I) Inventory Turnover Ratio and (II) Trade Payables Turnover Ratio:
Revenue from operations ₹12,00,000; Gross profit 25% on revenue from operations; Inventory at the beginning ₹1,40,000 and at the end ₹1,60,000; Credit purchases are 80% of total purchases; Trade payables at the beginning ₹85,000 and at the end ₹99,000. (There were no direct expenses.)

OR

(B) The current ratio of Aurangabad Auto Parts Ltd. is 1.5 : 1 (current assets ₹3,00,000; current liabilities ₹2,00,000). State, with reasons, whether each of the following transactions will increase, decrease or not change the current ratio:
(I) Purchased goods on credit for ₹40,000.
(II) Purchased furniture for ₹50,000 by cheque.
(III) Sold a machine of book value ₹60,000 for ₹70,000 in cash.
(IV) Collected ₹30,000 from trade receivables.

34. From the following Balance Sheet of Sangli Engineering Ltd. as at 31st March, 2026 and the additional information, prepare a Cash Flow Statement:

Balance Sheet of Sangli Engineering Ltd. as at 31st March, 2026

Particulars	Note No.	31-03-2026 (₹)	31-03-2025 (₹)
I. EQUITY AND LIABILITIES			
1. Shareholders' Funds			
(a) Share Capital		10,00,000	8,00,000
(b) Reserves and Surplus	1	2,90,000	1,70,000
2. Non-current Liabilities			
Long-term Borrowings	2	3,00,000	2,00,000
3. Current Liabilities			
(a) Trade Payables		1,10,000	90,000
(b) Short-term Provisions	3	50,000	40,000
Total		**17,50,000**	**13,00,000**
II. ASSETS			
1. Non-current Assets			
(a) Property, Plant and Equipment and Intangible Assets			
(i) Property, Plant and Equipment	4	9,30,000	7,20,000
(ii) Intangible Assets (Goodwill)		40,000	60,000
(b) Non-current Investments		60,000	1,00,000
2. Current Assets			
(a) Inventories		1,80,000	1,50,000
(b) Trade Receivables		1,25,000	1,40,000
(c) Cash and Cash Equivalents		4,15,000	1,30,000
Total		**17,50,000**	**13,00,000**

Notes to Accounts

Note No.	Particulars	31-03-2026 (₹)	31-03-2025 (₹)
1	**Reserves and Surplus**		
	General Reserve	80,000	50,000
	Surplus, i.e. Balance in Statement of Profit and Loss	2,10,000	1,20,000
	Total	**2,90,000**	**1,70,000**
2	**Long-term Borrowings**		
	9% Debentures	3,00,000	2,00,000
3	**Short-term Provisions**		
	Provision for Tax	50,000	40,000
4	**Property, Plant and Equipment**		
	Machinery	11,50,000	9,00,000
	Less: Accumulated Depreciation	(2,20,000)	(1,80,000)
	Total	**9,30,000**	**7,20,000**

Additional information:

(i) During the year, a machine costing ₹1,00,000 (accumulated depreciation ₹40,000) was sold for ₹52,000.

(ii) Additional 9% Debentures of ₹1,00,000 were issued on 1st April, 2025. Interest on debentures for the year was paid.

(iii) Non-current investments costing ₹40,000 were sold at a profit of ₹6,000.

(iv) An interim dividend of ₹40,000 was paid during the year.

(v) Provision for tax made during the year was ₹50,000.

PART B – OPTION II Computerised Accounting (attempt this option INSTEAD OF Option I). Questions 27 to 30 carry 1 mark each, 31 and 32 carry 3 marks each, 33 carries 4 marks and 34 carries 6 marks. **[20]**

27. Cells B2:B60 of a sales worksheet show the region (North, South, East or West) of each invoice. Which formula gives the number of invoices of the North region?

(A) =COUNT(B2:B60) (B) =COUNTA(B2:B60)

(C) =COUNTIF(B2:B60,"North") (D) =COUNTBLANK(B2:B60)

28. Cell D5 contains the formula =B5*C$2. When this formula is copied to cell E8, the reference C$2 will become:

(A) C$2 (B) D$2

(C) D$5 (D) C2

29. The feature of a Computerised Accounting System which allows the volume of data processing to be changed in tune with the growth in the size of the business is known as:

(A) Reliability (B) Scalability

(C) Transparency and control (D) Accuracy and speed

30. In an Accounting Information System, the ageing schedule of receivables and reports of overdue accounts are generated by the:

(A) Cash and bank sub-system (B) Sales and accounts receivable sub-system

(C) Purchase and accounts payable sub-system (D) Costing sub-system

31. **(A)** Explain the three security features provided by accounting software.

OR

(B) Explain sequential codes, block codes and mnemonic codes used in the codification of accounts, giving one example of each.

32. Jyoti Traders, a wholesale business, still keeps its accounts by hand. Its owner complains that the monthly reports reach him late, old records take a long time to trace, and the processing of a growing number of entries is becoming costly. Explain any three advantages the firm would gain by changing over to a Computerised Accounting System.

33. **(A)** Rupali took a loan of ₹6,00,000 at 9% p.a. interest, repayable in 5 equal annual instalments at the end of each year. The loan amount is in cell B1, the rate in B2 and the number of years in B3. Write the Excel formula to calculate the annual instalment and explain each argument of the function used.

OR

(B) A machine costs ₹2,50,000; its estimated salvage value is ₹25,000 and useful life is 5 years. Write the syntax of the SLN and DB functions, explain their arguments and calculate the annual depreciation by the straight line method.

34. Shivneri Traders prepares its monthly payroll in a spreadsheet. Employee names are in column A and Basic Pay in column B, starting from row 5. The rates are entered once: DA rate 40% in cell L2, HRA rate 20% in cell L3 and PF rate 12% in cell L4. TDS for each employee is entered directly in column H. The rules are:

• DA = Basic Pay × DA rate; HRA = Basic Pay × HRA rate.

• Transport Allowance = ₹2,000 if Basic Pay is ₹30,000 or more, otherwise ₹1,500.

• Total Earnings = Basic Pay + DA + HRA + Transport Allowance.

• PF = (Basic Pay + DA) × PF rate.

• Total Deductions = PF + TDS; Net Salary = Total Earnings – Total Deductions.

(I) Write the formulas for cells C5 (DA), D5 (HRA), E5 (Transport Allowance), F5 (Total Earnings), G5 (PF), I5 (Total Deductions) and J5 (Net Salary).

(II) Why should the cells L2, L3 and L4 be referred to with absolute addresses in these formulas?

(III) Calculate the Net Salary of an employee whose Basic Pay is ₹32,000 and TDS is ₹2,500.

All the best for your exam!