ELEMENTS OF BOOK-KEEPING AND ACCOUNTANCY (Subject Code 254)
CLASS X (2026–27)
SAMPLE QUESTION PAPER

MM – 70 **TIME: 3 HOURS**

GENERAL INSTRUCTIONS:

I. This question paper contains 30 questions. All questions are compulsory.
II. Q.1 to 18 are Multiple Choice Type Questions, carrying 1 mark each.
III. Q.19 to 22 are Short Answer Type Questions, carrying 3 marks each. They are to be answered in 60 to 80 words.
IV. Q.23 to 26 are Short Answer Type Questions, carrying 4 marks each. They are to be answered in 80 to 100 words.
V. Q.27 to 30 are Short Answer Type Questions, carrying 6 marks each. They are to be answered in 100 to 150 words.

S.No.	Question	Marks
1A	Identify, which of the following is **not** a Capital Expenditure for a firm? (A) Purchase of machinery (B) Purchase of a Building (C) Loan taken from Bank (D) Rent Received	**1**
	OR	
1B	Identify, which of the following is **not** a Capital Receipt for a firm? (A) Capital introduced by the owner (B) Loan taken from bank (C) Sale of old Machinery (D) Cash sales	**1**
2A	A firm purchased Machinery of ₹ 14,00,000 on 1st April, 2025. Depreciation was to be charged @7½% p.a by written down value method. What will be the value of depreciation charged during the year? (A) ₹ 1,50,000 (B) ₹ 1,30,000 (C) ₹ 1,40,000 (D) ₹ 1,05,000	**1**
	OR	
2B	ABC Limited purchased Building of ₹ 60,00,000 on 1st April, 2024. Depreciation was to be charged @10% p.a by Straight Line method. What will be the book value of the building at the end of the accounting year? (A) ₹ 6,00,000 (B) ₹ 54,00,000 (C) ₹ 3,20,000 (D) ₹ 1,60,000	
3	A multinational company established its set up in India, under the Make-in-India scheme of the government. It spent ₹ 3,60,00,000 on an advertisement campaign for the launch of a new product. The benefit of this advertisement is expected to continue for several years. The amount of expenditure indicated in the above text can be categorised under the book of accounts as________. (Choose the correct option to fill up the blank) (A) Capital Expenditure (B) Deferred Revenue Expenditure (C) Capital Gain (D) Revenue Expenditure	**1** **1**
4	On 1st April, 2025 Chopra Ltd. purchased Equipment and Machinery worth ₹ 1,00,00,000. Depreciation was to be charged @ 10% p.a by fixed instalment system. On the same day, Khan and Peter Ltd purchased Machinery worth the same amount and charged depreciation @ 10% p.a by reducing instalment system. On 31st March, 2026 which of the following statement holds true? (A) Total Depreciation charged by the two companies will be same. (B) Total Depreciation charged by Chopra Ltd. will be more than that charged by Khan and Peter Ltd.	**1**

Note: There is no change in the Question Paper Design and Assessment Pattern for Academic Session 2026-27.

	(C) Total Depreciation charged by Chopra Ltd. will be lesser than that charged by Khan and Peter Ltd. (D) Book value of the assets mentioned, will be same at the year ending March 31, 2025.	
5	Bank Reconciliation statement is prepared by the __________. (Choose the correct option to fill up the blank) Options: (A) Owner of the business (B) Banks (C) Tax Authorities (D) Creditors	**1**
6	Read the following statements carefully: **Statement 1:** Bank Reconciliation Statement is prepared to find out the reasons for the difference between Cash Book balance and Pass Book balance. **Statement 2:** Timing differences such as cheques issued but not presented may cause the difference. In light of the given statements, choose the correct option from the following: (A) Statement 1 is true and Statement 2 is false. (B) Statement 1 is false and Statement 2 is true. (C) Both Statements 1 and 2 are true. (D) Both Statements 1 and 2 are false.	**1**
7	Debit balance as per Cash book is ₹ 1,40,000. Cheques issued but not presented were ₹ 18,000 and cheques deposited but not cleared were ₹1,20,000. What will be resulting balance after preparing Bank Reconciliation Statement? (A) Credit Balance as per Pass Book ₹ 38,000 (B) Credit Balance as per Pass Book ₹ 58,000 (C) Debit Balance as per Pass Book ₹ 38,000 (D) Debit Balance as per Pass Book ₹ 22,000	**1**
8A	A limited liability partnership firm, purchased machinery, land and office furniture for its business. At the end of the year, the accountant calculated depreciation only on assets whose value decreases with usage. Identify, on which of the following assets, depreciation will not be charged? (A) Building (B) Machinery (C) Land (D) Office furniture	**1**
	OR	
8B	Rohit purchased a machine for ₹ 5,00,000. The accountant estimated its useful life as 10 years and scrap value ₹ 50,000. Identify, which of the following information is not required for calculating depreciation using the Straight Line Method? (A) Cost of the asset (B) Market demand (C) Scrap Value (D) Estimated Life	**1**
9	Read the following Assertion (A) and Reason (R). Choose the correct options from those given below: **Assertion (A):** If Bank Reconciliation Statement is prepared with Pass Book balance in the beginning of the period, the difference of ₹10,000 (₹21,000 deposited but ₹11,000 recorded in Cash Book) will be added. **Reason (R):** The bank has recorded ₹21,000 while the Cash Book shows only ₹11,000, therefore the Pass Book balance is higher by ₹10,000. Options: (A) Both Assertion (A) and Reason (R) are true, and Reason (R) is the correct explanation of Assertion (A).	**1**

	(B) Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A). (C) Assertion (A) is true, but Reason (R) is false. (D) Assertion (A) is false, but Reason (R) is true.	
10	Read the following Assertion (A) and Reason (R). Choose the correct options from those given below: **Assertion (A):** A bill of exchange must be issued by the drawer and accepted by the drawee. **Reason (R):** A bill of exchange is a written document which is unconditional by definition. Options: (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 true, but Reason (R) is false. (D) Assertion (A) is false, but Reason (R) is true.	**1**
11	Read the following statements carefully: **Statement 1:** A bill of exchange accepted by Dilawar in favour of Bhuwan represents a liability for Dilawar. **Statement 2:** The same bill of exchange which is accepted by Dilawar in favour of Bhuwan represents as an asset for Bhuwan. In light of the given statements, choose the correct option from the following: (A) Statement 1 is true and Statement 2 is false. (B) Statement 1 is false and Statement 2 is true. (C) Both Statements 1 and 2 are true. (D) Both Statements 1 and 2 are false.	**1**
12A	On 1st May 2024, Rajesh issued a bill of exchange ₹ 1,00,000 on Roshan for a period of 3 months. The maturity date of bill will be __________. (Choose the correct option to fill up the blank) (A) 4th August 2024 (B) 3rd August 2024 (C) 1st August 2024 (D) 5th August 2024	**1**
	OR	
12B	On 15 October 2024, Bharat issued a bill on Laxman of ₹ 1,05,000. Laxman accepted the bill. Ram transferred the bill to Shatrughan and Shatrughan further transferred back the bill to Ram. In the light of the above text, _________will receive the amount on due date of the bill. (Choose the correct option to fill up the blank) (A) Ram (B) Laxman (C) Bharat (D) Shatrughan	**1**
13	Read the following statements carefully: Statement 1: Statement of Profit and Loss is prepared to determine Profit or Loss in case of Accounts from Incomplete Records. Statement 2: Balance Sheet can be prepared with Accounts from Incomplete Records. In light of the given statements, choose the correct option from the following: (A) Statement 1 is true and Statement 2 is false. (B) Statement 1 is false and Statement 2 is true. (C) Both Statements 1 and 2 are true. (D) Both Statements 1 and 2 are false.	**1**
14A	Net Profit of Nimit Kumar and Sons was ₹ 24,50,000. There were indirect Incomes of ₹ 5,40,000 and indirect expenses of ₹ 9,70,000. Calculate and choose the value of the amount of Gross Profit.	**1**

	(A) ₹29,90,000 (B) ₹28,80,000 (C) ₹14,80,000 (D) ₹34,20,000 **OR**	
14B	Gross Loss of the firm run by Mr Crust stands at ₹ 11,50,000. There were indirect Incomes of ₹ 5,40,000 and indirect expenses of ₹ 9,70,000. Calculate and choose the value of the amount of Net Loss. (A) ₹15,80,000 (B) ₹16,80,000 (C) ₹15,40,000 (D) ₹17,80,000	**1**
15	Bank Reconciliation Statement is prepared to reconcile _________ and ________ balances. (Choose the correct option to fill up the blank) (A) Ledger Accounts and Cash Book (B) Trial Balance and Pass Book (C) Cash Book and Pass Book (D) Vouchers and Pass Book	**1**
16	A bill of exchange enables the buyer to buy the goods on credit and pay after the period of credit. However, the seller of goods even after extension of credit can get payment immediately by __________. (Choose the correct option to fill up the blank) (A) retaining the bill till maturity. (B) discount the Bills on Exchange (C) sending Bills for collection (D) endorsing the bill to a third party	**1**
17A	Statement of financial position produced from incomplete accounting record is commonly known as _______. (Choose the correct option to fill up the blank) (A) Balance Sheet (B) Profit and Loss account (C) Statement of Affairs (D) Statement of financial position **OR**	**1**
17B	Amount of Capital in case of Accounts from Incomplete Records is calculated by preparing _________. (Choose the correct option to fill up the blank) (A) Balance Sheet (B) Statement of Profit and Loss (C) Statement of Affairs (D) Profit and Loss Account	**1**
18	While preparing Statement of Affairs, total of assets side was ₹ 28,50,000 and Creditors amounted to ₹ 12,00,000. The balancing figure of ₹ 16,50,000 will be known as ________ (Choose the correct option to fill up the blank) (A) Profit or Loss (B) Capital (C) Net Assets (D) Deficiency	**1**
19	Kamakhya started business with the following assets: i. Cash ₹ 10,50,000 and Bank Balance ₹ 12,50,000. ii. She purchased Furniture of ₹ 4,80,000 and Equipment of ₹ 4,20,000. iii. She spent ₹ 1,30,000 for advertisement and paid rent of ₹ 2, 40,000. On the basis of above information, calculate the following values:	
	(I) Capital invested in business by Kamakhya	**1**
	(II) Total Capital Expenditure	**1**
	(III)Total Revenue Expenditure	**1**
20	Pratyaksh owns a manufacturing business. During the year he made the following payments: • Purchased a new machine to increase production capacity. • Paid salaries to office staff. • Spent money on repairing the existing machinery. Based on the above information, answer the following:	
	(I) Identify one Capital Expenditure and one Revenue Expenditure from the case.	**1**
	(II) How does each type of expenditure affect the earning capacity of the business?	**1**
	(III) Where will these expenditures be shown in the financial statements?	**1**
21	Xperia ltd. has been using such a method of charging depreciation where more amount is charged in the initial years as compared to later years?	
	(I) Name the method used by the company.	**1**
	(II) State any two merits of this method.	**2**

22	Donald sold goods worth ₹ 41,30,000 to Vladimir and issued a bill for four months. The bill was duly accepted. Pass necessary journal entries in the books of acceptor of the bill if the bill is retained till maturity. **OR** On March 15, 2024 Balwan sold goods for ₹ 13,25,000 to Sumit on credit. Sumit accepted a bill for three months drawn on him by Balwan. Ten days later, Balwan endorsed the bill to his creditor Arpita Sood in settlement of his dues of ₹ 14,25,000. The bill was duly met on due date. Record the necessary journal entries in the books of Balwan.	**3** **3**
23A **23 B**	On 31 October, 2025 Cash Book of M/s Raghuwar Dayal and Sons showed positive balance of ₹ 4,50,000. On comparing it with the Pass book, the following points came into consideration. **(a)** Cheques issued but not yet presented for payment amounted to ₹ 1,60,000. **(b)** Cheques deposited in bank and cleared but omitted to be entered in Cash Book amounted to ₹ 1,20,000. **(c)** Interest allowed by Bank amounted to ₹ 15,000. Prepare Bank Reconciliation Statement. **OR** Fill in the blanks with appropriate terms: (I) Cheques deposited into the bank are recorded on the __________ side of the bank column in the Cash Book. (II) A Bank Reconciliation Statement is prepared to __________ the bank balances shown in the Cash Book and the Pass Book. (III) Cheques issued to parties are entered on the __________ side of the bank column of the Cash Book. (IV) The credit side of the Pass Book should match the __________ column of the Cash Book, while the debit side of the Pass Book should match the __________ column of the Cash Book when there are no differences.	**4** **1** **1** **1** **1**
24	On 25 November, 2024, Tomas issued a bill on a for ₹ 1,30,000 and on the same date drew a bill for 4 months. The bill was accepted by Narender. Thomas discounted the bill from his bank @ 18% p.a. The bill was duly met on due date. Give necessary journal entries in the books of Drawer and Drawee.	**4**
25	(I) Elaborate the difference between income statement and position statement. (II) State the formula for 'Cost of Goods Sold'.	**3** **1**
26	Jamshed Ji started business on 31st October, 2024 with Capital of ₹ 41,50,000. During the year he undertook the following transactions: i. Introduced additional capital on 31st December, 2024 of ₹ 4,40,000. ii. He withdrew ₹ 2,10,000 per month for his household expenses. iii. He spent ₹ 1,30,000 from the business to buy mobile phone for his wife. If his Capital as on March 31st 2025, stands at ₹ 44,70,000 as on March 31, 2025. You are required to calculate profit or loss made by him for the year ended March 31, 2025 by preparing Statement of Profit and Loss.	**4**
27	CLOSE AI Ltd. purchased a computer and other peripherals worth ₹ 39,50,000 on 1st July 2023 and spent ₹ 2,20,000 on installation and ₹ 1,30,000 on transportation. The same is to be depreciated @10%p.a. on written down value. If the books are closed on 31st march every year: (I) Pass necessary journal entries on the date of purchase and depreciation charged for the year ended March 31, 2024 and March 31, 2025.	**6**

(II) Also determine the books value of Machinery to be shown in the Balance Sheet as at March 31, 2025.

28 Rohit runs a small bookstore and maintains a bank account with MDFC Bank, Jaipur Branch. While checking his records on 31 March 2025, he noticed that the balance shown in his Cash Book did not match the balance shown in the Pass Book. **6**

To resolve the issue, Rohit consulted his friend Ankit, a Chartered Accountant. After examining the records, Ankit identified the following reasons for the difference and decided to prepare a statement to reconcile the balances:

a) A customer directly deposited ₹12,000 into the bank account, but Rohit had not yet recorded it in the Cash Book.
b) The bank charged ₹1,500 as bank charges during the month, which was not recorded in the Cash Book.
c) During the month, cheques amounting to ₹25,000 were issued, out of which cheques worth ₹15,000 were presented for payment.
d) Interest of ₹3,000 was credited by the bank but was not entered in the Cash Book.
e) Cheques amounting to ₹40,000 were deposited in the bank, out of which only ₹32,000 were cleared by the bank.

Based on the above case, answer the following questions:
Name the statement that Ankit should prepare to reconcile the difference between the Cash Book and Pass Book balances.
(I) If the Pass Book balance is taken as the starting point, how will item (a) be treated?
(II) If the Cash Book balance is taken as the starting point, how will item (b) be treated?
(III) If the Pass Book balance is taken as the starting point, how will item (c) be treated?
(IV) If the Cash Book balance is taken as the starting point, how will item (d) be treated?
(V) If the Pass Book balance is taken as the starting point, how will item (e) be treated?

29 The following statement of financial position relates to Mr. Arvind, who maintains his books under the incomplete records system, as on 31 March 2024 and 31 March 2025. **6**

Particulars	**31 March 2024 (Amount in ₹)**	**31 March 2025 (Amount in ₹)**
Cash	25,000	40,000
Bank	12,000	18,000
Debtors	45,000	32,000
Creditors	18,000	24,000
Furniture	70,000	90,000
Bills Receivable	8,000	10,000
Bills Payable	6,000	5,000

During the year 2024–25, he introduced additional capital of ₹60,000 into the business and withdrew ₹6,000 per month for personal expenses.
Required:
Calculate the profit or loss made by him for the year ending 31 March 2025.

OR

(I) Explain the meaning of Accounts from Incomplete Records. **3**
(II) Distinguish between a Balance Sheet and a Statement of Affairs. **3**

30 The following is the Trial Balance of Mr. Karan Mehta, a businessman based in Mumbai, for the year ending 31 March 2025. **6**

Name of Account	Debit Balance (Amount in ₹)	Credit Balance (Amount in ₹)
Furniture and Equipment	4,00,000	
Plant and Machinery	3,00,000	
Goodwill	65,000	
Opening Stock (1 April 2024)	60,000	
Debtors / Creditors	85,000	55,000
Purchases / Sales	2,50,000	4,50,000
Returns	25,000	15,000
Rent	70,000	
Commission Received		60,000
Wages	40,000	
Discount	12,000	25,000
Capital		8,52,000
Cash in Hand	90,000	
Bank Balance	1,00,000	
Bank Loan		80,000
Drawings	40,000	
Total	**15,37,000**	**15,37,000**

The closing stock on 31 March 2025 was valued at ₹75,000.

Required:

Prepare the following accounts:

(I) Trading Account

(II) Profit and Loss Account for the year ended 31 March 2025

(III) Balance Sheet as on that date.