



COMMON PRE-BOARD EXAMINATION 2024-25

Subject: ACCOUNTANCY (055)

Date: 04/12/2024



General Instructions:

1. This question paper contains 34 questions. All questions are compulsory.
2. This question paper is divided into two parts, Part A and B.
3. Part - A is compulsory for all candidates.
4. Part - B has two options i.e. (i) Analysis of Financial Statements and (ii) Computerized Accounting. Students must attempt only one of the given options.
5. Question 1 to 16 and 27 to 30 carries 1 mark each.
6. Questions 17 to 20, 31 and 32 carries 3 marks each.
7. Questions from 21, 22 and 33 carries 4 marks each
8. Questions from 23 to 26 and 34 carries 6 marks each
9. There is no overall choice. However, an internal choice has been provided in 7 questions of one mark, 2 questions of three marks, 1 question of four marks and 2 questions of six marks.

Q. No.	PART A – ACCOUNTING FOR PARTNERSHIP FIRMS AND COMPANIES	Marks
1	<p>Avishek and Hrithik are two partners sharing profit equally. Their partnership firm earned a net profit ₹55,000 at the end of the year 31.3.2024. The share of profit for the partners were ₹12,000 each. Interest on capital provided to Avishek ₹6,000 and Hrithik ₹7,000. Avishek was entitled for salary being a working partner.</p> <p>Calculate the amount of monthly salary for Avishek.</p> <p>A. ₹12,000 B. ₹1,500 C. ₹18,000 D. ₹1,000</p>	1
2	<p>Assertion (A): Fixed Capital of a Partner will always remain constant except when additional capital is contributed and/or cash is withdrawn against capital.</p> <p>Reason (R): If the profit is not enough to provide interest on capital, then it is distributed equally amongst the partners irrespective of the capital contributed to them.</p> <p>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 correct but R is incorrect. D. Both A and R are incorrect.</p>	1
3	<p>Ashraf and Brijesh are partners sharing profit in the ratio 5:4. Brijesh withdrew ₹5,000 at the beginning of every month from 1st April 2023 to 31st March 2024. Interest rate on drawings was charged at a certain rate. His interest on drawings credited to profit/loss appropriation A/c was ₹6500. What is the rate of interest on drawings?</p>	1

	<p>A. 6% p.a B. 10% p.a C. 12% p.a D. 20% p.a</p> <p style="text-align: center;">OR</p> <p>Shakti and Sagar are two partners, their fixed capital was ₹4,00,000 and ₹6,00,000 respectively on 1.4.2023. They planned to expand their business and increase the total capital of the firm to ₹12,00,000, the partners agreed to bring the additional capital equally on 1.10.2023. Interest on capital was provided @6% p.a. What will be the interest on capital provided to Sagar for the year 2023-24?</p> <p>A. ₹24,000 B. ₹36,000 C. ₹27,000 D. ₹39,000</p>	
4	<p>Goodwill of the firm was valued at ₹3,00,000, being valued at 3 years' purchase of Super profits. If Capital Employed was ₹20,00,000 and Average profits amounted to ₹4,00,000. Normal rate of return will be</p> <p>A. 5% B. 10% C. 12.5% D. 15%</p>	1
5	<p>B and C were sharing profit in the ratio 2:1 They decided to share future in 3:2 ratio. For this purpose goodwill of the firm was valued at ₹60,000. What will be the journal entry for the treatment of goodwill?</p> <p>A. B's Capital A/c.....Dr ₹40,000 C's Capital A/c.....Dr ₹20,000 To Goodwill A/c ₹60,000</p> <p>B. C's Capital A/c.....Dr ₹4,000 To B's Capital A/c ₹4,000</p> <p>C. B's Capital A/c.....Dr ₹4,000 To C's Capital A/c ₹4,000</p> <p>D. Goodwill A/c.....Dr ₹60,000 To B's Capital A/c ₹36,000 To C's Capital A/c ₹24,000</p> <p style="text-align: center;">OR</p> <p>Ratan, Sanjiv and Rohit are partners sharing profits in the ratio of 3:3:2. They decided to share profits equally with effect from 1st April, 2024. On that date, Balance Sheet of the firm had General Reserve of ₹ 1,20,000. Instead of distributing the General Reserve, it was decided to record an adjustment entry reflecting the change in the profit-sharing ratio. The necessary adjustment entry will be:</p>	1

	<p>A.Rohit's Capital A/c Dr. ₹10,000 To Ratan's Capital A/c ₹5,000 To Sanjiv's Capital A/c ₹5,000</p> <p>B. Ratan's Capital A/c Dr. ₹10,000 To Rohit's Capital A/c ₹5,000 To Sanjiv's Capital A/c ₹5,000</p> <p>C. Sanjiv's Capital A/c Dr. ₹10,000 To Ratan's Capital A/c ₹5,000 To Rohit's Capital A/c ₹5,000</p> <p>D. Ratan's Capital A/c Dr. ₹5,000 Sanjiv's Capital A/c Dr. ₹5,000 To Rohit's Capital A/c ₹10,000</p>	
6	<p>Jaspreet and Hardik were partners sharing profits and losses in the ratio of 5:3. Shami was admitted in the firm as a new partner. Jaspreet and Hardik sacrificed 1/8 each from their profit shares. The new profit sharing ratio among Jaspreet: Hardik: Shami will be:</p> <p>A. 2:1:1 B. 5:3:2 C. 1:1:2 D. 1:1:1</p>	1
7.	<p>Sameena and Ayesha are partners sharing profit and loss in the ratio 3:2. They admitted Soham into the partnership and the new profit sharing ratio between Sameena : Ayesha : Soham was 2:1:1. Soham brought ₹2,00,000 as his share of capital and the partners decided to maintain the capital in the new profit sharing ratio on the basis of Soham's capital. What will be the new capital of Sameena and Ayesha?</p> <p>A. Sameena- ₹4,80,000; Ayesha- ₹3,20,000 B. Sameena- ₹4,00,000; Ayesha- ₹4,00,000 C. Sameena- ₹1,20,000; Ayesha- ₹80,000 D. Sameena- ₹4,00,000; Ayesha- ₹2,00,000</p> <p style="text-align: center;">OR</p> <p>Sunil and Russel share profit/loss equally. Their Balance sheet on 31.3.2024 was Building ₹1,60,000, Debtors ₹80,000 and Furniture ₹40,000. Tom was admitted and new profit sharing ratio was 5:3:2. Building was revalued at ₹1,80,000 and provision for doubtful debt was created @10%. Sunil's share of revaluation profit was ₹5,000. What is the amount of revalued furniture?</p> <p>A. ₹45,000 B. ₹42,000 C. ₹38,000 D. ₹35,000</p>	1
8.	<p>Assertion (A) :- Revaluation A/c is prepared at the time of admission of Partner if there is a change of value for assets and liabilities. Reason (R) :- The revaluation gain or loss is distributed amongst the old partners in old ratio.</p>	1

	A. Both A and R are correct and R is correct explanation of A. B Both A and R are correct and R is not correct explanation of A. C. A is correct but R is incorrect D. A is incorrect but R is correct	
9.	<p>A and B are partners sharing profits and losses equally. They decided to dissolve their firm. Investment of ₹8,000 and Goodwill of ₹5,000 have been transferred to Realisation Account. The following information was available on dissolution. Partner B, agreed to take over Investments of ₹8,000 at ₹7,500 Which of the following option shows the correct accounting treatment of the above items at the time of dissolution?</p> <p>A.(i)B's Capital account –Dr ₹7,500 To Realisation account ₹7,500 (Being investment taken over by the partner B)</p> <p>B. (i)B's Capital account –Dr ₹8,000 To Realisation account ₹8,000 (Being investment taken over by the partner B)</p> <p>C. (i)B's Capital account –Dr ₹7,500 To Realisation account ₹7,500 (Being investment taken over by the partner B) (ii)Cash A/c-Dr ₹5,000 To Realisation A/c ₹5,000 (Being Goodwill realized)</p> <p>D. Bank A/c –Dr ₹12,500 To Realisation account ₹12,500 (Being investment and goodwill realized)</p>	1
10.	<p>Assertion (A) :- Partner's loan at the time of dissolution is transferred to Realisation A/c. Reason (R) :- Partner's Loan is an internal liability it is to be repaid prior to repayment of partner's capital.</p> <p>A. Both A and R are correct and R is correct explanation of A. B Both A and R are correct and R is not correct explanation of A. C. Both A and R are incorrect. D. A is incorrect but R is correct.</p>	1
11.	<p>A company invited applications for 20,000 shares of ₹10 each and ₹2 premium. The share was payable as ₹3 on application, ₹4 on allotment (including ₹1 premium) and balance on call. Public had applied for 50,000 shares. Pro-rata allotment was done for all the applications. Money overpaid on application was adjusted against allotment and call. All the money had been duly received except first call money on 1,000 shares held by Hrishikesh What will be the amount calls in arrear?</p> <p>A. ₹ 4,000 B. ₹ 4,500 C. ₹ 5,000 D. ₹ 5,250</p>	1

	<p style="text-align: center;">OR</p> <p>A Company forfeited 3,000 shares of ₹10 each (₹8 called up) for non-payment of call money of ₹3 per share. Out of these 2,000 shares were re-issued at ₹8 per share as ₹8 paid up. What amount will be transferred to Capital Reserve?</p> <p>A. ₹9,000 B. ₹16,000 C. ₹10,000 D. ₹15,000</p>	
12.	<p>Synfosis Ltd. forfeited 800 shares of ₹10 each issued at 10% premium for non-payment of allotment money of ₹5 (including premium) and first & final of ₹3 per share. Share Forfeiture Account will be credited with :</p> <p>A. ₹2,400 B. ₹8,000 C. ₹6,400 D. ₹1,600</p>	1
13.	<p>Super Kings Ltd forfeited 500 shares of ₹100 each non-payment of final call of ₹15 per share. What is the minimum price which the company can reissue each share?</p> <p>A. ₹15 B. ₹85 C. ₹100 D. ₹115</p>	1
14.	<p>Ankush is preparing accounts for a partnership firm, but is not sure about which of the following items are charges against profit.</p> <p>(i) interest on drawings (ii) manager's commission. (iii) interest on loan advanced by a partner to the firm (iv) commission payable to a partner</p> <p>Suggest the correct option to Ankush about the items of charges against profit.</p> <p>A. (i); (ii); (iv) B. (ii); (iv) C. (ii); (iii) D. (i); (iii); (iv)</p>	1
15.	<p>A company issued ₹1,00,000; 10% Debentures on 1.4.2023. The interest is payable half-yearly. What is the total interest for the year 2023-24?</p> <p>A. ₹10,000. B. ₹20,000 C. ₹50,000 D. ₹40,000</p> <p style="text-align: center;">OR</p> <p>A company issued ₹40,000, 10% debentures of ₹10 each. at a discount of 6%. It has a balance of ₹2,000 in Securities Premium. What is the amount of Statement of Profit/Loss A/c to be debited to write off the discount on issue?</p>	1

	A. ₹2,400 B. ₹22,000 C. ₹40,000 D. ₹400																																	
16.	<p>Konia Ltd. a mobile phone manufacturing company want to expand their operation in neighboring countries. After analyzing the financial requirement and sources the company decided to obtained a loan of ₹5,00,00,000 from a bank by mortgaging their building and plant & equipment. The bank asked for more securities and Konia Ltd issued debentures ₹60,00,000; 12% Debentures as collateral security.</p> <p>What will be the amount shown in the Balance Sheet of the company as Non-Current Liabilities?</p> <p>A. ₹5,00,00,000 B. ₹60,00,000 C. ₹5,60,00,000 D. ₹4,40,00,000</p>	1																																
17.	<p>Gagan and Vinayak were partners sharing profits and losses in the ratio of 3 : 2. On April 1, 2024 they admitted Saurav as a new partner for 1/5 share. Saurav brought in capital of ₹5,00,000 and goodwill premium of ₹1,00,000.</p> <p>Balance sheet of Gagan and Vinayak as on March 31, 2024 was as follows:</p> <table><tr><th>LIABILITIES</th><th>₹</th><th>ASSETS</th><th>₹</th></tr><tr><td>Employees Provident Fund</td><td>70,000</td><td>Building</td><td>10,20,000</td></tr><tr><td>Creditors</td><td>50,000</td><td>Plant/Machinery</td><td>90,000</td></tr><tr><td>General Reserve</td><td>1,00,000</td><td>Sundry Debtors 1,00,000 -Provision (20,000)</td><td>80,000</td></tr><tr><td>Investment Fluctuation Fund</td><td>40,000</td><td>Investment (Market Value: 2,70,000)</td><td>3,00,000</td></tr><tr><td>Gagan's Capital</td><td>8,00,000</td><td>Stock</td><td>1,10,000</td></tr><tr><td>Vinayak's Capital</td><td>6,00,000</td><td>Cash</td><td>60,000</td></tr><tr><td></td><td><u>16,60,000</u></td><td></td><td><u>16,60,000</u></td></tr></table> <p>Adjustments :-</p> <p>(a) Debtors of ₹40,000 were proved bad. The firm decided to create Provision for Doubtful Debts @10%.</p> <p>(b) Stock was valued at ₹95,000 and Building was to be increased by ₹61,000.</p> <p>Answer the following questions based on the above information:</p> <p>(i)Calculate the new profit sharing ratio.</p> <p>(ii)Pass the journal entry for the treatment of Investment Fluctuation Fund.</p> <p>(iii)What will be the share of revaluation profit or loss for the partners, the partners decided to show the revalued figures in the books of Reconstituted firm.</p> <p style="text-align: center;">OR</p>	LIABILITIES	₹	ASSETS	₹	Employees Provident Fund	70,000	Building	10,20,000	Creditors	50,000	Plant/Machinery	90,000	General Reserve	1,00,000	Sundry Debtors 1,00,000 -Provision (20,000)	80,000	Investment Fluctuation Fund	40,000	Investment (Market Value: 2,70,000)	3,00,000	Gagan's Capital	8,00,000	Stock	1,10,000	Vinayak's Capital	6,00,000	Cash	60,000		<u>16,60,000</u>		<u>16,60,000</u>	3
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Farhan, Sunny and Sanjay are partners who share profit and losses in the ratio 3:2:1. On 31st March 2024, their Balance Sheet stood as under:

LIABILITIES	₹	ASSETS	₹
Creditors	12,000	Plant & Equipment	4,20,000
Workmen compensation Reserve	90,000	Furniture	3,00,000
Farhan's Capital	2,50,000	Investment	60,000
Sunny's Capital	3,50,000	Stock	75,000
Sanjay's Capital	4,00,000	Sundry Debtors	1,00,000
		Cash	1,47,000
	<u>11,02,000</u>		<u>11,02,000</u>

Sunny retired on the above date and Farhan and Sanjay decided to share future profit in the ratio 2:1.

Adjustments:

(a) Stock was reduced by 20% and market value of the investment was ₹72,000.

(b) There was a claim for workmen compensation of ₹99,000

(b) Goodwill was valued at 2 years purchase of last 4 years average profit, the average profit was ₹15,000.

Answer the following questions based on the above information:

(i) Calculate the gaining ratio.

(ii) Pass the journal entry for the accounting treatment of goodwill on Sunny's retirement.

(iii) What will be the share of revaluation profit or loss for Sunny, the partners decided to show the revalued figures in the books of Reconstituted firm.

18. Abhay Vikram and Bala are in partnership shared profit/loss equally. Bala died on 30.06.2023. The amount payable to Bala's executor on his death was ₹96,000. An amount of ₹24,000 was paid immediately by selling some furniture. The remaining amount was payable in two equal half yearly instalment along with an interest of 6% p.a. Pass the journal entries for the payment on the date of death and the first instalment.

3

19. Divya and Harshita are partners in a firm sharing profit/loss in the ratio 3:1. They decided to dissolve their firm. Pass the necessary journal entries for the following after various assets, other than cash and bank and outsiders' liability have been transferred to Realisation A/c
(a) Divya completed the dissolution work and received a remuneration of ₹7,000, she had to bear the dissolution expense of ₹6,600.
(b) Total creditors were ₹40,000. Creditors worth ₹10,000 were given a furniture costing ₹8,000 in full settlement. Half of remaining creditors were paid after receiving a discount of 10%. The balance creditors were taken over by Harshita.
Pass the journal entries.

3

20. Bright Ltd issued 4000, 9% Debentures of ₹100 each on 1st April 2023, at a discount of 10%, redeemable at par.
Pass the journal entries on issue of debentures and for writing off the discount on issue of debenture.

3

OR

	<p>Ratna Ltd. forfeited 200 shares of ₹10 each issued at par, for the non-payment allotment money of ₹5 per share and final call of ₹3 per share. The shareholder had applied for 300 shares. Any excess amount paid at application was adjusted against allotment. Later on these shares were reissued at a maximum discount, fully paid.</p> <p>Pass the journal entries to record the forfeiture and reissue of shares in the books of Ratna Ltd</p>																													
21.	<p>It is a partnership firm with Arijit, Hema and Preetam as partners and capitals invested of ₹5,00,000, ₹10,00,000 and ₹15,00,000 respectively sharing profits in the ratio of capitals. They are mainly based in South India and are now looking to expand their business to North India. It was agreed, to arrange for the extra capital for expansion a new partner should be admitted. Raveena was admitted as new partner for 1/4th share. Raveena brought the required capital and ₹ 36,000 as Premium for Goodwill. The adjusted capitals of Arijit, Hema and Preetam were ₹6,00,000; ₹7,50,000 and ₹10,50,000.</p> <p>(a) Calculate the capital brought by Raveena. (a) Pass the journal entries for goodwill treatment on Raveena’s admission.</p>	4																												
22.	<p>Spectrum Ltd. acquired assets of ₹2,50,000 and liabilities of ₹30,000 from JCT Ltd. There was a capital reserve of ₹20,000 on purchase. Spectrum Ltd. paid 25% of the purchase consideration by cheque and the balance by issuing equity shares of ₹10 each at a premium of 25%.</p> <p>Answer the following: i. What is the purchase consideration? ii. Calculate the amount paid by cheque to JCT Ltd. iii. How many equity shares are issued to JCT Ltd? iv. Pass the journal entry for issue of shares.</p>	4																												
23.	<p>Ayushi and Ashika were partners in a firm sharing profits in the ratio of 3:2. The Balance Sheet of the firm on 31st March, 2024 was as follows :</p> <table><tr><th>Liabilities</th><th>₹</th><th>Assets</th><th>₹</th></tr><tr><td>Creditors</td><td>80,000</td><td>Bank</td><td>1,72,000</td></tr><tr><td>Ashika’s sister’s loan</td><td>20,000</td><td>Debtors</td><td>27,000</td></tr><tr><td>Capital A/c:</td><td></td><td>Stock</td><td>50,000</td></tr><tr><td>Ayushi</td><td>1,75,000</td><td>Furniture</td><td>2,00,000</td></tr><tr><td>Ashika</td><td>1,94,000</td><td>Computer</td><td>20,000</td></tr><tr><td></td><td>4,69,000</td><td></td><td>4,69,000</td></tr></table> <p>On the above date the firm was dissolved. The assets were realized and the liabilities were paid off as follows :</p> <p>(a) 50% of the furniture was taken over by Ayushi at 20% less than book value. The remaining furniture were sold at profit of ₹5000 . (b) Computers were given to creditors to settle a claim of ₹30,000 and the balance was paid through cheque.. (c) Debtors of ₹1,000 amounted to be bad. (d) Stock was taken over by Ashika for ₹27,000(at 90% of the book value). The remaining Stock was realized at 20% less than its book value. (e) Ashika’s sister’s loan was paid off along with an interest of ₹2,000. (f) Expenses on realisation amounted to ₹5,000.</p> <p>Prepare Realisation Account.</p>	Liabilities	₹	Assets	₹	Creditors	80,000	Bank	1,72,000	Ashika’s sister’s loan	20,000	Debtors	27,000	Capital A/c:		Stock	50,000	Ayushi	1,75,000	Furniture	2,00,000	Ashika	1,94,000	Computer	20,000		4,69,000		4,69,000	6
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24.	<p>Four friends Rakesh, Sumit, Rinku and Jay decided to do something for the society and decided to start a venture where they will provide Bicycles on rent and even offered scratch coupon cards to attract the public for use of this cycles. It will definitely improve their physical health and also relief from increased prices of petrol day by day. On 1st April, 2023 the business started under the name Health is Wealth. They invested ₹2,00,000 each as capital.</p> <p>Rakesh gave a loan of ₹1,00,000 on the date of start of business. Jay being very extrovert and strong motivator was being given task of interacting with clients, and for his service he was given a salary of ₹10,000 per month. Sumit got affected with Covid and withdrew ₹5,000 for his medical treatment during the year. Rinku withdrew ₹2,000 at the end of each quarter to pay his daughter’s college fees. Rakesh took a bicycle worth 9,000 for his own use. As per partnership deed interest on capital was provided @ 10% p.a and interest on drawings was charged @6% p.a For the year ended March 31, 2024 the firm made profits of ₹ 3,60,000 before the above adjustments.</p> <p>Prepare Profit/Loss Appropriation A/c and Partners’ Capital A/c.</p> <p style="text-align: center;">OR</p> <p>On 31st March, 2024 the Balance Sheet of M, N and O who share profits and losses in the ratio of 3 : 2 : 1 was as follows :</p> <table><tr><th>LIABILITIES</th><th>₹</th><th>ASSETS</th><th>₹.</th></tr><tr><td>Outstanding expenses</td><td>30,000</td><td>Goodwill</td><td>9,000</td></tr><tr><td>Profit/Loss A/c</td><td>15,000</td><td>Stock</td><td>18,000</td></tr><tr><td>Bills Payable</td><td>13,000</td><td>Debtors 25,000</td><td></td></tr><tr><td></td><td></td><td>Less: Provision 3,000</td><td>22,000</td></tr><tr><td>M’s capital 40,000</td><td></td><td>Computers</td><td>30,000</td></tr><tr><td>N’s capital 40,000</td><td></td><td>Machinery</td><td>70,000</td></tr><tr><td>O’s Capital 30,000</td><td><u>1,10,000</u></td><td>Cash</td><td><u>19,000</u></td></tr><tr><td></td><td><u>1,68,000</u></td><td></td><td><u>1,68,000</u></td></tr></table> <p>N retired on above date on the following terms:</p> <p>(i) Provision for doubtful debt was raised to ₹4,000.</p> <p>(ii) Stock will be depreciated by 10%.</p> <p>(iii) There is an outstanding claim for compensation for workmen ₹1,100.</p> <p>(iv) ₹6,000 of outstanding expense was not payable.</p> <p>(v) Goodwill of the firm was valued at ₹24,000.</p> <p>(vi) The amount due to N was paid by cash 10,000 and the balance transferred to his loan A/c.</p> <p>(vi) M and O decided to maintain their capitals are in proportion of their profit sharing ratio 3: 1 after N’s retirement. Any excess or deficit was transferred to their Current A/c.</p> <p>Prepare Revaluation Account, Partners’ Capital Accounts.</p>	LIABILITIES	₹	ASSETS	₹.	Outstanding expenses	30,000	Goodwill	9,000	Profit/Loss A/c	15,000	Stock	18,000	Bills Payable	13,000	Debtors 25,000				Less: Provision 3,000	22,000	M’s capital 40,000		Computers	30,000	N’s capital 40,000		Machinery	70,000	O’s Capital 30,000	<u>1,10,000</u>	Cash	<u>19,000</u>		<u>1,68,000</u>		<u>1,68,000</u>	6
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O’s Capital 30,000	<u>1,10,000</u>	Cash	<u>19,000</u>																																			
	<u>1,68,000</u>		<u>1,68,000</u>																																			
25.	<p>The accountant of Muscat Electronics Ltd passed the following entries on issue of debenture and the annual interest but forgot to record certain A/cs and the amount. You are required to pass the entries along with the amount.</p> <p style="text-align: center;">Journal Entries</p> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr ₹</th><th>Cr ₹</th></tr><tr><td>2023</td><td>Bank A/c Dr</td><td></td><td>—?—</td><td></td></tr><tr><td>Apr 1</td><td>To Debenture Application/Allotment A/c.</td><td></td><td></td><td>—?—</td></tr></table>	Date	Particulars	LF	Dr ₹	Cr ₹	2023	Bank A/c Dr		—?—		Apr 1	To Debenture Application/Allotment A/c.			—?—	6																					
Date	Particulars	LF	Dr ₹	Cr ₹																																		
2023	Bank A/c Dr		—?—																																			
Apr 1	To Debenture Application/Allotment A/c.			—?—																																		

	(Being the application and allotment money received on 5,000, 10% Debentures @ ₹100 Each at a premium of 5%.			
2023 Apr 1	Debenture Application &Allotment A/c.. Dr Loss on issue A/c Dr To 10% Debenture A/c To Securities Premium A/c To _____?_____ A/c (Being the debentures allotted, redeemable @8%)		____?____ ____?____	____?____ 25,000 ____?____
Interest on Debentures:				
2024 Mar31	Interest on Debenture A/c.....Dr To Debenture holder A/c (Being the interest on debenture due.)		____?____	____?____
Mar31	Debenture Holder A/c Dr To ____?_____ A/c (Being interest paid)		____?____	____?____
Mar31	____?_____ A/c Dr To interest on debenture A/c (Being the interest transferred)		____?____	____?____

26.	<p>Blue Line Ltd. registered with capital of ₹ 50,00,000 divided into 50,000 equity shares of ₹ 100. The company had an existing issued capital of ₹25,00,000 in 2022-23. The company in the year 2023-24, further issued shares at a premium ₹ 10 each, payable as ₹ 20 on application, ₹ 60 on allotment, (including premium) ₹ 30 on first and final call. Applications were received for 14,000 shares.</p> <p>Karan, who was allotted 400 shares paid the call money along with the allotment.</p> <p>Paresh, holder of 2000 shares failed to pay call money and his shares were forfeited and later 1,000 shares were reissued for ₹105, as fully paid up.</p> <p>The company’s Balance sheet showing the extract of Share Capital as per Schedule III of Companies Act, 2013 along with notes to accounts for the year 2023-24 and 2022-23 is given below:</p>	6																				
<table><tr><td>Particulars</td><td>Note No.</td><td>2023-24 (₹)</td><td>2022-23 (₹)</td></tr><tr><td>Equities & Liabilities</td><td></td><td></td><td></td></tr><tr><td>Shareholders Fund</td><td></td><td></td><td></td></tr><tr><td>Share Capital</td><td>1</td><td>38,70,000</td><td>25,00,000</td></tr><tr><td>Reserves & Surplus</td><td>2</td><td>4,60,000</td><td>2,50,000</td></tr></table>			Particulars	Note No.	2023-24 (₹)	2022-23 (₹)	Equities & Liabilities				Shareholders Fund				Share Capital	1	38,70,000	25,00,000	Reserves & Surplus	2	4,60,000	2,50,000
Particulars	Note No.	2023-24 (₹)	2022-23 (₹)																			
Equities & Liabilities																						
Shareholders Fund																						
Share Capital	1	38,70,000	25,00,000																			
Reserves & Surplus	2	4,60,000	2,50,000																			

Notes to Accounts for 2022-23

Note No.	Particulars	₹
1	Share Capital Authorised Capital 50,000 equity shares @₹100 each	<u>50,00,000</u>
	Issued Capital 25,000 Equity shares @₹100 each	<u>25,00,000</u>
	Subscribed Capital Subscribed and fully paid 25,000 Equity shares @₹100 each.	<u>25,00,000</u>
2	Reserves & Surplus Securities Premium	2,50,000

Notes to Accounts for 2023-24

Note No.	Particulars	₹
1	Share Capital Authorised Capital 50,000 equity shares @₹100 each	<u>50,00,000</u>
	Issued Capital 40,000 Equity shares @₹100 each	<u>40,00,000</u>
	Subscribed Capital Subscribed and fully paid 38,000 Equity shares @₹100 each. + Forfeited Shares	38,00,000 70,000 <u>38,70,000</u>
2	Reserves & Surplus Securities Premium Capital Reserve	? ?

- (i) How many shares were offered to the public in the year 2023-24?
- (ii) What is the total amount received by the company at the time of allotment in the year 2023-24?
- (iii) What amount of Securities Premium will be shown in the notes to accounts for the year 2023-24?

	<p>(iv) Pass the journal entry for forfeiture of Paresh's share.</p> <p>(v) Pass the journal entry for reissue of shares.</p> <p>(vi) Calculate the amount of capital reserve to be shown under notes to account for 2023-24.</p> <p style="text-align: center;">OR</p> <p>PVX Limited invited applications for issuing 15,000 equity shares of ₹10 each for ₹11 per share. The amount was payable as follows :</p> <p>On application and allotment – ₹6 per share</p> <p>On First & final call – ₹5 per share. (including the premium)</p> <p>Applications for 18,000 shares were received. Shares were issued proportionately to all applicants. Excess money received with applications was adjusted towards sums due on Call. Sudhir who had applied for 180 share failed to pay final call. These shares were forfeited and then re-issued at ₹9 per share as fully paid up.</p> <p>Pass necessary journal entries for the above transactions in the books of PVX Limited.</p>	
PART B- ANALYSIS OF FINANCIAL STATEMENT		
27.	<p>Current Maturities of Long-term Debt is shown under</p> <p>A. Long-term Provisions</p> <p>B. Long-term Borrowings</p> <p>C. Other Current Liabilities</p> <p>D. Short-term Borrowings</p> <p style="text-align: center;">OR</p> <p>What will be the Current Ratio of a company whose net working capital is zero?</p> <p>A. 2:1</p> <p>B. Zero</p> <p>C. 1:1</p> <p>D. 1:5</p>	1
28.	<p>Return on Investment of Wealth Max Ltd was 25%. Profits before tax after interest was ₹60,000. 10% Debentures appearing in the books were ₹1,50,000. What was the amount of Capital Employed?</p> <p>A. ₹1,50,000</p> <p>B. ₹3,00,000</p> <p>C. ₹1,68,000</p> <p>D. ₹75,000</p>	1
29.	<p>The patents of X ltd. increased from ₹20,000 in 2022-23 to ₹26,000 in 2023-24. What will be its treatment while preparing Cash Flow Statement for the year ended 31st March 2024?</p> <p>A. Amortisation of patent ₹6,000 under Operating Activities</p> <p>B. Sale of Patent ₹6,000 under Investing Activities.</p> <p>C. Purchase of Patent ₹6,000 under Investing Activities.</p> <p>D. Purchase of Patent ₹6,000 under Operating Activities.</p> <p style="text-align: center;">OR</p>	1

	<p>Plant costing ₹12,000, accumulated depreciation being ₹2,000 is sold at a profit of ₹1,000. Amount that will be shown as inflow under Investing Activity will be ____</p> <p>A. Sale of Plant ₹11,000 B. Purchase of Plant ₹10,000 C. Sale of Plant ₹13,000 D. Purchase of Plant ₹9,000</p>																			
30.	<p>Assertion (A): Dividend proposed by Classic Ltd for the year ended 31st March 2024 will be shown as contingent liability and not as a current liability, in the financial statements for the year ended 31st March 2024.</p> <p>Reason (R): AS-4 states that dividend proposed for current year will be payable once the same is declared or approved by shareholders in the Annual General Meeting.</p> <p>A. Assertion and Reason are both correct and the Reason is the correct explanation of the Assertion. B. Both, Assertion and Reason are both correct and Reason is not the correct explanation of the Assertion. C. Assertion is correct but the Reason is not correct. D. Assertion is not correct but the Reason is correct.</p>	1																		
31.	<p>Under which major headings and sub- headings the following items are shown in the Balance Sheet of the Company as per Schedule III of Companies Act 2013.</p> <p>(a) Loose Tools (b) Furniture (c) Trade payables to be settled beyond 12 months from the date of Balance Sheet 31st March 2024, for the accounting year 2023-24. (d) Calls-in-arrears (e) Bank overdraft (f) Formulae and Recipes</p>	3																		
32	<p>Prepare a Comparative Statement of Profit/Loss from the following information:</p> <table border="1"> <thead> <tr> <th>Particulars</th><th>31.3.2024 (₹)</th><th>31.3.2023 (₹)</th></tr> </thead> <tbody> <tr> <td>Revenue from Operation</td><td>3,00,000</td><td>2,00,000</td></tr> <tr> <td>Cost of Revenue from operation</td><td>1,20,000</td><td>80,000</td></tr> <tr> <td>Employee benefit expenses</td><td>15,000</td><td>10,000</td></tr> <tr> <td>Interest on Investment</td><td>20,000</td><td>30,000</td></tr> <tr> <td>Tax Rate</td><td>40%</td><td>60%</td></tr> </tbody> </table>	Particulars	31.3.2024 (₹)	31.3.2023 (₹)	Revenue from Operation	3,00,000	2,00,000	Cost of Revenue from operation	1,20,000	80,000	Employee benefit expenses	15,000	10,000	Interest on Investment	20,000	30,000	Tax Rate	40%	60%	3
Particulars	31.3.2024 (₹)	31.3.2023 (₹)																		
Revenue from Operation	3,00,000	2,00,000																		
Cost of Revenue from operation	1,20,000	80,000																		
Employee benefit expenses	15,000	10,000																		
Interest on Investment	20,000	30,000																		
Tax Rate	40%	60%																		
33.	<p>From the following details calculate (i)Debt to equity ratio; (ii)Total Asset to debt ratio Share capital ₹90,000, Reserve & surplus ₹50,000, 10% Debentures ₹80,000, Current assets ₹1,20,000; Current liability ₹1,00,000.</p> <p style="text-align: center;">OR</p> <p>Inventory Turnover Ratio of Santa Ltd was 8 times. If opening inventory was of ₹ 20,000 and the closing inventory was three times the opening inventory. Gross Profit ratio was 20%. Find the Revenue from Operation.</p>	4																		

34.

BALANCE SHEET OF SKYTRAX LTD.

6

PARTICULARS	31.3.24	31.3.23
1.EQUITY AND LIABILITIES	₹	₹
Shareholders Fund:		
(a)Share Capital	3,00,000	3,95,000
(b)Reserves and Surplus (Note 1)	80,000	1,10,000
Non- Current Liabilities:		
Long Term Borrowings (Note 2)	1,00,000	80,000
Current Liabilities:		
Trade payable	3,10,000	2,90,000
Short Term Provision (Note 3)	1,30,000	2,00,000
TOTAL	9,20,000	10,75,000
ASSETS		
Non-Current Assets:		
Property, Plant and equipment and intangible assets:		
Property, Plant and Equipment (Note 4)	4,50,000	5,50,000
Current assets:		
Inventories	1,50,000	2,35,000
Trade receivables	2,90,000	2,80,000
Cash and cash equivalent	30,000	10,000
TOTAL	9,20,000	10,75,000

Notes to Accounts:

Note No.	Particulars	31.3.24 (₹)	31.3.23 (₹)
1	Reserves & Surplus		
	Balance in Statement of profit/loss	60,000	50,000
	General Reserve	20,000	60,000
2	Long term borrowings		
	10% Debentures	1,00,000	80,000
3	Short-term Provisions		
	Provision for Tax	1,30,000	2,00,000
4	Tangible Assets		
	Machinery (Net)	4,50,000	5,50,000

Additional information:

(a) Machinery costing ₹60,000, depreciated till date by ₹12,000 was sold for ₹50,000 .

Depreciation charged for the year 2023-24 is ₹90,000.

(b) Interim dividend paid ₹5,000.

From the above Balance sheet and information, calculate Cash flow from Operating Activities.