

KENDRIYA VIDYALAYA SANGATHAN, LUCKNOW REGION

PRE_BOARD-I (2025-26)

ACCOUNTANCY (055)

TIME 3 HOURS

MAX. MARKS 80

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. Question Nos. **1 to 16** and **27 to 30** carries **1** mark each.
4. Questions Nos. **17 to 20, 31 and 32** carries **3** marks each.
5. Questions Nos. from **21, 22 and 33** carries **4** marks each
6. Questions Nos. from **23 to 26 and 34** carries **6** marks each
7. 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)	Mar ks
1	<p>A & B are partners sharing profits and losses in the ratio of 3:2. C is admitted for $\frac{1}{4}$ and for which ₹30,000 and ₹10,000 are credited as a premium for goodwill to A and B respectively. The new profit-sharing ratio of A:B:C will be:</p> <p>a) 3:2:1 b) 12:8:5 c) 9:6:5 d) 33:27:20</p>	1
2	<p>Assertion: Batman, a partner in a firm with four partners has advanced a loan of ₹50,000 to the firm for last six months of the financial year without any agreement. He claims an interest on loan of ₹3,000 despite the firm being in loss for the year.</p> <p>Reasoning: In the absence of any agreement / provision in the partnership deed, provisions of Indian Partnership Act, 1932 would apply.</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) A is incorrect but R is correct.</p>	1

3	<p>If 10,000 shares of ₹10 each were forfeited for non-payment of final call money of ₹3 per share and only 7,000 of these shares were re-issued @ ₹ 11 per share as fully paid up, then what is the minimum amount that company must collect at the time of re-issue of the remaining 3,000 shares?</p> <p>a) ₹ 21,000 b) ₹ 9,000 c) ₹ 16,000 d) ₹ 30,000</p> <p style="text-align: center;">OR</p> <p>On 1st April 2022, Galaxy Ltd. had a balance of ₹8,00,000 in Securities Premium account. During the year company issued 20,000 Equity shares of ₹10 each as bonus shares and used the balance amount to write off Loss on issue of Debenture on account of issue of 2,00,000, 9% Debentures of ₹100 each at a discount of 10% redeemable @ 5% Premium. The amount to be charged to Statement of P&L for the year for Loss on issue of Debentures would be:</p> <p>a) ₹30,00,000. b) ₹22,00,000. c) ₹24,00,000. d) ₹20,00,000.</p>	1								
4	<p>A, B and C who were sharing profits and losses in the ratio of 4:3:2 decided to share the future profits and losses in the ratio to 2:3:4 with effect from 1st April 2023. An extract of their Balance Sheet as at 31st March 2023 is:</p> <table border="1" data-bbox="180 911 1495 1031"> <thead> <tr> <th style="text-align: center;">Liabilities</th> <th style="text-align: center;">Amount(₹)</th> <th style="text-align: center;">Assets</th> <th style="text-align: center;">Amount(₹)</th> </tr> </thead> <tbody> <tr> <td>Workmen Compensation Reserve</td> <td style="text-align: center;">65,000</td> <td></td> <td></td> </tr> </tbody> </table> <p>At the time of reconstitution, a certain amount of Claim on workmen compensation was determined for which B's share of loss amounted to ₹5,000. The Claim for workmen compensation would be:</p> <p>a) ₹15,000 b) ₹70,000 c) ₹50,000 d) ₹80,000</p> <p style="text-align: center;">OR</p> <p>A, B and C are in partnership business. A used ₹2,00,000 belonging to the firm without the information to other partners and made a profit of ₹35,000 by using this amount. Which decision should be taken by the firm to rectify this situation?</p> <p>a) A need to return only ₹2,00,000 to the firm. b) A is required to return ₹35,000 to the firm. c) A is required to pay back ₹35,000 only equally to B and C. d) A need to return ₹2,35,000 to the firm.</p>	Liabilities	Amount(₹)	Assets	Amount(₹)	Workmen Compensation Reserve	65,000			1
Liabilities	Amount(₹)	Assets	Amount(₹)							
Workmen Compensation Reserve	65,000									
5	<p>Interest on Partner's loan is credited to:</p> <p>a) Partner's Fixed capital account. b) Partner's Current account. c) Partner's Loan Account. d) Partner's Drawings Account.</p>	1								

6	<p>Alexa Ltd. purchased building from Siri Ltd for ₹8,00,000. The consideration was paid by issue of 6% debentures of ₹100 each at a discount of 20%. The 6% Debentures account is credited with:</p> <p>a) ₹10,40,000 b) ₹10,00,000 c) ₹9,60,000 d) ₹6,40,000</p> <p style="text-align: center;">OR</p> <p>Which of the following statements is incorrect about debentures?</p> <p>a) Interest on debentures is an appropriation of profits. b) Debenture holders are the creditors of a company. c) Debentures can be issued to vendors at discount. d) Interest is not paid on Debentures issued as Collateral Security.</p>	1
7	<p>Assertion (A) :- A Company is Registered with an Authorized Capital of 5,00,000 Equity Shares of ₹10 each of which 2,00,000 Equity shares were issued and subscribed. All the money had been called up except ₹2 per share which was declared as 'Reserve Capital'. The Share Capital reflected in balance sheet as 'Subscribed and Fully paid up' will be Zero.</p> <p>Reason (R) :- Reserve Capital can be called up only at the time of winding up of the company.</p> <p>(a) Both Assertion (A) and Reason (R) are Correct and Reason (R) is the correct explanation of Assertion (A) (b) Both Assertion (A) and Reason (R) are Correct, but Reason (R) is not the correct explanation of Assertion (A) (c) Assertion (A) is incorrect, but Reason (R) is Correct. (d) Assertion (A) is correct, but Reason (R) is incorrect</p>	1
8	<p>G, S and T were partners sharing profits in the ratio 3:2:1. G retired and his dues towards the firm including Capital balance, Accumulated profits and losses share, Revaluation Gain amounted to ₹ 5,80,000. Goodwill Share of G was also credited to his account. G was being paid ₹ 7,00,000 in full settlement. Determine goodwill of the firm.</p> <p>a). ₹ 1,20,000 b). ₹80,000 c). ₹2,40,000 d). ₹ 3,60,000</p> <p style="text-align: center;">OR</p> <p>Assertion (A):- Commission provided to partner is shown in Profit and Loss A/c. Reason (R):- Commission provided to partner is charge against profits and is to be provided at fixed rate.</p> <p>a) (A) is correct but (R) is wrong b) Both (A) and (R) are correct, but (R) is not the correct explanation of (A) c) Both (A) and (R) are incorrect. d) Both (A) and (R) are correct, and (R) is the correct explanation of (A)</p>	1

Read the following hypothetical situation, answer question no. 9 and 10-

Richa and Anmol are partners sharing profits in the ratio of 3:2 with capitals of ₹2,50,000 and ₹1,50,000 respectively. Interest on capital is agreed @ 6% p.a. Anmol is to be allowed an annual salary of 12,500. During the year ended 31st March 2023, the profits of the year prior to calculation of interest on capital but after charging Anmol's salary amounted to ₹62,000. A provision of 5% of this profit is to be made in respect of manager's commission.

Following is their Profit & Loss Appropriation Account

Particulars	(₹)	Particulars	(₹)
To Interest on Capital Richa Anmol	----- -----	By Profit & loss account (After manager's commission)	____(2)____
To Anmol's Salary a/c	12,500		
To Profit transferred to: Richa's Capital A/C (1)	____(1)____		
Anmol's Capital A/c	-----		
	-----		-----

9	The amount to be reflected in blank (1) will be: a) ₹37,200 b) ₹44,700 c) ₹22,800 d) ₹20,940	1
10	The amount to be reflected in blank (2) will be: a) ₹62,000. b) ₹74,500. c) ₹71,400. d) ₹70,775.	1
11	In the absence of an agreement, partners are entitled to: i) Profit share in capital ratio. ii) Commission for making additional sale. iii) Interest on Loan & Advances by them to the firm. iv) Salary for working extra hours. v) Interest on Capital. Choose the correct option: a) Only i), iv) and v). b) Only ii) and iii). c) Only iii). d) Only i) and iii).	
12	Rancho Ltd. took over assets worth ₹ 20,00,000 from PK Ltd. by paying 30% through bank draft and balance by issue of shares of ₹ 100 each at a premium of 10%. The entry to be passed by Rancho Ltd	1

for settlement will be:- (Figures arrived may be rounded off)

	<p>A. PK Ltd. Dr. To Share Capital A/c To Securities Premium A/c To Bank A/c To Statement of P&L (Being settlement of amount due to vendors)</p>	20,00,000	12,72,700 1,27,270 6,00,000 30	
	<p>B. PK Ltd. Dr. To Share Capital A/c To Securities Premium A/c To Bank A/c (Being settlement of amount due to vendors)</p>	20,00,000	12,72,700 1,27,270 6,00,030	
	<p>C. PK Ltd. Dr. To Share Capital A/c To Securities Premium A/c To Bank A/c (Being settlement of amount due to vendors)</p>	20,00,000	12,72,700 1,27,300 6,00,000	
	<p>D. PK Ltd. Dr. To Share Capital A/c To Securities Premium A/c To Bank A/c (Being settlement of amount due to vendors)</p>	20,00,000	12,73,000 1,27,300 5,99,700	
13	<p>Excellent Ltd. company forfeited 1,000 shares of Rs. 10 each, Rs. 7 being called- up for non- payment of Rs. 2 on first call. All these shares were reissued at Rs. 5 per share. What amount will be debited to share forfeiture account?</p> <p>a) Rs 2,000 b) Rs 5,000 c) Rs 7,000 d) Rs 10,000</p>			1
14	<p>X and Y are partners in a firm with capital of ₹18,000 and ₹20,000. Z brings ₹10,000 for his share of goodwill and he is required to bring proportionate capital for 1/3rdshare in profits. The capital contribution of Z will be:</p> <p>a) ₹24,000. b) ₹19,000. c) ₹12,667. d) ₹14,000.</p>			1

15	<p>A and B are partners. B draws a fixed amount at the end of every quarter. Interest on drawings is charged @15% p.a. At the end of the year interest on B's drawings amounted to ₹9,000. Drawings of B were:</p> <p>a) ₹24,000 per quarter. b) ₹40,000 per quarter c) ₹30,000 per quarter d) ₹80,000 per quarter</p> <p style="text-align: center;">OR</p> <p>Shyam, Gopal & Arjun are partners carrying on garment business. Shyam withdrew ₹ 10,000 in the beginning of each quarter. Gopal, withdrew garments amounting to ₹ 15,000 to distribute it to flood victims on behalf of firm, and Arjun withdrew ₹ 20,000 from his capital account. The partnership deed provides for interest on drawings @ 10% p.a. The interest on drawing charged from Shyam, Gopal & Arjun at the end of the year will be</p> <p>a) Shyam- ₹ 4,800; Gopal- ₹ 1,000; Arjun- ₹ 2,000. b) Shyam- ₹ 4,800; Gopal- ₹ 1,000; Arjun- ₹ 2,000. c) Shyam- ₹ 2,500; Gopal- ₹ Nil ; Arjun- Nil. d) Shyam- ₹ 4,800; Gopal- Nil; Arjun- Nil.</p>	1										
16	<p>On the day of dissolution of the firm 'Roop Brothers' had partner's capital amounting to ₹ 1,50,000, external liabilities ₹35,000, Cash balance ₹8,000 and P&LA/c(Dr.) ₹7,000. If Realisation expense and loss on Realisation amounted to ₹5,000 and ₹25,000 respectively, the amount realised by sale of assets is:</p> <p>a) ₹1,64,000 b) ₹1,45,000 c) ₹1,57,000 d) ₹1,50,000</p>	1										
17	<p>Anshul, Babita and Chander were partners in a firm running a successful business of car accessories. They had agreed to share profits and losses in the ratio of 1/2 : 1/3 : 1/6 respectively. After running business successfully and without any disputes for 10 years, Babita decided to retire due to old age and the Anshul and Chander decided to share future profits and losses in the ratio of 3 : 2. The accountant passed the following journal entry for Babita share of goodwill and missed some information. Fill in the missing figures in the following Journal entry and calculate the gaining ratio.</p> <table border="1" data-bbox="178 1260 1494 1543"> <thead> <tr> <th>Date</th> <th>Particulars</th> <th>L. F</th> <th>Dr</th> <th>Cr</th> </tr> </thead> <tbody> <tr> <td></td> <td>Anshul's Capital A/c Dr Chander's Capital A/c Dr To Babita's Capital A/c (Chander's share of G/w debited in gain ratio of continuing partners in ratio __: __)</td> <td></td> <td>----- 21,000</td> <td>----</td> </tr> </tbody> </table>	Date	Particulars	L. F	Dr	Cr		Anshul's Capital A/c Dr Chander's Capital A/c Dr To Babita's Capital A/c (Chander's share of G/w debited in gain ratio of continuing partners in ratio __: __)		----- 21,000	----	3
Date	Particulars	L. F	Dr	Cr								
	Anshul's Capital A/c Dr Chander's Capital A/c Dr To Babita's Capital A/c (Chander's share of G/w debited in gain ratio of continuing partners in ratio __: __)		----- 21,000	----								
18	<p>P, Q and R were partners with fixed capital of ₹ 40,000, ₹ 32,000 and ₹ 24,000. After distributing the profit of ₹ 48,000 for the year ended 31st March 2022 in their agreed ratio of 3 : 1 : 1 it was observed that:</p> <p>(1) Interest on capital was provided at 10% p.a. instead of 8% p.a. (2) Salary of ₹ 12,000 was credited to P instead of Q.</p> <p>You are required to pass a single journal entry in the beginning of the next year to rectify the above omissions.</p> <p style="text-align: center;">OR</p>	3										

	<p>Ajay, Manish and Sachin were partners sharing profits in the ratio 5:3:2. Their Capitals were ₹ 6,00,000; ₹ 8,00,000 and ₹ 11,00,000 as on April 01, 2021. As per Partnership deed, Interest on Capitals were to be provided @ 10% p.a. For the year ended March 31, 2022, Profits of ₹ 2,00,000 were distributed without providing for Interest on Capitals.</p> <p>Pass an adjustment entry and show the workings clearly.</p>	
19	<p>Pioneer Fitness Ltd. took over the running business of Healthy World Ltd. having assets of ₹10,00,000 and liabilities of ₹ 1,70,000 by:</p> <p>a) Issuing 8,000 8% Debentures of ₹ 100 each at 5% premium redeemable after 6 years @ ₹ 110; and</p> <p>b) Cheque for ₹ 50,000.</p> <p>Find amount of purchase consideration and pass the Journal entries in the books of Pioneer Fitness Ltd.</p> <p style="text-align: center;">OR</p> <p>Lilly Ltd. forfeited 100 shares of ₹10 each issued at 10% premium (₹8 called up) on which a shareholder did not pay ₹ 3 of allotment (including premium) and first call of ₹2. Out of these 60 shares were reissued to Ram as fully paid for ₹8 per share and 20 shares to Suraj as fully paid up @ ₹12 per share at different intervals of time.</p> <p>Pass necessary journal entries.</p>	3
20	<p>Yashasvi, Nitish and Harshit were partners sharing Profit & Loss in the ratio 5:3:2. W.e.f. 01 April, 2025, they decided to share future Profit & Loss in the ratio 4:3:2. On the date of reconstitution Goodwill was appearing in the books of ₹ 4,00,000. Goodwill of the firm was valued at ₹ 7,20,000 on the date of reconstitution. Determine gain or sacrifice for each partner and pass necessary entries.</p>	3
21	<p>Atishyokti Ltd. company was registered with an authorized capital of ₹ 20,00,000 divided into 2,00,000 Equity Shares of ₹ 10 each, payable ₹ 3 on application, ₹ 6 on allotment (including ₹ 1 premium) and balance on call. The company offered 80,000 shares for public subscription. All the money has been duly called and received except allotment and call money on 5,000 shares held by Manish and call money on 4,000 shares held by Alok. Manish's shares were forfeited and out of these 3,000 shares were re-issued ₹ 9 per share as fully paid up. Show share capital in the books of the company. Also prepare notes to accounts.</p> <p style="text-align: center;">OR</p> <p>On 1st April 2025, Apurva Ltd was registered with share capital of Rs 10,00,000 divided into 1,00,000 equity shares of Rs10 each. The company issued prospectus inviting applicants for 90,000 Equity shares. The company received applications for 85000 shares. During the first year, Rs 8 per share was called. Raman holding 1000 shares and Aman holding 2000 shares did not pay first call of Rs 2 per share. Aman's shares were forfeited and later on 1500 shares were reissued at Rs 6 per share, 8 called up. Show how 'Share capital' will be disclosed in the balance sheet as per schedule III of Companies act 2013. Also prepare Notes to Accounts</p>	4

22	<p>Sun and Kiran are partners sharing profits and losses equally. They decided to dissolve their firm. Assets and Liabilities have been transferred to Realisation Account. Pass necessary Journal entries for the following:</p> <p>a) All partners are agreed that the process of realisation at the time dissolution will be accomplished by Sun for which he will be paid ₹10,000 along with the amount of expense which amounted to 2% of total value realised from the Assets on dissolution. Some assets were sold for Cash at a cumulative Value of ₹12,00,000 and the remaining were taken over by creditors at a valuation of ₹ 3,00,000.</p> <p>b) Deferred Advertisement Expenditure A/c appeared in the books at ₹ 28,000.</p> <p>c) Out of the Stock of ₹1,20,000; Kiran (a partner) took over 1/3 of the stock at a discount of 25% and 50% of remaining stock was taken over by a Creditor of ₹30,000 in full settlement of his claim. Balance amount of stock realized at ₹25,000.</p> <p>d) An outstanding bill for repairs and renewal of ₹3,000 was settled through an unrecorded asset which was valued at ₹10,000. Balance being settled in Cash.</p>	4																																
23	<p>The Directors of Rockstar Ltd. invited applications for 2,00,000 Shares of ₹ 10 each, issued at 20% premium. Share was payable as ₹ 5 on application, ₹ 4 (including premium) on allotment and balance on call. Public had applied for 3,20,000 shares out of which applications for 20,000 shares were rejected and remaining were allotted on pro-rata basis.</p> <p>Simba, an applicant of 15,000 shares failed to pay allotment and call money. His shares were forfeited and out of these 6,000 shares were reissued at a discount of ₹2 per share.</p> <p>Journalise.</p> <p style="text-align: center;">OR</p> <p>Shaktimaan Ltd. invited applications for issuing 1,00,000 Shares of ₹ 10 each at a premium of ₹2 per share. The amount was payable as ₹ 4 on application (including premium); ₹ 5 on Allotment and balance on call. Applications were received shares for 1,80,000 of which Applications for 30,000 shares were rejected and remaining applicants were allotted on pro-rata basis.</p> <p>Manthan, holding 5,000 shares failed to pay call money and his shares were forfeited. Out of these 2,000 shares were re-issued at premium of ₹ 3 per share.</p> <p>Prepare Cash Book and pass necessary entries.</p>	6																																
24	<p>‘B’ and ‘C’ are partners sharing profits in the ratio of 3:2. Following is the Balance sheet as on 31/03/2025.</p> <table border="1" data-bbox="164 1381 1287 1864"> <thead> <tr> <th>Liabilities</th> <th>Rs</th> <th>Assets</th> <th>Rs</th> </tr> </thead> <tbody> <tr> <td>Partner's capital account</td> <td></td> <td>Land and Building</td> <td>80,000</td> </tr> <tr> <td>B-</td> <td>60,000</td> <td>Furniture</td> <td>10,000</td> </tr> <tr> <td>C-</td> <td>40,000</td> <td>Machinery</td> <td>20,000</td> </tr> <tr> <td>Provision for bad debts</td> <td>1,000</td> <td>Debtors</td> <td>25,000</td> </tr> <tr> <td>Creditors</td> <td>60,000</td> <td>Cash</td> <td>16,000</td> </tr> <tr> <td></td> <td></td> <td>Profit & Loss a/c</td> <td>10,000</td> </tr> <tr> <td></td> <td>1,61,000</td> <td></td> <td>1,61,000</td> </tr> </tbody> </table> <p>D was admitted as a partner for 1/5th share on the following terms-</p>	Liabilities	Rs	Assets	Rs	Partner's capital account		Land and Building	80,000	B-	60,000	Furniture	10,000	C-	40,000	Machinery	20,000	Provision for bad debts	1,000	Debtors	25,000	Creditors	60,000	Cash	16,000			Profit & Loss a/c	10,000		1,61,000		1,61,000	6
Liabilities	Rs	Assets	Rs																															
Partner's capital account		Land and Building	80,000																															
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	1,61,000		1,61,000																															

- a) The new ratio of the partners is 2:2:1.
- b) D brings Rs 30,000 as her capital and Rs 15000 as her share of goodwill.
- c) Half of the goodwill is withdrawn by the old partners.
- d) A provision of 5% is to be maintained for doubtful debts.
- e) An item of Rs 500 included in sundry creditors is not likely to arise
- f) A provision of Rs 800 was to be made for damages against the firm.

After making the above adjustments the capital accounts of B and C to be adjusted on the basis of D's capital brought in the firm. Actual cash to be brought in or paid in cash.

Prepare Revaluation Account and Partners Capital Account.

OR

The Balance Sheet of A, B & C who are partners in a firm sharing profits according to their capitals as on 31st March, 2025 was as under:

Liabilities	Rs.	Assets	Rs.
Creditors	21,000	Building	1,00,000
A's Capital	80,000	Machinery	50,000
B's Capital	40,000	Stock	18,000
C's Capital	40,000	Debtor	20,000
General reserve	20,000	Less provision	
		for bad debts <u>1,000</u>	19,000
		Cash at Bank	14,000
	2,01,000		2,01,000

On that day B decided to retire from the firm and was paid for his share in the firm subject to the following:

- a) Buildings to be appreciated to Rs.1,20,000.
- b) Provision for bad debts is to be increased to 15% on debtors.
- c) Machinery to be depreciated by Rs.10,000,
- d) Goodwill of the firm is valued at Rs. 72,000 and the retiring partner's share is adjusted through the capital accounts of remaining partners.

Prepare necessary journal entries.

25	<p>Amar, Akbar and Akshay were in partnership sharing profits and losses in the ratio 5:3:2. on 31st March 2025, their balance sheet was as follows:</p> <table border="1" data-bbox="228 195 1398 695"> <thead> <tr> <th>Liabilities</th> <th>Rs.</th> <th>Assets</th> <th>Rs.</th> </tr> </thead> <tbody> <tr> <td>Sundry Creditors</td> <td>24,000</td> <td>Cash at Bank</td> <td>34,000</td> </tr> <tr> <td>General Reserve</td> <td>30,000</td> <td>Debtors</td> <td>40,000</td> </tr> <tr> <td>Workmen Compensation Reserve</td> <td>10,000</td> <td>Stock</td> <td>50,000</td> </tr> <tr> <td>Capitals-Amar 50,000</td> <td></td> <td>Plant & Machinery</td> <td>30,000</td> </tr> <tr> <td> Akbar 50,000</td> <td></td> <td>Building</td> <td>50,000</td> </tr> <tr> <td> Akshay 40,000</td> <td>1,40,000</td> <td></td> <td></td> </tr> <tr> <td></td> <td>2,04,000</td> <td></td> <td>2,04,000</td> </tr> </tbody> </table> <p>On 1st December 2025, Akbar passed away and his share was completely acquired by Akshay. In the event of death of a partner the partnership deed inter alia provides the following:</p> <ol style="list-style-type: none"> The executor of deceased partner is entitled to get his capital as per the last balance sheet with interest on capital at 10% p.a. His share in the accumulated profit, goodwill of firm and estimated profit till the date of death. The goodwill of the firm is valued at 2 years' purchase of average profit of past 3 years. The profit to be estimated on the basis of the average profit of past 3 years. <p>The profits of the firm for the past three years were: 31.03.2023 Rs. 36,000; 31.3.2024 Rs. 44,000 and 31.3.2025 Rs. 40,000.</p> <p>e) During the year 2025 his drawings were Rs. 12,000 and interest calculated there on was Rs. 600. Prepare Akbar's capital account and pass journal entry for payment made to executor of Akbar (assuming payment made immediately to executor)</p>	Liabilities	Rs.	Assets	Rs.	Sundry Creditors	24,000	Cash at Bank	34,000	General Reserve	30,000	Debtors	40,000	Workmen Compensation Reserve	10,000	Stock	50,000	Capitals- Amar 50,000		Plant & Machinery	30,000	Akbar 50,000		Building	50,000	Akshay 40,000	1,40,000				2,04,000		2,04,000	6
Liabilities	Rs.	Assets	Rs.																															
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	2,04,000		2,04,000																															
26	<p>On July 01, 2022, Panther Ltd. issued 20,000, 9% Debentures of ₹ 100 each at 8% premium and redeemable at a premium of 15% in four equal instalments starting from the end of the third year. The balance in Securities Premium on the date of issue of debentures was ₹ 80,000. Interest on debentures was to be paid on March 31 every year.</p> <p>Pass Journal entries for the financial year 2022-23. Also prepare Loss on Issue of Debentures account.</p>	6																																
<p>PART B (Analysis of Financial Statements)</p>																																		

27	<p>'Freedom to Choose of method of depreciation' refers to which limitation of financial statement analysis.</p> <ol style="list-style-type: none"> Historical analysis. Qualitative aspect ignored. Not free from bias. Ignore Price level Changes. <p style="text-align: center;">OR</p> <p>.....is included in current assets while preparing balance sheet as per revised Schedule III but excluded from current assets while calculating Current Ratio.</p> <ol style="list-style-type: none"> Debtors. Cash and Cash Equivalent. Loose tools and Stores and spares. Prepaid Expense. 	1						
28	<p>Debt-Equity Ratio of Dhamaka Ltd is 3 : 1. Which of the following will result in decrease in this ratio?</p> <ol style="list-style-type: none"> Issue of Debentures for Cash of ₹2,00,000. Issue of Debentures of ₹3,00,000 to Vendors from whom Machinery was purchased. Goods purchased on Credit of ₹1,00,000. Issue of Equity Shares of ₹2,00,000. 	1						
29	<p>Statement I:- Sale of Marketable Securities will result in no flow of Cash. Statement II:- Debentures issued as collateral security will result in inflow of cash.</p> <ol style="list-style-type: none"> Both Statements are correct. Both Statements are incorrect. Statement I is correct and Statement II is incorrect. Statement I is incorrect and Statement I is correct. <p style="text-align: center;">OR</p> <p>What will be the effect of issue of Bonus shares on Cash Flow Statement?</p> <table border="1" data-bbox="203 1161 1446 1241"> <tr> <td>A. No effect</td> <td>B. Inflow in Financing Activity</td> </tr> <tr> <td>C. Inflow in Operating activity</td> <td>D. Inflow in Investing Activity</td> </tr> </table>	A. No effect	B. Inflow in Financing Activity	C. Inflow in Operating activity	D. Inflow in Investing Activity	1		
A. No effect	B. Inflow in Financing Activity							
C. Inflow in Operating activity	D. Inflow in Investing Activity							
30	<p>Aditya Sunrise Ltd. provides you the following information:</p> <table border="1" data-bbox="181 1356 1507 1436"> <thead> <tr> <th>Particulars</th> <th>31.3.2023(₹)</th> <th>31.3.2022(₹)</th> </tr> </thead> <tbody> <tr> <td>10% Bank Loan</td> <td>Nil</td> <td>1,00,000</td> </tr> </tbody> </table> <p>Additional Information:</p> <ol style="list-style-type: none"> Equity Share Capital raised during the year ₹3,00,000; 10% Bank Loan was repaid on 01.04.2022. Dividend received during the year was ₹20,000. Dividend Proposed for the year 2021-22 was ₹50,000 but only ₹20,000 was approved by the Shareholders. <p>Find out the cash flow from Financing Activities.</p> <ol style="list-style-type: none"> ₹ 1,50,000 ₹ 2,00,000 ₹ 1,70,000 ₹ 1,80,000 	Particulars	31.3.2023(₹)	31.3.2022(₹)	10% Bank Loan	Nil	1,00,000	1
Particulars	31.3.2023(₹)	31.3.2022(₹)						
10% Bank Loan	Nil	1,00,000						

31	<p>Classify the following items under Major heads and Sub heads (If any) in the balance sheet of a Company as per schedule III of the Companies Act 2013.</p> <p>i. Loose Tools ii. Loan repayable on demand iii. Capital advances</p>	3																																
32	<p>Prepare Common Size Statement of Profit and Loss for the year ended March 31, 2025 –</p> <table border="1" data-bbox="188 695 1000 1031"> <thead> <tr> <th>PARTICULARS</th> <th>31st March, 2025</th> </tr> </thead> <tbody> <tr> <td>Revenue from Operations</td> <td>40,00,000</td> </tr> <tr> <td>Other Expenses</td> <td>4,00,000</td> </tr> <tr> <td>Other Income</td> <td>6,00,000</td> </tr> <tr> <td>Employee Benefit Expenses</td> <td>8,00,000</td> </tr> <tr> <td>Purchases of Stock in Trade</td> <td>10,00,000</td> </tr> <tr> <td>Change in Inventory</td> <td>(2,00,000)</td> </tr> </tbody> </table>	PARTICULARS	31st March, 2025	Revenue from Operations	40,00,000	Other Expenses	4,00,000	Other Income	6,00,000	Employee Benefit Expenses	8,00,000	Purchases of Stock in Trade	10,00,000	Change in Inventory	(2,00,000)	3																		
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33	<p>A company had a liquid ratio of 1.5 and current ratio of 2 and inventory turnover ratio 6 times. It had total current assets of ₹8,00,000. Find out annual sales if goods are sold at 25% profit on cost.</p>	4																																
34	<p>Prepare a Cash flow statement on the basis of the information given in the balance sheet of Amusement Ltd as at 31/3/2025 and 31/3/2024</p> <table border="1" data-bbox="168 1251 1479 1896"> <thead> <tr> <th>Particulars</th> <th></th> <th>31-03-2025</th> <th>31-03-2024</th> </tr> </thead> <tbody> <tr> <td colspan="4">I Equity and Liabilities</td> </tr> <tr> <td colspan="4">Shareholders fund:</td> </tr> <tr> <td>a) Share capital</td> <td></td> <td>12,00,000</td> <td>11,00,000</td> </tr> <tr> <td>b) Reserves and surplus</td> <td></td> <td>3,00,000</td> <td>2,00,000</td> </tr> <tr> <td colspan="4">Non -Current Liabilities:</td> </tr> <tr> <td>Long term Borrowings</td> <td></td> <td>2,40,000</td> <td>1,70,000</td> </tr> <tr> <td colspan="4">Current Liabilities</td> </tr> </tbody> </table>	Particulars		31-03-2025	31-03-2024	I Equity and Liabilities				Shareholders fund:				a) Share capital		12,00,000	11,00,000	b) Reserves and surplus		3,00,000	2,00,000	Non -Current Liabilities:				Long term Borrowings		2,40,000	1,70,000	Current Liabilities				6
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a) Trade payable		1,79,000	2,04,000
b) Short term provisions(tax)		50,000	77,000
		19,69,000	17,51,000
II Assets			
Non -Current Assets:			
Property/Plant/Equipment			
1) Tangible		10,70,000	8,50,000
2) Intangible		40,000	1,12,000
Current Assets:			
a) Current Investment		2,40,000	1,50,000
b) Inventories		1,29,000	1,21,000
c) Trade Receivables		1,70,000	1,43,000
d) Cash and cash equivalent		3,20,000	3,75,000
		19,69,000	17,51,000

Notes to Accounts:

	Particulars	31/3/2025	31/3/2024
	Reserves and Surplus		
	Surplus (Balance in Statement in Profit and Loss)	3,00,000	2,00,000
	Tangible assets		
	Machinery	12,70,000	10,00,000
	Less: Accumulated depreciation	(2,00,000)	(1,50,000)
	Intangible assets		
	Goodwill	40,000	1,12,000

Additional Information:

1. During the year a piece of machinery costing Rs 24,000 on which accumulated depreciation was Rs 16,000 was sold for Rs 6000.