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Time : 3 Hours

ACCOUNTANCY

Subject Code

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Total No. of Questions : 29 (Printed Pages : 12)

Maximum Marks : 80

INSTRUCTIONS : (i) All questions are compulsory. However, there is an internal choice for question No. 26.

(ii) Q. Nos. 1 to 20 are of *one* mark each.

(iii) Q. Nos. 21 to 25 are of 4 marks each.

(iv) Q. Nos. 26 to 29 are of 10 marks each.

(v) Working notes should form part of the answer.

(vi) Figures to the right indicate full marks allotted to each question.

(vii) A simple calculator is allowed. However, mobile or any other digital devices are not allowed.

1. Which of the following will be received by the partner, in the absence of partnership deed ? 1

- Partner's Salary
- Partner's Commission
- Interest on Partner's loan
- Interest on partner's capital

2. Firm's capital in a business is ₹ 4,00,000. The normal rate of return on firm's capital is 10%. During the year firm earned a profit of ₹ 60,000. What is the value of goodwill of the firm based on 2 year's purchase of Super Profit ? 1
- ₹ 20,000
 - ₹ 40,000
 - ₹ 60,000
 - ₹ 80,000
3. What is the accounting treatment given for Unrecorded liability brought into the books at the time of admission of a partner ? 1
- Debited to Revaluation account
 - Credited to Revaluation account
 - Debited to Partner's Capital account
 - Credited to Partner's Capital account
4. Vinay and Pranay are partners in a firm sharing profits in the ratio of 2 : 1. They admitted Amay as a new partner for 1/5th share in the profits, which he acquires entirely from Vinay. What is the new ratio of Vinay, Pranay and Amay ? 1
- 2 : 1 : 1
 - 1 : 1 : 2
 - 3 : 5 : 7
 - 7 : 5 : 3

5. Accumulated losses appearing in the Balance Sheet at the time of Retirement of a partner will be 1
- Transferred to Revaluation Account
 - Transferred to Partners Capital Account
 - Transferred to Balance Sheet
 - Transferred to Bank Account
6. On 1st January, 2023 partner Anuj died and the closing balance on his account ₹ 3,80,000 was credited to his executor's loan account. If the loan is to be paid in two equal half yearly installments with interest @ 8% p.a. what is the amount of first installment along with the interest payable to his executor ? 1
- ₹ 2,20,400
 - ₹ 2,05,200
 - ₹ 1,90,000
 - ₹ 1,02,600
7. Creditors amounting to ₹ 80,000 accepted the stock of ₹ 50,000 in part settlement of their dues at the time of dissolution of partnership firm. What is the amount debited to Realisation account ? 1
- ₹ 1,30,000
 - ₹ 80,000
 - ₹ 50,000
 - ₹ 30,000

8. Pavan, Charan and Karan are partners in a partnership firm. What is the accounting treatment given for Charan's loan account appearing in the Balance sheet at the time of Dissolution of partnership firm ? 1
- Debited to Partner's loan account
 - Debited to Realisation account
 - Credited to Partner's loan account
 - Credited to Realisation account
9. Arihant Ltd. invited applications for 20,000 Preference Shares @ ₹ 250 each. Applications were received for 25,000 Preference Shares. This situation is known as 1
- Oversubscription
 - Undersubscription
 - Full subscription
 - Partial subscription
10. Magnum Ltd. issued 30,000, 9% Debentures of ₹ 150 each, at a discount of 20%. What is the total amount of Discount allowed on debentures by Magnum Ltd ? 1
- ₹ 3,00,000
 - ₹ 5,00,000
 - ₹ 7,00,000
 - ₹ 9,00,000

11. Manav Ltd. purchased Sundry Assets from Varun Ltd. for ₹ 28,60,000. The amount was paid by issuing fully paid Equity shares of ₹ 100 each at a premium of 10%. How many Equity shares are issued to Varun Ltd. ? 1
12. Who are debenture holders to the company ? 1
13. Name the sub-heading under which “Interest on Bank loan” appears in the Profit and Loss statement of the Company as per revise schedule III of the Companies Act, 2013. 1
14. From the following information, what is the total amount to be shown under the sub-heading “Other Incomes” in the Profit & Loss statement of a Company ? 1
- | | |
|-----------------------------|------------|
| Credit Sales | ₹ 1,50,000 |
| Cash Sales | ₹ 2,50,000 |
| Gain on sale of fixed asset | ₹ 1,10,000 |
15. Name the sub-heading under which “Mortgaged Loan” appears in the Balance Sheet of the Company as per revise schedule III of the Companies Act 2013. 1
16. From the following information, what is the total amount to be shown under the sub-heading of “Intangible Fixed Assets” in the Balance Sheet of a Company ? 1
- | | |
|-------------------|------------|
| Computer Software | ₹ 80,000 |
| Loose tools | ₹ 90,000 |
| Closing stock | ₹ 1,20,000 |
17. State *one* significance of Financial Statement Analysis to the Investors. 1

18. The absolute amount of Reserves & Surplus in the Common Size Balance Sheet of a company during the year is ₹ 15,00,000 and the total Liabilities were ₹ 40,00,000. What is the percentage of Reserves and Surplus over total liabilities of the company ? 1
19. Name the activity under which “Dividend paid on Preference Share” will appear in the Cash Flow Statement of a trading company. 1
20. Which of the following “Non cash & non operating item” will be added to the Net Profit before Tax of the current year, under Operating Activity of Cash Flow Statement ? 1

Purchase of Machinery

Goodwill written off

Sale of Furniture

21. Paresh and Suresh are partners in a firm sharing profits and losses in the ratio of 7 : 3. The capital balances as on 01/04/2023 of Paresh and Suresh were ₹ 12,00,000 and ₹ 8,00,000 respectively. During the year their drawings were ₹ 1,00,000 and ₹ 80,000 respectively. The partnership deed provides for the following :

- Interest on Capital @ 12% per annum
- Salary to Suresh at ₹ 7,000 per month
- Interest on Drawings @ 8% per annum.

The Net profit of the firm as on 31st March, 2024 before making the above adjustments was ₹ 4,50,000.

Prepare : Profit & Loss Appropriation account of the Partnership firm for the year ended 31st March, 2024. 4

22. Neo Classic Ltd. forfeited 400 Equity shares of ₹ 100 each for non-payment of the second and final call of ₹ 20 per share. All 400 Equity shares were re-issued at ₹ 60 per share to Mr. Kunal.

Pass necessary journal entries in the books of Neo Classic Ltd. 4

23. Surat Handicraft Ltd. issued 25,000, 12% Debentures of ₹ 80 each. Payable ₹ 30 on application and Balance on allotment. The public applied for 25,000, 12% Debentures, which were fully allotted. All the money was duly received.

Pass necessary journal entries in the books of Surat Handicraft Ltd. 4

24. From the following Statement of Profit and Loss of Cipla Co. Ltd. as on 31/03/2023 and 31/03/2024, prepare Comparative Statement of Profit and Loss of the company : 4

Particulars		Note No.	31/03/2023 (₹)	31/03/2024 (₹)
I.	Revenue from operations		8,20,000	9,80,000
II.	Other Income		1,40,000	1,00,000
III.	Total Revenue		9,60,000	10,80,000
IV.	Expenses			
	(a) Purchases		4,16,000	5,00,000
	(b) Employees benefit expenses		3,20,000	2,80,000
	Total Expenses		7,36,000	7,80,000
V.	Profit before tax		2,24,000	3,00,000
VI.	Provision for Tax		—	—
VII.	Profit after Tax		2,24,000	3,00,000

Note : Fractions if any must be rounded off to the second digit after decimal point.

25. Calculate Current Ratio and Gross Profit Ratio from the following information :

4

	(₹)
Debtors	75,000
Total sales	3,45,000
Cash at bank	1,45,000
Machinery	60,000
Share capital	3,00,000
Current liabilities	80,000
Bills Receivable	1,00,000
Direct Expenses	1,10,000
Purchases	1,70,000
Salaries	85,000
Return Outward	4,000

26. Jay and Vijay are partners sharing profits and losses in the ratio of 3 : 2 respectively. Their Balance Sheet as on 31st March, 2023 is as under :

Balance Sheet As on 31/03/2023

Liabilities	Amount (₹)	Assets	Amount (₹)
Capital A/c		Building	3,20,000
Jay 4,50,000		Furniture	2,80,000
Vijay 3,50,000	8,00,000	Stock	90,000
Reserve Fund	50,000	Debtors 1,60,000	
Bills Payable	1,30,000	Less : PBD 10,000	1,50,000
		Cash in hand	1,40,000
Total	9,80,000	Total	9,80,000

Sanjay is admitted into partnership on 1st April, 2023 for 1/4th share on following terms :

- Sanjay should bring ₹ 2,50,000 as his capital and ₹ 30,000 as his share of premium for goodwill in cash which is credited to goodwill account.
- Furniture is revalued at ₹ 2,60,000, Building to be appreciated by 12%, Stock was found overvalued by ₹ 10,000.
- A provision for bad debts is to be created @ 10% on debtors.

Prepare : Revaluation a/c, Partners Capital a/c and Balance Sheet of a new firm. 10

Or

Neha, Priya and Siya were partners in a firm sharing profits and losses in the ratio of 5 : 3 : 2 respectively. On 31st March, 2023 their Balance Sheet was as under :

Balance Sheet As on 31/03/2023

Liabilities	Amount (₹)	Assets	Amount (₹)
Neha Capital	3,00,000	Plant & Machinery	2,40,000
Priya Capital	2,50,000	Vehicle	2,00,000
Siya Capital	2,00,000	Investments	1,00,000
Creditors	50,000	Debtors	1,70,000
		Cash at Bank	90,000
Total	8,00,000	Total	8,00,000

Siya died on 1st October, 2023, the partnership deed provides the following :

- Plant & Machinery was valued at ₹ 3,20,000, Depreciate Vehicle by 20%, Unrecorded claim of creditors amounted to ₹ 20,000 is to be brought into the books.
- The deceased partner is entitled to her share of profit till the date of her death on the basis of previous year's profit ₹ 1,80,000.
- Goodwill of the firm is valued at ₹ 40,000.
- Amount due to the deceased partner should be transferred to her executor's loan account.

Prepare : Revaluation a/c, Partners Capital a/c and Balance Sheet of a New firm. 10

27. Ravi and Avi are partners in a firm sharing profits and losses equally. Their Balance Sheet as on 31st March, 2023 was as follows :

Balance Sheet as on 31/03/2023

Liabilities	Amount (₹)	Assets	Amount (₹)
Ravi's Capital a/c	3,00,000	Premises	2,80,000
Avi's Capital a/c	2,75,000	Furniture	2,10,000
Bank loan a/c	1,00,000	Stock	20,000
Bills Payable	15,000	Debtors 40,000	
Profit & Loss a/c	9,000	Less : PBD 8,000	32,000
		Bank Balance	1,57,000
Total	6,99,000	Total	6,99,000

The partnership firm was dissolved on the above date & the following information is available :

- Premises realised at 75% of the book value, Stock realised nothing and Debtors were taken over by Avi at ₹ 35,000.

- Ravi took over 50% of Furniture at book value and balance realised at ₹ 1,00,000.
- Ravi agreed to pay Bills payable at ₹ 13,000.
- Bank loan is settled at ₹ 85,000 and Dissolution expenses amounted to ₹ 8,000 were paid by the firm.
- There was an unrecorded computer of ₹ 40,000 which was taken over by Avi.

Prepare : Realisation a/c, Partners Capital a/c and Bank a/c. 10

28. The following ledger balances are extracted from the books of Sanket Ltd. as on 31st March, 2024 :

Ledger Accounts	Amount (₹)
Machinery	1,50,000
Equity share capital	1,80,000
Profit and Loss account (Cr)	90,000
Cash at bank	50,000
Proposed dividend	35,000
Licences and Franchise	20,000
Prepaid insurance	10,000
General Reserve	50,000
Debtors	70,000
Equipments	1,00,000
Stores and spares	45,000
Long-term Investment	80,000

Bank overdraft	70,000
Loan to manager	35,000
10% debentures	95,000
Bills payable	40,000

Prepare : Balance Sheet of Sanket Ltd. as on 31st March, 2024 as per revised schedule III of Companies Act 2013. 10

29. The following is the Balance Sheet of Balaji Company Ltd. : 10

Balance Sheet of Balaji Company Ltd

Liabilities	31/3/23	31/3/24	Assets	31/3/23	31/3/24
Equity share capital	4,50,000	5,70,000	Plant & Machinery	3,80,000	4,70,000
Profit & Loss a/c	1,70,000	2,00,000	Furniture	1,50,000	1,50,000
			Debtors	90,000	1,30,000
Creditors	60,000	75,000	Stock	95,000	1,25,000
Provision for tax	80,000	90,000	Cash in hand	45,000	60,000
Total	7,60,000	9,35,000	Total	7,60,000	9,35,000

Additional Information :

- Income tax paid during the year amounted to ₹ 30,000.
- Depreciation charged during the year on Plant & Machinery for the year ending amounted to ₹ 80,000.

Prepare : Cash Flow Statement as per Revised Accounting Standard-3 for year ended 31st March, 2024, Plant & Machinery Account and Provision for Tax Account.