

**Instructions:**

1. The question paper contains five parts A, B, C, D and E. Part-A contains four Sections I, II, III and IV.
2. Provide working notes wherever necessary.
3. 15 minutes extra has been allotted for candidates to read the questions.
4. Figures in the right-hand margin indicate full marks.

**PART –A**

**I. Choose the correct answer from the choices given: (5×1=5)**

1. Profit or loss on Revaluation is shared among the partners in the:  
a. Old profit – sharing ratio      b. New profit-sharing ratio      c. Capital ratio      d. Equal ratio
2. Shares can be forfeited for:  
a. Non-payment of call money      b. Failure to repay the loan to the bank  
c. Failure to attend meeting      d. The pledging of shares as a security
3. XYZ Co. Ltd forfeited 2000 shares of ₹100 each for non-payment of final call of ₹20 per share. All the forfeited shares were received at ₹90 per share. What amount will be transferred to Capital Reserve A/C?  
a. ₹140000      b. ₹180000      c. ₹200000      d. ₹100000
4. Debentures holders are:  
a. Owners of the company      b. Lenders of the company  
c. Debtors of the company      d. Trustees of the company
5. The -----ratios are primarily measures return.  
a. Liquidity      b. Activity      c. Debt      d. Profitability

**II. Fill in the blanks by choosing the appropriate answers from those given in the brackets: (5×1=5)**  
**(Realisation, other non-current assets, cash outflow Intervene, Six, cash inflow)**

6. In the absence of partnership deed interest on advance from partner will charges at ----- percentage per annum.
7. The period from date of the last balance sheet and the date of the partners death is called----- period.
8. Provision of Doubtful debts is credited to -----account.
9. Preliminary expenses are shown under ----- head.
10. Purchase of a plant by paying cash is -----.

**III. Match the following (5×1=5)**

- | 11.                      A | B                       |
|----------------------------|-------------------------|
| a. Realization A/C         | i) Equal to face value  |
| b. Issued at par           | ii) Horizontal analysis |
| c. Comparative analysis    | iii) Nominal account    |
| d. Gross profit ratio      | iv) AS-3                |
| e. Cash flow statement     | v) Profitability        |
|                            | vi) Real account        |

**IV. Answer the following questions in one word or one sentence each:****(5×1=5)**

12. Mention any one circumstances for retirement of a partner.
13. Who is an executor?
14. State any one category of share capital
15. Expand DRR
16. State any one technique of financial statement analysis

**PART-B****V. Answer any three questions. Each question carries 2 marks:****(3×2=6)**

17. What is Articles of Partnership
18. Give the journal entry for transfer of profit on realization.
19. What is calls-in-arrears?
20. Write any two objectives of financial statements.
21. Mention two activities which are classified as per AS-3

**PART-C****VI. Answer any three questions, each question carries 6 marks:****(3×6=18)**

22. Raj and Raman are partners in a firm. Raj's drawings for the year 2022-23 are given as under:  
₹5,000 on 01.04.2022  
₹8,000 on 30.06.2022  
₹3,000 on 01.12.2022  
₹2,000 on 31.03.2023  
Calculate Interest on Raj's drawings at 10% per annum for the year ending 31<sup>st</sup> March 2023 under product method.
23. Rashi, Raksha and Rahul are partners sharing profits in the ratio of 4:3:2. Rashi retires. Raksha and Rahul decided to share profits in future in the ratio of 5:3. Calculate the gaining ratio of Raksha and Rahul.
24. P,Q and R are partners sharing profits and losses in the ratio of 2:2:1 respectively. Their capital balances on 01/04/2023 stood at ₹70,000, ₹50,000 and ₹40,000 respectively. 'Q' died on 30.06.2023. The partnership deed provides the following:
  - a) Q's capital.
  - b) Interest on capital at 6% p.a.
  - c) Salary to Q at ₹1,000 per month.
  - d) Q's share of goodwill. Goodwill of the firm is ₹60,000(as per AS26)
  - e) Q's share of accrued profit up to the date of his death ₹4,000.Prepare Q's Capital Account.

25. From the following information prepare the Balance Sheet of Lakshmi Co Ltd as on March 31<sup>st</sup> 2023 as per schedule III of the Companies Act 2013

Particulars	₹
Inventories	80,000
Share Capital	1,70,000
Statement of Profit and Loss (Surplus)	50,000
General Reserve	70,000
Creditors	70,000
Tangible Assets	2,50,000
Cash at bank	1,50,000
10% Debentures	1,20,000

26. From the following information, calculate cash flows from financing activities.

Particulars	31/03/2022 (₹)	31/03/ 2023 (₹)
Equity share capital	20,00,000	30,00,000
Secured loan	9,00,000	16,00,000

- a) During the year secured loan repaid ₹4,00,000 with interest of ₹20,000.  
b) Received dividend of ₹50,000

#### PART-D

#### VII. Answer any three questions. Each question carries 12 marks:

(3×12=36)

27. Ashwini and Bharani are partners sharing profits and losses in the ratio of 3:2. Their Balance Sheet as at 31.03.2022

#### Balance Sheet as on 31.03.2022

Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	10,000	Cash	25,000
Bills Payable	35,000	Bills Receivable	5,000
Reserve Fund	10,000	Debtors	15,000
Capitals:		Stock	19,500
Ashwini-	30,000	Furniture	10,500
Bharani-	10,000	Buildings	25,000
Profit & Loss Account	5,000		
	1,00,000		1,00,000

They admit Kritika into the partnership firm on 01.04.2022 on the following terms:

- a. She pays ₹ 20,000 as capital for 1/5 share and ₹ 10,000 as goodwill (as per AS 26)  
b. Ashwini and Bharani withdrew half of the goodwill amount.  
c. Stock and furniture are reduced by 10%.  
d. A reserve of 6% is to be provided for Bad Debts.  
e. Buildings to be appreciated by 25%.

Prepare: Revaluation Account, Capital Accounts of the partners and Balance Sheet of the new firm.

28. Naryana and Raghurama are partners in a firm sharing profits and losses equally. Their Balance Sheet as 31.03 2022 was as follows:

**Balance Sheet as on 31.03.2022**

Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	35,000	Cash at Bank	20,000
Bills Payable	10,000	Debtors	45,000
Narayana's Loan	27,000	Bills Receivable	15,000
Reserve	18,000	Stock	40,000
Capitals:		Buildings	60,000
Naryana-	60,000	Motor Vehicle	30,000
Raghurama-	70,000	Profit and Loss Account	10,000
	2,20,000		2,20,000

On the above date, they decided to dissolve the firm on the following terms:

- a.) The Assets realised as follows:

Debtors ₹ 42,000; Bills Receivable ₹ 15,000; Stock ₹ 60,000;

Buildings ₹ 40,000; Motor Vehicle ₹ 22,000

- b.) Creditors and Bills Payable in full.

- c.) Dissolution expenses paid ₹ 2,000.

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

29. Sanjeev Computers Ltd issued 12,000 equity shares of ₹125 each, at premium of ₹25 per share, payable as follows:

On Application ₹25

On Allotment ₹75 (including premium)

On first & final call ₹50

All the shares were subscribed and the money duly received except the first and final call on 500 shares. The directors forfeited these shares and re-issued them as fully paid at ₹120 per share.

Pass the necessary journal entries in the books of the company.

30. ABC company limited, issued 5000, 12% debentures of ₹ 100 each on 1.04.2022 at discount of 10% redeemable at a premium of 10%.

Give journal entries relating to the issue of debentures and debentures interest for the year ending 31.3.2022 assuming that interest was paid half yearly on 30<sup>th</sup> September and 31<sup>st</sup> March. Tax deducted at source is 10%.

31. The following are the Balance Sheet of Warriors limited as at 31<sup>st</sup> March 2022 and 31<sup>st</sup> March 2023

<b>Particulars</b>	<b>31.03.2023 (₹)</b>	<b>31.03.2022 (₹)</b>
<b><u>Equity and Liabilities</u></b>		
Equity Share Capital	2,40,000	2,40,000
General Reserve	1,82,000	96,000
Long Term Loans	1,69,000	1,82,000
Trade Payables	52,000	67,000
Other Current Liabilities	7,000	15,000
<b>Total Equity and Liabilities</b>	<b>6,50,000</b>	<b>6,00,000</b>
<b><u>Assets</u></b>		
Fixed Assets	3,90,000	4,02,000
Inventories	78,000	54,000
Trade Receivables	65,000	60,000
Cash	1,17,000	84,000
<b>Total Assets</b>	<b>6,50,000</b>	<b>6,00,000</b>

You are required to prepare a Comparative Balance Sheet.

32. From the following particulars calculate:

- Inventory turnover ratio
- Trade Receivable turnover ratio
- Trade Payable turnover ratio
- Gross Profit ratio
- Operating ratio
- Net profit ratio

<b>Particulars</b>	<b>Amount (₹)</b>
Revenue from operations	10,00,000
Gross profit	3,00,000
Average inventory	1,00,000
Net credit revenue from operations	7,50,000
Average trade payables	1,50,000
Net Credit purchase	5,00,000
Average trade payables	2,00,000
Operating expenses	1,00,000
Net profit	1,00,000

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