

↓

RTP Sep 26 , MTP 8 PYQs

Alag

11 ques ✓

Question 1 – Rectification of Errors (RTP Sep 2026)

The following errors were discovered in the books of Mr. Krishna:

(i) Minor repairs to office premises amounting to Rs. 3,200 plus CGST and SGST @ 9% each were debited to Building Account.

(ii) An amount of Rs. 8,500 due from Mohit Verma, which had been written off as bad debts in the previous year, was recovered during the current year and wrongly credited to Mohit Verma's Personal Account.

(iii) Office furniture purchased for Rs. 35,000 plus CGST and SGST @ 9% each was entered in the Purchases Day Book.

(iv) Goods purchased on credit from Rakesh Enterprises amounting to Rs. 24,000 plus IGST @12% have remained completely unrecorded.

(v) School fees of proprietor's daughter amounting to Rs. 28,000 were debited to Legal Charges Account.

(vi) A cheque received from Ankit Sharma Rs. 12,600 was credited to the account of Amit Sharma.

(vii) Goods costing Rs. 15,000 sold to a customer were returned by him. The goods were received back into inventory, but no entry was passed in the books. CGST and SGST @ 9% each was charged on the original cost.

(viii) Wages of Rs. 5,000 paid to workers engaged in manufacturing office furniture were debited to Wages Account.

(ix) Salary paid to office manager Rs. 18,000 was debited to his Personal Account.

(x) Cash paid to creditor Naveen Kumar Rs. 9,800 was correctly entered in the Cash Book but omitted from his Personal Account.

Pass the necessary Journal Entries to rectify the above errors.

1. Repair A/c Dr. 3200
Input CGST Dr. 288
Input SGST Dr. 288
To Building A/c 3776

2. Mohit verma Dr. 8500
To Bad debt Rec. 8500

3. Furn. A/c Dr. 35000
Input CGST Dr. 3150
Input SGST Dr. 3150
To Purd A/c 41300

4. Purch. A/c Dr. 24000
Input IGST Dr. 2880
To Rakesh Lal A/c 26880

5. Decan. A/c Dr. 28000
To Legal ch. A/c 28000

6. Amit Sh. A/c Dr 12600
To Ankit Sh. A/c 12600

7. Sales Ret Dr. 15000
Output CGST A/c Dr 1350
Output SGST A/c Dr 1350
To Customer A/c 17700

8. Furn. Dr 5000
To Dages A/c 5000

9. Salaries A/c Dr 18000
To office Manager A/c 18000

10. Naveen kumar Dr. 9800
To Susp A/c 9800

Dishonour

CB

Dr
1080 +

PB

Cr.
1080 +

Question 2 – BRS (RTP Sep 2026)

The Bank Pass Book of Account No.5678 of Mrs. Geeta showed an overdraft of Rs. 33,575 on 31st March 2026. On going through the Pass Book, the accountant found the following:

(i) A Cheque of Rs. 1,080 credited in the pass book on 28th March 2026 being dishonoured is debited again in the pass book on 1st April 2026. There was no entry in the cash book about the dishonour of the cheque until 15th April 2026.

(ii) Bankers had credited her account with Rs. 2,800 for interest collected by them on her behalf, but the same has not been entered in her cash book.

(iii) Out of Rs. 20,500 paid in by Mrs. Geeta in cash and by cheques on 31st March 2026 cheques amounting to Rs. 7,500 were collected on 7th April, 2026.

(iv) Out of Cheques amounting to Rs. 7,800 drawn by her on 27th March, 2026 a cheque for Rs. 2,500 was encashed on 3rd April, 2026. CB ↓ 7800

(v) Bankers seems to have given here wrong credit for Rs. 500 paid in by her in Account No. 8765 and a wrong debit in respect of a cheque for Rs. 300 against her account No.8765.

(vi) A cheque for Rs. 1,000 entered in Cash Book but omitted to be banked on 31st March, 2026.

(vii) A Bill Receivable for Rs. 5,200 previously ~~dishonoured~~ discounted (discounted for Rs. 200) with the Bank had been dishounoured but advice was received on 1st April, 2026.

(viii) A Bill for Rs. 10,000 was retired /paid by the bank under a rebate of Rs. 175 but the full amount of the bill was credited in the bank column of the Cash Book.

(ix) A Cheque for Rs. 2,400 deposited into bank but omitted to be recorded in Cash Book and was collected by the bank on 31st March, 2026.

Prepare Bank Reconciliation Statement as on 31st March, 2026.

PB ↓ 9125
Dr.

CB
Cr.
10000

	Plus	Minus
Overdraft as per PB		33575
2.		2800
3.	7500	
4.		2500
5.		500
	300	
6.	1000	
7.	5200	
8.		175
9.		2400
Overdraft Bal. as per CB	27950	
	41950	41950

Question 3- Final Accounts (RTP Sep 2026)

The following are the balances as at 31st March, 2026, extracted from the books of Ms. Priya Nandini, proprietor of Nandini Textiles.

	₹		₹
Plant and Machinery	58,650	Bad Debts Recovered	1,350
Furniture and Fittings	30,750	Salaries	83,250
Bank Overdraft	2,40,000	Salaries Payable	7,350
Capital Account	98,100	Prepaid Rent	900
Drawings	24,000	Rent	12,900
Purchases	4,80,000	Carriage Inward	3,375
Opening Stock	96,750	Carriage Outward	4,050
Wages	36,495	Sales	6,45,900
Provision for Doubtful Debts	9,600	Advertisement Expenses	10,050
Provision for Discount on Debtors	4,125	Printing and Stationery	3,750
Sundry Debtors	3,60,000	Cash in Hand	4,350
Sundry Creditors	1,42,500	Cash at Bank	9,375
Bad Debts	3,300	Office Expenses	30,480
Interest Paid on Loan	9,000		

Additional Information:

1. Closing stock as on 31st March, 2026 was Rs. 3,75,000.

2. Create a provision for doubtful debts @ 5% on Sundry Debtors and a provision for discount on debtors @ 2.5% on debtors (after provision for doubtful debts).

3. Depreciation is to be provided on Plant and Machinery @ 15% p.a. and on Furniture and Fittings @ 10% p.a.

4. Manager's commission is payable @ 5% on net profit after charging such commission.

5. Interest on Loan is to be provided @ 8% per annum.

6. Audit fees of Rs. 4,500 are outstanding and have not yet been accounted for.

Prepare a Trading and Profit and Loss Account for the year ended 31st March, 2026, and a Balance Sheet as on that date.

P&L A/c

To Bad debt - 3300		
-old Prov (9600)		
+ New Prov. 18000		11700
To Prov. for Disc.		
New - 8550		
-old (4125)		4425

Bls

Sundry Debtors - 360.000		
- Prov for DD. (18000)		
	342000	
- prov. for Disc. (8550)		

WN Loan

$$\text{Loan} \times \frac{8}{100} = 9000$$

$$\text{Loan} = 9000 \times \frac{100}{8} = 112500$$

Question 4 – Incomplete Records (RTP Sep 2026)

The following is the Balance Sheet of Manish and Suresh as on 1st April, 2025:

Liabilities	₹	Assets	₹
Capital Accounts:		Building	1,00,000
Manish	1,50,000	Machinery	65,000
Suresh	75,000	Stock	40,000
Creditors for goods	30,000	Debtors	50,000
Creditors for expenses	25,000	Bank	25,000
	2,80,000		2,80,000

They give you the following additional information:

(i) Sales and purchases for the year ended 31st March, 2025 were Rs. 3,00,000 and Rs. 2,40,000 respectively.

(ii) Stock level is maintained uniformly in value throughout all over the year.

(iii) Depreciation on machinery is charged @ 10%, Depreciation on building @ 5% in the current year.

(iv) Sales in the current year will increase by 43.75% in volume.

(v) Rate of gross profit remains the same.

(vi) Business Expenditures are Rs. 50,000 for the year. All expenditures are paid off in cash.

(vii) All sales and purchases are on credit basis and there are no cash purchases and sales.

You are required to prepare Trading and Profit and Loss Account for the year ended 31.03.2026.

WN1 CY Sales

P.Y. Sales -	300.000
+ Inc by 43.75% :	131250
CY Sales	431250

WN2 Gross Profit % - PY.

COGS = Op st + Purch + Direct exp - Cl. stock
= 40.000 + 240,000 - 40000
= 240.000

Sales = 300.000

GP = ₹60.000

GP(%) on sales : $\frac{60.000}{300.000} \times 100$

: 20%

Trading A/c for the year ended 31.3.26

To Op. stock	40.000	By Sales (WN1)	431250
To Purch (bal. fig)	345000		
To GP. (431250 x 20.1)	86250	By cl. stock	40.000

Question 5 – Admission of a Partner (RTP Sep 2026)

X and Y are partners in a firm, sharing Profits and Losses in the ratio of 3: 2. The Balance Sheet of X and Y as on 31st March,2025 was as follows:

Liabilities	Amount (₹)	Assets		Amount (₹)
Sundry Creditors	45,150	Building		91,000
Bill Payable	14,350	Furniture		20,300
Bank Overdraft	31,500	Stock-in-Trade		74,900
Capital Account:		Debtors	1,22,500	
X: 1,54,000		Less: Provision	(700)	1,21,800
Y: 1,26,000	2,80,000	Investment		8,750
		Cash		54,250
	3,71,000			3,71,000

'Z' was admitted to the firm on 1.4.2025 on the following terms:

(i) He is admitted for 1/6th share and introduces a Capital of Rs. 87,500. The new profit sharing ratio of X, Y and Z will be 3 : 2 : 1 respectively.

(ii) Z is unable to bring in cash for his share of goodwill; The partners decided to calculate goodwill on the basis of 'Z's share in the profits and the capital contribution made by him to the firm.

(iii) Furniture is written down by Rs. 3,045 and stock to be depreciated by 5%.

(iv) Building is appreciated to Rs. 1,02,200. Investment value increases by Rs. 1,575.

(v) Creditors include Rs. 4,900 not to be paid. Provision for Debtors is to be maintained at 5%.

(vi) A printer purchased for Rs. 3,500 on credit was entered in Furniture A/c by mistake. It is now to be treated as Office Equipment, and the liability to the supplier is still outstanding.

(vii) Outstanding wages of Rs. 5,460 are also to be provided.

You are required to prepare Revaluation Account, Partners' Capital Accounts and Balance Sheet of New Partnership firm after admission of 'Z'.

WN Total cap of the firm = 87500 × 6
= ₹525000

Less: Actual cap of Partners – After adj

X -	151900	
Y -	124600	
Z -	87500	364000
GW		161000

Z cap Dr. (161000 × 1/6)
To X cap A/c
To Y cap A/c
} SR

Question 6 – Dissolution of Partnership Firm (RTP Sep 2026)

A, B and C were partners sharing profits and losses in the ratio of 4 : 3 : 1. Their Balance Sheet as on 31st March, 2025 was as follows :

Liabilities	₹	Assets	₹
A's Capital A/c	1,05,000	Building	90,000
B's Capital A/c	45,000	Machinery	30,000
C's Capital A/c	75,000	Stock	82,500
Creditors	39,000	Debtors	90,000
Bank Loan (Secured)	13,500		
A's Loan	15,000		
	2,92,500		2,92,500

They decided to dissolve the business. The assets were realised gradually and the net amounts were distributed immediately as follows:

2025	₹	Expenses	₹
May, 30	33,000	Expenses paid	3,000
July, 30	25,200	Expenses paid	2,200
Sept. 30	57,000	Expenses paid	4,500
Nov. 30	68,000	Expenses paid	8,000
Dec. 31	1,08,000	Expenses paid	10,000

Show the distribution of cash among partners using maximum possible loss method.

	Cash	Bank Loan	Cred.	A's Loan	A	B	C
Balance	-	13500	39000	15000	105000	45000	75000
I- May 30	33000						
- Exp paid	(3000)						
	30000						
- Bank Loan	(13500)	(13500)					
	16500						
- Creditors	(16500)		(16500)				
	-	-	22500	15000	105000	45000	75000
II - July 30	25200						
- Exp paid	(2200)						
	23000						
- Creditors	(22500)		(22500)				
- A's loan	(500)			(500)			
	-	-	-	14500	105000	45000	75000
III - Sep 30	57000						
- Exp paid	(4500)						
	52500						
- A's loan	(14500)			(14500)			
	38000	-	-	-	105000	45000	75000

Max loss:
(225000 - 38000)
- 4:3:1

(93500) (70125) (23375)

	11500	(25125)	51625
Deficiency of B to be shared by A & C in cap Ratio i.e. 7:5	(14656)	25125	(10469)
	(3156)	—	41156
Deficiency of A to be shared by C	3156		(3156)
	—	—	
			38000
Amt paid to C			(38000)
Bal. —	105000	48000	37000

Nov 30 - 68000
- Exp (8000)

60,000

Max loss 12000 in 4:3:1

	(63500)	(47625)	(15875)
Def. of B to be shared A&C 7:5	41500	(2625)	21125
	(1531)	2625	(1094)
	39969	—	20031

Question 7 - Bonus Issue and Redemption of Preference Shares (RTP Sep 2026)

The following is the summarized Balance Sheet of Globus Ltd. as at 31.3.2025:

Liabilities	₹	Assets		₹
Share Capital		Fixed Assets	3,00,000	
Authorised		*Less:* Dep	1,00,000	2,00,000
10,000 10% Redeemable Preference		Investments		1,00,000
Shares of ₹ 10 each	1,00,000			
90,000 Equity Shares of ₹ 10 each	9,00,000			
	10,00,000			
Issued, Subscribed and Paid-up Capital		Current Assets and Loans and Advances		
10,000 10% Redeemable Preference		Inventory		45,000
Shares of ₹ 10 each	1,00,000	Trade receivables		25,000
10,000 Equity Shares of ₹ 10 each	1,00,000	Cash and Bank Balances		50,000
(A)	2,00,000			
Reserves and Surplus				
General Reserve	1,08,500			
Securities Premium	70,000			
Profit and Loss A/c	30,000			
(B)	2,08,500			
Current Liabilities and Provisions (C)	11,500			
Total (A + B + C)	4,20,000	Total		4,20,000

For the year ended 31.3.2026, the company made a net profit of Rs. 35,000 after providing Rs. 20,000 depreciation

The following additional information is available with regard to company's operation:

1. The preference dividend for the year ended 31.3. 2026 was paid.

2. Except cash and bank balances other current assets and current liabilities as on 31.3. 2026, was the same as on 31.3.2025.

3. The company redeemed the preference shares at a premium of 10%.

4. The company issued bonus shares in the ratio of one share for every two equity share held as on 31.3.2026.

5. To meet the cash requirements of redemption, the company sold investments.

6. Investments were sold at 90% of cost on 31.3.2026.

You are required to prepare necessary journal entries to record redemption and issue of bonus shares.

1. P&L A/c Dr. 10.000
To Dividend Payable 10.000

2. Dividend Pay. Dr 10.000
To Bank 10.000

3. Bank Dr 90.000
Loss on sale Dr. 10.000
To Inv. 100,000

4. Gen. Res Dr. 100.000
To CRR 100000

5. 10% Pref Sh. Cap Dr. 100.000
Prem on Red. Dr. 10.000
To Pref Shareholder 110.000

6. Pref Sh. Dr. 110.000
To Bank A/c 110.000

7. P&L A/c Dr 10.000
To Prem. on Red. 10.000

8. CRR Dr (5000x10) 50.000
To Bonus to Eq. shareholder 50.000

9. Bonus to Eq. Sh. Dr 50.000
To Eq. Sh. Cap A/c 50.000

Question 8 – NPO (MTP 1 Sep 2026)

From the following income and expenditure account of a Educational Club for the year ending 31st March, 2026, you are required to prepare Receipt and Payment account for the year ending 31st March, 2026.

Income and Expenditure Account

For the year ending 31st March, 2026

Expenditure	Amount ₹	Income	Amount ₹
To Lawn Maintenance	42,000	By subscription	1,05,000
To General Expenses	13,000	By Admission fees	12,000
To Stationery (depreciation)	1,500	By sale of Sports material (Sale of second-hand material)	2,400
To Depreciation on Sport material	22,000		
To Honorarium	10,400	By Entertainment Fees	14,000
To Excess of income over Expenditure	50,500	By Tournament Income — 20,000 Less: Expenses(14,000)	6,000
	1,39,400		1,39,400

Additional Information:

Particulars	1st April, 2025	31st March, 2026
Cash at bank	60,000	-
Stock of sports material	30,000	-
Donations for club building		1,40,000
Subscription due	10,000	15,000
Stationery stock	4,000	-

op stock

The written down value of the sports material (second hand material) sold for Rs. 2,400 is Nil at the beginning of the year. Stationery was depreciated by 25% and Sports material by 50%.

Note: Depreciation has been charged for full year irrespective of the purchase made during the year.

Sale value − Book value = Gain
Sale value − 0 = 2400
∴ ₹2400
∴ Rec

WN2 Stationary A/c

To bal. bld	4000	By Dep	1500
To Bank	2000	by bal. cld	4500

WN Stationary × 25/100 = 1500

Stationary = 1500 × 100/25

= ₹6000

WN3 Sports Mat. A/c

To bal. bld	30,000	By Dep	22000
To Inc & Exp	2400	By Bank	2400
To Bank	14000		
		by bal cld	22000

$$Sp\ Mat \times \frac{SD}{100} = 22000$$

$$Sp\ Mat = 22000 \times \frac{100}{SD}$$

$$= ₹44000$$

Sub. A/c

To o/s at beg.	10,000	By Bank	100,000
To Inc & Exp	105000		
		By o/s at end	15000

Question 9 – Bills of Exchange (MTP 1 Sep 2026)

Mr. A accepts two bills of exchange on June 1, 2025 for Rs.3,00,000 and Rs.1,20,000 drawn on him by Mr. B. The bill of exchange for Rs.3,00,000 is for two months while the bill of exchange for Rs.1,20,000 is for three months. Mr. B got the first bill discounted with the bank for Rs.2,98,000 on June 3, 2025. On August 2, 2025 Mr. A requested Mr. B to cancel both the bills and drew a new bill on him with the combined amount of both the bills along with interest @ 12% per annum for a period of two months. Before the due date of the renewed bill on September 3, 2025, Mr. A becomes insolvent and only 40 paise in a rupee could be recovered from his estate.

You are required to give the journal entries in the books of Mr. B

WN1 Interest

$\frac{12}{100} \times \frac{2}{12} \times 420000 = 8400$

In the books of Mr. B

June 1
B/R 1 Dr 300,000
B/R 2 Dr 120,000
To Mr. A 420,000

June 3
Bank Dr. 298000
Disc ch. Dr. 2000
To B/R 1 A/c 300,000

2nd Aug
Mr. A Dr. 420,000
To Bank A/c 300,000
To B/R 2 A/c 120,000

2nd Aug
B/R 3 Dr. 428400
To Mr. A 420000
To Int A/c 8400 — Int

Sep 3
Mr. A Dr 428400
To B/R 3 A/c 428400

Sep 3
Bank Dr. 171360
Bad debt Dr 257040
To Mr. A 428400

Question 10 – BRS (MTP 2 Sep 2026)

On 31st July. 2026, Cash Book of Ms. Daman (Bank Column of Account No. 1) shows a Bank Overdraft of Rs.1,97,400. On-going through the Bank Pass book for reconciling the Balance, she found the following:

(a) Out of cheques drawn on 26th July, those for Rs.14,800 were cashed by the bankers on 2nd August.

(b) A crossed cheque for Rs.3000 given to Abdul was returned by him and a bearer cheque was issued to him in lieu on 1st August.

(c) Cash and cheques amounting to Rs.13,600 were deposited in the Bank on 29th July, but cheques worth Rs.5,200 were cleared by the Bank on 1st August., and one cheque for Rs.1,000 was returned by them as dishonoured on the latter date.

(d) According to Daman's standing instructions, the bankers have on 30th July, paid Rs.1,280 as interest to her creditors, paid quarterly premium on her policy amounting to Rs.640 and have paid a second call of Rs.2,400 on shares held by her and lodged with the bankers for safe custody. They have also received Rs.600 as dividend on her shares and recovered an Insurance Claim of Rs.3,200, as their charges and commission charged on the above being Rs.400. On receipt of information of the above transaction, she has passed necessary entries in her Cash Book on 1st August.

(e) Bankers seem to have given a wrong credit for Rs.2,000 paid in by her in No. 2 account and wrong debit in respect of a cheque for Rs.1,400 drawn against her No. 2 account.

Prepare a Bank Reconciliation Statement as on 31st July, 2026.

	Plus	Minus
Overdraft as per CB		197400
a.	14800	
b.	3000	
c.		6200
d. Payment made by Bank		
Int - 1280		
Prem. 640		
Sec Call 2400		4320
e. Amt Rec by the Bank		
DN - 600		
Ins. claim - 3200		
charges (400)	3400	
3400		
	2000	
		1400
Overdraft as per Pass Book	186120	
		209320

Question 11 – Death of a Partner (MTP 2 Sep 2026)

It was provided under the Partnership Agreement between Amar, Akbar and Anthony that in the event of death of a partner, the survivors would have to purchase his share in the firm on the following terms:

(i) Goodwill is to be valued at 3 year's purchase of simple average profits of last 4 completed year

(ii) Outstanding amount due to the representative of a deceased partner shall be paid in 4 equal half yearly instalments commencing 6 months after the death plus interest @ 5% p.a. on the outstanding dues.

They shared profit and loss in the ratio 9:4:3.

Amar died on 30th September, 2025 and Partner's Capital account balances on that date were: Amar – Rs.43,200, Akbar - Rs.25,600 and Anthony - Rs.14,400. Amar's current account on 30th September, 2025 after crediting his share of profit to that date, however showed a debit balance of Rs.3,840. Firm profits were for the year ended 31st March, 2022 Rs.1,40,800 31st March, 2023 Rs.1,12,640 31st March, 2024 Rs.96,320 31st March, 2025 Rs.34,816 Show Amar's Capital Account and Executor's Account (of Amar) till full payment is made to Amar's Executor.

INN Goodwill = $\frac{384576}{4} = 96144$

$= 96144 \times 3$

$= 288432$

Amar's Share: $\frac{9}{16} \times 288432 = 162243$

Amar's Executor A/c

Dr. | Cr.

Date	Part	₹	Date	Part	₹
31.3.26	To Bank A/c (50401+5040)	55441	30 Sep	By Amo. cap A/c	201603
			31st Mar	By Int. ($201603 \times \frac{5}{100} \times \frac{6}{12}$)	5040
	To bal. cld	151202			
		206643			206643
30.9.	To Bank (50401+3780)	54181	1.4.26	by bal. bld	151202
			30.9.	By Int ($151202 \times \frac{5}{100} \times \frac{6}{12}$)	3780
31.3.27	To Bank A/c (50401+2520)	52921			
			31.3.	By Int A/c ($100801 \times \frac{5}{100} \times \frac{6}{12}$)	2520
	To bal. cld	50400			
			1.4.27	by bal. bld	50400
30.9.	To Bank	51660	30.9.	By Int ($50400 \times \frac{5}{100} \times \frac{6}{12}$)	1260

100% Syllabus Revised

Playlist – PYQs RTP Session

Telegram



Comment - Revision Done