



---

## CORRIGENDUM

### Corrigendum to Study Material August 2025, reprint edition) of Foundation Paper 1: Accounting – Printed copy

In the printed copy of the Study Material [August 2025, reprint edition], students may note the following corrections. The correction has been carried out in the Study material hosted on the website:

S. No.	Chapter	Para no. /question no./ Illustration no.	Page No.	Remarks
1.	Chapter 1, Unit 3	Illustration 6 point (3)	1.68	In Solution of Illustration 6, point (3) should be read as the amount paid to workers on voluntary retirement is revenue expenditure since it represents compensation for termination of employment and does not result in the creation of any asset or future economic benefit.
2.	Chapter 2, Unit 6	Test Your Knowledge Question1	2.158	The entry No 8 should be read as Bad Debts A/c Dr. 1,560 To Trade Receivables A/c 1,560
3.	10 Unit-3	Case (b)	10.94	The New Profit sharing ratio of should be read as A,B and C is <b>9: 5: 3 instead of 9: 5 :6</b>
4.	10 Unit -4	Test Your Knowledge question2 (a)	10.166	The statement (a) be read as “ (a) The profit and loss account for the year ended 31.3.2022, which showed a net profit of ₹42,000 was to be re-opened. B was to be credited with ₹6,000 as bonus in consideration of the extra work which had devolved upon him during the year <b>hence is an appropriation of profit</b> . The profit sharing basis was to be revised and the revised ratio is to be 2:3:1 and from 1st April 2021.”
5.	10 Unit -5	True and False (1)	10.198	The statement to be read as “ False: The business of partnership may not end on death of a partner if <b>the partnership deed provides clause for continuation of the business by the surviving partners.</b>



**Board of Studies**  
**The Institute of Chartered Accountants of India**

6.	4		4.14	<p>The below statement should be read as “ In the above example, if the entity followed periodic inventory valuation <b>under FIFO method</b>, closing inventory of 1,000 pcs. will be valued as follows:</p> <p>800 pcs. @ ` 47 each (purchased on Dec. 28th) = ` 37,600 200 pcs. @ ` 60 each (purchased on Dec. 19th) = ` 12,000 Total 1,000 pcs. = ` 49,600</p> <p><b>If the entity followed periodic inventory valuation under LIFO method, closing inventory of 1,000 pcs. will be valued as follows:</b></p> <p><b>900 pcs. @ ` 50 each (purchased on Dec. 4th) = ` 45,000</b> <b>100 pcs. @ ` 55 each (purchased on Dec. 10th) = ` 5,500</b> <b>Total 1,000 pcs. = ` 50,500</b></p>
----	---	--	------	--