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**Senior School Certificate Examination**
**March -2019 - 20**
**Marking Scheme – Accountancy 67/2/1, 67/2/2, 67/2/3**

**General Instructions:**

1. You are aware that evaluation is the most important process in the actual and correct assessment of the candidates. A small mistake in evaluation may lead to serious problems which may affect the future of the candidates, education system and teaching profession. To avoid mistakes, it is requested that before starting evaluation, you must read and understand the spot evaluation guidelines carefully. **Evaluation is a 10-12 days mission for all of us. Hence, it is necessary that you put in your best efforts in this process.**

2. Evaluation is to be done as per instructions provided in the Marking Scheme. It should not be done according to one's own interpretation or any other consideration. Marking scheme should be strictly adhered to and religiously followed. **However, while evaluating, answers which are based on latest information or knowledge and innovative, they may be assessed and marks be awarded to them**.

3. The Head-Examiner must go through the first five answer books evaluated by each evaluator on the first day to ensure that evaluation has been carried out as per the instructions given in the Marking Scheme. The remaining answer scripts meant for evaluation shall be given only after ensuring that there is no significant variation in the marking of individual evaluators.

4. Evaluators will mark (√) wherever the answer is correct . for wrong answers (×) be marked .Evaluators will not put right mark (√) while evaluating which gives an impression that answer is correct but no mark is awarded. **This is most common mistake which evaluators are committing.**

5. If a question has parts, please award marks on the right hand side for each part. Marks awarded for different parts of the question should then be totalled up and written in the left hand margin and encircled. This may be followed strictly.

6. If a question does not have any parts, marks must be awarded in the left hand margin and encircled. This may be followed strictly.

7. If a student has attempted an extra question, answer of the question deserving more marks should be retained and other answer scored out.

8. No marks to be deducted for the cumulative effect of an error. It should be penalized only once.

9. Deductions up to 25% of the marks must be made if the student has not drawn formats of the Journal and Ledger and has not given the narrations.

10. No marks are to be deducted or awarded for writing / not writing 'TO and BY' while preparing Journal and Ledger accounts.

11. In theory questions, credit is to be given for the content and not for the format.

12. A full scale of marks 1-80 has to be used. Please do not hesitate to award full marks if the answer deserves it.

13. Every examiner has to necessarily do evaluation work for full working hours i.e. 8 hours everyday and evaluate 20 answer books per day.

14. Avoid the following common types of errors committed by the Examiners in the past.
    - Leaving answer or part thereof unassessed in an answer script
    - Giving more marks for an answer than assigned to it or deviation from the marking scheme.
    - Wrong transference of marks from the inside pages of the answer book to the title page.
    - Wrong question wise totaling on the title page.
    - Wrong totaling of marks of the two columns on the title page
    - Wrong grand total
    - Marks in words and figures not tallying
    - Wrong transference to marks from the answer book to award list
    - Answers marked as correct but marks not awarded

15. Half or a part of answer marked correct and the rest as wrong but no marks awarded.

16. While evaluating the answer scripts if the answer is found to be totally incorrect, it should be marked as (x) and awarded zero(0) Marks.

17. Any unassessed portion, non-carrying over of marks to the title page or totalling error detected by the candidate shall damage the prestige of all the personnel engaged in the evaluation work as also of the Board. Hence in order to uphold the prestige of all concerned, It is again reiterated that the instructions be followed meticulously and judiciously.

18. The Examiners should acquaint themselves with the guidelines given in the Guidelines for Spot Evaluation before starting the actual evaluation.

19. Every Examiner shall also ensure that all the answers are evaluated, marks carried over to the title page, correctly totaled and written in figures and words.

20. The board permits candidates to obtain photocopy of the Answer Book on request in an RTI application and also separately as a part of the re- evaluation process on payment of the processing charges.

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| | | | Marking Scheme 2019-20<br>Accountancy (055)<br>67/2/1<br>Expected Answers/ Value Points | Marks |
|---|---|---|---|---|
| **1** | - | - | **Q. Srishti, Nitya and Anand……**<br><br>**Ans.** (C)/ 2:1 | **1 mark** |
| **2** | - | - | **Q. Which of the following……**<br><br>**Ans.** (A)/ Donations for Tournament | **1 mark** |
| **3** | 10 | 1 | **Q. Nominal share capital……..**<br><br>**Ans.** (D)/ The maximum amount of share capital that a company is authorized to issue. | **1 mark** |
| **4** | - | - | **Q. Aditya and Shiv……..**<br><br>**Ans**. (D)/ ₹60,000 | **1 mark** |
| **5** | - | - | **Q. Distinguish between……**<br><br>**Ans.** Income and Expenditure Account records items of revenue nature while Receipts and Payments Account records items of both capital and revenue nature. | **1 mark** |
| **6** | - | - | **Q. Vidit and Seema……**<br><br>**Ans.** (D)/ ₹6,000 | **1 mark** |
| **7** | 1 | 5 | **Q. At the time of admission……**<br><br>**Ans.** Premium for goodwill/ Premium/ Goodwill | **1 mark** |

| | | | | |
|---|---|---|---|---|
| **8** | - | - | **Q. Pragya Ltd……..**<br><br>**Ans.** (C)/ ₹5,60,000 | **1 mark** |
| **9** | 3 | 7 | **Q. What is meant by……..**<br><br>**Ans.** Issue of debentures as a collateral security means debentures issued as secondary security when the company obtains a loan. | **1 mark** |
| **10** | - | - | **Q. Utsav Ltd……**<br><br>**Ans.** (D)/ 1,00,000 | **1 mark** |
| **11** | 5 | 9 | **Q. Interest paid…….**<br><br>**Ans.** Yes.<br><br>Reason: Interest on debentures has to be paid whether the company earns profit or not. | **½ mark**<br>+<br>**½ mark**<br>=<br>**1 mark** |
| **12** | 6 | 10 | **Q. From the given extracts……**<br><br>**Ans.** ₹6,000 | **1 mark** |
| **13** | - | - | **Q. The directors of Axim Ltd……**<br><br>**Ans.** (C)/ ₹60,000 | **1 mark** |
| **14** | 14 | 14 | **Q. How will the following information……** | |

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**Ans.**

Dr. **Income and Expenditure A/c for the year ended March 31, 2019** Cr.

| Expenditure | Amount (₹) | Income | Amount (₹) |
|---|---|---|---|
| To Tournament expenses | 30,000 | | |

**1 mark**

**Balance Sheet of Royal Sports Cub Club as on 31st March 2019**

| Liabilities | Amount (₹) | Assets | Amount (₹) |
|---|---|---|---|
| Tournament Fund 5,00,000<br>Add Sale of Tournament tickets 1,50,000<br>Add Donations for tournament 1,20,000<br>Less Tournament expenses (7,70,000) | -- | | |

**1/2 x 4 = 2 marks = 1+2 = 3 marks**

**OR**

**OR**

**Q. From the following particulars…….**

**Dr. Receipts and Payments Account for the year ended 31st March 2019 Cr.**

| Receipts | Amount (₹) | Payments | Amount (₹) |
|---|---|---|---|
| To Balance b/d | 20,000 | By Rent | 19,000 |
| To Subscriptions received: | | By Office Expenses | 23,000 |
| 2017-18 25,000 | | By balance c/d | 2,68,000 |
| 2018-19 1,00,000 | | | |
| 2019-20 15,000 | 1,40,000 | | |
| To Entrance Fees | 45,000 | | |
| To Sale of old sports materials | 5,000 | | |
| To Donations received for construction of building | 1,00,000 | | |
| | 3,10,000 | | 3,10,000 |

**3 marks**

**Note: If the examinee has presented Subscriptions as total of three years, full credit be**

| | | | | |
|---|---|---|---|---|
| | | | **given.** | |
| **15** | 16 | 17 | **Q. Yash and Karan….**<br><br>**Ans.**<br><br>Goodwill = Capitalised value of the firm – Capital employed…….1<br><br>Capitalised value of the firm = $\frac{\text{Average Profits x 100}}{\text{Normal rate of return}}$<br><br>= $\frac{₹5,00,000 \text{ x } 100}{10}$<br>= ₹50,00,000……1<br><br>Capital employed = Yash's Capital + Karan's capital + Yash's Current Account + Karan's Current Account + General reserve<br><br>= ₹6,00,000 + ₹4,00,000 + ₹4,00,000 + ₹5,00,000 + ₹1,00,000<br><br>= ₹20,00,000……1<br><br>Goodwill= ₹50,00,000 - ₹20,00,000<br><br>= ₹30,00,000……1<br><br>**OR**<br><br>**Q. Samiksha, Ash and Divya……** | **1+1+1+1 =**<br><br>**4 marks**<br><br>**OR** |

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**Ans.** **JOURNAL**

| Date | Particulars | Dr. Amount (₹) | Cr. Amount (₹) | |
|---|---|---|---|---|
| | Samiksha's Capital A/c Dr.<br>Ash's Capital A/c Dr.<br>Divya's Capital A/c Dr.<br>To Profit and Loss A/c<br>(Undistributed loss transferred to Partners' Capital Accounts) | 25,000<br>15,000<br>10,000 | <br><br><br>50,000 | **1 mark** |
| | Investment Fluctuation Fund A/c Dr.<br>To Investments A/c<br>To Samiksha's Capital A/c<br>To Ash's Capital A/c<br>To Divya's Capital A/c<br>(Investments Fluctuation Fund distributed to Partners' Capital Accounts after meeting the decrease in the value of investments) | 40,000 | <br>20,000<br>10,000<br>6,000<br>4,000 | **1 ½ mark** |
| | Ash's Capital A/c Dr.<br>Divya's Capital A/c Dr.<br>To Samiksha's Capital A/c<br>(Adjustment entry made for goodwill) | 60,000<br>30,000 | <br><br>90,000 | **1 ½ mark** |

**=**
**1+1 ½ +**
**1 ½**
**=**
**4 marks**

<u>Calculation of sacrifice/ gain</u>:

Samiksha =5/10 -2/10 =3/10 (sacrifice)

Ash= 3/10 -5/10 =2/10 (gain)

Divya =2/10 -3/10 =1/10 (gain)

| | | | | |
|---|---|---|---|---|
| **16** | 17 | 18 | **Q. The capital accounts of Alka and Archana…** | |

**Ans.** Calculation of Interest on capital:

Calculation of Opening Capitals:

| Particulars | Alka(₹) | Archana(₹) |
|---|---|---|
| Closing Capitals | 4,00,000 | 3,00,000 |
| Add Drawings | 40,000 | 20,000 |
| Less Profits | (1,00,000) | (1,00,000) |
| Opening Capitals | ½…….3,40,000 | ½…..2,20,000 |
| Interest on Capital@10% p.a. | ½ ……..**34,000** | ½ ……**22,000** |

**1 mark**

**1 mark**

Alka's Interest on Drawings = 6/100 x ₹40,000 x 4.5/12

= **₹900**…….. 1

**1 mark**

Archana's Interest on Drawings

| Date | Amount (₹) | No. of months | Product (₹) |
|---|---|---|---|
| 31.5.18 | 8,000 | 10 | 80,000 |
| 1.11.18 | 7,000 | 5 | 35,000 |
| 1.2.19 | 5,000 | 2 | 10,000 |
| | | | 1,25,000 |

**1 mark**

Interest on Drawings = 6/100 x ₹1,25,000 x 1/12

= **₹625**…….……..….. 1

**= 1+1+1+1**

**=**

**4 marks**

*Alternatively, Interest on drawings can be calculated as:*

(₹8,000 x 6/100 x 10/12) + (₹7,000 x 6/100 x 5/12) + (₹5,000 x 6/100 x 2/12) = ₹625

| | | | |
|---|---|---|---|
| **17** | **-** | **-** | **Q. Naveen, Kavita….** |

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**Ans.** Dr. **Naveen's Capital Account** Cr.

| Particulars | Amount (₹) | Particulars | Amount (₹) |
|---|---|---|---|
| To Drawings | 60,000 | By balance b/d | 3,00,000 |
| To Advertisement Expenditure A/c | 10,000 | By Profit and Loss A/c | 75,000 |
| | | By P&L Suspense A/c | 12,500 |
| To Naveen's executors A/c | 4,17,500 | By Kavita's Capital A/c | 80,000 |
| | | By Vishesh's Capital A/c | 20,000 |
| | 4,87,500 | | 4,87,500 |

**(Note: If an examinee has raised goodwill, full credit be given)**

.

**½ x 8 = 4 marks**

**18** 15 16 **Q. From the following Receipts and Payments A/c .....**

**Ans.**

Dr. **Income and Expenditure A/c for the year ended March 31, 2019** Cr.

| Expenditure | | Amount (₹) | Income | Amount (₹) |
|---|---|---|---|---|
| To depreciation on furniture (18,000+5,000) | | 23,000 | By Subscriptions | 90,000 |
| | | | By Donations | 39,000 |
| To Salary | 62,000 | | | |
| Less outstanding salary at the beginning of the year | (13,000) | 49,000 | By Interest | 19,700 |
| To Surplus- excess of income over expenditure | | 76,700 | | |
| | | 1,48,700 | | 1,48,700 |

**2 marks**

**Balance Sheet of Premier Club as on 31st March 2019**

| Liabilities | Amount (₹) | Assets | Amount (₹) |
|---|---|---|---|
| Subscriptions received in advance | 9,000 | Furniture 2,80,000 | |
| Capital Fund 2,62,900 | | Less depreciation 23,000 | 2,57,000 |
| Add Surplus 76,700 | 3,39,600 | Outstanding Subscriptions | 23,000 |
| | | Cash | 68,600 |
| | 3,48,600 | | 3,48,600 |

**1 ½ marks**

Working Notes:

**Balance Sheet of Premier Club as on 1st April 2018**

| Liabilities | Amount (₹) | Assets | Amount (₹) |
|---|---|---|---|
| Outstanding salary | 13,000 | Furniture | 1,80,000 |
| Capital fund (bal. fig) | 2,62,900 | Outstanding Subscriptions | 15,000 |
| | | Cash | 80,900 |
| | 2,75,900 | | 2,75,900 |

**½ mark**

**Note: If an examinee has calculated the Capital Fund using accounting equation, full credit be given)**

**= 2 + 1 ½ + ½ = 4 marks**

**19** - - **Q. Simar, Raja and Rita…… .**

**Ans.** **Journal**

| Date | Particulars | Dr. Amount (₹) | Cr. Amount (₹) |
|---|---|---|---|
| (i) | Bank/ Cash A/c Dr. | 88,000 | |
| | To Realisation A/c | | 88,000 |
| | (Bad debts earlier written off, now recovered) | | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | (ii) | Realisation A/c Dr.<br>To Bank A/c<br>(Payment made to creditors) | 50,000 | <br>50,000 | |
| | | | (iii) | Raja's loan A/c Dr.<br>To Bank/ Cash A/c<br>To Realisation A/c<br>( Raja's loan settled)<br>**or**<br>Raja's loan A/c Dr.<br>To Bank/ Cash A/c<br>( Raja's loan settled)<br><br>Raja's loan A/c Dr.<br>To Realisation A/c<br>( Raja's loan settled at a profit) | 18,000<br><br><br><br><br>17,000<br><br><br>1,000 | <br>17,000<br>1,000<br><br><br><br>17,000<br><br><br><br>1,000 | **1 x 6 = 6 marks** |
| | | | (iv) | Simar's Capital A/c Dr.<br>Cash/ Bank A/c Dr.<br>To Realisation A/c<br>(Investments taken over by Simar and remaining sold) | 52,000<br>12,000 | <br><br>64,000 | |
| | | | (v) | Realisation A/c Dr.<br>To Cash/ Bank A/c<br>(Dissolution expenses paid by the firm) | 19,000 | <br>19,000 | |
| | | | (vi) | Realisation A/c Dr.<br>To Simar's Capital A/c<br>To Raja's Capital A/c<br>To Rita's Capital A/c<br>(Profit on dissolution credited to partners capital accounts) | 30,000 | <br>12,000<br>12,000<br>6,000 | |
| **20** | 20 | 20 | **Q. (i) Kati Ltd. issued……**<br><br>**Ans.** (i) | | | | |

**Journal of Kati Ltd.**

| Date | Particulars | Dr. Amount (₹) | Cr. Amount (₹) |
|---|---|---|---|
| | Bank A/c Dr.<br>To Debenture Application and Allotment A/c<br>(Application money received on 9,000 debentures) | 8,10,000 | 8,10,000 |
| | Debenture Application and Allotment A/c Dr.<br>Discount/Loss on issue of Debentures A/c Dr.<br>To 9% Debentures<br>To Bank A/c<br>(Debentures allotted and excess application money refunded) | 8,10,000<br>80,000 | <br><br>8,00,000<br>90,000 |

**1 ½ x 2 = 3 marks**

**(ii) Pivot Ltd. issued……..**

**Ans.**

**Journal of Pivot Ltd.**

| Date | Particulars | Dr. Amount (₹) | Cr. Amount (₹) |
|---|---|---|---|
| 2018<br>Mar 31 | Surplus i.e. balance in Statement of Profit and Loss Dr<br>To Debenture Redemption Reserve A/c<br>(Debenture Redemption Reserve created out of profits) | 10,00,000 | 10,00,000 |
| Apr 30 | Debenture Redemption Investments A/c Dr.<br>To Bank A/c<br>( Debenture Redemption Investments purchased) | 3,00,000 | 3,00,000 |

**1 mark**

**½ mark**

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| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | 2019<br>Mar.31 | Bank A/c Dr.<br>To Debenture Redemption Investments A/c<br>(Debenture Redemption Investments realised) | 3,00,000 | 3,00,000 | **½ mark** |
| | | | " | 9% Debentures A/c Dr.<br>To Debenture holders A/c<br>( Amount payable to Debenture holders on redemption) | 20,00,000 | 20,00,000 | **½ mark** |
| | | | " | Debenture holders A/c Dr.<br>To Bank A/c<br>( Payment made to Debenture holders) | 20,00,000 | 20,00,000 | **½ mark** |
| | | | | Debenture Redemption Reserve A/c Dr.<br>To General Reserve A/c<br>(Proportionate amount of Debenture Redemption Reserve transferred to General Reserve) | 5,00,000 | 5,00,000 | **= 3 marks = 3+3 = 6 marks** |

**Note: No marks have been allotted for transfer of Debenture Redemption Reserve to General Reserve**

**OR** **OR**

**Q. (i) Rama Ltd……..**

**Ans. (i)**

**Rama Ltd.**

**Journal**

| Date | Particulars | Dr. Amount (₹) | Cr. Amount (₹) | |
|---|---|---|---|---|
| | Land and Building A/c Dr.<br>Furniture A/c Dr.<br>Stock A/c Dr.<br>Goodwill A/c Dr.<br>To Creditors A/c<br>To Krishna Ltd.<br>(Assets and liabilities taken over) | 50,00,000<br>10,00,000<br>5,00,000<br>2,00,000 | <br><br><br><br>7,00,000<br>60,00,000 | **1 mark** |
| | Krishna Ltd. Dr.<br>To 12% Debentures A/c<br>To Securities Premium Reserve A/c<br>(Purchase consideration discharged by issuing 12% Debentures at a premium) | 60,00,000 | <br>50,00,000<br>10,00,000 | **1 mark** |

**(ii) On 1st April 2018, Sakshi Ltd……**

**Journal of Sakshi Ltd.**

| Date | Particulars | Dr. Amount (₹) | Cr. Amount (₹) | |
|---|---|---|---|---|
| | Bank A/c Dr.<br>To Debenture Application and Allotment A/c<br>(Application money received on 1,000 11% Debentures) | 94,000 | <br>94,000 | **1 mark** |
| | Debenture Application and Allotment A/c Dr.<br>Loss on issue of Debentures A/c Dr.<br>To 11% Debentures A/c<br>To Premium on redemption of debentures A/c<br>(Allotment of 11% debentures at a discount, | 94,000<br>11,000 | <br><br>1,00,000<br>5,000 | |

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| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | | redeemable at a premium)<br><br>**or**<br><br>Debenture Application and Allotment A/c Dr.<br>Discount on issue of Debentures A/c Dr.<br>Loss on issue of Debentures A/c Dr.<br>To 11% Debentures A/c<br>To Premium on redemption of Debentures A/c<br>(Allotment of 11% debentures at a discount, redeemable at a premium) | <br><br><br>94,000<br>6,000<br>5,000<br><br><br> | <br><br><br><br><br>1,00,000<br>5,000 | **1 mark** |

**(iii) On 1st April 2016, Canara Bank Issued……..**

**Journal of Canara Bank**

| Date | Particulars | Dr. Amount (₹) | Cr. Amount (₹) | |
|---|---|---|---|---|
| | 9% Debentures A/c Dr.<br>Premium on redemption of debentures A/c Dr.<br>To Debenture holders A/c<br>(Amount payable to Debenture holders at a premium) | 5,00,000<br>50,000<br><br> | <br><br>5,50,000<br> | **1 mark** |
| | Debenture holders A/c Dr.<br>To Bank A/c<br>( Payment made to Debenture holders) | 5,50,000<br><br> | <br>5,50,000<br> | **1 mark**<br><br>=<br>**6 marks** |

| | | | | |
|---|---|---|---|---|
| **21** | 22 | 21 | **Q. V.D Ltd. invited……**<br><br>**Ans.** | |

**Journal of VD Ltd.**

| Date | Particulars | Dr. Amount (₹) | Cr. Amount (₹) | |
|---|---|---|---|---|
| | Bank A/c Dr.<br>To Equity Share Application A/c<br>(Application money received on 2,50,000 shares) | 7,50,000 | <br>7,50,000 | ½ mark |
| | Equity Share Application A/c Dr.<br>To Equity Share Capital A/c<br>To Securities Premium Reserve A/c<br>To Equity Share Allotment A/c<br>To Bank A/c<br>(Equity shares allotted and excess application money transferred to equity share allotment) | 7,50,000 | <br>4,00,000<br>2,00,000<br>1,20,000<br>30,000 | 1 mark |
| | Equity Share Allotment A/c Dr.<br>To Equity Share Capital A/c<br>To Securities Premium Reserve A/c<br>(Allotment money due) | 14,00,000 | <br>4,00,000<br>10,00,000 | ½ mark |
| | Bank A/c Dr.<br>To Equity Share Allotment A/c<br>(Allotment money received)<br>**or**<br>Bank A/c Dr.<br>Calls in arrears A/c Dr.<br>To Equity Share Allotment A/c<br>(Allotment money received) | 12,73,600<br><br><br><br>12,73,600<br>6,400 | <br>12,73,600<br><br><br><br><br>12,80,000 | 1 mark |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | Equity Share Capital A/c | Dr. | 4,000 | |
| | | | | | Securities Premium Reserve A/c | Dr. | 5,000 | |
| | | | | | To Share Forfeiture A/c | | | 2,600 |
| | | | | | To Share Allotment A/c | | | 6,400 |
| | | | | | ( Agam's shares forfeited) | | | **1 mark** |
| | | | | | **or** | | | |
| | | | | | Equity Share Capital A/c | Dr. | 4,000 | |
| | | | | | Securities Premium Reserve A/c | Dr. | 5,000 | |
| | | | | | To Share Forfeiture A/c | | | 2,600 |
| | | | | | To Calls in arrears A/c | | | 6,400 |
| | | | | | (Agam's shares forfeited) | | | |
| | | | | | Equity Share First and Final call A/c | Dr. | 11,94,000 | |
| | | | | | To Equity Share Capital A/c | | | 11,94,000 |
| | | | | | (Equity Share First and final call money due) | | | **½ mark** |
| | | | | | Bank A/c | Dr. | 11,82,000 | |
| | | | | | To Equity Share First and Final call A/c | | | 11,82,000 |
| | | | | | (First and final call money received) | | | |
| | | | | | | | | **1 mark** |
| | | | | | **or** | | | |
| | | | | | Bank A/c | Dr. | 11,82,000 | |
| | | | | | Calls in arrears A/c | Dr. | 12,000 | |
| | | | | | To Equity Share First and Final call A/c | | | 11,94,000 |
| | | | | | (First and final call money received) | | | |
| | | | | | Equity Share Capital A/c | Dr. | 20,000 | |
| | | | | | To Share Forfeiture A/c | | | 8,000 |
| | | | | | To Equity Share First and Final Call A/c | | | 12,000 |
| | | | | | (Seema's shares forfeited) | | | |
| | | | | | | | | **1 mark** |
| | | | | | **or** | | | |
| | | | | | Equity Share Capital A/c | Dr. | 20,000 | |
| | | | | | To Share Forfeiture A/c | | | 8,000 |
| | | | | | To Calls in arrears A/c | | | 12,000 |
| | | | | | (Seema's shares forfeited) | | | |

| | | | |
|---|---|---|---|
| | Bank A/c Dr.<br>To Equity Share Capital A/c<br>To Securities Premium Reserve A/c<br>( shares reissued for ₹16 per share) | 24,000 | <br>15,000<br>9,000 |
| | Share Forfeiture A/c Dr.<br>To Capital Reserve A/c<br>(Gain on reissue of forfeited shares transferred to capital reserve) | 5,300 | <br>5,300 |

**1/2 mark**

**1 mark**

**=**

**8 marks**

**OR**

**OR**

**Q. Konark Ltd…..**

**Ans.** **Journal of Konark Ltd.**

| Date | Particulars | Dr. Amount (₹) | Cr. Amount (₹) |
|---|---|---|---|
| | Bank A/c Dr.<br>To Share Application A/c<br>(Application money received on 4,00,000 shares) | 12,00,000 | <br>12,00,000 |
| | Share Application A/c Dr.<br>To Share Capital A/c<br>To Share Allotment A/c<br>(Shares allotted and excess application money transferred to equity share allotment) | 12,00,000 | <br>9,00,000<br>3,00,000 |

**½ mark**

**1 mark**

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| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | | |
| | | | | | Share Allotment A/c Dr.<br>To Share Capital A/c<br>(Allotment money due) | 9,00,000 | 9,00,000 | ½ mark |
| | | | | | Bank A/c Dr.<br>Calls in arrears A/c Dr.<br>To Share Allotment A/c<br>To Calls in advance A/c<br>(Allotment money received)<br>**or**<br>Bank A/c Dr.<br>To Share Allotment A/c<br>To Calls in advance A/c<br>(Allotment money received) | 6,34,000<br>6,000<br><br><br><br><br>6,34,000 | <br><br>6,00,000<br>40,000<br><br><br><br>5,94,000<br>40,000 | 1 mark |
| | | | | | Share First and final call A/c Dr.<br>To Share Capital A/c<br>(First call money due) | 12,00,000 | <br>12,00,000 | ½ mark |
| | | | | | Bank A/c Dr.<br>Calls in arrears A/c Dr.<br>Calls in advance A/c Dr.<br>To Share First and final call A/c<br>(First call money received)<br>**or**<br>Bank A/c Dr.<br>Calls in advance A/c Dr.<br>To Share First and final call A/c | 11,44,000<br>16,000<br>40,000<br><br><br><br><br>11,44,000<br>40,000 | <br><br><br>12,00,000<br><br><br><br><br><br>11,84,000 | 1 ½ marks |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | | (First call money received) | | | |
| | | | | Share Capital A/c Dr.<br>To Share Forfeiture A/c<br>To Calls in Arrears A/c<br>(Divij's shares forfeited for non payment of allotment and first call)<br>**or**<br>Share Capital A/c Dr.<br>To Share Forfeiture A/c<br>To Share Allotment A/c<br>To Share first and Final Call A/c<br>(Divij's shares forfeited for non payment of allotment and first call) | 40,000<br><br><br><br><br><br>40,000 | <br>18,000<br>22,000<br><br><br><br><br>18,000<br>6,000<br>16,000 | **1 mark** |
| | | | | Bank A/c Dr.<br>To Share Capital A/c<br>(Half of Divij's shares reissued for ₹10 per share fully paid) | 20,000 | <br>20,000 | **1 mark** |
| | | | | Share Forfeiture A/c Dr.<br>To Capital Reserve A/c<br>(Gain on reissue of forfeited shares transferred to capital reserve) | 9,000 | <br>9,000 | **1 mark**<br><br>=<br>**8 marks** |
| **22** | 21 | 22 | **Q. Madhuri and Arsh…** | | | | |

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**Ans**.

Dr. **Revaluation A/c** Cr.

| Particulars | | Amount (₹) | Particulars | Amount (₹) |
|---|---|---|---|---|
| To Provision for doubtful debts | | 2,000 | By Stock | 10,000 |
| To Workmen's compensation claim | | 10,000 | By Cash/ Bad Debts Recovered | 15,000 |
| To Profit transferred to: | | | | |
| Madhuri's Capital A/c | 30,000 | | By Creditors | 27,000 |
| Arsh's Capital A/c | 10,000 | 40,000 | | |
| | | 52,000 | | 52,000 |

**2 marks**

Dr. **Partners Capital Accounts** Cr.

| Particulars | Madhuri (₹) | Arsh (₹) | Jyoti (₹) | Particulars | Madhuri (₹) | Arsh (₹) | Jyoti (₹) |
|---|---|---|---|---|---|---|---|
| To Investments A/c | - | 22,000 | - | By Balance b/d | 3,00,000 | 2,00,000 | - |
| | | | | By Cash A/c | - | - | 1,86,000 |
| To Balance c/d | 3,60,000 | 1,98,000 | 1,86,000 | By Premium for goodwill A/c | 30,000 | 10,000 | - |
| | | | | By Revaluation A/c | 30,000 | 10,000 | - |
| | 3,60,000 | 2,20,000 | 1,86,000 | | 3,60,000 | 2,20,000 | 1,86,000 |

**1 mark for each capital A/c = 1 x 3 = 3 marks**

+

**Balance Sheet of Madhuri, Arsh and Jyoti as on 31st March 2019**

| Liabilities | | Amount (₹) | Assets | | Amount (₹) |
|---|---|---|---|---|---|
| Capitals: | | | Machinery | | 4,70,000 |
| Madhuri | 3,60,000 | | Investments | | 88,000 |
| Arsh | 1,98,000 | | Debtors | 1,20,000 | |
| Jyoti | 1,86,000 | 7,44,000 | Less Provision for | | |
| Workmen's compensation claim | | 70,000 | doubtful debts | 12,000 | 1,08,000 |
| Creditors | | 1,63,000 | Stock | | 1,50,000 |
| Employees Provident Fund | | 1,10,000 | Cash | | 2,71,000 |
| | | 10,87,000 | | | 10,87,000 |

**Note 1: if an examinee has raised and written off the goodwill, full credit be given.**

**Note 2: No marks are to be deducted for cumulative effect of an error**

**1 ½ mark for correct assets side + 1 ½ mark for correct liability side = 3 marks = 2+3+3 = 8 marks**

**OR**

**OR**

**Q. Anita, Gaurav and Sonu……..**

Dr. **Revaluation A/c** Cr.

| Particulars | | Amount (₹) | Particulars | Amount (₹) |
|---|---|---|---|---|
| To Bad debts | | 10,000 | By Land and Building | 1,00,000 |
| To Provision for doubtful debts | | 13,000 | | |
| To Profit transferred to: | | | | |
| Anita's Capital A/c | 30,800 | | | |
| Gaurav's Capital A/c | 30,800 | | | |
| Sonu's Capital A/c | 15,400 | 77,000 | | |
| | | 1,00,000 | | 1,00,000 |

**Note: If an examinee has debited Provision for doubtful debts with ₹23,000 (bad debts ₹10,000 + provision ₹13,000), full credit be given.**

**2 marks**

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Dr. **Partners Capital Accounts** Cr.

| Particulars | Anita (₹) | Gaurav (₹) | Sonu (₹) | Particulars | Anita (₹) | Gaurav (₹) | Sonu (₹) |
|---|---|---|---|---|---|---|---|
| To Anita's Capital A/c | - | 80,000 | 40,000 | By balance b/d | 2,00,000 | 2,00,000 | 1,00,000 |
| To Bank A/c | 1,00,000 | - | - | By General Reserve | 12,000 | 12,000 | 6,000 |
| To Anita's loan | 2,74,800 | - | - | By Revaluation A/c | 30,800 | 30,800 | 15,400 |
| To balance c/d | - | 1,74,800 | 87,400 | By Gaurav's Capital A/c | 80,000 | - | - |
| | | | | By Sonu's Capital A/c | 40,000 | - | - |
| | | | | By Investment Fluctuation Fund | 12,000 | 12,000 | 6,000 |
| | 3,74,800 | 2,54,800 | 1,27,400 | | 3,74,800 | 2,54,800 | 1,27,400 |

**1 mark for each capital A/c = 1 x 3 = 3 marks**

**Balance Sheet of the reconstituted firm as at 31st March 2019**

| Liabilities | | Amount (₹) | Assets | | Amount (₹) |
|---|---|---|---|---|---|
| Capitals | | | Land and Building | | 6,00,000 |
| Gaurav | 1,74,800 | | Investments | | 1,10,000 |
| Sonu | 87,400 | 2,62,200 | Debtors | 1,30,000 | |
| Anita's Loan | | 2,74,800 | Less Provision for | | |
| Sundry Creditors | | 4,60,000 | doubtful debts | 13,000 | 1,17,000 |
| | | | Stock | | 1,00,000 |
| | | | Cash | | 70,000 |
| | | 9,97,000 | | | 9,97,000 |

**1 ½ marks for correct asset side + 1 ½ marks for correct liabilities side = 3 marks = 8 marks**

**Note 1: if an examinee has raised and written off the goodwill, full credit be given.**

**Note 2: No marks are to be deducted for cumulative effect of an error**

| | | | | |
|---|---|---|---|---|
| | | | | |
| | | | **PART B**<br>**OPTION 1**<br>**Analysis of Financial Statements** | |
| **23** | - | - | **Q. An investment normally…….**<br><br>**Ans.** Three | **1 mark** |
| **24** | - | - | **Q. X Ltd. purchased……**<br><br>**Ans.** (D). Cash used in investing activities ₹8,00,000 | **1 mark** |
| **25** | 27 | 29 | **Q. Which of the following……**<br><br>**Ans.** (B)/ Inter firm comparative study possible | **1 mark** |
| **26** | - | - | **Q. State the objective……**<br><br>**Ans.** The objective of preparing Cash Flow Statement is to provide useful information about Cash Flows (Inflows & outflow) of an enterprise during a particular period under various heads of activities. | **1 mark** |
| **27** | - | - | **Q. Under which of the following……..**<br><br>**Ans.** (B)/ Share capital | **1 mark** |
| **28** | - | - | **Q. Which of the following is not a subhead……**<br><br>**Ans.** (B)/ Trademarks | **1 mark** |
| **29** | - | - | **Q. What will be the effect…….**<br><br>**Ans.** No Effect. | **1 mark** |
| **30** | 30 | 30 | **Q. From the following information……..** | |

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| | | | | |
|---|---|---|---|---|
| | | | **Ans.**<br>Return on Investment = Net profit before interest and tax/ Capital Employed x 100…..1/2<br><br>Net profit before interest and tax = Net profit after interest and tax + tax + interest<br><br>= ₹6,00,000 + ₹4,00,000 + ₹60,000<br><br>= ₹10,60,000……1/2<br><br>Capital Employed = ₹20,00,000<br><br>**Return on Investment**=₹10,60,000/₹20,00,000 x100<br><br>=**53%**.....1/2<br><br>**Debt Equity Ratio** = Debt/ Equity ……1/2<br><br>Equity = Capital Employed – Debt<br><br>=₹20,00,000 – ₹10,00,000<br><br>=₹10,00,000……1/2<br><br>**Debt Equity Ratio** = ₹10,00,000/ ₹10,00,000<br><br>**=1:1**……1/2<br><br>**OR**<br><br>**Q. (i) Current Liabilities ₹1,50,000……** | **1½ marks**<br><br>+<br><br>**1½ marks**<br><br>=<br><br>**3 marks**<br><br>**OR** |

| | | | | |
|---|---|---|---|---|
| | | | **(i)** Quick Ratio= Quick Assets/ Current Liabilities …….……1/2<br><br>Quick assets= Current assets – Inventories – Advance Tax – Prepaid rent<br><br>= ₹2,80,000 - ₹40,000 - ₹30,000 – ₹10,000<br><br>= ₹2,00,000<br>…….……1/2<br><br>Quick Ratio= ₹2,00,000/₹1,50,000<br><br>**Quick Ratio**<br>**=1.33:1**…….……1/2 | **1½ marks**<br><br>+ |
| | | | **Q. (ii) Average Inventory ₹60,000……..**<br><br>**Ans.**<br><br>**(ii)** Inventory Turnover ratio= Cost of Revenue from operations / Average Inventor…1/2<br><br>Cost of Revenue from operations = Revenue from operations + Gross Loss<br><br>Gross Loss= 10/100 x ₹6,00,000 = ₹60,000<br><br>Cost of Revenue from operations = ₹6,60,000……1/2<br><br>Average Inventory= ₹60,000 | **1½ marks**<br><br>=<br><br>**3 marks** |

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**Inventory Turnover ratio** = ₹6,60,000/ ₹60,000

**=11 times**……1/2

**31** 31 31 **Q. From the following particulars……..**

**Ans.**

**Mark Ltd.**

**Comparative Statement of Profit and Loss**

**for the years ended 31st March 2017 and 31st March 2018**

| **Particulars** | **2016-17 (₹)** | **2017-18 (₹)** | **Absolute Increase/ Decrease (₹)** | **Percentage Increase/ Decrease (%)** | |
|---|---|---|---|---|---|
| Revenue from operations | 40,00,000 | 50,00,000 | 10,00,000 | 25 | **½ mark** |
| Add Other income | 2,00,000 | 2,50,000 | 50,000 | 25 | **½ mark** |
| Total Revenue | 42,00,000 | 52,50,000 | 10,50,000 | 25 | **½ mark** |
| Less Expenses | | | | | |
| Purchase of stock in trade | 30,00,000 | 40,00,000 | 10,00,000 | 33.3 | **½ mark** |
| Changes in inventory | 8,00,000 | 10,00,000 | 2,00,000 | 25 | **½ mark** |
| Other expenses | 4,00,000 | 5,00,000 | 1,00,000 | 25 | **½ mark** |
| Total expenses | 42,00,000 | 55,00,000 | 13,00,000 | 30.95 | **½ mark** |
| Profit after Tax | - | (2,50,000) | (2,50,000) | - | **½ mark** |

**= 4 marks**

**OR**

**OR**

**Q. From the following Balance Sheet……**

**Swaraj Ltd.**

**Common Size Balance Sheet**

**As at 31st March 2018 and 31st March 2019**

| Particulars | Note No. | 31.3.2018 (₹) | 31.3.2019 (₹) | % of Total 31.3.2018 | % of Total 31.3.2019 | |
|---|---|---|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | | | | |
| **(1) Shareholders Funds** | | | | | | |
| (a) Share capital | | 30,00,000 | 34,00,000 | 60 | 68 | **½ mark** |
| (b) Reserves and Surplus | | 10,00,000 | 10,00,000 | 20 | 20 | **½ mark** |
| **(2) Non Current Liabilities** | | | | | | |
| Long Term Borrowings | | 3,00,000 | 5,00,000 | 6 | 10 | **½ mark** |
| **(3) Current Liabilities** | | | | | | |
| Trade Payables | | 7,00,000 | 1,00,000 | 14 | 2 | **½ mark** |
| Total | | 50,00,000 | 50,00,000 | 100 | 100 | **½ mark** |
| **ASSETS** | | | | | | |
| **(1) Non Current Assets** | | | | | | |
| (a) Fixed assets | | | | | | |
| (i) Tangible assets | | 28,00,000 | 36,00,000 | 56 | 72 | **½ mark** |
| **(2) Current Assets** | | | | | | |
| (a) Inventories | | 20,00,000 | 13,00,000 | 40 | 26 | **½ mark** |
| (b) Cash and Cash equivalents | | 2,00,000 | 1,00,000 | 4 | 2 | **½ mark** |
| Total | | 50,00,000 | 50,00,000 | 100 | 100 | **=** |

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| | | | | |
|---|---|---|---|---|
| | | | . | 4 marks |
| **32** | 32 | 32 | **Q. Cash flow from the operating ……** | |

**Ans. Cash Flow Statement of Pinnacle Ltd. for the year ended 31st March 2019**

| Particulars | Details(₹) | Amount (₹) | |
|---|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| **Cash Inflows from Operating activities** | | 28,000 | |
| | | | **1½ marks** |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchase of Plant and Machinery | (3,95,000) | | |
| Sale of Plant and Machinery | 1,02,000 | | |
| **Cash used in Investing activities** | | (2,93,000) | **1½ marks** |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Issue of Share Capital | 4,00,000 | | |
| Issue of 9% Debentures | 1,00,000 | | |
| Interest paid on 9% Debentures | (27,000) | | **1½ marks** |
| **Cash Inflows from Financing activities** | | 4,73,000 | |
| **Net increase in Cash and Cash equivalents** | | 2,08,000 | |
| | | | **-** |
| *Add Opening balance of Cash and Cash equivalents* | | | |
| Current Investments | 20,000 | | |
| Cash and Cash equivalents | 1,40,000 | 1,60,000 | |
| *Closing balance of Cash and Cash equivalents* | | | **½ mark** |
| Current Investments | 1,30,000 | | |
| Cash and Cash equivalents | 2,38,000 | 3,68,000 | |

**Working Notes:**

**Dr.** **Plant and Machinery A/c** **Cr.**

| Particulars | Amount (₹) | Particulars | Amount (₹) |
|---|---|---|---|
| To Balance b/d | 6,04,000 | By Accumulated Dep. A/c | 23,000 |
| To Statement of profit and Loss (gain on sale) | 12,000 | By Cash A/c | 1,02,000 |
| To Cash A/c (bal. fig.) | 3,95,000 | By Balance c/d | 8,86,000 |
| | 10,11,000 | | 10,11,000 |

**½ mark**

**Dr.** **Accumulated Depreciation A/c** **Cr.**

| Particulars | Amount (₹) | Particulars | Amount (₹) |
|---|---|---|---|
| To Plant and Machinery A/c | 23,000 | By Balance b/d | 80,000 |
| To Balance c/d | 1,40,000 | By Depreciation/ Statement of P&L | 83,000 |
| | 1,63,000 | | 1,63,000 |

**½ mark = 6 marks**

**PART B**

**OPTION II**

**Computerised Accounting**

| | | | | |
|---|---|---|---|---|
| **23** | 27 | 26 | **Q. Hardware refers to……**<br><br>**Ans.** (b) / Computer associated peripherals their network. | **1 mark** |
| **24** | 28 | 27 | **Q. To safeguard assets and optimize the use of resources……**<br><br>**Ans.** (a) / Keeps internal controls. | **1 mark** |
| **25** | 29 | 28 | **Q. The existence of data in a primary key……..** | |

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| | | | | |
|---|---|---|---|---|
| | | | **Ans.** (c) / Required and must be unique. | **1 mark** |
| **26** | 23 | 29 | **Q. A ##### error happens when……**<br><br>**Ans.** (d) / All of above. | **1 mark** |
| **27** | 24 | 25 | **Q. The _____ provides real power…….**<br><br>**Ans.** The **Query** provides real power to database in terms of its capacities to answer complex requests involving data to be taken from **multiple** tables. | **½ mark**<br>+<br>**½ mark**<br>=<br>**1 mark** |
| **28** | 25 | 24 | **Q. A code which consists of ……**<br><br>**Ans.** A code which consists of alphabet or abbreviation as symbol to codify a piece of information is known as **Mnemonic** code. | **1 mark** |
| **29** | 26 | 23 | **Q. A _____ voucher is used for adjustment of ……**<br><br>**Ans.** A **Journal** voucher is used for adjustment of non cash transactions in the ledger. | **1 mark** |
| **30** | 30 | 30 | **Q. What information is provided by a salary bill?**<br><br>**Ans.** The following information is provided by a salary bill:<br><br>(i) Maintaining payroll related data such as employee number, Name, Attendance, Basic Pay, applicable Dearness and other allowances and deductions to be made.<br><br>(ii) Periodic payroll computations: The payroll computations include the calculation of various earnings and deduction heads which are to be derived from basic values such as (basic salary, number of days under leave without pay and unauthorized absence, etc) as per the formulae.<br><br>(iii) Preparation of salary statement and employee salary slip.<br><br>(iv) Generation of advice to bank. | **3 marks** |

| | | | | |
|---|---|---|---|---|
| | | | **OR**<br><br>**Q. List the various attributes of a payroll database.**<br>**Ans**. <u>(i) Employees personal details</u><br><br>(a) Employee In<br><br>(b) Name<br><br>(c) Designation<br><br>(d) Location<br><br><u>(ii) Employees pay details</u><br><br>(a) Basic pay<br><br>(b) DA<br><br>(c) HRA<br><br>(d) TA<br><br>(e) Provident fund<br><br>(f) Any deduction for loan etc.<br><br>This information helps in calculating Gross and net salary. | **OR**<br><br>**1 ½ x 2**<br><br>**=**<br><br>**3 marks** |
| **31** | 31 | 31 | **Q. Explain 'closing entry' and ……..**<br><br>**Ans.** <u>Closing Entry:</u><br><br>Entries required to make trading account and profit and loss account are known as closing entries. | **1 ½ marks for explanation of each** |

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| | | | | |
|---|---|---|---|---|
| | | | After the Trial balance is prepared all the expenses are debited to the respective accounts to prepare trading and profit and loss account similarly income or expenditure for the trading period. These are the entries to record outstanding and prepaid.<br><br><u>Adjusting Entry:</u><br><br>Adjusting entries are the figures related to income or expenditure for the trading period. These are the entries to record outstanding and prepaid.<br><br>**OR**<br>**Q. Explain the four advantages……**<br><br>**Ans**. **<u>Any Four</u>** of the following:<br><br>(i) Flexibility<br><br>(ii) Choice of front and application<br><br>(iii) Powerful performance<br><br>(iv) Scalability to handle rapidly expanding number of users.<br><br>(v) Ease of handling huge amount of data. | **+ ½ mark for any correct example of each = 2 + 2 = 4 marks**<br><br>**OR**<br><br>**½ mark for the heading + ½ mark for its explanation = 1 x 4 = 4 marks** |
| **32** | - | - | **Q. Tolga Ltd……..**<br><br>**Ans.** Keys<br>Employee Name = A1<br>HRA = B1<br>Basic Pay = C1<br>DA = D1<br>Gross Salary = E1<br><br>(a) Calculation of DA | **6 marks** |

| | | | | |
|---|---|---|---|---|
| | | | D1 = If (C1 ≤ ₹22000, 16%, 12% ) * C1<br>D1 = If (C1 ≥ ₹23000, 12%, 16% ) * C1<br>Purnima DA = ₹4,800<br>Gross Salary = Sum (B1,C1,D1) * $\frac{26}{30}$<br>= ₹60493/-<br>(b) Prakash DA = ₹3,200<br>Gross salary ₹42,200<br>(Calculation of DA and Gross Salary for both) | |

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| | | | Marking Scheme 2019-20<br>Accountancy (055)<br>67/2/2<br>Expected Answers/ Value Points | Marks |
|---|---|---|---|---|
| 7 | **1** | 5 | **Q. At the time of admission……**<br><br>**Ans.** Premium for goodwill/ Premium/ Goodwill | **1 mark** |
| - | **2** | - | **Q. Divya Ltd……**<br><br>**Ans**. (B)/ ₹4,20,000 | **1 mark** |
| 9 | **3** | 7 | **Q. What is meant by……..**<br><br>**Ans.** Issue of debentures as a collateral security means debentures issued as secondary security when the company obtains a loan. | **1 mark** |
| - | **4** | - | **Q. Shobha Ltd…….**<br><br>**Ans.** (C)/ ₹2,00,000 | **1 mark** |
| 11 | **5** | 9 | **Q. Interest paid…….**<br><br>**Ans.** Yes.<br><br>Reason: Interest on debentures has to be paid whether the company earns profit or not. | **½ mark**<br>**+**<br>**½ mark**<br>**=**<br>**1 mark** |
| 12 | **6** | 10 | **Q. From the given extracts……**<br><br>**Ans.** ₹6,000 | **1 mark** |

| | | | | |
|---|---|---|---|---|
| - | **7** | - | **Q. The Directors of Unim Ltd……..**<br><br>**Ans.** (C)/ ₹1,05,000 | **1 mark** |
| - | **8** | - | **Q. Sunaina, Rohan……..**<br><br>**Ans.** (D)/ 3:1 | **1 mark** |
| - | **9** | - | **Q. Which of the following…….**<br><br>**Ans.** (D)/ Legacies | **1 mark** |
| 3 | **10** | 1 | **Q. Nominal share capital……..**<br><br>**Ans.** (D)/ The maximum amount of share capital that a company is authorized to issue. | **1 mark** |
| - | **11** | - | **Q. Mita nd Sumit……..……**<br><br>**Ans.** (A)/ ₹20,000 | **1 mark** |
| - | **12** | - | **Q. Distinguish between……**<br><br>**Ans.** Income and Expenditure items relate only to the current period while Receipts and Payments items may relate to preceding and succeeding periods also. | **1 mark** |
| - | **13** | - | **Q. Asha and Deepti…….**<br><br>**Ans.** (B)/ ₹8,000 | **1 mark** |
| 14 | **14** | 14 | **Q. How will the following information……** | |

**Ans.**

Dr. **Income and Expenditure A/c for the year ended March 31, 2019** Cr.

| Expenditure | Amount (₹) | Income | Amount (₹) |
|---|---|---|---|
| To Tournament expenses | 30,000 | | |

**1 mark**

**Balance Sheet of Royal Sports Cub Club as on 31st March 2019**

| Liabilities | Amount (₹) | Assets | Amount (₹) |
|---|---|---|---|
| Tournament Fund 5,00,000<br>Add Sale of Tournament tickets 1,50,000<br>Add Donations for tournament 1,20,000<br>Less Tournament expenses (7,70,000) | -- | | |

**½ mark for each = 1/2 x 4 = 2 marks = 1+2 = 3 marks**

**OR**

**OR**

**Q. From the following particulars…….**

**Dr. Receipts and Payments Account for the year ended 31st March 2019 Cr.**

| Receipts | ₹ | Payments | ₹ |
|---|---|---|---|
| To Balance b/d | 20,000 | By Rent | 19,000 |
| To Subscriptions received: | | By Office Expenses | 23,000 |
| 2017-18 25,000 | | By balance c/d | 2,68,000 |
| 2018-19 1,00,000 | | | |
| 2019-20 15,000 | 1,40,000 | | |
| To Entrance Fees | 45,000 | | |
| To Sale of old sports materials | 5,000 | | |
| To Donations received for construction of building | 1,00,000 | | |
| | 3,10,000 | | 3,10,000 |

**3 marks**

**Note: If the examinee has presented Subscriptions as total of three years, full credit be**

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| | | | | |
|---|---|---|---|---|
| | | | **given.** | |
| 18 | **15** | 16 | **Q. From the following Receipts and Payments A/c …….** | |

**Ans.**

Dr. **Income and Expenditure A/c for the year ended March 31, 2019** Cr.

| Expenditure | Amount (₹) | Income | Amount (₹) |
|---|---|---|---|
| To depreciation on furniture (18,000+5,000) | 23,000 | By Subscriptions | 90,000 |
| | | By Donations | 39,000 |
| To Salary 62,000 | | | |
| Less outstanding salary at the beginning of the year (13,000) | 49,000 | By Interest | 19,700 |
| To Surplus- excess of income over expenditure | 76,700 | | |
| | 1,48,700 | | 1,48,700 |

**2 marks**

**Balance Sheet of Premier Club as on 31st March 2019**

| Liabilities | Amount (₹) | Assets | Amount (₹) |
|---|---|---|---|
| Subscriptions received in advance | 9,000 | Furniture 2,80,000 | |
| Capital Fund 2,62,900 | | Less depreciation 23,000 | 2,57,000 |
| Add Surplus 76,700 | 3,39,600 | Outstanding Subscriptions | 23,000 |
| | | Cash | 68,600 |
| | 3,48,600 | | 3,48,600 |

**1 ½ marks**

Working Notes:

**Balance Sheet of Premier Club as on 1st April 2018**

| Liabilities | Amount (₹) | Assets | Amount (₹) |
|---|---|---|---|
| Outstanding salary | 13,000 | Furniture | 1,80,000 |
| Capital fund (bal. fig) | 2,62,900 | Outstanding Subscriptions | 15,000 |
| | | Cash | 80,900 |

**½ mark**

=

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | | 2,75,900 | | 2,75,900 | **2 + 1 ½ + ½ = 4 marks** |

**Note: If an examinee has calculated the Capital Fund using accounting equation, full credit be given)**

| | | | | |
|---|---|---|---|---|
| 15 | **16** | 17 | **Q. Yash and Karan….**<br><br>**Ans.**<br><br>Goodwill = Capitalised value of the firm – Capital employed…….1<br><br>Capitalised value of the firm = $\frac{\text{Average Profits x 100}}{\text{Normal rate of return}}$<br><br>= $\frac{₹5,00,000 \text{ x } 100}{10}$<br>= ₹50,00,000……1<br><br>Capital employed = Yash's Capital + Karan's capital + Yash's Current Account + Karna's Current Account + General reserve<br><br>= ₹6,00,000 + ₹4,00,000 + ₹4,00,000 + ₹5,00,000 + ₹1,00,000<br><br>= ₹20,00,000……1<br><br>Goodwill= ₹50,00,000 - ₹20,00,000<br><br>= ₹30,00,000……1<br><br>**OR** | **1+1+1+1 = 4 marks**<br><br>**OR** |

**Q. Samiksha, Ash and Divya……**

**Ans.** **JOURNAL**

| Date | Particulars | Dr. Amount (₹) | Cr. Amount (₹) | |
|---|---|---|---|---|
| | Samiksha's Capital A/c Dr.<br>Ash's Capital A/c Dr.<br>Divya's Capital A/c Dr.<br>To Profit and Loss A/c<br>(Undistributed loss transferred to Partners' Capital Accounts) | 25,000<br>15,000<br>10,000 | <br><br><br>50,000 | **1 mark** |
| | Investment Fluctuation Fund A/c Dr.<br>To Investments A/c<br>To Samiksha's Capital A/c<br>To Ash's Capital A/c<br>To Divya's Capital A/c<br>(Investments Fluctuation Fund distributed to Partners' Capital Accounts after meeting the decrease in the value of investments) | 40,000 | <br>20,000<br>10,000<br>6,000<br>4,000 | **1 ½ mark** |
| | Ash's Capital A/c Dr.<br>Divya's Capital A/c Dr.<br>To Samiksha's Capital A/c<br>(Adjustment entry made for goodwill) | 60,000<br>30,000 | <br><br>90,000 | **1 ½ mark** |

**= 1+1 ½ + 1 ½ = 4 marks**

<u>Calculation of sacrifice/ gain</u>:

Samiksha =5/10 -2/10 =3/10 (sacrifice)

Ash= 3/10 -5/10 =2/10 (gain)

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Divya =2/10 -3/10 =1/10 (gain)

16 **17** 18 **Q. The capital accounts of Alka and Archana…**

**Ans.** Calculation of Interest on capital:

Calculation of Opening Capitals:

| | Alka(₹) | Archana(₹) | |
|---|---|---|---|
| Closing Capitals | 4,00,000 | 3,00,000 | |
| Add Drawings | 40,000 | 20,000 | |
| Less Profits | (1,00,000) | (1,00,000) | |
| Opening Capitals | ½……3,40,000 | ½…..2,20,000 | **1 mark** |
| Interest on Capital@10% p.a. | ½ ……..**34,000** | ½ ……**22,000** | **1 mark** |

Alka's Interest on Drawings = 6/100 x ₹40,000 x 4.5/12

= **₹900**…….. 1 **1 mark**

Archana's Interest on Drawings

| Date | Amount (₹) | No. of months | Product (₹) |
|---|---|---|---|
| 31.5.18 | 8,000 | 10 | 80,000 |
| 1.11.18 | 7,000 | 5 | 35,000 |
| 1.2.19 | 5,000 | 2 | 10,000 |
| | | | 1,25,000 |

Interest on Drawings = 6/100 x ₹1,25,000 x 1/12

**1 mark**

= **₹625**…….……..….. 1 **= 1+1+1+1 =**

*Alternatively, Interest on drawings can be calculated as:* **4 marks**

(₹8,000 x 6/100 x 10/12) + (₹7,000 x 6/100 x 5/12) + (₹5,000 x 6/100 x 2/12) = ₹625

- **18** -

**Q. Harsh, Kavya and Nitin…….**

**Ans.**

Dr. **Nitin's Capital Account** Cr.

| Particulars | Amount (₹) | Particulars | Amount (₹) |
|---|---|---|---|
| To Drawings A/c | 20,000 | By balance b/d | 3,00,000 |
| To Advertisement Expenditure A/c | 6,000 | By Profit and Loss A/c | 40,000 |
| | | By P&L Suspense A/c | 12,000 |
| To Nitin's executors A/c | 4,34,000 | By Harsh's Capital A/c | 54,000 |
| | | By Kavya's Capital A/c | 54,000 |
| | 4,60,000 | | 4,60,000 |

. **(Note: If an examinee has raised goodwill, full credit be given)**

**½ x 8 = 4 marks**

- **19** -

**Q. Disha, Preeti and Ritvik……..**

**Ans.**

**Journal**

| Date | Particulars | Dr. Amount (₹) | Cr. Amount (₹) |
|---|---|---|---|
| (i) | Bank/ Cash A/c Dr.<br>To Realisation A/c<br>(Bad debts earlier written off, now recovered) | 68,000 | 68,000 |
| (ii) | Realisation A/c Dr.<br>To Bank A/c<br>(Payment made to creditors) | 44,000 | 44,000 |
| (iii) | Ritvik's loan A/c Dr. | 21,000 | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | | To Bank/ Cash A/c | | 19,000 | |
| | | | | To Realisation A/c | | 2,000 | |
| | | | | (Ritvik's loan settled) | | | |
| | | | | **or** | | | |
| | | | | | | | **1 x 6** |
| | | | | Ritvik's loan A/c Dr. | 19,000 | | **=** |
| | | | | To Bank/ Cash A/c | | 19,000 | **6** |
| | | | | ( Ritvik's loan settled) | | | **marks** |
| | | | | Ritvik's loan A/c Dr. | 2,000 | | |
| | | | | To Realisation A/c | | 2,000 | |
| | | | | ( Ritvik's loan settled at a profit) | | | |
| | | | (iv) | Disha's Capital A/c Dr. | 60,000 | | |
| | | | | Cash/ Bank A/c Dr. | 12,000 | | |
| | | | | To Realisation A/c | | 72,000 | |
| | | | | (Stock taken over by Disha and remaining sold) | | | |
| | | | (v) | Realisation A/c Dr. | 23,000 | | |
| | | | | To Bank / Cash A/c | | 23,000 | |
| | | | | (Dissolution expenses paid by the firm) | | | |
| | | | (vi) | Realisation A/c Dr. | 18,000 | | |
| | | | | To Disha's Capital A/c | | 9,000 | |
| | | | | To Preeti's Capital A/c | | 6,000 | |
| | | | | To Ritvik's Capital A/c | | 3,000 | |
| | | | | (Profit on dissolution credited to partners capital accounts) | | | |
| | | | | . | | | |
| 20 | **20** | 20 | **Q. (i) Kati Ltd. issued……** | | | | |
| | | | **Ans.** (i) | | | | |

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**Journal of Kati Ltd.**

| Date | Particulars | Dr. Amount (₹) | Cr. Amount (₹) |
|---|---|---|---|
| | Bank A/c Dr.<br>To Debenture Application and Allotment A/c<br>(Application money received on 9,000 debentures) | 8,10,000 | 8,10,000 |
| | Debenture Application and Allotment A/c Dr.<br>Discount/Loss on issue of Debentures A/c Dr.<br>To 9% Debentures<br>To Bank A/c<br>(Debentures allotted and excess application money refunded) | 8,10,000<br>80,000 | <br><br>8,00,000<br>90,000 |

**1 ½ x 2 = 3 marks**

**(ii) Pivot Ltd. issued……..**

**Journal of Pivot Ltd.**

| Date | Particulars | Dr. Amount (₹) | Cr. Amount (₹) |
|---|---|---|---|
| 2018 Mar 31 | Surplus i.e. balance in Statement of Profit and Loss Dr.<br>To Debenture Redemption Reserve A/c<br>(Debenture Redemption Reserve created out of profits) | 10,00,000 | 10,00,000 |
| Apr 30 | Debenture Redemption Investments A/c Dr.<br>To Bank A/c<br>( Debenture Redemption Investments purchased) | 3,00,000 | 3,00,000 |

**1 mark**

**½ mark**

| | | | |
|---|---|---|---|
| 2019 Mar.31 | Bank A/c Dr.<br>To Debenture Redemption Investments A/c<br>( Debenture Redemption Investments realised) | 3,00,000 | 3,00,000 |
| " | 9% Debentures A/c Dr.<br>To Debenture holders A/c<br>( Amount payable to Debenture holders on redemption) | 20,00,000 | 20,00,000 |
| " | Debenture holders A/c Dr.<br>To Bank A/c<br>( Payment made to Debenture holders) | 20,00,000 | 20,00,000 |
| | Debenture Redemption Reserve A/c Dr.<br>To General Reserve A/c<br>(Proportionate amount of Debenture Redemption Reserve transferred to General Reserve) | 5,00,000 | 5,00,000 |

**½ mark**

**½ mark**

**½ mark**

**= 3 marks = 3+3 = 6 marks**

**Note: No marks have been allotted for transfer of Debenture Redemption Reserve to General Reserve**

**OR**

**OR**

**Q. (i) Rama Ltd……..**

**Ans. (i)**

**Rama Ltd.**

**Journal**

| Date | Particulars | Dr. Amount (₹) | Cr. Amount (₹) |
|---|---|---|---|
| | Land and Building A/c Dr.<br>Furniture A/c Dr.<br>Stock A/c Dr.<br>Goodwill A/c Dr. | 50,00,000<br>10,00,000<br>5,00,000<br>2,00,000 | |

**1 mark**

| | | | |
|---|---|---|---|
| | To Creditors A/c<br>To Krishna Ltd.<br>(Assets and liabilities taken over) | | 7,00,000<br>60,00,000 |
| | Krishna Ltd. Dr.<br>To 12% Debentures A/c<br>To Securities Premium Reserve A/c<br>(Purchase consideration discharged by issuing 12% Debentures at a premium) | 60,00,000 | <br>50,00,000<br>10,00,000 |

**1 mark**

**(ii) On 1st April 2018, Sakshi Ltd……**

**Journal of Sakshi Ltd.**

| Date | Particulars | Dr. Amount (₹) | Cr. Amount (₹) |
|---|---|---|---|
| | Bank A/c Dr.<br>To Debenture Application and Allotment A/c<br>(Application money received on 1,000 11% Debentures) | 94,000 | <br>94,000 |
| | Debenture Application and Allotment A/c Dr.<br>Loss on issue of Debentures A/c Dr.<br>To 11% Debentures A/c<br>To Premium on redemption of debentures A/c<br>(Allotment of 11% debentures at a discount, redeemable at a premium) | 94,000<br>11,000 | <br><br>1,00,000<br>5,000 |
| | **or** | | |
| | Debenture Application and Allotment A/c Dr.<br>Discount on issue of Debentures A/c Dr.<br>Loss on issue of Debentures A/c Dr.<br>To 11% Debentures A/c<br>To Premium on redemption of Debentures A/c<br>(Allotment of 11% debentures at a discount, | 94,000<br>6,000<br>5,000 | <br><br><br>1,00,000<br>5,000 |

**1 mark**

**1 mark**

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| | | | |
|---|---|---|---|
| | redeemable at a premium) | | |

**(iii) On 1st April 2016, Canara Bank Issued……..**

**Journal of Canara Bank**

| Date | Particulars | Dr. Amount (₹) | Cr. Amount (₹) |
|---|---|---|---|
| | 9% Debentures A/c Dr.<br>Premium on redemption of debentures A/c Dr.<br>To Debenture holders A/c<br>(Amount payable to Debenture holders at a premium) | 5,00,000<br>50,000 | <br><br>5,50,000 |
| | Debenture holders A/c Dr.<br>To Bank A/c<br>( Payment made to Debenture holders) | 5,50,000 | <br>5,50,000 |

**1 mark**

**1 mark**

**=**

**6 marks**

22 **21** 22 **Q. Madhuri and Arsh…**

**Ans**.

Dr. **Revaluation A/c** Cr.

| Particulars | Amount (₹) | Particulars | Amount (₹) |
|---|---|---|---|
| To Provision for doubtful debts | 2,000 | By Stock | 10,000 |
| To Workmen's compensation claim | 10,000 | By Cash/ Bad Debts Recovered | 15,000 |
| To Profit transferred to:<br>Madhuri's Capital A/c 30,000 | | By Creditors | 27,000 |

**2 marks**

| | | | |
|---|---|---|---|
| Arsh's Capital A/c 10,000 | 40,000 | | |
| | 52,000 | | 52,000 |

Dr. **Partners Capital Accounts** Cr.

| Particulars | Madhuri (₹) | Arsh (₹) | Jyoti (₹) | Particulars | Madhuri (₹) | Arsh (₹) | Jyoti (₹) |
|---|---|---|---|---|---|---|---|
| To Investments A/c | - | 22,000 | - | By Balance b/d | 3,00,000 | 2,00,000 | - |
| | | | | By Cash A/c | - | - | 1,86,000 |
| To Balance c/d | 3,60,000 | 1,98,000 | 1,86,000 | By Premium for goodwill A/c | 30,000 | 10,000 | - |
| | | | | By Revaluation A/c | 30,000 | 10,000 | - |
| | 3,60,000 | 2,20,000 | 1,86,000 | | 3,60,000 | 2,20,000 | 1,86,000 |

**1 mark for each capital A/c = 1 x 3 = 3 marks**

+

**Balance Sheet of Madhuri, Arsh and Jyoti as on 31st March 2019**

| Liabilities | | Amount (₹) | Assets | | Amount (₹) |
|---|---|---|---|---|---|
| Capitals: | | | Machinery | | 4,70,000 |
| Madhuri | 3,60,000 | | Investments | | 88,000 |
| Arsh | 1,98,000 | | Debtors | 1,20,000 | |
| Jyoti | 1,86,000 | 7,44,000 | Less Provision for doubtful debts | 12,000 | 1,08,000 |
| Workmen's compensation claim | | 70,000 | Stock | | 1,50,000 |
| Creditors | | 1,63,000 | Cash | | 2,71,000 |
| Employees Provident Fund | | 1,10,000 | | | |
| | | 10,87,000 | | | 10,87,000 |

**1 ½ mark for correct assets side**

+

**1 ½ mark for correct liability side = 3 marks**

=

**Note 1: if an examinee has raised and written off the goodwill, full credit be given.**

**Note 2: No marks are to be deducted for cumulative effect of an error**

**2+3+3 = 8 marks**

**OR**

**OR**

**Q. Anita, Gaurav and Sonu……..**

Dr. **Revaluation A/c** Cr.

| Particulars | Amount (₹) | Particulars | Amount (₹) |
|---|---|---|---|
| To Bad debts | 10,000 | By Land and Building | 1,00,000 |
| To Provision for doubtful debts | 13,000 | | |
| To Profit transferred to: | | | |
| Anita's Capital A/c 30,800 | | | |
| Gaurav's Capital A/c 30,800 | | | |
| Sonu's Capital A/c 15,400 | 77,000 | | |
| | 1,00,000 | | 1,00,000 |

**2 marks**

**Note: If an examinee has debited Provision for doubtful debts with ₹23,000 (bad debts ₹10,000 + provision ₹13,000), full credit be given.**

Dr. **Partners Capital Accounts** Cr.

| Particulars | Anita (₹) | Gaurav (₹) | Sonu (₹) | Particulars | Anita (₹) | Gaurav (₹) | Sonu (₹) |
|---|---|---|---|---|---|---|---|
| To Anita's Capital A/c | - | 80,000 | 40,000 | By balance b/d | 2,00,000 | 2,00,000 | 1,00,000 |
| To Bank A/c | 1,00,000 | - | - | By General Reserve | 12,000 | 12,000 | 6,000 |
| To Anita's loan | 2,74,800 | - | - | By Revaluation A/c | 30,800 | 30,800 | 15,400 |
| To balance c/d | - | 1,74,800 | 87,400 | By Gaurav's Capital A/c | 80,000 | - | - |
| | | | | By Sonu's Capital A/c | 40,000 | - | - |

**1 mark for each capital A/c = 1 x 3 = 3 marks**

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| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | By Investment Fluctuation Fund | 12,000 | 12,000 | 6,000 |
| | 3,74,800 | 2,54,800 | 1,27,400 | | 3,74,800 | 2,54,800 | 1,27,400 |

**Balance Sheet of the reconstituted firm as at 31st March 2019**

| Liabilities | | Amount (₹) | Assets | | Amount (₹) |
|---|---|---|---|---|---|
| Capitals | | | Land and Building | | 6,00,000 |
| Gaurav | 1,74,800 | | Investments | | 1,10,000 |
| Sonu | 87,400 | 2,62,200 | Debtors | 1,30,000 | |
| Anita's Loan | | 2,74,800 | Less Provision for | | |
| Sundry Creditors | | 4,60,000 | doubtful debts | 13,000 | 1,17,000 |
| | | | Stock | | 1,00,000 |
| | | | Cash | | 70,000 |
| | | 9,97,000 | | | 9,97,000 |

**Note 1: if an examinee has raised and written off the goodwill, full credit be given.**

**Note 2: No marks are to be deducted for cumulative effect of an error**

**1 ½ marks for correct asset side + 1 ½ marks for correct liabilities side = 3 marks = 8 marks**

21 **22** 21 **Q. V.D Ltd. invited……**

**Ans.**

**Journal of VD Ltd.**

| Date | Particulars | Dr. Amount (₹) | Cr. Amount (₹) |
|---|---|---|---|
| | Bank A/c Dr. | 7,50,000 | |
| | To Equity Share Application A/c | | 7,50,000 |
| | (Application money received on 2,50,000 shares) | | |
| | Equity Share Application A/c Dr. | 7,50,000 | |
| | To Equity Share Capital A/c | | 4,00,000 |
| | To Securities Premium Reserve A/c | | 2,00,000 |
| | To Equity Share Allotment A/c | | 1,20,000 |

**½ mark**

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | To Bank A/c<br>(Equity shares allotted and excess application money transferred to equity share allotment) | | | 30,000 | **1 mark** |
| | | | | | Equity Share Allotment A/c<br>To Equity Share Capital A/c<br>To Securities Premium Reserve A/c<br>(Allotment money due) | Dr. | 14,00,000 | <br>4,00,000<br>10,00,000 | **½ mark** |
| | | | | | Bank A/c<br>To Equity Share Allotment A/c<br>(Allotment money received)<br>**or**<br>Bank A/c<br>Calls in arrears A/c<br>To Equity Share Allotment A/c<br>(Allotment money received) | Dr.<br><br><br><br>Dr.<br>Dr. | 12,73,600<br><br><br><br>12,73,600<br>6,400 | <br>12,73,600<br><br><br><br><br>12,80,000 | **1 mark** |
| | | | | | Equity Share Capital A/c<br>Securities Premium Reserve A/c<br>To Share Forfeiture A/c<br>To Share Allotment A/c<br>( Agam's shares forfeited)<br>**or**<br>Equity Share Capital A/c<br>Securities Premium Reserve A/c<br>To Share Forfeiture A/c<br>To Calls in arrears A/c<br>(Agam's shares forfeited) | Dr.<br>Dr.<br><br><br><br><br>Dr.<br>Dr. | 4,000<br>5,000<br><br><br><br><br>4,000<br>5,000 | <br><br>2,600<br>6,400<br><br><br><br><br>2,600<br>6,400 | **1 mark** |
| | | | | | Equity Share First and Final call A/c<br>To Equity Share Capital A/c<br>(Equity Share First and final call money due) | Dr. | 11,94,000 | <br>11,94,000 | **½ mark** |
| | | | | | Bank A/c | Dr. | 11,82,000 | | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | | To Equity Share First and Final call A/c<br>(First and final call money received)<br><br>**or**<br><br>Bank A/c Dr.<br>Calls in arrears A/c Dr.<br>To Equity Share First and Final call A/c<br>(First and final call money received) | <br><br><br><br><br>11,82,000<br>12,000 | 11,82,000<br><br><br><br><br><br>11,94,000 | **1 mark** |
| | | | | Equity Share Capital A/c Dr.<br>To Share Forfeiture A/c<br>To Equity Share First and Final Call A/c<br>(Seema's shares forfeited)<br><br>**or**<br>Equity Share Capital A/c Dr.<br>To Share Forfeiture A/c<br>To Calls in arrears A/c<br>(Seema's shares forfeited) | 20,000<br><br><br><br><br><br>20,000 | <br>8,000<br>12,000<br><br><br><br><br>8,000<br>12,000 | **1 mark** |
| | | | | Bank A/c Dr.<br>To Equity Share Capital A/c<br>To Securities Premium Reserve A/c<br>( shares reissued for ₹16 per share) | 24,000 | <br>15,000<br>9,000 | **1/2 mark** |
| | | | | Share Forfeiture A/c Dr.<br>To Capital Reserve A/c<br>(Gain on reissue of forfeited shares transferred to capital reserve) | 5,300 | <br>5,300 | **1 mark** |
| | | | | | | | = **8 marks** |
| | | | | **OR** | | | **OR** |
| | | | | **Q. Konark Ltd…..** | | | |

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**Ans.** **Journal of Konark Ltd.**

| Date | Particulars | Dr. Amount (₹) | Cr. Amount (₹) | |
|---|---|---|---|---|
| | Bank A/c Dr.<br>To Share Application A/c<br>(Application money received on 4,00,000 shares) | 12,00,000 | 12,00,000 | **½ mark** |
| | Share Application A/c Dr.<br>To Share Capital A/c<br>To Share Allotment A/c<br>(Shares allotted and excess application money transferred to equity share allotment) | 12,00,000 | 9,00,000<br>3,00,000 | **1 mark** |
| | Share Allotment A/c Dr.<br>To Share Capital A/c<br>(Allotment money due) | 9,00,000 | 9,00,000 | **½ mark** |
| | Bank A/c Dr.<br>Calls in arrears A/c Dr.<br>To Share Allotment A/c<br>To Calls in advance A/c<br>(Allotment money received)<br>**or**<br>Bank A/c Dr.<br>To Share Allotment A/c<br>To Calls in advance A/c<br>(Allotment money received) | 6,34,000<br>6,000<br><br><br><br><br>6,34,000 | <br><br>6,00,000<br>40,000<br><br><br><br>5,94,000<br>40,000 | **1 mark** |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | Share First and final call A/c Dr.<br>To Share Capital A/c<br>(First call money due) | 12,00,000 | 12,00,000 | **½ mark** |
| | | | | | Bank A/c Dr.<br>Calls in arrears A/c Dr.<br>Calls in advance A/c Dr.<br>To Share First and final call A/c<br>(First call money received)<br><br>**or**<br><br>Bank A/c Dr.<br>Calls in advance A/c Dr.<br>To Share First and final call A/c<br>(First call money received) | 11,44,000<br>16,000<br>40,000<br><br><br><br>11,44,000<br>40,000 | 12,00,000<br><br><br><br>11,84,000 | **1 ½ marks** |
| | | | | | Share Capital A/c Dr.<br>To Share Forfeiture A/c<br>To Calls in Arrears A/c<br>(Divij's shares forfeited for non payment of allotment and first call)<br>**or**<br><br>Share Capital A/c Dr.<br>To Share Forfeiture A/c<br>To Share Allotment A/c<br>To Share first and Final Call A/c<br>(Divij's shares forfeited for non payment of allotment and first call) | 40,000<br><br><br><br><br>40,000 | <br>18,000<br>22,000<br><br><br><br>18,000<br>6,000<br>16,000 | **1 mark** |
| | | | | | Bank A/c Dr.<br>To Share Capital A/c<br>(Half of Divij's shares reissued for ₹10 per share fully paid) | 20,000 | <br>20,000 | **1 mark** |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | | Share Forfeiture A/c Dr.<br>To Capital Reserve A/c<br>(Gain on reissue of forfeited shares transferred to capital reserve) | 9,000<br><br> | <br>9,000<br> | **1 mark**<br>=<br>**8 marks** |
| | | | **PART B**<br>**OPTION 1**<br>**Analysis of Financial Statements** | | | | |
| - | **23** | - | **Q. Which of the following…….**<br><br>**Ans.** (B)/ Capital Advances. | | | | **1 mark** |
| - | **24** | - | **Q. 'Sale of goods……..**<br><br>**Ans.** No.<br><br>Reason: Sale of goods for cash will not affect the Gross profit ratio, as the sales and gross profit will increase by the same percentage.<br><br>**(Or any other correct reason)** | | | | ½<br>**mark**<br>+<br>½<br>**Mark**<br>=<br>**1 mark** |
| - | **25** | - | **Q. Interest received in cash……**<br><br>**Ans.** Investing | | | | **1 mark** |
| - | **26** | - | **Q. Machinery was purchased……**<br><br>**Ans**. (A)/ Cash used in investing activities ₹6,00,000 | | | | **1 mark** |
| 25 | **27** | 29 | **Q. Which of the following……**<br><br>**Ans.** (B)/ Inter firm comparative study possible | | | | **1 mark** |

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| | | | | |
|---|---|---|---|---|
| - | **28** | - | **Q. What is meant by…….**<br><br>**Ans.** A Cash Flow Statement is a statement that provides information about the changes in Cash & Cash Equivalents of an enterprise during a period by classifying cash flows into Operating, Investing and Financing Activities. | **1 mark** |
| - | **29** | - | **Q. 'Security Deposits……..**<br><br>**Ans.** (B)/ Long-term Loans and Advances | **1 mark** |
| 30 | **30** | 30 | **Q. From the following information……..**<br><br>**Ans.**<br>Return on Investment = Net profit before interest and tax/ Capital Employed x 100…..1/2<br><br>Net profit before interest and tax = Net profit after interest and tax + tax + interest<br><br>= ₹6,00,000 + ₹4,00,000 + ₹60,000<br><br>= ₹10,60,000……1/2<br><br>Capital Employed = ₹20,00,000<br><br>**Return on Investment**=₹10,60,000/₹20,00,000 x100<br><br>=**53%**.....1/2<br><br>**Debt Equity Ratio** = Debt/ Equity ……1/2<br><br>Equity = Capital Employed – Debt<br><br>=₹20,00,000 – ₹10,00,000<br><br>=₹10,00,000……1/2 | **1½ marks**<br><br>+<br><br>**1½ marks** |

| | | | | |
|---|---|---|---|---|
| | | | **Debt Equity Ratio** = ₹10,00,000/ ₹10,00,000 | = |
| | | | **=1:1**……1/2 | **3 marks** |
| | | | **OR** | **OR** |
| | | | **Q. (i) Current Liabilities ₹1,50,000……** | |
| | | | **(i)** Quick Ratio= Quick Assets/ Current Liabilities ……1/2 | |
| | | | Quick assets= Current assets – Inventories – Advance Tax – Prepaid rent | |
| | | | = ₹2,80,000 - ₹40,000 - ₹30,000 – ₹10,000 | |
| | | | = ₹2,00,000 | |
| | | | ……1/2 | **1½ marks** |
| | | | Quick Ratio= ₹2,00,000/₹1,50,000 | |
| | | | **Quick Ratio** | |
| | | | **=1.33:1**……1/2 | |
| | | | | + |
| | | | **Q. (ii) Average Inventory ₹60,000……** | |
| | | | **(ii)** Inventory Turnover ratio= Cost of Revenue from operations / Average Inventor…1/2 | |
| | | | Cost of Revenue from operations = Revenue from operations + Gross Loss | |
| | | | Gross Loss= 10/100 x ₹6,00,000 = ₹60,000 | **1½ marks** |

Cost of Revenue from operations = ₹6,60,000……1/2

Average Inventory= ₹60,000 =

**Inventory Turnover ratio** = ₹6,60,000/ ₹60,000

**=11 times**……1/2 **3 marks**

31 **31** 31 **Q. From the following particulars……..**

**Mark Ltd.**

**Comparative Statement of Profit and Loss**

**for the years ended 31st March 2017 and 31st March 2018**

| **Particulars** | **2016-17 (₹)** | **2017-18 (₹)** | **Absolute Increase/ Decrease (₹)** | **Percentage Increase/ Decrease (%)** | |
|---|---|---|---|---|---|
| Revenue from operations | 40,00,000 | 50,00,000 | 10,00,000 | 25 | **½ mark** |
| Add Other income | 2,00,000 | 2,50,000 | 50,000 | 25 | **½ mark** |
| Total Revenue | 42,00,000 | 52,50,000 | 10,50,000 | 25 | **½ mark** |
| Less Expenses | | | | | |
| Purchase of stock in trade | 30,00,000 | 40,00,000 | 10,00,000 | 33.3 | **½ mark** |
| Changes in inventory | 8,00,000 | 10,00,000 | 2,00,000 | 25 | **½ mark** |
| Other expenses | 4,00,000 | 5,00,000 | 1,00,000 | 25 | **½ mark** |
| Total expenses | 42,00,000 | 55,00,000 | 13,00,000 | 30.95 | **½ mark** |
| Profit after Tax | - | (2,50,000) | (2,50,000) | - | **½ mark** |

=

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4 marks

**OR**

**OR**

**Q. From the following Balance Sheet……**

**Swaraj Ltd.**

**Common Size Balance Sheet**

**As at 31st March 2018 and 31st March 2019**

| Particulars | Note No. | 31.3.2018 (₹) | 31.3.2019 (₹) | % of Total 31.3.2018 | % of Total 31.3.2019 | |
|---|---|---|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | | | | |
| **(1) Shareholders Funds** | | | | | | |
| (a) Share capital | | 30,00,000 | 34,00,000 | 60 | 68 | **½ mark** |
| (b) Reserves and Surplus | | 10,00,000 | 10,00,000 | 20 | 20 | **½ mark** |
| **(2) Non Current Liabilities** | | | | | | |
| Long Term Borrowings | | 3,00,000 | 5,00,000 | 6 | 10 | **½ mark** |
| **(3) Current Liabilities** | | | | | | |
| Trade Payables | | 7,00,000 | 1,00,000 | 14 | 2 | **½ mark** |
| Total | | 50,00,000 | 50,00,000 | 100 | 100 | |
| **ASSETS** | | | | | | |
| **(1) Non Current Assets** | | | | | | |
| (a) Fixed assets | | | | | | |
| (i) Tangible assets | | 28,00,000 | 36,00,000 | 56 | 72 | **½ mark** |
| **(2) Current Assets** | | | | | | |
| (a) Inventories | | 20,00,000 | 13,00,000 | 40 | 26 | **½ mark** |
| (b) Cash and Cash equivalents | | 2,00,000 | 1,00,000 | 4 | 2 | **½ mark** |
| Total | | 50,00,000 | 50,00,000 | 100 | 100 | **½ mark** |

| | | | | |
|---|---|---|---|---|
| | | | . | = **4 marks** |
| 32 | **32** | 32 | **Q. Cash flow from the operating ……** | |

**Ans. Cash Flow Statement of Pinnacle Ltd. for the year ended 31st March 2019**

| Particulars | Details(₹) | Amount (₹) | |
|---|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| **Cash Inflows from Operating activities** | | 28,000 | **1½ marks** |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchase of Plant and Machinery | (3,95,000) | | |
| Sale of Plant and Machinery | 1,02,000 | | **1½ marks** |
| **Cash used in Investing activities** | | (2,93,000) | |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Issue of Share Capital | 4,00,000 | | |
| Issue of 9% Debentures | 1,00,000 | | **1½ marks** |
| Interest paid on 9% Debentures | (27,000) | | |
| **Cash Inflows from Financing activities** | | 4,73,000 | |
| **Net increase in Cash and Cash equivalents** | | 2,08,000 | **-** |
| *Add Opening balance of Cash and Cash equivalents* | | | |
| Current Investments | 20,000 | | |
| Cash and Cash equivalents | 1,40,000 | 1,60,000 | **½ mark** |
| *Closing balance of Cash and Cash equivalents* | | | |
| Current Investments | 1,30,000 | | |
| Cash and Cash equivalents | 2,38,000 | 3,68,000 | |

**Working Notes:**

**Dr.** **Plant and Machinery A/c** **Cr.**

| Particulars | Amount (₹) | Particulars | Amount (₹) |
|---|---|---|---|
| To Balance b/d | 6,04,000 | By Accumulated Dep. A/c | 23,000 |
| To Statement of profit and Loss (gain on sale) | 12,000 | By Cash A/c | 1,02,000 |
| To Cash A/c (bal. fig.) | 3,95,000 | By Balance c/d | 8,86,000 |
| | 10,11,000 | | 10,11,000 |

**½ mark**

**Dr.** **Accumulated Depreciation A/c** **Cr.**

| Particulars | Amount (₹) | Particulars | Amount (₹) |
|---|---|---|---|
| To Plant and Machinery A/c | 23,000 | By Balance b/d | 80,000 |
| To Balance c/d | 1,40,000 | By Depreciation/ Statement of P&L | 83,000 |
| | 1,63,000 | | 1,63,000 |

**½ mark = 6 marks**

**PART B**

**OPTION II**

**Computerised Accounting**

26 **23** 29 **Q. A ##### error happens when……**

**Ans.** (d) / All of above.

**1 mark**

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| | | | | |
|---|---|---|---|---|
| 27 | **24** | 25 | **Q. The _____ provides real power…….**<br><br>**Ans.** The **Query** provides real power to database in terms of its capacities to answer complex requests involving data to be taken from **multiple** tables. | **½ mark**<br>**+**<br>**½ mark**<br>**=**<br>**1 mark** |
| 28 | **25** | 24 | **Q. A code which consists of ……**<br><br>**Ans.** A code which consists of alphabet or abbreviation as symbol to codify a piece of information is known as **Mnemonic** code. | **1 mark** |
| 29 | **26** | 23 | **Q. A _____ voucher is used for adjustment of ……**<br><br>**Ans.** A **Journal** voucher is used for adjustment of non cash transactions in the ledger. | **1 mark** |
| 23 | **27** | 26 | **Q. Hardware refers to……**<br><br>**Ans.** (b) / Computer associated peripherals their network. | **1 mark** |
| 24 | **28** | 27 | **Q. To safeguard assets and optimize the use of resources……**<br><br>**Ans.** (a) / Keeps internal controls. | **1 mark** |
| 25 | **29** | 28 | **Q. The existence of data in a primary key……..**<br><br>**Ans.** (c) / Required and must be unique. | **1 mark** |
| 30 | **30** | 30 | **Q. What information is provided by a salary bill?**<br><br>**Ans.** The following information is provided by a salary bill:<br><br>(i) Maintaining payroll related data such as employee number, Name, Attendance, Basic Pay, applicable Dearness and other allowances and deductions to be made.<br><br>(ii) Periodic payroll computations: The payroll computations include the calculation of various earnings and deduction heads which are to be derived from basic values such as (basic salary, number of days under leave without pay and unauthorized absence, etc) as per | **3 marks** |

| | | | | |
|---|---|---|---|---|
| | | | the formulae.<br><br>(iii) Preparation of salary statement and employee salary slip.<br><br>(iv) Generation of advice to bank.<br><br>**OR**<br><br>**Q. List the various attributes of a payroll database.**<br>**Ans**. <u>(i) Employees personal details</u><br><br>(a) Employee In<br><br>(b) Name<br><br>(c) Designation<br><br>(d) Location<br><br><u>(ii) Employees pay details</u><br><br>(a) Basic pay<br><br>(b) DA<br><br>(c) HRA<br><br>(d) TA<br><br>(e) Provident fund<br><br>(f) Any deduction for loan etc.<br><br>This information helps in calculating Gross and net salary. | **OR**<br><br>**1 ½ x 2**<br><br>**=**<br><br>**3 marks** |
| 31 | **31** | 31 | **Q. Explain 'closing entry' and ……..** | |

| | | | | |
|---|---|---|---|---|
| | | | **Ans.** Closing Entry:<br><br>Entries required to make trading account and profit and loss account are known as closing entries. After the Trial balance is prepared all the expenses are debited to the respective accounts to prepare trading and profit and loss account similarly income or expenditure for the trading period. These are the entries to record outstanding and prepaid.<br><br>Adjusting Entry: Adjusting entries are the figures related to income or expenditure for the trading period. These are the entries to record outstanding and prepaid.<br><br>**OR**<br><br>**Q. Explain the four advantages……**<br><br>**Ans**. **Any Four** of the following:<br><br>(i) Flexibility<br><br>(ii) Choice of front and application<br><br>(iii) Powerful performance<br><br>(iv) Scalability to handle rapidly expanding number of users.<br><br>(v) Ease of handling huge amount of data. | **1 ½ marks for explanation of each + ½ mark for any correct example of each = 2 x 2 = 4 marks**<br><br>**OR**<br><br>**½ mark for the heading + ½ mark for its explanation = 1 x 4 = 4 marks** |
| - | **32** | - | **Q. A. Ranjan Ltd, has its offices in Hyderabad……**<br><br>**Ans.** Employee Name = A1<br>HRA = B1 | |

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| | | | | |
|---|---|---|---|---|
| | | | Basic Pay = C1<br>DA = D1<br>Calculation of DA<br>DA = If (C1 ≤ ₹25,000, 12%, 10%) * C1<br>= If (C1 ≥ ₹30,000, 10%, 12%) * C1<br>Vishal DA = ₹4,000<br>Gross Salary ₹21,000 + ₹4,000 + ₹40,000<br>= ₹65,000<br>Sangeeta DA = ₹2,400<br>Gross Salary (₹20,000 + ₹24,000 + ₹18,000) x $\frac{26}{30}$<br>= (₹40,400) x $\frac{26}{30}$<br>= ₹35,013 | **6 marks** |

.

.

| | | | Marking Scheme 2019-20<br>Accountancy (055)<br>67/2/3<br>Expected Answers/ Value Points | Marks |
|---|---|---|---|---|
| 3 | 10 | **1** | **Q. Nominal share capital……..**<br><br>**Ans.** (D)/ The maximum amount of share capital that a company is authorized to issue. | **1 mark** |
| - | - | **2** | **Q. Swati and Aman…….**<br><br>**Ans.** (C) / ₹45,000 | **1 mark** |
| - | - | **3** | **Q. Distinguish between……**<br><br>**Ans.** Closing balance of Income and Expenditure Account represents surplus/ deficit while the closing balance of Receipts and Payments Account is cash in hand at end, bank or bank overdraft. | **1 mark** |
| - | - | **4** | **Q. Manu and Kanu……**<br><br>**Ans**. (A)/ ₹20,000 | **1 mark** |
| 7 | 1 | **5** | **Q. At the time of admission…….**<br><br>**Ans.** Premium for goodwill/ Premium/ Goodwill | **1 mark** |
| - | - | **6** | **Q. V.F. Ltd……**<br><br>**Ans**. (A)/ ₹5,60,000 | **1 mark** |

| | | | | |
|---|---|---|---|---|
| 9 | 3 | **7** | **Q. What is meant by……..**<br><br>**Ans.** Issue of debentures as a collateral security means debentures issued as secondary security when the company obtains a loan. | **1 mark** |
| - | - | **8** | **Q. Priya Ltd. decided……**<br><br>**Ans.** (B)/ ₹2,50,000 | **1 mark** |
| 11 | 5 | **9** | **Q. Interest paid……**<br><br>**Ans.** Yes.<br><br>Reason: Interest on debentures has to be paid whether the company earns profit or not. | **½ mark**<br>+<br>**½ mark**<br>=<br>**1 mark** |
| 12 | 6 | **10** | **Q. From the given extracts……**<br><br>**Ans.** ₹6,000 | **1 mark** |
| - | - | **11** | **Q. The directors of ……**<br><br>**Ans.** (D)/ ₹3,15,000 | **1 mark** |
| - | - | **12** | **Q. Nidhi, Kunal and Kabir……**<br><br>**Ans.** (B)/ 3:5 | **1 mark** |
| - | - | **13** | **Q. Which of the following……..**<br><br>**Ans.** (B)/ Government Grants | **1 mark** |
| 14 | 14 | **14** | **Q. How will the following information……** | |

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**Ans.**

Dr. **Income and Expenditure A/c for the year ended March 31, 2019** Cr.

| Expenditure | Amount (₹) | Income | Amount (₹) |
|---|---|---|---|
| To Tournament expenses | 30,000 | | |

**1 mark**

**Balance Sheet of Royal Sports Cub Club as on 31st March 2019**

| Liabilities | Amount (₹) | Assets | Amount (₹) |
|---|---|---|---|
| Tournament Fund 5,00,000<br>Add Sale of Tournament tickets 1,50,000<br>Add Donations for tournament 1,20,000<br>Less Tournament expenses (7,70,000) | -- | | |

**½ mark for each = 1/2 x 4 = 2 marks = 1+2 = 3 marks**

**OR**

**OR**

**Q. From the following particulars…….**

**Dr.** **Receipts and Payments Account for the year ended 31st March 2019** **Cr.**

| Receipts | ₹ | Payments | ₹ |
|---|---|---|---|
| To Balance b/d | 20,000 | By Rent | 19,000 |
| To Subscriptions received: | | By Office Expenses | 23,000 |
| 2017-18 25,000 | | | |
| 2018-19 1,00,000 | | By balance c/d | 2,68,000 |
| 2019-20 15,000 | 1,40,000 | | |
| To Entrance Fees | 45,000 | | |

**3 marks**

| | | |
|---|---|---|
| To Sale of old sports materials | 5,000 | |
| To Donations received for construction of building | 1,00,000 | |
| | 3,10,000 | 3,10,000 |

**Note: If the examinee has presented Subscriptions as total of three years, full credit be given.**

| | | | |
|---|---|---|---|
| - | - | **15** | **Q.Amit, Daksh and Surbhi……** |

**Ans.**

Dr. **Amit's Capital Account** Cr.

| Particulars | Amount (₹) | Particulars | Amount (₹) |
|---|---|---|---|
| To Drawings | 40,000 | By balance b/d | 6,00,000 |
| To Advertisement Expenditure A/c | 35,000 | By Profit and Loss A/c | 2,00,000 |
| | | By P&L Suspense A/c | 75,000 |
| To Amit's executors A/c | 11,00,000 | By Daksh's Capital A/c | 1,80,000 |
| | | By Surbhi's Capital A/c | 1,20,000 |
| | 11,75,000 | | 11,75,000 |

.

**½ x 8 = 4 marks**

| | | | |
|---|---|---|---|
| 18 | 15 | **16** | **Q. From the following Receipts and Payments A/c …….** |

**Ans.**

Dr. **Income and Expenditure A/c for the year ended March 31, 2019** Cr.

| Expenditure | Amount (₹) | Income | Amount (₹) |
|---|---|---|---|
| To depreciation on furniture (18,000+5,000) | 23,000 | By Subscriptions | 90,000 |
| | | By Donations | 39,000 |

**2 marks**

| | | | |
|---|---|---|---|
| To Salary 62,000<br>Less outstanding salary<br>at the beginning of the year (13,000)<br><br>To Surplus- excess of income over expenditure | 49,000<br><br>76,700 | By Interest | 19,700 |
| | 1,48,700 | | 1,48,700 |

**Balance Sheet of Premier Club as on 31st March 2019**

| Liabilities | Amount (₹) | Assets | Amount (₹) |
|---|---|---|---|
| Subscriptions received in advance | 9,000 | Furniture 2,80,000 | |
| Capital Fund 2,62,900 | | Less depreciation 23,000 | 2,57,000 |
| Add Surplus 76,700 | 3,39,600 | Outstanding Subscriptions | 23,000 |
| | | Cash | 68,600 |
| | 3,48,600 | | 3,48,600 |

**1 ½ marks**

Working Notes:

**Balance Sheet of Premier Club as on 1st April 2018**

| Liabilities | Amount (₹) | Assets | Amount (₹) |
|---|---|---|---|
| Outstanding salary | 13,000 | Furniture | 1,80,000 |
| Capital fund (bal. fig) | 2,62,900 | Outstanding Subscriptions | 15,000 |
| | | Cash | 80,900 |
| | 2,75,900 | | 2,75,900 |

**½ mark**

**= 2 + 1 ½ + ½ = 4 marks**

**Note: If an examinee has calculated the Capital Fund using accounting equation, full credit be given)**

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| | | | | |
|---|---|---|---|---|
| 15 | 16 | **17** | **Q. Yash and Karan….** | |

**Ans.**

Goodwill = Capitalised value of the firm – Capital employed……1

Capitalised value of the firm = $\frac{\text{Average Profits x 100}}{\text{Normal rate of return}}$

= $\frac{₹5,00,000 \text{ x } 100}{10}$

= ₹50,00,000……1

Capital employed = Yash's Capital + Karan's capital + Yash's Current Account + Karna's Current Account + General reserve

= ₹6,00,000 + ₹4,00,000 + ₹4,00,000 + ₹5,00,000 + ₹1,00,000

= ₹20,00,000……1

Goodwill= ₹50,00,000 - ₹20,00,000

= ₹30,00,000……1

**1+1+1+1 = 4 marks**

**OR**

**Q. Samiksha, Ash and Divya……**

**OR**

**Ans.** **JOURNAL**

| Date | Particulars | | Dr. Amount (₹) | Cr. Amount (₹) |
|---|---|---|---|---|
| | Samiksha's Capital A/c | Dr. | 25,000 | |
| | Ash's Capital A/c | Dr. | 15,000 | |
| | Divya's Capital A/c | Dr. | 10,000 | |
| | To Profit and Loss A/c | | | 50,000 |
| | (Undistributed loss transferred to Partners' Capital Accounts) | | | |

**1 mark**

| | | | | | | |
|---|---|---|---|---|---|---|
| | | | Investment Fluctuation Fund A/c Dr.<br>To Investments A/c<br>To Samiksha's Capital A/c<br>To Ash's Capital A/c<br>To Divya's Capital A/c<br>(Investments Fluctuation Fund distributed to Partners' Capital Accounts after meeting the decrease in the value of investments) | 40,000<br><br><br><br><br><br> | <br>20,000<br>10,000<br>6,000<br>4,000 | **1 ½ marks** |
| | | | Ash's Capital A/c Dr.<br>Divya's Capital A/c Dr.<br>To Samiksha's Capital A/c<br>(Adjustment entry made for goodwill) | 60,000<br>30,000<br><br> | <br><br>90,000 | **1 ½ mark** |

Calculation of sacrifice/ gain:

Samiksha =5/10 -2/10 =3/10 (sacrifice)

Ash= 3/10 -5/10 =2/10 (gain)

Divya =2/10 -3/10 =1/10 (gain)

**=**
**1+1 ½ +**
**1 ½**
**=**
**4 marks**

| | | | | |
|---|---|---|---|---|
| 16 | 17 | **18** | **Q. The capital accounts of Alka and Archana…** | |

**Ans.** Calculation of Interest on capital:

Calculation of Opening Capitals:

| | Alka(₹) | Archana(₹) |
|---|---|---|
| Closing Capitals | 4,00,000 | 3,00,000 |
| Add Drawings | 40,000 | 20,000 |
| Less Profits | (1,00,000) | (1,00,000) |
| Opening Capitals | ½.....3,40,000 | ½.....2,20,000 |

**1 mark**

**1 mark**

| | | |
|---|---|---|
| Interest on Capital@10% p.a. | ½ ……..**34,000** | ½ ……**22,000** |

Alka's Interest on Drawings = 6/100 x ₹40,000 x 4.5/12

= **₹900**…….. 1

**1 mark**

Archana's Interest on Drawings

| Date | Amount (₹) | No. of months | Product (₹) |
|---|---|---|---|
| 31.5.18<br>1.11.18<br>1.2.19 | 8,000<br>7,000<br>5,000 | 10<br>5<br>2 | 80,000<br>35,000<br>10,000 |
| | | | 1,25,000 |

**1 mark**

Interest on Drawings = 6/100 x ₹1,25,000 x 1/12

= **₹625**…….……..….. 1

*Alternatively, Interest on drawings can be calculated as:*

(₹8,000 x 6/100 x 10/12) + (₹7,000 x 6/100 x 5/12) + (₹5,000 x 6/100 x 2/12) = ₹625

**=**
**1+1+1+1**
**=**
**4 marks**

- - **19** **Q. Prateek, Neeraj and Umang …… .**

**Ans.** **Journal**

| Date | Particulars | Dr. Amount (₹) | Cr. Amount (₹) |
|---|---|---|---|
| (i) | Bank/ Cash A/c Dr.<br>To Realisation A/c<br>( furniture realised) | 64,000 | 64,000 |

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| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | (ii) | No entry | | | **1 x 6 =** |
| | | | (iii) | Umang's loan A/c Dr.<br>To Bank/ Cash A/c<br>To Realisation A/c<br>( Umang's loan settled)<br>**or**<br>Umang's loan A/c Dr.<br>To Bank/ Cash A/c<br>( Umang's loan settled)<br><br>Umang's loan A/c Dr.<br>To Realisation A/c<br>( Umang's loan settled at a profit) | 1,09,000<br><br><br><br><br>1,00,000<br><br><br><br>9,000 | <br>1,00,000<br>9,000<br><br><br><br>1,00,000<br><br><br><br>9,000 | **6 marks** |
| | | | (iv) | Neeraj's Capital A/c Dr.<br>Cash/ Bank A/c Dr.<br>To Realisation A/c<br>( investments taken over by Neeraj and remaining sold) | 25,000<br>35,000 | <br><br>60,000 | |
| | | | (v) | Realisation A/c Dr.<br>To Prateek's capital A/c A/c<br>( dissolution expenses paid by Prateek) | 21,000 | <br>21,000 | |
| | | | (vi) | Prateek's Capital A/c Dr.<br>Neeraj's Capital A/c Dr.<br>Umang's Capital A/c Dr.<br>To Realisation A/c<br>( loss on dissolution debited to partners capital accounts) | 28,000<br>8,000<br>4,000 | <br><br><br>40,000 | |
| 20 | 20 | **20** | **Q. (i) Kati Ltd. issued……** | | | | |

**Ans.** (i) **Journal of Kati Ltd.**

| Date | Particulars | Dr. Amount (₹) | Cr. Amount (₹) |
|---|---|---|---|
| | Bank A/c Dr.<br>To Debenture Application and Allotment A/c<br>(Application money received on 9,000 debentures) | 8,10,000 | 8,10,000 |
| | Debenture Application and Allotment A/c Dr.<br>Discount/Loss on issue of Debentures A/c Dr.<br>To 9% Debentures<br>To Bank A/c<br>(Debentures allotted and excess application money refunded) | 8,10,000<br>80,000 | <br><br>8,00,000<br>90,000 |

**1 ½ x 2 = 3 marks**

**(ii) Pivot Ltd. issued……..**

**Journal of Pivot Ltd.**

| Date | Particulars | Dr. Amount (₹) | Cr. Amount (₹) |
|---|---|---|---|
| 2018<br>Mar 31 | Surplus i.e. balance in Statement of Profit and Loss Dr<br>To Debenture Redemption Reserve A/c<br>(Debenture Redemption Reserve created out of profits) | 10,00,000 | 10,00,000 |
| Apr 30 | Debenture Redemption Investments A/c Dr.<br>To Bank A/c<br>( Debenture Redemption Investments purchased) | 3,00,000 | 3,00,000 |
| 2019<br>Mar.31 | Bank A/c Dr.<br>To Debenture Redemption Investments A/c<br>( Debenture Redemption Investments realised) | 3,00,000 | 3,00,000 |
| " | 9% Debentures A/c Dr. | 20,00,000 | |

**1 mark**

**½ mark**

**½ mark**

| | | | |
|---|---|---|---|
| | To Debenture holders A/c<br>( Amount payable to Debenture holders on redemption) | | 20,00,000 |
| " | Debenture holders A/c Dr.<br>To Bank A/c<br>( Payment made to Debenture holders) | 20,00,000 | 20,00,000 |
| | Debenture Redemption Reserve A/c Dr.<br>To General Reserve A/c<br>(Proportionate amount of Debenture Redemption Reserve transferred to General Reserve) | 5,00,000 | 5,00,000 |

**½ mark**

**½ mark**

**=**

**3 marks**

**=**

**3+3**

**=**

**6 marks**

**Note: No marks have been allotted for transfer of Debenture Redemption Reserve to General Reserve**

**OR**

**OR**

**Q. (i) Rama Ltd……..**

**Ans. (i)**

**Rama Ltd.**

**Journal**

| Date | Particulars | Dr. Amount (₹) | Cr. Amount (₹) |
|---|---|---|---|
| | Land and Building A/c Dr.<br>Furniture A/c Dr.<br>Stock A/c Dr.<br>Goodwill A/c Dr.<br>To Creditors A/c<br>To Krishna Ltd.<br>(Assets and liabilities taken over) | 50,00,000<br>10,00,000<br>5,00,000<br>2,00,000 | <br><br><br><br>7,00,000<br>60,00,000 |
| | Krishna Ltd. Dr. | 60,00,000 | |

**1 mark**

| | | | |
|---|---|---|---|
| | To 12% Debentures A/c | 50,00,000 | **1 mark** |
| | To Securities Premium Reserve A/c | 10,00,000 | |
| | (Purchase consideration discharged by issuing 12% Debentures at a premium) | | |

**(ii) On 1st April 2018, Sakshi Ltd……**

**Journal of Sakshi Ltd.**

| Date | Particulars | Dr. Amount (₹) | Cr. Amount (₹) | |
|---|---|---|---|---|
| | Bank A/c Dr. | 94,000 | | |
| | To Debenture Application and Allotment A/c | | 94,000 | **1 mark** |
| | (Application money received on 1,000 11% Debentures) | | | |
| | Debenture Application and Allotment A/c Dr. | 94,000 | | |
| | Loss on issue of Debentures A/c Dr. | 11,000 | | |
| | To 11% Debentures A/c | | 1,00,000 | |
| | To Premium on redemption of debentures A/c | | 5,000 | |
| | (Allotment of 11% debentures at a discount, redeemable at a premium) | | | |
| | **or** | | | |
| | Debenture Application and Allotment A/c Dr. | 94,000 | | **1 mark** |
| | Discount on issue of Debentures A/c Dr. | 6,000 | | |
| | Loss on issue of Debentures A/c Dr. | 5,000 | | |
| | To 11% Debentures A/c | | 1,00,000 | |
| | To Premium on redemption of Debentures A/c | | 5,000 | |
| | (Allotment of 11% debentures at a discount, redeemable at a premium) | | | |

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**(iii) On 1st April 2016, Canara Bank Issued……..**

**Journal of Canara Bank**

| Date | Particulars | Dr. Amount (₹) | Cr. Amount (₹) | |
|---|---|---|---|---|
| | 9% Debentures A/c Dr.<br>Premium on redemption of debentures A/c Dr.<br>To Debenture holders A/c<br>(Amount payable to Debenture holders at a premium) | 5,00,000<br>50,000 | <br><br>5,50,000 | **1 mark** |
| | Debenture holders A/c Dr.<br>To Bank A/c<br>( Payment made to Debenture holders) | 5,50,000 | <br>5,50,000 | **1 mark**<br>=<br>**6 marks** |

| | | | | |
|---|---|---|---|---|
| 21 | 22 | **21** | **Q. V.D Ltd. invited……** | |

**Ans.**

**Journal of VD Ltd.**

| Date | Particulars | Dr. Amount (₹) | Cr. Amount (₹) | |
|---|---|---|---|---|
| | Bank A/c Dr.<br>To Equity Share Application A/c<br>(Application money received on 2,50,000 shares) | 7,50,000 | <br>7,50,000 | **½ mark** |

| | | | | | | |
|---|---|---|---|---|---|---|
| | | | Equity Share Application A/c Dr. | 7,50,000 | | |
| | | | To Equity Share Capital A/c | | 4,00,000 | |
| | | | To Securities Premium Reserve A/c | | 2,00,000 | **1 mark** |
| | | | To Equity Share Allotment A/c | | 1,20,000 | |
| | | | To Bank A/c | | 30,000 | |
| | | | (Equity shares allotted and excess application money transferred to equity share allotment) | | | |
| | | | Equity Share Allotment A/c Dr. | 14,00,000 | | |
| | | | To Equity Share Capital A/c | | 4,00,000 | **½ mark** |
| | | | To Securities Premium Reserve A/c | | 10,00,000 | |
| | | | (Allotment money due) | | | |
| | | | Bank A/c Dr. | 12,73,600 | | |
| | | | To Equity Share Allotment A/c | | 12,73,600 | |
| | | | (Allotment money received) | | | |
| | | | **or** | | | |
| | | | | | | **1 mark** |
| | | | Bank A/c Dr. | 12,73,600 | | |
| | | | Calls in arrears A/c Dr. | 6,400 | | |
| | | | To Equity Share Allotment A/c | | 12,80,000 | |
| | | | (Allotment money received) | | | |
| | | | Equity Share Capital A/c Dr. | 4,000 | | |
| | | | Securities Premium Reserve A/c Dr. | 5,000 | | |
| | | | To Share Forfeiture A/c | | 2,600 | |
| | | | To Share Allotment A/c | | 6,400 | |
| | | | ( Agam's shares forfeited) | | | |
| | | | **or** | | | **1 mark** |
| | | | Equity Share Capital A/c Dr. | 4,000 | | |
| | | | Securities Premium Reserve A/c Dr. | 5,000 | | |
| | | | To Share Forfeiture A/c | | 2,600 | |
| | | | To Calls in arrears A/c | | 6,400 | |
| | | | (Agam's shares forfeited) | | | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | | Equity Share First and Final call A/c Dr.<br>To Equity Share Capital A/c<br>(Equity Share First and final call money due) | 11,94,000<br><br> | <br>11,94,000 | **½ mark** |
| | | | | Bank A/c Dr.<br>To Equity Share First and Final call A/c<br>(First and final call money received)<br><br>**or**<br><br>Bank A/c Dr.<br>Calls in arrears A/c Dr.<br>To Equity Share First and Final call A/c<br>(First and final call money received) | 11,82,000<br><br><br><br><br>11,82,000<br>12,000<br><br> | <br>11,82,000<br><br><br><br><br><br><br>11,94,000 | **1 mark** |
| | | | | Equity Share Capital A/c Dr.<br>To Share Forfeiture A/c<br>To Equity Share First and Final Call A/c<br>(Seema's shares forfeited)<br><br>**or**<br>Equity Share Capital A/c Dr.<br>To Share Forfeiture A/c<br>To Calls in arrears A/c<br>(Seema's shares forfeited) | 20,000<br><br><br><br><br>20,000<br><br><br> | <br>8,000<br>12,000<br><br><br><br><br>8,000<br>12,000 | **1 mark** |
| | | | | Bank A/c Dr.<br>To Equity Share Capital A/c<br>To Securities Premium Reserve A/c<br>( shares reissued for ₹16 per share) | 24,000<br><br><br> | <br>15,000<br>9,000 | **1/2 mark** |
| | | | | Share Forfeiture A/c Dr.<br>To Capital Reserve A/c<br>(Gain on reissue of forfeited shares transferred to capital reserve) | 5,300<br><br> | <br>5,300 | **1 mark**<br><br>=<br>**8 marks** |

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**OR** **OR**

**Q. Konark Ltd…..**

**Ans.** **Journal of Konark Ltd.**

| Date | Particulars | Dr. Amount (₹) | Cr. Amount (₹) | |
|---|---|---|---|---|
| | Bank A/c Dr.<br>To Share Application A/c<br>(Application money received on 4,00,000 shares) | 12,00,000 | 12,00,000 | **½ mark** |
| | Share Application A/c Dr.<br>To Share Capital A/c<br>To Share Allotment A/c<br>(Shares allotted and excess application money transferred to equity share allotment) | 12,00,000 | 9,00,000<br>3,00,000 | **1 mark** |
| | Share Allotment A/c Dr.<br>To Share Capital A/c<br>(Allotment money due) | 9,00,000 | 9,00,000 | **½ mark** |
| | Bank A/c Dr.<br>Calls in arrears A/c Dr.<br>To Share Allotment A/c<br>To Calls in advance A/c<br>(Allotment money received)<br>**or** | 6,34,000<br>6,000 | 6,00,000<br>40,000 | **1 mark** |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | Bank A/c Dr.<br>To Share Allotment A/c<br>To Calls in advance A/c<br>(Allotment money received) | 6,34,000 | <br>5,94,000<br>40,000 | | |
| | | | | | Share First and final call A/c Dr.<br>To Share Capital A/c<br>(First call money due) | 12,00,000 | <br>12,00,000 | | **½ mark** |
| | | | | | Bank A/c Dr.<br>Calls in arrears A/c Dr.<br>Calls in advance A/c Dr.<br>To Share First and final call A/c<br>(First call money received)<br>**or**<br>Bank A/c Dr.<br>Calls in advance A/c Dr.<br>To Share First and final call A/c<br>(First call money received) | 11,44,000<br>16,000<br>40,000<br><br><br><br>11,44,000<br>40,000 | <br><br><br>12,00,000<br><br><br><br><br>11,84,000 | | **1 ½ marks** |
| | | | | | Share Capital A/c Dr.<br>To Share Forfeiture A/c<br>To Calls in Arrears A/c<br>(Divij's shares forfeited for non payment of allotment and first call)<br>**or**<br>Share Capital A/c Dr.<br>To Share Forfeiture A/c<br>To Share Allotment A/c<br>To Share first and Final Call A/c<br>(Divij's shares forfeited for non payment of allotment and first call) | 40,000<br><br><br><br><br>40,000 | <br>18,000<br>22,000<br><br><br><br><br>18,000<br>6,000<br>16,000 | | **1 mark** |
| | | | | | Bank A/c Dr. | 20,000 | | | |

| | | | | | |
|---|---|---|---|---|---|
| | To Share Capital A/c<br>(Half of Divij's shares reissued for ₹10 per share fully paid) | | 20,000 | **1 mark** |
| | Share Forfeiture A/c Dr.<br>To Capital Reserve A/c<br>(Gain on reissue of forfeited shares transferred to capital reserve) | 9,000 | 9,000 | **1 mark**<br>=<br>**8 marks** |

22 21 **22** **Q. Madhuri and Arsh…**

**Ans**.

Dr. **Revaluation A/c** Cr.

| Particulars | | Amount (₹) | Particulars | Amount (₹) |
|---|---|---|---|---|
| To Provision for doubtful debts | | 2,000 | By Stock | 10,000 |
| To Workmen's compensation claim | | 10,000 | By Cash/ Bad Debts Recovered | 15,000 |
| To Profit transferred to: | | | | |
| Madhuri's Capital A/c | 30,000 | | By Creditors | 27,000 |
| Arsh's Capital A/c | 10,000 | 40,000 | | |
| | | 52,000 | | 52,000 |

**2 marks**

Dr. **Partners Capital Accounts** Cr.

| Particulars | Madhuri (₹) | Arsh (₹) | Jyoti (₹) | Particulars | Madhuri (₹) | Arsh (₹) | Jyoti (₹) |
|---|---|---|---|---|---|---|---|
| To Investments A/c | - | 22,000 | - | By Balance b/d | 3,00,000 | 2,00,000 | - |
| | | | | By Cash A/c | - | - | 1,86,000 |
| To Balance | 3,60,000 | 1,98,000 | 1,86,000 | By Premium for goodwill | | | |

**1 mark for each capital A/c**

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| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| c/d | | | | A/c | 30,000 | 10,000 | - | = 1 x 3 = 3 marks |
| | | | | By Revaluation A/c | 30,000 | 10,000 | - | |
| | 3,60,000 | 2,20,000 | 1,86,000 | | 3,60,000 | 2,20,000 | 1,86,000 | |

**Balance Sheet of Madhuri, Arsh and Jyoti as at 31st March 2019**

| Liabilities | | Amount (₹) | Assets | | Amount (₹) |
|---|---|---|---|---|---|
| Capitals: | | | Machinery | | 4,70,000 |
| Madhuri | 3,60,000 | | Investments | | 88,000 |
| Arsh | 1,98,000 | | Debtors | 1,20,000 | |
| Jyoti | 1,86,000 | 7,44,000 | Less Provision for | | |
| Workmen's compensation claim | | 70,000 | doubtful debts | 12,000 | 1,08,000 |
| Creditors | | 1,63,000 | Stock | | 1,50,000 |
| Employees Provident Fund | | 1,10,000 | Cash | | 2,71,000 |
| | | 10,87,000 | | | 10,87,000 |

+ 1 ½ mark for correct assets side

+ 1 ½ mark for correct liability side = 3 marks = 2+3+3 = 8 marks

**Note 1: if an examinee has raised and written off the goodwill, full credit be given.**

**Note 2: No marks are to be deducted for cumulative effect of an error**

**OR**

**OR**

**Q. Anita, Gaurav and Sonu……..**

Dr. **Revaluation A/c** Cr.

| Particulars | Amount (₹) | Particulars | Amount (₹) |
|---|---|---|---|
| To Bad debts | 10,000 | By Land and Building | 1,00,000 |
| To Provision for doubtful debts | 13,000 | | |

| | | | |
|---|---|---|---|
| To Profit transferred to:<br>Anita's Capital A/c 30,800<br>Gaurav's Capital A/c 30,800<br>Sonu's Capital A/c 15,400 | 77,000 | | |
| | 1,00,000 | | 1,00,000 |

**2 marks**

**Note: If an examinee has debited Provision for doubtful debts with ₹23,000 (bad debts ₹10,000 + provision ₹13,000), full credit be given.**

Dr. **Partners Capital Accounts** Cr.

| Particulars | Anita (₹) | Gaurav (₹) | Sonu (₹) | Particulars | Anita (₹) | Gaurav (₹) | Sonu (₹) |
|---|---|---|---|---|---|---|---|
| To Anita's Capital A/c | - | 80,000 | 40,000 | By balance b/d | 2,00,000 | 2,00,000 | 1,00,000 |
| To Bank A/c | 1,00,000 | - | - | By General Reserve | 12,000 | 12,000 | 6,000 |
| To Anita's loan | 2,74,800 | - | - | By Revaluation A/c | 30,800 | 30,800 | 15,400 |
| To balance c/d | - | 1,74,800 | 87,400 | By Gaurav's Capital A/c | 80,000 | - | - |
| | | | | By Sonu's Capital A/c | 40,000 | - | - |
| | | | | By Investment Fluctuation Fund | 12,000 | 12,000 | 6,000 |
| | 3,74,800 | 2,54,800 | 1,27,400 | | 3,74,800 | 2,54,800 | 1,27,400 |

**1 mark for each capital A/c = 1 x 3 = 3 marks**

**1 ½ marks for correct asset side + 1 ½ marks for correct**

**Balance Sheet of the reconstituted firm as at 31st March 2019**

| Liabilities | Amount (₹) | Assets | Amount (₹) |
|---|---|---|---|
| Capitals | | Land and Building | 6,00,000 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | Gaurav 1,74,800<br>Sonu 87,400<br>Anita's Loan<br>Sundry Creditors | <br>2,62,200<br>2,74,800<br>4,60,000 | Investments<br>Debtors 1,30,000<br>Less Provision for<br>doubtful debts 13,000<br>Stock<br>Cash | 1,10,000<br><br><br>1,17,000<br>1,00,000<br>70,000 | **liabilities side = 3 marks = 8 marks** |
| | | | | 9,97,000 | | 9,97,000 | |
| | | | **Note 1: if an examinee has raised and written off the goodwill, full credit be given.**<br><br>**Note 2: No marks are to be deducted for cumulative effect of an error** | | | | |
| | | | **PART B**<br>**OPTION 1**<br>**Analysis of Financial Statements** | | | | |
| - | - | **23** | **Q. While preparing Cash Flow Statement……**<br><br>**Ans**. While preparing Cash Flow Statement, cash comprises **Cash in hand** and **demand deposits** with bank. | | | | **½ mark + ½ mark = 1 mark** |
| - | - | **24** | **Q. 'Forfeited Shares Account……..**<br><br>**Ans.** (C)/ Share Capital | | | | **1 mark** |
| - | - | **25** | **Q. Which of the following……..**<br><br>**Ans.** (B)/ Deferred Tax Liabilities | | | | **1 mark** |
| - | - | **26** | **Q. 'Sale of goods……**<br><br>**Ans.** No.<br><br>Reason: Sale of goods on credit will not affect the Gross profit ratio, as the sales and gross profit will increase by the same percentage.<br><br>**(or any other correct reason)** | | | | **½ mark + ½ mark = 1 mark** |

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| | | | | |
|---|---|---|---|---|
| - | - | **27** | **Q. An investment normally qualifies…….**<br><br>**Ans.** False.<br><br>Reason: An investment qualifies as a cash equivalent only when it has a maturity of three months or less from the date of acquisition. | **½ mark**<br>+<br>**½ mark**<br>=<br>**1 mark** |
| - | - | **28** | **Q. Z Ltd. purchased……..**<br><br>**Ans.** (D)/ Cash used in investing activities ₹30,00,000 | **1 mark** |
| 25 | 27 | **29** | **Q. Which of the following……**<br><br>**Ans.** (B)/ Inter firm comparative study possible | **1 mark** |
| 30 | 30 | **30** | **Q. From the following information……..**<br><br>**Ans.**<br>Return on Investment = Net profit before interest and tax/ Capital Employed x 100…..1/2<br><br>Net profit before interest and tax = Net profit after interest and tax + tax + interest<br><br>= ₹6,00,000 + ₹4,00,000 + ₹60,000<br><br>= ₹10,60,000……1/2<br><br>Capital Employed = ₹20,00,000<br><br>**Return on Investment**=₹10,60,000/₹20,00,000 x100<br><br>=**53%**.....1/2<br><br>**Debt Equity Ratio** = Debt/ Equity ……1/2<br><br>Equity = Capital Employed – Debt | **1½ marks**<br><br>+<br><br>**1½ marks** |

| | | | | |
|---|---|---|---|---|
| | | | =₹20,00,000 – ₹10,00,000<br><br>=₹10,00,000……..……..……1/2<br><br>**Debt Equity Ratio** = ₹10,00,000/ ₹10,00,000<br><br>**=1:1**……..……1/2<br><br>**OR**<br><br>**Q. (i) Current Liabilities ₹1,50,000……**<br><br>**(i)** Quick Ratio= Quick Assets/ Current Liabilities ……..……1/2<br><br>Quick assets= Current assets – Inventories – Advance Tax – Prepaid rent<br><br>= ₹2,80,000 - ₹40,000 - ₹30,000 – ₹10,000<br><br>= ₹2,00,000<br>……..……1/2<br><br>Quick Ratio= ₹2,00,000/₹1,50,000<br><br>**Quick Ratio**<br>**=1.33:1**……..……1/2<br><br>**Q. (ii) Average Inventory ₹60,000……..**<br><br>**(ii)** Inventory Turnover ratio= Cost of Revenue from operations / Average Inventor…1/2<br><br>Cost of Revenue from operations = Revenue from operations + Gross Loss | =<br><br>**3 marks**<br><br>**OR**<br><br>**1½ marks**<br><br>+ |

Gross Loss= 10/100 x ₹6,00,000 = ₹60,000

**1½ marks**

Cost of Revenue from operations = ₹6,60,000……1/2

Average Inventory= ₹60,000

**Inventory Turnover ratio** = ₹6,60,000/ ₹60,000

=

=**11 times**……1/2

**3 marks**

31 31 **31** **Q. From the following particulars……..**

**Mark Ltd.**

**Comparative Statement of Profit and Loss**

**for the years ended 31st March 2017 and 31st March 2018**

| **Particulars** | **2016-17 (₹)** | **2017-18 (₹)** | **Absolute Increase/ Decrease (₹)** | **Percentage Increase/ Decrease (%)** | |
|---|---|---|---|---|---|
| Revenue from operations | 40,00,000 | 50,00,000 | 10,00,000 | 25 | **½ mark** |
| Add Other income | 2,00,000 | 2,50,000 | 50,000 | 25 | **½ mark** |
| Total Revenue | 42,00,000 | 52,50,000 | 10,50,000 | 25 | **½ mark** |
| Less Expenses | | | | | |
| Purchase of stock in trade | 30,00,000 | 40,00,000 | 10,00,000 | 33.3 | **½ mark** |
| Changes in inventory | 8,00,000 | 10,00,000 | 2,00,000 | 25 | **½ mark** |
| Other expenses | 4,00,000 | 5,00,000 | 1,00,000 | 25 | **½ mark** |
| Total expenses | 42,00,000 | 55,00,000 | 13,00,000 | 30.95 | **½ mark** |
| Profit after Tax | - | (2,50,000) | (2,50,000) | - | **½ mark** |

=

**4 marks**

OR

**OR**

**Q. From the following Balance Sheet……**

**Swaraj Ltd.**

**Common Size Balance Sheet**

**As at 31st March 2018 and 31st March 2019**

| Particulars | Note No. | 31.3.2018 (₹) | 31.3.2019 (₹) | % of Total 31.3.2018 | % of Total 31.3.2019 | |
|---|---|---|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | | | | |
| **(1) Shareholders Funds** | | | | | | **½ mark** |
| (a) Share capital | | 30,00,000 | 34,00,000 | 60 | 68 | **½ mark** |
| (b) Reserves and Surplus | | 10,00,000 | 10,00,000 | 20 | 20 | |
| **(2) Non Current Liabilities** | | | | | | **½ mark** |
| Long Term Borrowings | | 3,00,000 | 5,00,000 | 6 | 10 | |
| **(3) Current Liabilities** | | | | | | **½ mark** |
| Trade Payables | | 7,00,000 | 1,00,000 | 14 | 2 | |
| Total | | 50,00,000 | 50,00,000 | 100 | 100 | |
| **ASSETS** | | | | | | |
| **(1) Non Current Assets** | | | | | | |
| (a) Fixed assets | | | | | | **½ mark** |
| (i) Tangible assets | | 28,00,000 | 36,00,000 | 56 | 72 | |
| **(2) Current Assets** | | | | | | **½ mark** |
| (a) Inventories | | 20,00,000 | 13,00,000 | 40 | 26 | **½ mark** |

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| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | (b) Cash and Cash equivalents | | 2,00,000 | 1,00,000 | 4 | 2 | ½ mark = 4 marks |
| | | | Total | | 50,00,000 | 50,00,000 | 100 | 100 | |

.

32 32 **32** **Q. Cash flow from the operating ……**

**Ans. Cash Flow Statement of Pinnacle Ltd. for the year ended 31st March 2019**

| Particulars | Details(₹) | Amount (₹) | |
|---|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| **Cash Inflows from Operating activities** | | 28,000 | **1½ marks** |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchase of Plant and Machinery | (3,95,000) | | |
| Sale of Plant and Machinery | 1,02,000 | | **1½ marks** |
| **Cash used in Investing activities** | | (2,93,000) | |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Issue of Share Capital | 4,00,000 | | |
| Issue of 9% Debentures | 1,00,000 | | **1½ marks** |
| Interest paid on 9% Debentures | (27,000) | | |
| **Cash Inflows from Financing activities** | | 4,73,000 | |
| **Net increase in Cash and Cash equivalents** | | 2,08,000 | **-** |
| *Add Opening balance of Cash and Cash equivalents* | | | |
| Current Investments | 20,000 | | |
| Cash and Cash equivalents | 1,40,000 | 1,60,000 | **½ mark** |
| *Closing balance of Cash and Cash equivalents* | | | |
| Current Investments | 1,30,000 | | |

| | | |
|---|---|---|
| Cash and Cash equivalents | 2,38,000 | 3,68,000 |

**Working Notes:**

**Dr.** **Plant and Machinery A/c** **Cr.**

| Particulars | Amount (₹) | Particulars | Amount (₹) |
|---|---|---|---|
| To Balance b/d | 6,04,000 | By Accumulated Dep. A/c | 23,000 |
| To Statement of profit and Loss (gain on sale) | 12,000 | By Cash A/c | 1,02,000 |
| To Cash A/c (bal. fig.) | 3,95,000 | By Balance c/d | 8,86,000 |
| | 10,11,000 | | 10,11,000 |

**½ mark**

**Dr.** **Accumulated Depreciation A/c** **Cr.**

| Particulars | Amount (₹) | Particulars | Amount (₹) |
|---|---|---|---|
| To Plant and Machinery A/c | 23,000 | By Balance b/d | 80,000 |
| To Balance c/d | 1,40,000 | By Depreciation/ Statement of P&L | 83,000 |
| | 1,63,000 | | 1,63,000 |

**½ mark = 6 marks**

**PART B**

**OPTION II**

**Computerised Accounting**

29 | 26 | **23**

**Q. A _____ voucher is used for adjustment of ……**

**Ans.** A **Journal** voucher is used for adjustment of non cash transactions in the ledger.

**1 mark**

28 | 25 | **24**

**Q. A code which consists of ……**

**Ans.** A code which consists of alphabet or abbreviation as symbol to codify a piece of

**1 mark**

| | | | | |
|---|---|---|---|---|
| | | | information is known as **Mnemonic** code. | |
| 27 | 24 | **25** | **Q. The _____ provides real power…….**<br><br>**Ans.** The **Query** provides real power to database in terms of its capacities to answer complex requests involving data to be taken from **multiple** tables. | **½ mark**<br>**+**<br>**½ mark**<br>**=**<br>**1 mark** |
| 23 | 27 | **26** | **Q. Hardware refers to……**<br><br>**Ans.** (b) / Computer associated peripherals their network. | **1 mark** |
| 24 | 28 | **27** | **Q. To safeguard assets and optimize the use of resources……**<br><br>**Ans.** (a) / Keeps internal controls. | **1 mark** |
| 25 | 29 | **28** | **Q. The existence of data in a primary key……..**<br><br>**Ans.** (c) / Required and must be unique. | **1 mark** |
| 26 | 23 | **29** | **Q. A ##### error happens when……**<br><br>**Ans.** (d) / All of above. | **1 mark** |
| 30 | 30 | **30** | **Q. What information is provided by a salary bill?**<br><br>**Ans.** The following information is provided by a salary bill:<br><br>(i) Maintaining payroll related data such as employee number, Name, Attendance, Basic Pay, applicable Dearness and other allowances and deductions to be made.<br><br>(ii) Periodic payroll computations: The payroll computations include the calculation of various earnings and deduction heads which are to be derived from basic values such as (basic salary, number of days under leave without pay and unauthorized absence, etc) as per the formulae.<br><br>(iii) Preparation of salary statement and employee salary slip. | **3 marks** |

| | | | | |
|---|---|---|---|---|
| | | | (iv) Generation of advice to bank.<br><br>**OR**<br><br>**Q. List the various attributes of a payroll database.**<br>**Ans**. <u>(i) Employees personal details</u><br><br>(a) Employee In<br><br>(b) Name<br><br>(c) Designation<br><br>(d) Location<br><br><u>(ii) Employees pay details</u><br><br>(a) Basic pay<br><br>(b) DA<br><br>(c) HRA<br><br>(d) TA<br><br>(e) Provident fund<br><br>(f) Any deduction for loan etc.<br><br>This information helps in calculating Gross and net salary. | **OR**<br><br>**1 ½ x 2**<br><br>**=**<br><br>**3 marks** |
| 31 | 31 | **31** | **Q. Explain 'closing entry' and …….**<br><br>**Ans.** <u>Closing Entry:</u><br><br>Entries required to make trading account and profit and loss account are known as closing entries. After the Trial balance is prepared all the expenses are debited to the respective | **1 ½ marks for explanation** |

| | | | | |
|---|---|---|---|---|
| | | | accounts to prepare trading and profit and loss account similarly income or expenditure for the trading period. These are the entries to record outstanding and prepaid.<br><br>Adjusting Entry: Adjusting entries are the figures related to income or expenditure for the trading period. These are the entries to record outstanding and prepaid.<br><br>**OR**<br><br>**Q. Explain the four advantages……**<br><br>**Ans**. **Any Four** of the following:<br><br>(i) Flexibility<br><br>(ii) Choice of front and application<br><br>(iii) Powerful performance<br><br>(iv) Scalability to handle rapidly expanding number of users.<br><br>(v) Ease of handling huge amount of data. | **of each + ½ mark for any correct example of each = 2 x 2 = 4 marks**<br><br>**OR**<br><br>**½ mark for the heading + ½ mark for its explanation = 1 x 4 = 4 marks** |
| - | - | **32** | **Q. Deepshikha Ltd. has its offices in Jaipur……**<br><br>**Ans.** Employee Name = A1<br>HRA = B1<br>Basic Pay = C1<br>DA = D1<br>Calculation of DA | **6 marks** |

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| | | | | |
|---|---|---|---|---|
| | | | = If (C1 ≥ 18,000, 6%, 8%) * C1<br>= If (C1 ≤ 10,000, 8%, 6%) * C1<br><br>Jagat : DA ₹1,500<br>Gross = (₹15,000+ ₹8,000+ ₹25,000)<br>= ₹48.000<br>(No salary will be deducted as leave without pay is not mentioned)<br>Reeta DA = ₹760<br>Salary = ₹16,260/-<br>(No salary will be deducted as leave without pay is not mentioned) | |