

General Instructions:-

1. You are aware that evaluation is the most important process in the actual and correct assessment of the candidates. 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 desired from you to give your best 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 may be assessed and marks be awarded to them.
3. The Head-Examiner has to go through the first five answer scripts evaluated by each evaluator 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. 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.
5. If a question does not have any parts, marks must be awarded in the left hand margin and encircled.
6. If a student has attempted an extra question, answer of the question deserving more marks should be retained and other answer scored out.
7. No marks to be deducted for the cumulative effect of an error. It should be penalized only once.
8. 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.
9. A full scale of marks 1-80 has to be used. Please do not hesitate to award full marks if the answer deserves it.
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. Every Examiner should stay full working hours i.e 8 hours every day and evaluate 25 answer books.
13. 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.
 - Half or a part of answer marked correct and the rest as wrong but no marks awarded.
14. 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.
15. 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.
16. The Examiners should acquaint themselves with the guidelines given in the Guidelines for Spot Evaluation before starting the actual evaluation.
17. Every Examiner shall also ensure that all the answers are evaluated, marks carried over to the title page, correctly totalled and written in figures and words.
18. As per orders of the Hon'ble Supreme Court, the candidates would now be permitted to obtain photocopy of the Answer Book on request on payment of the prescribed fee. All examiners/Head Examiners are once again reminded that they must ensure that evaluation is carried out strictly as per value points for each answer as give in the Marking Scheme.

Q. Set No.			Marking Scheme 2018-19 Accountancy (055) <u>67/4/1</u> Expected Answers / Value points	Distribution of marks						
67/4/1	67/4/2	67/4/3								
1	5	4	<p>Q. Differentiate between.....of ‘Period’. Ans.</p> <table><tr><th>Basis</th><th>Receipts & Payments A/c</th><th>Income & Expenditure A/c</th></tr><tr><td>Period</td><td>May relate to preceeding and succeeding periods</td><td>Relate to current period.</td></tr></table> <p style="text-align: center;">OR</p> <p>Q. What is.....’Life Membership Fees’? Ans. Membership fee paid in lump sum to become a life member of a not- for- profit organisation.</p>	Basis	Receipts & Payments A/c	Income & Expenditure A/c	Period	May relate to preceeding and succeeding periods	Relate to current period.	=1 Mark
Basis	Receipts & Payments A/c	Income & Expenditure A/c								
Period	May relate to preceeding and succeeding periods	Relate to current period.								
2	3	5	<p>Q. Dev withdrew.....on Dev’s Drawings. Ans. Interest On Drawings= 1,20,000x12/100x6/12=7,200</p>	=1 Mark						
3	4	1	<p>Q. A and B.....A, B, C, D. Ans. Old ratio =3:2 A’s Sacrifice(in favour of C)=1/4x3/5=3/20 B’s Sacrifice(in favour of D)=1/2x2/5=2/10 A’s New Share=3/5-3/20=9/20 B’s New Share=2/5-2/10=2/10 New Profit Sharing Ratio=9:4:3:4</p>	<p style="text-align: center;">½</p> <p style="text-align: center;">½</p> <p>=1 Mark</p>						
4	2	2	<p>Q. Distinguish between’Closure of Books’. Ans.</p> <table><tr><th>Basis</th><th>Reconstitution of Partnership</th><th>Dissolution of Partnership Firm</th></tr><tr><td>Closure of Books</td><td>Does not require because the business is not terminated.</td><td>The books of accounts are closed.</td></tr></table> <p style="text-align: center;">OR</p> <p>Q. State the basis.....year of Death. Ans. Profit may be estimated (a) On the basis of Last year’s profit/ Average profits of last given no. of years (b) On the basis of Turnover/ Sales.</p>	Basis	Reconstitution of Partnership	Dissolution of Partnership Firm	Closure of Books	Does not require because the business is not terminated.	The books of accounts are closed.	<p>=1 mark</p> <p style="text-align: center;">½</p> <p style="text-align: center;">½</p> <p>=1 Mark</p>
Basis	Reconstitution of Partnership	Dissolution of Partnership Firm								
Closure of Books	Does not require because the business is not terminated.	The books of accounts are closed.								
5	1	3	<p>Q. What is meant..... Collateral Security? Ans. Debentures issued as secondary security/additional security over and above the primary security is known as Issue of Debentures as Collateral Security.</p> <p style="text-align: center;">OR</p>							

			Journal					
			Date	Particulars	LF	Dr. Amt. (₹)	Cr. Amt. (₹)	1 ½ = 3 marks
				Bimal's Capital A/cDr. To Aman's Capital A/c [being adjustment made for the treatment goodwill on Aman's retirement]		7,500	7,500	

9	-	-	Q. From the following information subscription of Rs. 500.					
			Ans. Subscription A/c					
			Particulars	Amt (₹)	Particulars	Amt (₹)		½ x6 =3 Marks
			To Outstanding sub. (beginning)	4,500	By Advance Sub.(beginning)	3,000		
			To Income & Expenditure A/c	10,00,000	By Bank (B.F.)	10,00,000		
			To advance Sub.(end)	4,500	By Outstanding Sub. (end)	6,000		
				10,09,000		10,09,000		
			OR					
			Subscription for the year= 2,000x500= 10,00,000 Add: outstanding for 31-3-2017 = 4,500 Less: outstanding for 31-3-2018 = (6,000) Add: Advance of 31-3-2018 = 4,500 Less: Advance of 31-3-2017 = (3,000) Subscriptions received during the year= 10,00,000					

10	-	-	Q. Pass necessary..... Premium of 10%.					
			Ans. Journal					
			Date	Particulars	LF	Dr (₹)	Cr (₹)	1
			a)	Bank A/c.....Dr. To Debenture Application & Allotment A/c [Applications received for 7,500, 9% debentures issued at 6% discount]		3,52,500	3,52,500	
			b)	Debenture Application & Allotment A/c.Dr. Discount on issue of Debentures A/c.....Dr. Loss on issue of Debentures A/c.....Dr. To 9% Debentures A/c To Premium on redemption of Deb. A/c [Allotment of 7,500, 9% debentures issued at 6% discount redeemable at 10% premium]		3,52,500 22,500 37,500	3,75,000 37,500	1

			<table><tr><th colspan="6">9% Debentures A/c</th></tr><tr><th>Date</th><th>Particulars</th><th>Amt (₹)</th><th>Date</th><th>Particulars</th><th>Amt (₹)</th></tr><tr><td></td><td>To Balance c/d</td><td>3,75,000</td><td></td><td>By Debenture Application & Allotment A/c</td><td>3,52,500</td></tr><tr><td></td><td></td><td></td><td></td><td>By Discount on issue of Deb.</td><td>22,500</td></tr><tr><td></td><td></td><td><u>3,75,000</u></td><td></td><td></td><td><u>3,75,000</u></td></tr></table> <p style="text-align: center;">OR</p> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr (₹)</th><th>Cr (₹)</th></tr><tr><td>a)</td><td>Bank A/c.....Dr. To Debenture Application & Allotment A/c [Applications received for 7,500, 9% debentures issued at 6% discount]</td><td></td><td>3,52,500</td><td>3,52,500</td></tr><tr><td>b)</td><td>Debenture Application & Allotment A/c.Dr. Loss on issue of Debentures A/c.....Dr. To 9% Debentures A/c To Premium on redemption of Deb. A/c [Allotment of 7,500, 9% debentures issued at 6% discount redeemable at 10% premium]</td><td></td><td>3,52,500 60,000</td><td>3,75,000 37,500</td></tr></table> <table><tr><th colspan="6">9% Debentures A/c</th></tr><tr><th>Date</th><th>Particulars</th><th>Amt (₹)</th><th>Date</th><th>Particulars</th><th>Amt (₹)</th></tr><tr><td></td><td>To Balance c/d</td><td>3,75,000</td><td></td><td>By Debenture Application & Allotment A/c</td><td>3,52,500</td></tr><tr><td></td><td></td><td></td><td></td><td>By Loss on issue of Deb.</td><td>22,500</td></tr><tr><td></td><td></td><td><u>3,75,000</u></td><td></td><td></td><td><u>3,75,000</u></td></tr></table>	9% Debentures A/c						Date	Particulars	Amt (₹)	Date	Particulars	Amt (₹)		To Balance c/d	3,75,000		By Debenture Application & Allotment A/c	3,52,500					By Discount on issue of Deb.	22,500			<u>3,75,000</u>			<u>3,75,000</u>	Date	Particulars	LF	Dr (₹)	Cr (₹)	a)	Bank A/c.....Dr. To Debenture Application & Allotment A/c [Applications received for 7,500, 9% debentures issued at 6% discount]		3,52,500	3,52,500	b)	Debenture Application & Allotment A/c.Dr. Loss on issue of Debentures A/c.....Dr. To 9% Debentures A/c To Premium on redemption of Deb. A/c [Allotment of 7,500, 9% debentures issued at 6% discount redeemable at 10% premium]		3,52,500 60,000	3,75,000 37,500	9% Debentures A/c						Date	Particulars	Amt (₹)	Date	Particulars	Amt (₹)		To Balance c/d	3,75,000		By Debenture Application & Allotment A/c	3,52,500					By Loss on issue of Deb.	22,500			<u>3,75,000</u>			<u>3,75,000</u>	1
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				To Sujeet's Capital A/c (10% of assets realised paid as remuneration)			1,00,075	1x4 = 4 Marks											
			c)	Sujeet's Capital A/c.....Dr. To Bank/Cash A/c (realisation expense paid on behalf of sujeet)		90,000	90,000												
			d)	Realisation A/c.....Dr. To Bank A/c (Creditors paid in full settlement)		4,50,000	4,50,000												
12	-	-	Ques. A and B..... working notes clearly. Ans. Journal <table><tr><th>Date</th><th>Particulars</th><th>F</th><th>Dr (₹)</th><th>Cr (₹)</th></tr><tr><td></td><td>Interest on Capital A/c.....Dr. To A's Current A/c To B's Current A/c (Interest on capital credited to Partners' Current A/c) ----- P& L Appropriation A/c.....Dr. To Interest on Capital A/c (Interest on capital transferred to P& L Appropriation A/c)</td><td></td><td>12,600 12,600</td><td> 5,400 7,200 12,600</td></tr></table> Note: In case, the candidate has combined the above two entries, 1 mark is to be deducted. Working Notes: Interest on Capital: A= 12% of 60,000= 7,200 B= 12% of 80,000=9,600 Total interest=16,800 Since profits are insufficient Interest on capital will be distributed in the ratio of 7,200:9,600 i.e.3:4 A= 3/7 of 12,600= 5,400 B= 4/7 of 12,600=7,200						Date	Particulars	F	Dr (₹)	Cr (₹)		Interest on Capital A/c.....Dr. To A's Current A/c To B's Current A/c (Interest on capital credited to Partners' Current A/c) ----- P& L Appropriation A/c.....Dr. To Interest on Capital A/c (Interest on capital transferred to P& L Appropriation A/c)		12,600 12,600	 5,400 7,200 12,600	1 <
Date	Particulars	F	Dr (₹)	Cr (₹)															
	Interest on Capital A/c.....Dr. To A's Current A/c To B's Current A/c (Interest on capital credited to Partners' Current A/c) ----- P& L Appropriation A/c.....Dr. To Interest on Capital A/c (Interest on capital transferred to P& L Appropriation A/c)		12,600 12,600	 5,400 7,200 12,600															

				(Assets transferred to realisation A/c)					
			b)	Sundry Creditors A/c.....Dr. Provision for Doubtful Debts A/c.....Dr. To Realisation A/c (liabilities transferred to Realisation A/c)		2,00,000 5,000		2,05,000	1
			c)	Bank A/cDr. To Realisation A/c (Assets realised)		11,49,000		11,49,000	1
			d)	Realisation A/c.....Dr. To Bank A/c (Realisation Exp.& Creditors paid in full settlement) OR Realisation A/c.....Dr. To Bank A/c (Creditors paid in full settlement) Realisation A/c.....Dr. To Bank A/c (Realisation Exp. Paid)		2,04,000 1,85,000 19,000		2,04,000 1,85,000 19,000	1
			e)	A's Capital A/cDr. B's Capital A/cDr. C's Capital A/cDr. To Realisation A/c (Loss on realisation debited to Partners' Capital A/c)		22,000 22,000 11,000		55,000	1
			f)	A's Capital A/cDr. B's Capital A/cDr. C's Capital A/cDr. To Bank A/c (Partners' A/c settled on dissolution)		7,28,000 2,78,000 2,39,000		12,45,000	1 =6 Marks OR
			OR						
			Ques. P, Q and R.....reconstitution of the firm.						
			Ans. Journal						
			Date	Particulars	LF	Dr (₹)		Cr (₹)	
			a)	Bad Debts A/c.....Dr. To Debtors A/c (bad debts written off)		6,000		6,000	½

			b)	Revaluation A/c..Dr. To Bad Debts A/c To Provision For Doubtful Debts A/c (Bad Debts and Provision transferred to Revaluation A/c)		9,000	6,000 3,000	½		
			c)	P's Capital A/cDr. Q's Capital A/cDr. R's Capital A/cDr. To Revaluation A/c (loss on revaluation transferred to Partners' capital A/c)		4,500 3,000 1,500	9,000	1		
			d)	General Reserve A/c.....Dr. To P's Capital A/c To Q' s Capital A/c To R's Capital A/c (general reserve credited to partners' Capital A/c)		60,000	30,000 20,000 10,000	1		
			e)	P's Current A/cDr. To P's Capital A/c (Capital A/c adjusted)		1,14,900	1,14,900	1		
			f)	Q' s Current A/cDr. To Q's Capital A/c (Capital A/c adjusted)		23,400	23,400	1		
			g)	R's Capital A/cDr. To R's Current A/c (Capital A/c adjusted)		1,38,300	1,38,300	1		
									=6 marks	
14	15	15	Q. From the following..... Capital Fund ₹ 1,28,000. Ans:							
Income & Expenditure A/c										

			For the year ending 31 st March, 2018				4
			Expenditures	Amt (₹)	Incomes	Amt (₹)	
			To Campaign Expenses	1,30,000	By Subscription	1,80,000	
			To Office Rent	40,000	By Govt. Grant	2,00,000	
			To Salary	10,000	By interested accrued on FD	16,000	
			To Furniture hire rent	12,000			
			To Advertisement	15,000			
			To Loss on sale of old Furniture	1,000			
			To Surplus (Excess of Income over Expenditure)	1,88,000			
				<u>3,96,000</u>		<u>3,96,000</u>	
			Balance Sheet As at 31 st March, 2018				2
			Liabilities	Amt (₹)	Assets	Amt (₹)	
			Capital Fund 1,28,000	3,46,000	Fixed Deposits 2,00,000	2,16,000	
			Add: Surplus 1,88,000		Add: Accrued Interest 16,000		
			Add: Life Membership Fees 30,000		Books 50,000		
					Computers 75,000		
				60,000	Cash at Bank 40,000		
			Creditors		Cash in Hand 25,000		
				<u>4,06,000</u>		<u>4,06,000</u>	
15	13	13	Q. Pass necessary rectifying..... Was omitted.				2
			(i)				
			Journal				
			Date	Particulars	Dr. (₹)	Cr.(₹)	
				A's Current* A/c Dr. To C's Current* A/c (Being interest on capital omitted, now rectified)	10,000	10,000	
			Note: 1 mark may be deducted for writing Capital Account instead of Current Account.				
			Past Adjustment Table				
				A (₹)	B (₹)	C (₹)	
			Omission of IOC	40,000 (Cr.)	50,000 (Cr.)	60,000 (Cr.)	
			Total divided in PSR	50,000 (Dr.)	50,000 (Dr.)	50,000 (Dr.)	
			Net Effect	10,000 (Dr.)	--	10,000 (Cr.)	
			(ii)				1
			Journal				
			Date	Particulars	Dr. (₹)	Cr.(₹)	
				R's Capital A/c Dr.	1,300		

			<div> <div> <div>To P's Capital A/c</div> <div>To Q's Capital A/c</div> <div>(Being interest on drawings omitted, now rectified)</div> </div> <div> <div>400</div> <div>900</div> </div> </div> <div>Past Adjustment Table</div> <table> <tr> <td></td><td>P (₹)</td><td>Q (₹)</td><td>R (₹)</td><td>Total (₹)</td></tr> <tr> <td>Omission of IOD</td><td>1,000 (Dr.)</td><td>500 (Dr.)</td><td>2,000 (Dr.)</td><td>3,500</td></tr> <tr> <td>Total divided in PSR</td><td>1,400 (Cr.)</td><td>1,400 (Cr.)</td><td>700 (Cr.)</td><td>3,500</td></tr> <tr> <td>Net Effect</td><td>400 (Cr.)</td><td>900 (Cr.)</td><td>1,300 (Dr.)</td><td></td></tr> </table>		P (₹)	Q (₹)	R (₹)	Total (₹)	Omission of IOD	1,000 (Dr.)	500 (Dr.)	2,000 (Dr.)	3,500	Total divided in PSR	1,400 (Cr.)	1,400 (Cr.)	700 (Cr.)	3,500	Net Effect	400 (Cr.)	900 (Cr.)	1,300 (Dr.)		<div>2</div> <div>1</div> <div>=</div> <div>6 Marks</div>																																			
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16	17	16	<div> <div>Q. S Ltd. invited books of the company.</div> <div> <div>Ans. Dr.</div> <div>Cash Book</div> <div>Cr.</div> <table> <tr> <th>Receipts</th><th>LF</th><th>Amt (₹)</th><th>Payments</th><th>LF</th><th>Amt (₹)</th></tr> <tr> <td>To Share Application & Allotment A/c</td><td></td><td>12,00,000</td><td>By Share Application & Allotment A/c</td><td></td><td>80,000</td></tr> <tr> <td>To Share I & Final Call A/c</td><td></td><td>3,78,100</td><td>By Balance c/d</td><td></td><td>15,04,100</td></tr> <tr> <td>To Equity Share Capital A/c</td><td></td><td>5,000</td><td></td><td></td><td></td></tr> <tr> <td>To Securities Premium Reserve A/c</td><td></td><td>1,000</td><td></td><td></td><td></td></tr> <tr> <td></td><td></td><td><u>15,84,100</u></td><td></td><td></td><td><u>15,84,100</u></td></tr> </table> <div>Books of S Ltd.</div> <div>Journal</div> <table> <tr> <th>Date</th><th>Particulars</th><th>LF</th><th>Dr. Amt (₹)</th><th>Cr. Amt (₹)</th></tr> <tr> <td>(i)</td><td>Equity Share Application & Allotment A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c To Calls in Advance A/c (Being application & Allotment money transferred)</td><td></td><td>11,20,000</td><td>5,00,000 3,00,000 3,20,000</td></tr> <tr> <td>(ii)</td><td>Equity Share First & Final Call A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being share First & Final Call money due)</td><td></td><td>7,00,000</td><td>5,00,000 2,00,000</td></tr> <tr> <td>(iii)</td><td>Calls In arrear A/c.....Dr. Calls In Advance A/cDr. To Equity Share First & Final Call A/c (Calls in advance adjusted and amount not received transferred to Calls- in-arrear A/c) Or</td><td></td><td>1,900 3,20,000</td><td>3,21,900</td></tr> </table> </div> </div> <div> <div>3</div> <div>1 x5</div> <div>=5 marks</div> </div>	Receipts	LF	Amt (₹)	Payments	LF	Amt (₹)	To Share Application & Allotment A/c		12,00,000	By Share Application & Allotment A/c		80,000	To Share I & Final Call A/c		3,78,100	By Balance c/d		15,04,100	To Equity Share Capital A/c		5,000				To Securities Premium Reserve A/c		1,000						<u>15,84,100</u>			<u>15,84,100</u>	Date	Particulars	LF	Dr. Amt (₹)	Cr. Amt (₹)	(i)	Equity Share Application & Allotment A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c To Calls in Advance A/c (Being application & Allotment money transferred)		11,20,000	5,00,000 3,00,000 3,20,000	(ii)	Equity Share First & Final Call A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being share First & Final Call money due)		7,00,000	5,00,000 2,00,000	(iii)	Calls In arrear A/c.....Dr. Calls In Advance A/cDr. To Equity Share First & Final Call A/c (Calls in advance adjusted and amount not received transferred to Calls- in-arrear A/c) Or		1,900 3,20,000	3,21,900
Receipts	LF	Amt (₹)	Payments	LF	Amt (₹)																																																						
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To Equity Share Capital A/c		5,000																																																									
To Securities Premium Reserve A/c		1,000																																																									
		<u>15,84,100</u>			<u>15,84,100</u>																																																						
Date	Particulars	LF	Dr. Amt (₹)	Cr. Amt (₹)																																																							
(i)	Equity Share Application & Allotment A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c To Calls in Advance A/c (Being application & Allotment money transferred)		11,20,000	5,00,000 3,00,000 3,20,000																																																							
(ii)	Equity Share First & Final Call A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being share First & Final Call money due)		7,00,000	5,00,000 2,00,000																																																							
(iii)	Calls In arrear A/c.....Dr. Calls In Advance A/cDr. To Equity Share First & Final Call A/c (Calls in advance adjusted and amount not received transferred to Calls- in-arrear A/c) Or		1,900 3,20,000	3,21,900																																																							

			<table><tr><td></td><td><div>Calls In Advance A/cDr. To Equity Share First & Final Call A/c (Calls in advance adjusted on first and final call)</div></td><td></td><td>3,20,000</td><td>3,20,000</td><td rowspan="3">=8 Marks</td></tr><tr><td>(iv)</td><td><div>Equity Share Capital A/c Dr. Securities Premium Reserve A/c Dr. To Shares Forfeited A/c To Calls in Arrear A/c (Being shares forfeited)</div></td><td></td><td><div>5,000 1,000</div></td><td><div>4,100 1,900</div></td></tr><tr><td>(v)</td><td><div>Shares Forfeited A/c Dr. To Capital Reserve A/c (Gain on reissue of forfeited shares transferred to Capital Reserve)</div></td><td></td><td>4,100</td><td>4,100</td></tr></table>		<div>Calls In Advance A/cDr. To Equity Share First & Final Call A/c (Calls in advance adjusted on first and final call)</div>		3,20,000	3,20,000	=8 Marks	(iv)	<div>Equity Share Capital A/c Dr. Securities Premium Reserve A/c Dr. To Shares Forfeited A/c To Calls in Arrear A/c (Being shares forfeited)</div>		<div>5,000 1,000</div>	<div>4,100 1,900</div>	(v)	<div>Shares Forfeited A/c Dr. To Capital Reserve A/c (Gain on reissue of forfeited shares transferred to Capital Reserve)</div>		4,100	4,100																								
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(iv)	<div>Equity Share Capital A/c Dr. Securities Premium Reserve A/c Dr. To Shares Forfeited A/c To Calls in Arrear A/c (Being shares forfeited)</div>		<div>5,000 1,000</div>	<div>4,100 1,900</div>																																							
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16 OR	17 OR	16 OR	<div>Ques. Jain Ltd.....in the books of Jain Ltd.</div> <div>Ans.</div> <div>Books of the Jain Ltd.</div> <div>Journal</div> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr (₹)</th><th>Cr (₹)</th><td></td></tr><tr><td>(i)</td><td><div>Bank A/cDr. To Equity Share Application A/c [Application money received on 1,00,000 shares]</div></td><td></td><td>1,00,000</td><td>1,00,000</td><td>½</td></tr><tr><td>(ii)</td><td><div>Equity Share Application A/c.....Dr. To Equity Share Capital A/c [Application money transferred to share capital A/c]</div></td><td></td><td>1,00,000</td><td>1,00,000</td><td>½</td></tr><tr><td>(iii)</td><td><div>Equity Share Allotment A/c.....Dr. To Equity Share Capital A/c [Allotment money due on 1,00,000shares]</div></td><td></td><td>2,00,000</td><td>2,00,000</td><td>½</td></tr><tr><td>(iv)</td><td><div>Bank A/c.....Dr. To Share Allotment A/c [Allotment money received except on 1,000 shares] <div>OR</div>Bank A/c.....Dr. Calls in Arrear A/c.....Dr. To Share Allotment A/c [Allotment money received except on 1,000 shares]</div></td><td></td><td><div>1,98,000 1,98,000 2,000</div></td><td><div>1,98,000 2,00,000</div></td><td>1</td></tr><tr><td>(v)</td><td><div>Equity Share Capital A/c.....Dr. To Forfeited Shares A/c To Equity Share Allotment A/c [Forfeiture of 1,000 shares for non payment of allotment money] <div>OR</div></div></td><td></td><td>3,000</td><td><div>1,000 2,000</div></td><td>1½</td></tr></table>				Date	Particulars	LF	Dr (₹)	Cr (₹)		(i)	<div>Bank A/cDr. To Equity Share Application A/c [Application money received on 1,00,000 shares]</div>		1,00,000	1,00,000	½	(ii)	<div>Equity Share Application A/c.....Dr. To Equity Share Capital A/c [Application money transferred to share capital A/c]</div>		1,00,000	1,00,000	½	(iii)	<div>Equity Share Allotment A/c.....Dr. To Equity Share Capital A/c [Allotment money due on 1,00,000shares]</div>		2,00,000	2,00,000	½	(iv)	<div>Bank A/c.....Dr. To Share Allotment A/c [Allotment money received except on 1,000 shares] <div>OR</div>Bank A/c.....Dr. Calls in Arrear A/c.....Dr. To Share Allotment A/c [Allotment money received except on 1,000 shares]</div>		<div>1,98,000 1,98,000 2,000</div>	<div>1,98,000 2,00,000</div>	1	(v)	<div>Equity Share Capital A/c.....Dr. To Forfeited Shares A/c To Equity Share Allotment A/c [Forfeiture of 1,000 shares for non payment of allotment money] <div>OR</div></div>		3,000	<div>1,000 2,000</div>	1½	
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(v)	<div>Equity Share Capital A/c.....Dr. To Forfeited Shares A/c To Equity Share Allotment A/c [Forfeiture of 1,000 shares for non payment of allotment money] <div>OR</div></div>		3,000	<div>1,000 2,000</div>	1½																																						

				Equity Share Capital A/c.....Dr. To Forfeited Shares A/c To Calls – in – Arrear A/c [Forfeiture of 4,000 shares for non payment of call money]		3,000	1,000 2,000	
			(vi)	Equity Share First Call A/cDr. To Equity Share Capital A/c [First call money due on 99,000 shares]		2,97,000	2,97,000	½
			(vii)	Bank A/cDr. To Equity Share First Call A/c [First Call money received except on 500 shares] OR Bank A/cDr. Calls in arrear A/c Dr. To Equity Share First Call A/c [First Call money received except on 500 shares]		2,95,500 2,95,500 1,500	2,95,500 2,97,000	½
			(viii)	Equity Share Capital A/c.....Dr. To Forfeited Shares A/c To Equity Share first call A/c [Forfeiture of 500 shares for non payment of first call money] OR Equity Share Capital A/c.....Dr. To Forfeited Shares A/c To Calls – in – Arrear A/c [Forfeiture of 500 shares for non payment of first call money]		3,000 3,000	1,500 1,500 1,500 1,500	1
			(ix)	Bank A/cDr. Forfeited Shares A/c.....Dr. To Equity Share Capital A/c [1,500 of the forfeited shares reissued as fully paid up]		13,500 1,500	15,000	½
			(x)	Forfeited Shares A/cDr. To Capital Reserve A/c [Gain on 1,500 reissued shares transferred to capital reserve A/c]		1,000	1,000	½

			<table><tr><td>(xi)</td><td>Equity Share second & final Call A/cDr. To Equity Share Capital A/c [Second & Final call money due on 98,500 shares]</td><td></td><td>3,94,000</td><td>3,94,000</td><td>½</td></tr><tr><td>(xii)</td><td>Bank A/cDr. To Equity Share second & final Call A/c [Second and final Call money received]</td><td></td><td>3,94,000</td><td>3,94,000</td><td>½</td></tr></table> <p>=8 marks</p>	(xi)	Equity Share second & final Call A/cDr. To Equity Share Capital A/c [Second & Final call money due on 98,500 shares]		3,94,000	3,94,000	½	(xii)	Bank A/cDr. To Equity Share second & final Call A/c [Second and final Call money received]		3,94,000	3,94,000	½																																																																																																		
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17	16	17	<p>Q. A and B.....reconstituted firm.</p> <p>Ans. Revaluation A/c</p> <table><tr><th colspan="2">Dr</th><th colspan="2">Cr</th></tr><tr><th>Particulars</th><th>Amt (₹)</th><th>Particulars</th><th>Amt (₹)</th></tr><tr><td>To Stock</td><td>3,000</td><td>By Building</td><td>20,000</td></tr><tr><td>To Provision for D/D</td><td>400</td><td></td><td></td></tr><tr><td>To Furniture</td><td>2,000</td><td></td><td></td></tr><tr><td>To Gain transferred to: A's Capital A/c- 8,760 B's Capital A/c- <u>5,840</u></td><td>14,600</td><td></td><td></td></tr><tr><td></td><td><u>20,000</u></td><td></td><td><u>20,000</u></td></tr></table> <p>Partners' Capital A/c</p> <table><tr><th colspan="4">Dr.</th><th colspan="4">Cr.</th></tr><tr><th>Particulars</th><th>A</th><th>B</th><th>C</th><th>Particulars</th><th>A</th><th>B</th><th>C</th></tr><tr><td>To Balance c/d</td><td>1,60,000</td><td>96,000</td><td>64,000</td><td>By Balance b/d</td><td>1,04,000</td><td>52,000</td><td>----</td></tr><tr><td></td><td></td><td></td><td></td><td>By Cash A/c</td><td>-----</td><td>-----</td><td>64,000</td></tr><tr><td></td><td></td><td></td><td></td><td>By Revaluation A/c</td><td>8,760</td><td>5,840</td><td>-----</td></tr><tr><td></td><td></td><td></td><td></td><td>By Workmen Compensation Fund</td><td>6,000</td><td>4,000</td><td>-----</td></tr><tr><td></td><td></td><td></td><td></td><td>By Contingency Reserve</td><td>6,000</td><td>4,000</td><td>-----</td></tr><tr><td></td><td></td><td></td><td></td><td>By Premium for Goodwill</td><td>7,500</td><td>7,500</td><td>-----</td></tr><tr><td></td><td></td><td></td><td></td><td>By Cash A/c(B.F.)</td><td>27,740</td><td>22,660</td><td>-----</td></tr><tr><td></td><td>1,60,000</td><td>96,000</td><td>64,000</td><td></td><td>1,60,000</td><td>96,000</td><td>64,000</td></tr></table> <p>Balance Sheet of the Reconstituted firm as at April1, 2018</p>	Dr		Cr		Particulars	Amt (₹)	Particulars	Amt (₹)	To Stock	3,000	By Building	20,000	To Provision for D/D	400			To Furniture	2,000			To Gain transferred to: A's Capital A/c- 8,760 B's Capital A/c- <u>5,840</u>	14,600				<u>20,000</u>		<u>20,000</u>	Dr.				Cr.				Particulars	A	B	C	Particulars	A	B	C	To Balance c/d	1,60,000	96,000	64,000	By Balance b/d	1,04,000	52,000	----					By Cash A/c	-----	-----	64,000					By Revaluation A/c	8,760	5,840	-----					By Workmen Compensation Fund	6,000	4,000	-----					By Contingency Reserve	6,000	4,000	-----					By Premium for Goodwill	7,500	7,500	-----					By Cash A/c(B.F.)	27,740	22,660	-----		1,60,000	96,000	64,000		1,60,000	96,000	64,000	2	3
Dr		Cr																																																																																																															
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			<table><tr><th>Liabilities</th><th>Amt (₹)</th><th>Assets</th><th>Amt (₹)</th></tr><tr><td>Capitals:</td><td></td><td>Cash</td><td>1,37,400</td></tr><tr><td>A- 1,60,000</td><td></td><td>Sundry Debtors- 37,600</td><td></td></tr><tr><td>B- 96,000</td><td></td><td>Less: Prov. for D/D-2,000</td><td>35,600</td></tr><tr><td>C- <u>64,000</u></td><td>3,20,000</td><td>Stock</td><td>57,000</td></tr><tr><td>Creditors</td><td>1,54,000</td><td>Prepaid Insurance</td><td>6,000</td></tr><tr><td>Employees Provident Fund</td><td>16,000</td><td>Plant & Machinery</td><td>76,000</td></tr><tr><td></td><td></td><td>Building</td><td>1,60,000</td></tr><tr><td></td><td></td><td>Furniture</td><td>18,000</td></tr><tr><td></td><td><u>4,90,000</u></td><td></td><td><u>4,90,000</u></td></tr></table> <p>Working notes: [1] Calculation of New Capitals: C's Capital= 64,0000(for 2/10 share) Capital of the new firm= 3,20,000 A's share=5/10 of 3,20,000= 1,60,000 B's Share=3/10 of 3,20,000=96,000 [2] Old Ratio=3:2 New Ratio=5:3:2 A=5/10-3/5= (1/10) Sac. B=3/10-2/5= (1/10) Sac.</p>	Liabilities	Amt (₹)	Assets	Amt (₹)	Capitals:		Cash	1,37,400	A- 1,60,000		Sundry Debtors- 37,600		B- 96,000		Less: Prov. for D/D-2,000	35,600	C- <u>64,000</u>	3,20,000	Stock	57,000	Creditors	1,54,000	Prepaid Insurance	6,000	Employees Provident Fund	16,000	Plant & Machinery	76,000			Building	1,60,000			Furniture	18,000		<u>4,90,000</u>		<u>4,90,000</u>	3
Liabilities	Amt (₹)	Assets	Amt (₹)																																									
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			Partners' Capital A/c								
			Dr.				Cr.				
			Particulars	G	E	F	Particulars	G	E	F	
			To E's Capital A/c	15,750	----	2,250	By Balance b/d	1,40,000	40,000	20,000	3
			To E's Loan A/c	-----	1,37,880	----	By Revaluation A/c	41,580	11,880	5,940	
			To Balance c/d	2,10,000	----	30,000	By G's Capital A/c	----	15,750	----	
							By F's Capital A/c	-----	2,250	-----	
							By General Reserve	28,000	8,000	4,000	
							By E's Loan A/c	-----	60,000	-----	
							By current A/c	16,170	-----	2,310	
				2,25,750	137,880	32,250		2,25,750	1,37,880	32,250	
			Balance Sheet of the Reconstituted firm as at April1, 2018								
			Liabilities		Amt (₹)		Assets		Amt (₹)		3
			Capitals:				Cash		90,000		
			G- 2,10,000				Debtors- 24,000				
			F- 30,000		2,40,000		Less: Prov. For				
			E's Loan		1,37,880		Doubtful Debts 600		23,400		
			Creditors		28,000		Stock		10,000		
							Machinery		76,000		
							Land & building		1,88,000		
							G's current A/c		16,170		
							F's Current A/c		2,310		
					4,05,880				4,05,880		
			Working Notes:(1)								
			New Firm's capital- 2,40,000								
			E's capital -7/8x2,40,000=2,10,000								
			F's capital- 1/8x 2,40,000= 30,000								
			Note: if candidate has not transferred E's Loan A/c given in the existing Balance Sheet to E's Capital A/c, no marks will be deducted. In such case, the balance of E's Loan A/c in the Capital A/c will be ₹77,800.								=8 marks
			PART B								
			(Financial Statements Analysis)								
18	-	-	Q. When can.....your answer.								1 Mark
			Ans. Receipt of dividend can be an operating activity for a financial company as it is a principal revenue generating activity.								
19	-	-	Q. What is 'Cash Flow Statement'?								1 Mark
			Ans. A Cash Flow Statement is a statement that provides information about the historical changes in Cash & Cash Equivalents of an enterprise by classifying cash flows into Operating, Investing and Financing Activities.								
20	22	20	Q. Under which major.....Companies Act, 2013?								

3

3

=8 marks

			<div>Ans.</div> <table><tr><th>Items</th><th>Heads</th><th>Sub-heads</th></tr><tr><td>Cheques and Bank Drafts in Hand</td><td>Current Assets</td><td>Cash & Cash Equivalents</td></tr><tr><td>Loose Tools</td><td>Current Assets</td><td>Inventories</td></tr><tr><td>Securities Premium Reserve</td><td>Shareholders' Funds</td><td>Reserves & Surplus</td></tr><tr><td>Long term Investments with maturity period less than six months</td><td>Current Assets</td><td>Current Investments</td></tr><tr><td>Work- in-Progress</td><td>Current Assets</td><td>Inventories</td></tr><tr><td>Mining Rights</td><td>Non Current Assets</td><td>Fixed Assets- Intangible</td></tr><tr><td>Publishing Titles</td><td>Non Current Assets</td><td>Fixed Assets- Intangible</td></tr><tr><td>Debtors</td><td>Current Assets</td><td>Trade Receivables</td></tr></table> <div>OR</div> <div>Ques: Explain.....Creditors.</div> <div>Ans.</div> <div>Importance for Labour Unions: Labour unions analyse the financial statements to assess whether it can presently afford a wage increase and whether it can absorb a wage increase through increased productivity or by raising the prices.</div> <div>Importance for Creditors: Creditors through an analysis of Financial Statements appraises not only the ability of the company to meet its short term obligations but also judges the probability of its continued ability to meet all its financial obligations in future.</div>	Items	Heads	Sub-heads	Cheques and Bank Drafts in Hand	Current Assets	Cash & Cash Equivalents	Loose Tools	Current Assets	Inventories	Securities Premium Reserve	Shareholders' Funds	Reserves & Surplus	Long term Investments with maturity period less than six months	Current Assets	Current Investments	Work- in-Progress	Current Assets	Inventories	Mining Rights	Non Current Assets	Fixed Assets- Intangible	Publishing Titles	Non Current Assets	Fixed Assets- Intangible	Debtors	Current Assets	Trade Receivables	<div>½x8 = 4 Marks OR</div> <div>2+2 =4 Marks</div>																																	
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21	-	-	<div>Q. Prepare a Tax Rate 40%.</div> <div>Ans.</div> <div>Comparative Income Statement</div> <div>For the year ending 31st March 2017 and 2018</div> <table><tr><th>Particulars</th><th>Note No.</th><th>31st March, 2017 (₹)</th><th>31st March, 2018(₹)</th><th>Absolute Inc/ Dec. (₹)</th><th>Percent age Inc./ Dec.</th></tr><tr><td>(i) Revenue from Operations</td><td></td><td>10,00,000</td><td>16,00,000</td><td>6,00,000</td><td>60</td></tr><tr><td>(ii) Expenses:</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Cost of Materials Consumed</td><td></td><td>5,00,000</td><td>10,00,000</td><td>5,00,000</td><td>100</td></tr><tr><td>Employee Benefit Expenses</td><td></td><td>80,000</td><td>40,000</td><td>(40,000)</td><td>(50)</td></tr><tr><td>Other Indirect Expenses</td><td></td><td>60,000</td><td>80,000</td><td>20,000</td><td>33.33</td></tr><tr><td>Total Expenses</td><td></td><td>6,40,000</td><td>11,20,000</td><td>4,80,000</td><td>75</td></tr><tr><td>(iii) Profit before Tax</td><td></td><td>3,60,000</td><td>4,80,000</td><td>1,20,000</td><td>33.33</td></tr><tr><td>(iv) Less: Tax @ 40%</td><td></td><td>1,44,000</td><td>1,92,000</td><td>48,000</td><td>33.33</td></tr><tr><td>(v) Profit after tax</td><td></td><td>2,16,000</td><td>2,88,000</td><td>72,000</td><td>33.33</td></tr></table>	Particulars	Note No.	31 st March, 2017 (₹)	31 st March, 2018(₹)	Absolute Inc/ Dec. (₹)	Percent age Inc./ Dec.	(i) Revenue from Operations		10,00,000	16,00,000	6,00,000	60	(ii) Expenses:						Cost of Materials Consumed		5,00,000	10,00,000	5,00,000	100	Employee Benefit Expenses		80,000	40,000	(40,000)	(50)	Other Indirect Expenses		60,000	80,000	20,000	33.33	Total Expenses		6,40,000	11,20,000	4,80,000	75	(iii) Profit before Tax		3,60,000	4,80,000	1,20,000	33.33	(iv) Less: Tax @ 40%		1,44,000	1,92,000	48,000	33.33	(v) Profit after tax		2,16,000	2,88,000	72,000	33.33	<div>1</div> <div>1</div> <div>1</div> <div>1</div> <div>=4 marks</div>
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22	20	22	<div>Q. The Operating Ratio..... change the ratio:</div> <div>Ans.</div> <table><tr><th>S.No.</th><th>Transactions</th><th>Effect</th></tr><tr><td>1</td><td>Purchase goods on credit</td><td>No change</td></tr></table>	S.No.	Transactions	Effect	1	Purchase goods on credit	No change																																																							
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			<p style="text-align: center;">OR</p> <p>Ques: From the following.....Debt Ratio.</p> <p>Ans. Total Assets to Debt Ratio = $\frac{\text{Total Assets}}{\text{Long Term Debt}}$</p> <p style="text-align: center;">$=15,40,000/3,00,000=5.13$</p> <p>Total Assets= Fixed Assets+ Non Current Investments+ Current Assets =₹ 15,40,000</p> <p>Debt = Total Liabilities- Equity Share Capital-Preference Share Capital-Reserves & Surplus- Current Liabilities = ₹3,00,000</p>	1 1 1 1 =4 marks																																																																														
23	23	23	<p>Q. Following is the..... Cash Flow Statement.</p> <p>Ans. Cash Flow Statement of R.M. Ltd. As at 31st March, 2017</p> <table><tr><th>Particulars</th><th>Details (₹)</th><th>Amount (₹)</th></tr><tr><td colspan="3"><u>A.Cash flows from Operating Activities :</u></td></tr><tr><td>Net Profit before Tax and extraordinary items (note-1)</td><td>2,45,000</td><td></td></tr><tr><td>Add: Depreciation on Plant & Machinery</td><td>10,000</td><td></td></tr><tr><td>Add: Interest on Debentures</td><td>18,000</td><td></td></tr><tr><td>Operating profit before the working Capital changes</td><td><u>2,73,000</u></td><td></td></tr><tr><td>Less: Increase in Trade Receivables</td><td>(50,000)</td><td></td></tr><tr><td> Increase in Inventories</td><td>(80,000)</td><td></td></tr><tr><td> Decrease in Trade Payables</td><td><u>(10,000)</u></td><td></td></tr><tr><td>Cash generated from Operations</td><td>1,33,000</td><td></td></tr><tr><td>Less: Tax Paid</td><td><u>(80,000)</u></td><td></td></tr><tr><td>Net Cash From Operating Activities</td><td></td><td>53,000</td></tr><tr><td colspan="3"><u>B. Cash flows from Investing Activities :</u></td></tr><tr><td>Sale of Plant & Machinery</td><td>30,000</td><td></td></tr><tr><td>Purchase of Plant & Machinery</td><td>(1,50,000)</td><td></td></tr><tr><td>Purchase of Goodwill</td><td>(80,000)</td><td></td></tr><tr><td>Purchase of Non Current Investments</td><td><u>(5,00,000)</u></td><td></td></tr><tr><td>Net Cash used in investing activities</td><td></td><td>(7,00,000)</td></tr><tr><td colspan="3"><u>C.Cash flows from financing Activities</u></td></tr><tr><td>Issue of shares</td><td>5,00,000</td><td></td></tr><tr><td>Redemption of Debentures</td><td>(1,00,000)</td><td></td></tr><tr><td>Interest on Debentures paid</td><td><u>(18,000)</u></td><td></td></tr><tr><td>Cash flows from Financing Activities</td><td></td><td>3,82,000</td></tr><tr><td>Net Decrease in Cash and Cash Equivalents</td><td></td><td>(2,65,000)</td></tr><tr><td>Add: Opening Balance of Cash and Cash equivalents</td><td></td><td>6,40,000</td></tr><tr><td>Closing Balance of Cash and Cash equivalents</td><td></td><td>3,75,000</td></tr></table>	Particulars	Details (₹)	Amount (₹)	<u>A.Cash flows from Operating Activities :</u>			Net Profit before Tax and extraordinary items (note-1)	2,45,000		Add: Depreciation on Plant & Machinery	10,000		Add: Interest on Debentures	18,000		Operating profit before the working Capital changes	<u>2,73,000</u>		Less: Increase in Trade Receivables	(50,000)		Increase in Inventories	(80,000)		Decrease in Trade Payables	<u>(10,000)</u>		Cash generated from Operations	1,33,000		Less: Tax Paid	<u>(80,000)</u>		Net Cash From Operating Activities		53,000	<u>B. Cash flows from Investing Activities :</u>			Sale of Plant & Machinery	30,000		Purchase of Plant & Machinery	(1,50,000)		Purchase of Goodwill	(80,000)		Purchase of Non Current Investments	<u>(5,00,000)</u>		Net Cash used in investing activities		(7,00,000)	<u>C.Cash flows from financing Activities</u>			Issue of shares	5,00,000		Redemption of Debentures	(1,00,000)		Interest on Debentures paid	<u>(18,000)</u>		Cash flows from Financing Activities		3,82,000	Net Decrease in Cash and Cash Equivalents		(2,65,000)	Add: Opening Balance of Cash and Cash equivalents		6,40,000	Closing Balance of Cash and Cash equivalents		3,75,000	1 ½ <
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			<p>Working Notes:</p> <p>Note-1:Net Profit before tax & Extraordinary items</p> <p>Net Profit during the year –1,50,000</p> <p>Add: Prov. for Tax made— <u>95,000</u></p> <p style="text-align: right;">2,45,000</p>	<p>½</p>																				
			<p style="text-align: center;">Plant and Machinery A/c</p> <table><tr><th>Particulars</th><th>₹</th><th>Particulars</th><th>₹</th></tr><tr><td>To Balance b/d</td><td>11,40,000</td><td>By Accumulated Dep. A/c</td><td>50,000</td></tr><tr><td>To Bank A/c (B.F.)</td><td>1,50,000</td><td>By Bank A/c</td><td>30,000</td></tr><tr><td></td><td></td><td>By Balance c/d</td><td>12,10,000</td></tr><tr><td></td><td><u>12,90,000</u></td><td></td><td><u>12,90,000</u></td></tr></table>	Particulars	₹	Particulars	₹	To Balance b/d	11,40,000	By Accumulated Dep. A/c	50,000	To Bank A/c (B.F.)	1,50,000	By Bank A/c	30,000			By Balance c/d	12,10,000		<u>12,90,000</u>		<u>12,90,000</u>	<p>½</p>
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			<p style="text-align: right;">=6 Marks</p>																					
			<p style="text-align: center;">PART B</p> <p style="text-align: center;">OPTION 2</p> <p style="text-align: center;">(Computerized Accounting)</p>																					
18	-	-	<p>Q. What is.....'Label'?</p> <p>Ans. It is a text or special character assigned to a row or column or descriptive information. These cannot be treated mathematically.</p>	<p>½ X 2 =1 Mark</p>																				
19	-	-	<p>Q. What.....'Block Codes'?</p> <p>Ans. It is a range of numbers partitioned into a desired number of sub ranges and each sub range is allotted to a specific group.</p>	<p>=1 Mark</p>																				
20	-	-	<p>Q. State the.....accounting system.</p> <p>Ans. For installation of computerised accounting system the following steps are required:</p> <p>(i) Insert CD in the system.</p> <p>(ii) After inserting CD select the option in following steps;</p> <p style="padding-left: 40px;">a) Select any (C:or E:or D:)from My computer icon on the desktop double click on install.exe .</p> <p style="text-align: center;">OR</p> <p style="padding-left: 40px;">a) Select start>run>type the file name E:\install.exe</p>	<p style="text-align: center;">= 4 Marks</p>																				
21	22	21	<p>Q. differentiate between.....'server database'?</p> <p>Ans. (Any four)</p> <p>(i) Application: Desktop database can be used by a single user server data base can be used</p>	<p>=4 Marks</p>																				

		<p>by many users at the same time.</p> <p>(ii) <u>Additional provision for reliability</u>: Desktop database doesn't present this but these provisions are available in server based database.</p> <p>(iii) <u>Cost</u> : Desktop database ten dto cost less than the server database.</p> <p>(iv) <u>Flexibility regarding the choice of performance in front end applications</u> : It is not present in desktop database but server database provide this flexibility.</p> <p>(v) <u>Suitability</u>: Desktop database are suitable for small/home offices and server database are more suitable for large business organisations.</p> <p style="text-align: center;">OR</p> <p>Q. State theaccounting software.</p> <p>Ans. Following are the features of good accounting software: (Any four)</p> <ol style="list-style-type: none"> 1. Do all basic accounting functions. 2. Manage your stores. 3. Do the job costing. 4. Manage payroll. 5. Get many MIS (Management information System). 6. File tax returns. 7. Maintain budgets etc. 8. Calculate interest pending amounts. 9. Manage data over different locations and synchronize it and many more other features. 	
22	21	<p>22 Q. .Why is it.....data security</p> <p>Ans. To maintain the secrecy of accounting data it is necessary to have security features in accounting software.</p> <p>Tools (any two)</p> <p>1. Password security: Password is widely accepted security control to access the data. Only the authorised person can access the data. Any user who does not know the password cannot retrieve information from the system. It ensures data integrity. It uses a binary encoding format of storage and offers access to the data base.</p> <p>2. Data Audit: Audit feature of accounting software provides the user with administrator right in order to keep track of unauthorised access to the data base. It audit for the correctness of entries. Once entries are audited with adulterations, if any, the software displays all entries along with the name of the auditor user and date and time of alteration.</p> <p>3. Data vault: Software provides additional security for the imputed data and this feature is referred as data vault. Data vault ensures that original information is presented and is not tempered. Data vault password cannot be broken. Some software uses data encryption method.</p> <p style="text-align: center;">OR</p> <p>Q. Name the value.....these values.</p>	=4 Marks

			<p>Ans. The value is called “ Null value” The three situations in which these can be used are</p> <p>(i) When a particular attribute does not apply to an entry.</p> <p>(ii) Value of an attribute is unknown.</p> <p>(iii) Unknown because it does not exist</p>	
23	23	23	<p>Q. Nisan Ltd.....MS Excel.</p> <p>Ans.</p> <ul style="list-style-type: none"> • Cost of purchase column A1=`1,50,0000 • Installation + other expense column B1=`50,000 • Cost to use = sum (A1,B1)= column C1=`2,00000/- • Salvage value= column D1=`25,000/- • Life of asset= column E1=5 years • SLM Depreciation= SLM(C1,D1,E1) = column F1=`100000/- • Rate of Depreciation=$35,000/1,75,000 \times 100 = 20\%$ 	<p>=</p> <p>6 Marks</p>

SET 2

Q. Set No.			Marking Scheme 2018-19 Accountancy (055) <u>67/4/2</u> Expected Answers / Value points	Distribut ion of marks						
67/4 /1	67/4 /2	67/4 /3								
5	1	3	<p>Q. What is meant..... Collateral Security? Ans. Debentures issued as secondary security/additional security over and above the primary security is known as Issue of Debentures as Collateral Security.</p> <p style="text-align: center;">OR</p> <p>Q. State the Provision.....Debt Redemption Reserve. Ans. Where a company has issued Debentures, it shall create a DRR equivalent to at least 25% of the nominal value of debentures outstanding for the redemption of such debentures.</p>	<p style="text-align: center;">=1 Mark</p>						
4	2	2	<p>Q. Distinguish between 'Closure of Books'. Ans.</p> <table border="1"><thead><tr><th>Basis</th><th>Reconstitution of Partnership</th><th>Dissolution of Partnership Firm</th></tr></thead><tbody><tr><td>Closure of Books</td><td>Does not require because the business is not terminated.</td><td>The books of accounts are closed.</td></tr></tbody></table> <p style="text-align: center;">OR</p> <p>Q. State the basis.....year of Death. Ans. Profit may be estimated (a) On the basis of Last year's profit/ Average profits of last given no. of years (b) On the basis of Turnover/ Sales.</p>	Basis	Reconstitution of Partnership	Dissolution of Partnership Firm	Closure of Books	Does not require because the business is not terminated.	The books of accounts are closed.	<p style="text-align: center;">=1 mark</p> <p style="text-align: center;">½ ½</p> <p style="text-align: center;">=1 Mark</p>
Basis	Reconstitution of Partnership	Dissolution of Partnership Firm								
Closure of Books	Does not require because the business is not terminated.	The books of accounts are closed.								
2	3	5	<p>Q. Dev withdrew.....on Dev's Drawings. Ans. Interest On Drawings= 1,20,000x12/100x6/12=7,200</p>	<p style="text-align: center;">=1 Mark</p>						
3	4	1	<p>Q. A and B.....A, B, C, D. Ans. Old ratio =3:2 A's Sacrifice(in favour of C)=1/4x3/5=3/20 B's Sacrifice(in favour of D)=1/2x2/5=2/10</p> <p style="text-align: center;">A's New Share=3/5-3/20=9/20 B's New Share=2/5-2/10=2/10</p> <p>New Profit Sharing Ratio=9:4:3:4</p>	<p style="text-align: center;">½</p> <p style="text-align: center;">½</p> <p style="text-align: center;">=1 Mark</p>						
1	5	4	<p>Q. Differentiate between.....of 'Period'. Ans.</p> <table border="1"><thead><tr><th>Basis</th><th>Receipts & Payments A/c</th><th>Income & Expenditure A/c</th></tr></thead><tbody></tbody></table>	Basis	Receipts & Payments A/c	Income & Expenditure A/c	<p style="text-align: center;">=1 Mark</p>			
Basis	Receipts & Payments A/c	Income & Expenditure A/c								

			<table><tr><td>Period</td><td>May relate to preceeding and succeeding periods</td><td>Relate to current period.</td></tr></table> <p style="text-align: center;">OR</p> <p>Q. What is.....'Life Membership Fees'? Ans. Membership fee paid in lump sum to become a life member of a not- for- profit organisation.</p>	Period	May relate to preceeding and succeeding periods	Relate to current period.													
Period	May relate to preceeding and succeeding periods	Relate to current period.																	
-	6	-	<p>Q. Distinguish.....Assets and Liabilities. Ans.</p> <table><tr><th>Basis</th><th>Dissolution of Partnership</th><th>Dissolution of Partnership Firm</th></tr><tr><td>Settlement of Assets and Liabilities</td><td>Assets and Liabilities are revalued and new Balance Sheet is drawn.</td><td>Assets are sold and liabilities are paid off.</td></tr></table>	Basis	Dissolution of Partnership	Dissolution of Partnership Firm	Settlement of Assets and Liabilities	Assets and Liabilities are revalued and new Balance Sheet is drawn.	Assets are sold and liabilities are paid off.	<p style="text-align: center;">=1 mark</p>									
Basis	Dissolution of Partnership	Dissolution of Partnership Firm																	
Settlement of Assets and Liabilities	Assets and Liabilities are revalued and new Balance Sheet is drawn.	Assets are sold and liabilities are paid off.																	
7	7	7	<p>Q. What is meant Over-subscription. Ans. When the no. of shares applied is more than the no. of shares offered by the co., it is said to be a case of over-subscription. For Example: A company invited applications for 1,00,000 shares and received applications for 4,00,000 shares. Three alternatives are available for allotment of shares: (a) To allot 1,00,000 shares in full to selected applicants and the remaining 3,00,000 applications were rejected outright. (b) To make pro-rata allotment to all applicants. (c) Totally reject applications for 2,00,000 shares, accept full applications for 80,000 shares and make pro-rata allotment of 20,000 shares to remaining 1,20,000 applicants. (or any other correct example)</p> <p style="text-align: center;">OR</p> <p>Q. What is meant.....Capital Reserve? Ans. Cancellation of shares for the non payment of called up amount is termed as Forfeiture of shares. Gain on Forfeited shares arises on reissue. It is transferred immediately on the reissue of forfeited shares.</p>	<p style="text-align: center;">1 ½</p> <p style="text-align: center;">1 ½ = 3 marks</p> <p style="text-align: center;">OR</p> <p style="text-align: center;">1</p> <p style="text-align: center;">1</p> <p style="text-align: center;">1 = 3 marks</p>															
-	8	-	<p>Q. A, B and C.....D's admission. Ans.</p> <p style="text-align: center;">Journal</p> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr. Amt. (₹)</th><th>Cr. Amt. (₹)</th></tr><tr><td></td><td>Cash A/cDr. To D's Capital A/c To Premium for Goodwill A/c [D brings his share of capital and premium]</td><td></td><td>2,24,000</td><td>2,00,000 24,000</td></tr><tr><td></td><td>Premium for Goodwill A/c.....Dr.</td><td></td><td>24,000</td><td></td></tr></table>	Date	Particulars	LF	Dr. Amt. (₹)	Cr. Amt. (₹)		Cash A/cDr. To D's Capital A/c To Premium for Goodwill A/c [D brings his share of capital and premium]		2,24,000	2,00,000 24,000		Premium for Goodwill A/c.....Dr.		24,000		<p style="text-align: center;">1 ½</p> <p style="text-align: center;">1 ½</p>
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	Cash A/cDr. To D's Capital A/c To Premium for Goodwill A/c [D brings his share of capital and premium]		2,24,000	2,00,000 24,000															
	Premium for Goodwill A/c.....Dr.		24,000																

			<table><tr><td>B's Capital A/c.....Dr. To A's Capital A/c To C's capital A/c (Goodwill transferred to the Capital A/c as per Gain/ Sacrifice)</td><td>18,000</td><td>36,000 6,000</td></tr></table> <p>Working Notes: A:B:C 2:1:1 New Ratio after D's admission=1:2:1:1 A's Sacrifice=1/5-2/4=6/20 B's Gain= 2/5-1/4=3/20 C's Sacrifice=1/5-1/4=1/20 For 1/5th share of profit premium contributed=24,000 Since B is gaining B's capital A/c will be debited to his extent of gain=5/1x3/20x24,000=18,000</p>	B's Capital A/c.....Dr. To A's Capital A/c To C's capital A/c (Goodwill transferred to the Capital A/c as per Gain/ Sacrifice)	18,000	36,000 6,000	=3 marks																											
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-	9	-	<p>Q. From the following.....31st March, 2018.</p> <p>Ans.</p> <table><tr><th colspan="4">Sports Material A/c</th></tr><tr><th>Particulars</th><th>Amt (₹)</th><th>Particulars</th><th>Amt (₹)</th></tr><tr><td>To Balance b/d</td><td>87,000</td><td>By Income &Expenditure A/c(B.F.)</td><td>4,74,000</td></tr><tr><td>To Bank A/c(Purchase)</td><td>4,94,000</td><td>By Balance c/d</td><td>1,07,000</td></tr><tr><td></td><td><u>5,81,000</u></td><td></td><td><u>5,81,000</u></td></tr></table> <p style="text-align: center;">OR</p> <table><tr><td>Opening Stock of Sports Material</td><td>87,000</td></tr><tr><td>Add: sports material purchased</td><td><u>4,94,000</u></td></tr><tr><td>Total</td><td>5,81,000</td></tr><tr><td>Less: Closing stock of Sports Material</td><td><u>1,07,000</u></td></tr><tr><td>Sport Material Consumed during the year</td><td>4,74,000</td></tr></table>	Sports Material A/c				Particulars	Amt (₹)	Particulars	Amt (₹)	To Balance b/d	87,000	By Income &Expenditure A/c(B.F.)	4,74,000	To Bank A/c(Purchase)	4,94,000	By Balance c/d	1,07,000		<u>5,81,000</u>		<u>5,81,000</u>	Opening Stock of Sports Material	87,000	Add: sports material purchased	<u>4,94,000</u>	Total	5,81,000	Less: Closing stock of Sports Material	<u>1,07,000</u>	Sport Material Consumed during the year	4,74,000	½ 1 ½ 1 =3 marks
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-	10	-	<p>Q. Pass necessary 9% Debentures Account.</p> <p>Ans.</p> <table><tr><th colspan="5">Journal</th></tr><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr (₹)</th><th>Cr (₹)</th></tr><tr><td>a)</td><td>Bank A/c.....Dr. To Debenture Application & Allotment A/c [Applications received for 1,000, 9% debentures issued at 6% discount]</td><td></td><td>94,000</td><td>94,000</td></tr><tr><td>b)</td><td>Debenture Application & Allotment A/c.Dr. Discount on issue of Debentures A/c.....Dr. Loss on issue of Debentures A/c.....Dr. To 9% Debentures A/c</td><td></td><td>94,000 6,000 10,000</td><td>1,00,000</td></tr></table>	Journal					Date	Particulars	LF	Dr (₹)	Cr (₹)	a)	Bank A/c.....Dr. To Debenture Application & Allotment A/c [Applications received for 1,000, 9% debentures issued at 6% discount]		94,000	94,000	b)	Debenture Application & Allotment A/c.Dr. Discount on issue of Debentures A/c.....Dr. Loss on issue of Debentures A/c.....Dr. To 9% Debentures A/c		94,000 6,000 10,000	1,00,000	1										
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b)	Debenture Application & Allotment A/c.Dr. Discount on issue of Debentures A/c.....Dr. Loss on issue of Debentures A/c.....Dr. To 9% Debentures A/c		94,000 6,000 10,000	1,00,000																														

				To Premium on redemption of Deb. A/c [Allotment of 1,000, 9% debentures issued at 6% discount redeemable at 10% premium]			10,000		1	

			<p style="text-align: center;">Journal</p> <table border="1"> <thead> <tr> <th>Date</th><th>Particulars</th><th>LF</th><th>Dr (₹)</th><th>Cr (₹)</th></tr> </thead> <tbody> <tr> <td>a)</td><td>Realisation A/c.....Dr. To Sharma's Capital A/c (Remuneration credited to Sharma's capital A/c)</td><td></td><td>15,000</td><td>15,000</td></tr> <tr> <td>b)</td><td>Realisation A/c.....Dr. To Bank A/c (Realisation Expenses incurred)</td><td></td><td>5,000</td><td>5,000</td></tr> <tr> <td>c)</td><td>Realisation A/c.....Dr. To Bank A/c (Creditors paid in full settlement)</td><td></td><td>2,84,000</td><td>2,84,000</td></tr> <tr> <td>d)</td><td>Jain's capital A/c.....Dr. Sharma's capital A/c.....Dr. Verma's capital A/c.....Dr. To Realisation A/c (Loss on Realisation debited to Partners' Capital A/c)</td><td></td><td>4,500 9,000 4,500</td><td>18,000</td></tr> </tbody> </table>	Date	Particulars	LF	Dr (₹)	Cr (₹)	a)	Realisation A/c.....Dr. To Sharma's Capital A/c (Remuneration credited to Sharma's capital A/c)		15,000	15,000	b)	Realisation A/c.....Dr. To Bank A/c (Realisation Expenses incurred)		5,000	5,000	c)	Realisation A/c.....Dr. To Bank A/c (Creditors paid in full settlement)		2,84,000	2,84,000	d)	Jain's capital A/c.....Dr. Sharma's capital A/c.....Dr. Verma's capital A/c.....Dr. To Realisation A/c (Loss on Realisation debited to Partners' Capital A/c)		4,500 9,000 4,500	18,000	<p>1x4 = 4 Marks</p>
Date	Particulars	LF	Dr (₹)	Cr (₹)																									
a)	Realisation A/c.....Dr. To Sharma's Capital A/c (Remuneration credited to Sharma's capital A/c)		15,000	15,000																									
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-	12	-	<p>Ques. Pand Q.....among the partners.</p> <p>Ans. Journal</p> <table border="1"> <thead> <tr> <th>Date</th><th>Particulars</th><th>LF</th><th>Dr (₹)</th><th>Cr (₹)</th></tr> </thead> <tbody> <tr> <td></td><td>Interest on Capital A/c.....Dr. To P's Current A/c To Q's Current A/c (Interest on Capital Credited to Partners' Capital A/c)</td><td></td><td>1,92,000</td><td>1,20,000 72,000</td></tr> <tr> <td></td><td>P& L Appropriation A/cDr. Interest on Capital A/c (interest on Capital debited to P& L App.A/c)</td><td></td><td>1,92,000</td><td>1,92,000</td></tr> <tr> <td></td><td>P's Current A/c.....Dr. Q's Current A/c.....Dr. To P& L Appropriation A/c (loss on Appropriation transferred)</td><td></td><td>31,500 10,500</td><td>42,000</td></tr> </tbody> </table>	Date	Particulars	LF	Dr (₹)	Cr (₹)		Interest on Capital A/c.....Dr. To P's Current A/c To Q's Current A/c (Interest on Capital Credited to Partners' Capital A/c)		1,92,000	1,20,000 72,000		P& L Appropriation A/cDr. Interest on Capital A/c (interest on Capital debited to P& L App.A/c)		1,92,000	1,92,000		P's Current A/c.....Dr. Q's Current A/c.....Dr. To P& L Appropriation A/c (loss on Appropriation transferred)		31,500 10,500	42,000	<p>1 ½</p> <p>1</p> <p>1 ½</p> <p>=4 marks</p>					
Date	Particulars	LF	Dr (₹)	Cr (₹)																									
	Interest on Capital A/c.....Dr. To P's Current A/c To Q's Current A/c (Interest on Capital Credited to Partners' Capital A/c)		1,92,000	1,20,000 72,000																									
	P& L Appropriation A/cDr. Interest on Capital A/c (interest on Capital debited to P& L App.A/c)		1,92,000	1,92,000																									
	P's Current A/c.....Dr. Q's Current A/c.....Dr. To P& L Appropriation A/c (loss on Appropriation transferred)		31,500 10,500	42,000																									
15	13	13	<p>Q. Pass necessary rectifying..... Was omitted.</p> <p>(i)</p>																										

			Journal					
			Date	Particulars	Dr. (₹)	Cr.(₹)		
				A's Current* A/c To C's Current* A/c (Being interest on capital omitted, now rectified)	10,000	10,000	2	
			Note: 1 mark may be deducted for writing Capital Account instead of Current Account.					
			<u>Past Adjustment Table</u>					
				A (₹)	B (₹)	C (₹)	Total (₹)	
			Omission of IOC	40,000 (Cr.)	50,000 (Cr.)	60,000 (Cr.)	1,50,000	1
			Total divided in PSR	50,000 (Dr.)	50,000 (Dr.)	50,000 (Dr.)	1,50,000	
			Net Effect	10,000 (Dr.)	--	10,000 (Cr.)		
			(ii)					
			Journal					
			Date	Particulars	Dr. (₹)	Cr.(₹)		
				R's Capital A/c To P's Capital A/c To Q's Capital A/c (Being interest on drawings omitted, now rectified)	1,300	400 900	2	
			<u>Past Adjustment Table</u>					
				P (₹)	Q (₹)	R (₹)	Total (₹)	
			Omission of IOD	1,000 (Dr.)	500 (Dr.)	2,000 (Dr.)	3,500	1
			Total divided in PSR	1,400 (Cr.)	1,400 (Cr.)	700 (Cr.)	3,500	
			Net Effect	400 (Cr.)	900 (Cr.)	1,300 (Dr.)		
								= 6 Marks
13	14	14	Ques.A, B and C.....dissolution of the firm.					
			Ans. Journal					
			Date	Particulars	LF	Dr (₹)	Cr (₹)	
			a)	Realisation A/c.....Dr. To Fixed Assets A/c To Stock A/c To Debtors A/c (Assets transferred to realisation A/c)		12,05,000	7,10,000 3,00,000 1,95,000	1
			b)	Sundry Creditors A/c.....Dr. Provision for Doubtful Debts A/c.....Dr. To Realisation A/c (liabilities transferred to Realisation A/c)		2,00,000 5,000	2,05,000	1
			c)	Bank A/cDr. To Realisation A/c		11,49,000	11,49,000	1

			(Assets realised)						
d)	Realisation A/c.....Dr. To Bank A/c (Realisation Exp.& Creditors paid in full settlement) OR Realisation A/c.....Dr. To Bank A/c (Creditors paid in full settlement) Realisation A/c.....Dr. To Bank A/c (Realisation Exp. Paid)		2,04,000 1,85,000 19,000		2,04,000 1,85,000 19,000				1
e)	A's Capital A/cDr. B's Capital A/cDr. C's Capital A/cDr. To Realisation A/c (Loss on realisation debited to Partners' Capital A/c)		22,000 22,000 11,000		55,000				1
f)	A's Capital A/cDr. B's Capital A/cDr. C's Capital A/cDr. To Bank A/c (Partners' A/c settled on dissolution)		7,28,000 2,78,000 2,39,000		12,45,000				1
OR									
Ques. P, Q and R.....reconstitution of the firm.									
Ans. Journal									
	Date	Particulars	LF	Dr (₹)	Cr (₹)				
a)		Bad Debts A/c.....Dr. To Debtors A/c (bad debts written off)		6,000	6,000				½
b)		Revaluation A/c..Dr. To Bad Debts A/c To Provision For Doubtful Debts A/c (Bad Debts and Provision transferred to Revaluation A/c)		9,000	6,000 3,000				½

1
=6
Marks

OR

			<table><tr><td>c)</td><td>P's Capital A/cDr. Q's Capital A/cDr. R's Capital A/cDr. To Revaluation A/c (loss on revaluation transferred to Partners' capital A/c)</td><td></td><td>4,500 3,000 1,500</td><td>9,000</td><td>1</td></tr><tr><td>d)</td><td>General Reserve A/c.....Dr. To P's Capital A/c To Q' s Capital A/c To R's Capital A/c (general reserve credited to partners' Capital A/c)</td><td></td><td>60,000</td><td>30,000 20,000 10,000</td><td>1</td></tr><tr><td>e)</td><td>P's Current A/cDr. To P's Capital A/c (Capital A/c adjusted)</td><td></td><td>1,14,900</td><td>1,14,900</td><td>1</td></tr><tr><td>f)</td><td>Q' s Current A/cDr. To Q's Capital A/c (Capital A/c adjusted)</td><td></td><td>23,400</td><td>23,400</td><td>1</td></tr><tr><td>g)</td><td>R's Capital A/cDr. To R's Current A/c (Capital A/c adjusted)</td><td></td><td>1,38,300</td><td>1,38,300</td><td>1</td></tr><tr><td colspan="6">=6 marks</td></tr></table>	c)	P's Capital A/cDr. Q's Capital A/cDr. R's Capital A/cDr. To Revaluation A/c (loss on revaluation transferred to Partners' capital A/c)		4,500 3,000 1,500	9,000	1	d)	General Reserve A/c.....Dr. To P's Capital A/c To Q' s Capital A/c To R's Capital A/c (general reserve credited to partners' Capital A/c)		60,000	30,000 20,000 10,000	1	e)	P's Current A/cDr. To P's Capital A/c (Capital A/c adjusted)		1,14,900	1,14,900	1	f)	Q' s Current A/cDr. To Q's Capital A/c (Capital A/c adjusted)		23,400	23,400	1	g)	R's Capital A/cDr. To R's Current A/c (Capital A/c adjusted)		1,38,300	1,38,300	1	=6 marks								
c)	P's Capital A/cDr. Q's Capital A/cDr. R's Capital A/cDr. To Revaluation A/c (loss on revaluation transferred to Partners' capital A/c)		4,500 3,000 1,500	9,000	1																																					
d)	General Reserve A/c.....Dr. To P's Capital A/c To Q' s Capital A/c To R's Capital A/c (general reserve credited to partners' Capital A/c)		60,000	30,000 20,000 10,000	1																																					
e)	P's Current A/cDr. To P's Capital A/c (Capital A/c adjusted)		1,14,900	1,14,900	1																																					
f)	Q' s Current A/cDr. To Q's Capital A/c (Capital A/c adjusted)		23,400	23,400	1																																					
g)	R's Capital A/cDr. To R's Current A/c (Capital A/c adjusted)		1,38,300	1,38,300	1																																					
=6 marks																																										
14	15	15	<p>Q. From the following..... Capital Fund ₹ 1,28,000.</p> <p>Ans:</p> <p style="text-align: center;">Income & Expenditure A/c For the year ending 31st March, 2018</p> <table><tr><th>Expenditure</th><th>Amt (₹)</th><th>Income</th><th>Amt (₹)</th></tr><tr><td>To Campaign Expenses</td><td>1,30,000</td><td>By Subscription</td><td>1,80,000</td></tr><tr><td>To Office Rent</td><td>40,000</td><td>By Govt. Grant</td><td>2,00,000</td></tr><tr><td>To Salary</td><td>10,000</td><td>By interested accrued on</td><td>16,000</td></tr><tr><td>To Furniture hire rent</td><td>12,000</td><td>FD</td><td></td></tr><tr><td>To Advertisement</td><td>15,000</td><td></td><td></td></tr><tr><td>To Loss on sale of old Furniture</td><td>1,000</td><td></td><td></td></tr><tr><td>To Surplus (Excess of Income over Expenditure)</td><td>1,88,000</td><td></td><td></td></tr><tr><td></td><td><u>3,96,000</u></td><td></td><td><u>3,96,000</u></td></tr></table> <p style="text-align: center;">Balance Sheet As at 31st March, 2018</p>			Expenditure	Amt (₹)	Income	Amt (₹)	To Campaign Expenses	1,30,000	By Subscription	1,80,000	To Office Rent	40,000	By Govt. Grant	2,00,000	To Salary	10,000	By interested accrued on	16,000	To Furniture hire rent	12,000	FD		To Advertisement	15,000			To Loss on sale of old Furniture	1,000			To Surplus (Excess of Income over Expenditure)	1,88,000				<u>3,96,000</u>		<u>3,96,000</u>	4
Expenditure	Amt (₹)	Income	Amt (₹)																																							
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Liabilities	Amt (₹)	Assets	Amt (₹)
Capital Fund 1,28,000		Fixed Deposits 2,00,000	
Add: Surplus 1,88,000		Add: Accrued Interest 16,000	2,16,000
Add: Life Membership Fees 30,000		Books 50,000	
	3,46,000	Computers 75,000	
	60,000	Cash at Bank 40,000	
Creditors		Cash in Hand 25,000	
	<u>4,06,000</u>		<u>4,06,000</u>

2

=
6
Marks

Q. A and B.....reconstituted firm.
Ans.

Revaluation A/c

Dr			Cr
Particulars	Amt (₹)	Particulars	Amt (₹)
To Stock 3,000		By Building 20,000	
To Provision for D/D 400			
To Furniture 2,000			
To Gain transferred to:			
A's Capital A/c- 8,760	14,600		
B's Capital A/c- 5,840			
	<u>20,000</u>		<u>20,000</u>

2

Partners' Capital A/c

Dr.					Cr.		
Particulars	A	B	C	Particulars	A	B	C
To Balance c/d	1,60,000	96,000	64,000	By Balance b/d	1,04,000	52,000	----
				By Cash A/c	-----	-----	64,000
				By Revaluation A/c	8,760	5,840	----
				By Workmen Compensation Fund	6,000	4,000	-----
				By Contingency Reserve	6,000	4,000	-----
				By Premium for Goodwill	7,500	7,500	----
				By Cash A/c(B.F.)	27,740	22,660	----
	<u>1,60,000</u>	<u>96,000</u>	<u>64,000</u>		<u>1,60,000</u>	<u>96,000</u>	<u>64,000</u>

3

Balance Sheet of the Reconstituted firm as at April1, 2018

Liabilities	Amt (₹)	Assets	Amt (₹)
Capitals:		Cash	1,37,400
D- 1,60,000		Sundry Debtors- 37,600	
E- 96,000		Less: Prov. for D/D-2,000	35,600
F- 64,000	3,20,000	Stock	57,000

3

			<table><tr><td>Creditors</td><td>1,54,000</td><td>Prepaid Insurance</td><td>6,000</td></tr><tr><td>Employees Provident Fund</td><td>16,000</td><td>Plant & Machinery</td><td>76,000</td></tr><tr><td></td><td></td><td>Building</td><td>1,60,000</td></tr><tr><td></td><td></td><td>Furniture</td><td>18,000</td></tr><tr><td></td><td><u>4,90,000</u></td><td></td><td><u>4,90,000</u></td></tr></table> <p>Working notes: [1] Calculation of New Capitals: C's Capital= 64,0000(for 2/10 share) Capital of the new firm= 3,20,000 A's share=5/10 of 3,20,000= 1,60,000 B's Share=3/10 of 3,20,000=96,000 [2] Old Ratio=3:2 New Ratio=5:3:2 A=5/10-3/5= (1/10) Sac. B=3/10-2/5= (1/10) Sac.</p>	Creditors	1,54,000	Prepaid Insurance	6,000	Employees Provident Fund	16,000	Plant & Machinery	76,000			Building	1,60,000			Furniture	18,000		<u>4,90,000</u>		<u>4,90,000</u>	=	8																																																																																
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17 OR	16 OR	17 OR	<p>Q. G, E and F.....reconstituted firm. Ans.</p> <table><tr><th colspan="2">Revaluation A/c</th></tr><tr><th>Dr</th><th>Cr</th></tr><tr><th>Particulars</th><th>Amt (₹)</th><th>Particulars</th><th>Amt (₹)</th></tr><tr><td>To machinery</td><td>4,000</td><td>By Land & Building</td><td>68,000</td></tr><tr><td>To Stock</td><td>4,000</td><td></td><td></td></tr><tr><td>To Prov. for Doubtful Debts</td><td>600</td><td></td><td></td></tr><tr><td>To Gain transferred to: G's Capital A/c-41,580 E's capital A/c-11,880 F's Capital A/c- <u>5,940</u></td><td>59,400</td><td></td><td></td></tr><tr><td></td><td><u>68,000</u></td><td></td><td><u>68,000</u></td></tr></table> <p>Partners' Capital A/c</p> <table><tr><th colspan="4">Dr.</th><th colspan="4">Cr.</th></tr><tr><th>Particulars</th><th>G</th><th>E</th><th>F</th><th>Particulars</th><th>G</th><th>E</th><th>F</th></tr><tr><td>To E's Capital A/c</td><td>15,750</td><td>----</td><td>2,250</td><td>By Balance b/d</td><td>1,40,000</td><td>40,000</td><td>20,000</td></tr><tr><td>To E's Loan A/c</td><td>-----</td><td>1,37,880</td><td>----</td><td>By Revaluation A/c</td><td>41,580</td><td>11,880</td><td>5,940</td></tr><tr><td>To Balance c/d</td><td>2,10,000</td><td>----</td><td>30,000</td><td>By G's Capital A/c</td><td>----</td><td>15,750</td><td>----</td></tr><tr><td></td><td></td><td></td><td></td><td>By F's Capital A/c</td><td>-----</td><td>2,250</td><td>-----</td></tr><tr><td></td><td></td><td></td><td></td><td>By General Reserve</td><td>28,000</td><td>8,000</td><td>4,000</td></tr><tr><td></td><td></td><td></td><td></td><td>By E's Loan A/c</td><td>-----</td><td>60,000</td><td>-----</td></tr><tr><td></td><td></td><td></td><td></td><td>By current A/c</td><td>16,170</td><td>-----</td><td>2,310</td></tr></table>	Revaluation A/c		Dr	Cr	Particulars	Amt (₹)	Particulars	Amt (₹)	To machinery	4,000	By Land & Building	68,000	To Stock	4,000			To Prov. for Doubtful Debts	600			To Gain transferred to: G's Capital A/c-41,580 E's capital A/c-11,880 F's Capital A/c- <u>5,940</u>	59,400				<u>68,000</u>		<u>68,000</u>	Dr.				Cr.				Particulars	G	E	F	Particulars	G	E	F	To E's Capital A/c	15,750	----	2,250	By Balance b/d	1,40,000	40,000	20,000	To E's Loan A/c	-----	1,37,880	----	By Revaluation A/c	41,580	11,880	5,940	To Balance c/d	2,10,000	----	30,000	By G's Capital A/c	----	15,750	----					By F's Capital A/c	-----	2,250	-----					By General Reserve	28,000	8,000	4,000					By E's Loan A/c	-----	60,000	-----					By current A/c	16,170	-----	2,310	2	3
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			2,25,750	137,880	32,250		2,25,750	1,37,880	32,250	
			Balance Sheet of the Reconstituted firm as at April1, 2018							
			Liabilities		Amt (₹)	Assets		Amt (₹)		
			Capitals:			Cash		90,000		
			G- 2,10,000			Debtors- 24,000				
			F- 30,000	2,40,000		Less: Prov. For				
			E's Loan	1,37,880		Doubtful Debts 600		23,400		
			Creditors	28,000		Stock		10,000		
						Machinery		76,000		
						Land & building		1,88,000		
						G's current A/c		16,170		
						F's Current A/c		2,310		
					4,05,880			4,05,880		
			Working Notes:(1)							
			New Firm's capital- 2,40,000							
			E's capital -7/8x2,40,000=2,10,000							
			F's capital- 1/8x 2,40,000= 30,000							
			Note: if candidate has not transferred E's Loan A/c given in the existing Balance Sheet to E's Capital A/c, no marks will be deducted. In such case, the balance of E's Loan A/c in the Capital A/c will be ₹77,800.							3
										=8 marks
16	17	16	Q. S Ltd. invited books of the company.							
			Ans. Dr. Cash Book Cr.							
			Receipts		LF	Amt (₹)	Payments		LF	Amt (₹)
			To Share Application &Allotment A/c			12,00,000	By Share Application & Allotment A/c			80,000
			To Share I & Final Call A/c			3,78,100	By Balance c/d			15,04,100
			To Equity Share Capital A/c			5,000				
			To Securities Premium Reserve A/c			1,000				
						15,84,100				15,84,100
			Books of S Ltd.							
			Journal							
			Date	Particulars		LF	Dr. Amt (₹)	Cr. Amt (₹)		
			(i)	Equity Share Application & Allotment A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c To Calls in Advance A/c (Being application & Allotment money transferred)			11,20,000	5,00,000 3,00,000 3,20,000		
			(ii)	Equity Share First & Final Call A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being share First & Final Call money due)			7,00,000	5,00,000 2,00,000		
			(iii)	Calls In arrear A/c.....Dr.			1,900			

			<div><div><div>Calls In Advance A/cDr. To Equity Share First & Final Call A/c (Calls in advance adjusted and amount not received transferred to Calls- in-arrear A/c) or Calls In Advance A/cDr. To Equity Share First & Final Call A/c (Calls in advance adjusted on first and final call)</div><div>3,20,000</div><div>3,21,900</div></div><div><div><div>(iv) Equity Share Capital A/c Dr. Securities Premium Reserve A/c Dr. To Shares Forfeited A/c To Calls in Arrear A/c (Being shares forfeited)</div><div>5,000 1,000</div><div>4,100 1,900</div></div><div><div><div>(v) Shares Forfeited A/c Dr. To Capital Reserve A/c (Gain on reissue of forfeited shares transferred to Capital Reserve)</div><div>4,100</div><div>4,100</div></div></div></div><div><div>1 x5 =5 marks</div><div>=8 Marks</div></div></div>																														
16 OR	17 OR	16 OR	<div><div>Ques. Jain Ltd.....in the books of Jain Ltd.</div><div>Ans.</div><div><div>Books of the Jain Ltd.</div><div>Journal</div><table><thead><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr (₹)</th><th>Cr (₹)</th></tr></thead><tbody><tr><td>(i)</td><td>Bank A/cDr. To Equity Share Application A/c [Application money received on 1,00,000 shares]</td><td></td><td>1,00,000</td><td>1,00,000</td></tr><tr><td>(ii)</td><td>Equity Share Application A/c.....Dr. To Equity Share Capital A/c [Application money transferred to share capital A/c]</td><td></td><td>1,00,000</td><td>1,00,000</td></tr><tr><td>(iii)</td><td>Equity Share Allotment A/c.....Dr. To Equity Share Capital A/c [Allotment money due on 1,00,000shares]</td><td></td><td>2,00,000</td><td>2,00,000</td></tr><tr><td>(iv)</td><td>Bank A/c.....Dr. To Share Allotment A/c [Allotment money received except on 1,000 shares] OR Bank A/c.....Dr. Calls in Arrear A/c.....Dr. To Share Allotment A/c [Allotment money received except on 1,000 shares]</td><td></td><td>1,98,000 1,98,000 2,000</td><td>1,98,000 2,00,000</td></tr><tr><td>(v)</td><td>Equity Share Capital A/c.....Dr. To Forfeited Shares A/c To Equity Share Allotment A/c [Forfeiture of 1,000 shares for non payment of allotment money]</td><td></td><td>3,000</td><td>1,000 2,000</td></tr></tbody></table></div></div> <div><div>½</div><div>½</div><div>½</div><div>1</div></div>	Date	Particulars	LF	Dr (₹)	Cr (₹)	(i)	Bank A/cDr. To Equity Share Application A/c [Application money received on 1,00,000 shares]		1,00,000	1,00,000	(ii)	Equity Share Application A/c.....Dr. To Equity Share Capital A/c [Application money transferred to share capital A/c]		1,00,000	1,00,000	(iii)	Equity Share Allotment A/c.....Dr. To Equity Share Capital A/c [Allotment money due on 1,00,000shares]		2,00,000	2,00,000	(iv)	Bank A/c.....Dr. To Share Allotment A/c [Allotment money received except on 1,000 shares] OR Bank A/c.....Dr. Calls in Arrear A/c.....Dr. To Share Allotment A/c [Allotment money received except on 1,000 shares]		1,98,000 1,98,000 2,000	1,98,000 2,00,000	(v)	Equity Share Capital A/c.....Dr. To Forfeited Shares A/c To Equity Share Allotment A/c [Forfeiture of 1,000 shares for non payment of allotment money]		3,000	1,000 2,000
Date	Particulars	LF	Dr (₹)	Cr (₹)																													
(i)	Bank A/cDr. To Equity Share Application A/c [Application money received on 1,00,000 shares]		1,00,000	1,00,000																													
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(v)	Equity Share Capital A/c.....Dr. To Forfeited Shares A/c To Equity Share Allotment A/c [Forfeiture of 1,000 shares for non payment of allotment money]		3,000	1,000 2,000																													

				OR				1½
				Equity Share Capital A/c.....Dr. To Forfeited Shares A/c To Calls – in – Arrear A/c [Forfeiture of 4,000 shares for non payment of call money]		3,000	1,000 2,000	
			(vi)	Equity Share First Call A/cDr. To Equity Share Capital A/c [First call money due on 99,000 shares]		2,97,000	2,97,000	½
			(vii)	Bank A/cDr. To Equity Share First Call A/c [First Call money received except on 500 shares] OR Bank A/cDr. Calls in arrear A/c Dr. To Equity Share First Call A/c [First Call money received except on 500 shares]		2,95,500 2,95,500 1,500	2,95,500 2,97,000	½
			(viii)	Equity Share Capital A/c.....Dr. To Forfeited Shares A/c To Equity Share first call A/c [Forfeiture of 500 shares for non payment of first call money] OR Equity Share Capital A/c.....Dr. To Forfeited Shares A/c To Calls – in – Arrear A/c [Forfeiture of 500 shares for non payment of first call money]		3,000 3,000	1,500 1,500 1,500 1,500	1
			(ix)	Bank A/cDr. Forfeited Shares A/c.....Dr. To Equity Share Capital A/c [1,500 of the forfeited shares reissued as fully paid up]		13,500 1,500	15,000	½
			(x)	Forfeited Shares A/cDr. To Capital Reserve A/c [Gain on 1,500 reissued shares transferred to capital reserve A/c]		1,000	1,000	½

			<table><tr><td>(xi)</td><td>Equity Share second & final Call A/cDr. To Equity Share Capital A/c [Second & Final call money due on 98,500 shares]</td><td></td><td>3,94,000</td><td>3,94,000</td><td>½</td></tr><tr><td>(xii)</td><td>Bank A/cDr. To Equity Share second & final Call A/c [Second and final Call money received]</td><td></td><td>3,94,000</td><td>3,94,000</td><td>½</td></tr></table>	(xi)	Equity Share second & final Call A/cDr. To Equity Share Capital A/c [Second & Final call money due on 98,500 shares]		3,94,000	3,94,000	½	(xii)	Bank A/cDr. To Equity Share second & final Call A/c [Second and final Call money received]		3,94,000	3,94,000	½	<div>=8 marks</div>						
(xi)	Equity Share second & final Call A/cDr. To Equity Share Capital A/c [Second & Final call money due on 98,500 shares]		3,94,000	3,94,000	½																	
(xii)	Bank A/cDr. To Equity Share second & final Call A/c [Second and final Call money received]		3,94,000	3,94,000	½																	
			PART B (Financial Statements Analysis)																			
-	18	-	Ques. ‘Payment of dividendCash Flow Statement? Ans. Dividend & Interest paid will be a financing activity.				=1 Mark															
-	19	-	Ques. What.....’Cash Flow’? Ans. Cash Flow implies movement of cash &Cash Equivalents (in and out) due to some non cash items. OR Cash Flow means changes in the cash position/ amount of cash because of a transaction.				=1 mark															
22	20	22	Q. The Operating Ratio..... change the ratio: Ans. <table><tr><th>S.No.</th><th>Transactions</th><th>Effect</th></tr><tr><td>1</td><td>Purchase goods on credit ₹20,000</td><td>No change</td></tr><tr><td>2</td><td>Paid wages ₹5,000</td><td>No Change</td></tr><tr><td>3</td><td>Redeemed ₹. 8,000,9% Debentures</td><td>No Change</td></tr><tr><td>4</td><td>Sold goods ₹ 50,000 for cash</td><td>No Change</td></tr></table> OR Ques: From the following.....Debt Ratio. Ans. <u>Total Assets to Debt Ratio</u> = <u>Total Assets</u> Long Term Debt =15,40,000/3,00,000=5.13 Total Assets= Fixed Assets+ Non Current Investments+ Current Assets =₹ 15,40,000 Debt = Total Liabilities- Equity Share Capital-Preference Share Capital-Reserves & Surplus- Current Liabilities = ₹3,00,000				S.No.	Transactions	Effect	1	Purchase goods on credit ₹20,000	No change	2	Paid wages ₹5,000	No Change	3	Redeemed ₹. 8,000,9% Debentures	No Change	4	Sold goods ₹ 50,000 for cash	No Change	<div>1 X 4 = 4 Marks</div> <div>OR</div> <div>1</div> <div>1</div> <div>1</div> <div>1</div> <div>=4 marks</div>
S.No.	Transactions	Effect																				
1	Purchase goods on credit ₹20,000	No change																				
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4	Sold goods ₹ 50,000 for cash	No Change																				
-	21	-	Ques. From the following.....Common Size Balance Sheet: Ans. Common Size Balance Sheet As at 31 st March 2017 & 2018																			

Particulars	Note No.	Absolute Amounts		% of Balance Sheet Total																												
		31.3.2017 (₹)	31-3-2018 (₹)	31-3-2017	31-3-2018																											
I- EQUITY AND LIABILITIES		10,00,000	12,00,000	50	48																											
Shareholders' Funds		6,00,000	6,00,000	30	24																											
Non- current Liabilities		4,00,000	7,00,000	20	28																											
Current Liabilities																																
Total		20,00,000	25,00,000	100	100																											
II- Assets																																
Non-Current Assets		12,00,000	13,00,000	60	52																											
Current Assets		8,00,000	12,00,000	40	48																											
Total		20,00,000	25,00,000	100	100																											
=4 marks																																
20	22	20	Q. Under which major.....Companies Act, 2013? Ans. <table><tr><th>Items</th><th>Heads</th><th>Sub-heads</th></tr><tr><td>Cheques and Bank Drafts in Hand</td><td>Current Assets</td><td>Cash & Cash Equivalents</td></tr><tr><td>Loose Tools</td><td>Current Assets</td><td>Inventories</td></tr><tr><td>Securities Premium Reserve</td><td>Shareholders' Funds</td><td>Reserves & Surplus</td></tr><tr><td>Long term Investments with maturity period less than six months</td><td>Current Assets</td><td>Current Investments</td></tr><tr><td>Work- in-Progress</td><td>Current Assets</td><td>Inventories</td></tr><tr><td>Mining Rights</td><td>Non Current Assets</td><td>Fixed Assets- Intangible</td></tr><tr><td>Publishing Titles</td><td>Non Current Assets</td><td>Fixed Assets- Intangible</td></tr><tr><td>Debtors</td><td>Current Assets</td><td>Trade Receivables</td></tr></table> OR Ques: Explain.....Creditors. Ans. Importance for Labour Unions: Labour unions analyse the financial statements to assess whether it can presently afford a wage increase and whether it can absorb a wage increase through increased productivity or by raising the prices. Importance for Creditors: Creditors through an analysis of Financial Statements appraises not only the ability of the company to meet its short term obligations but also judges the probability of its continued ability to meet all its financial obligations in future.			Items	Heads	Sub-heads	Cheques and Bank Drafts in Hand	Current Assets	Cash & Cash Equivalents	Loose Tools	Current Assets	Inventories	Securities Premium Reserve	Shareholders' Funds	Reserves & Surplus	Long term Investments with maturity period less than six months	Current Assets	Current Investments	Work- in-Progress	Current Assets	Inventories	Mining Rights	Non Current Assets	Fixed Assets- Intangible	Publishing Titles	Non Current Assets	Fixed Assets- Intangible	Debtors	Current Assets	Trade Receivables
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Publishing Titles	Non Current Assets	Fixed Assets- Intangible																														
Debtors	Current Assets	Trade Receivables																														
23	23	23	Q. Following is the..... Cash Flow Statement.																													

Ans.	Cash Flow Statement of R.M. Ltd. As at 31 st March, 2017			
	Particulars	Details (₹)	Amount (₹)	
A.Cash flows from Operating Activities :				
Net Profit before Tax and extraordinary items (note-1)		2,45,000		
Add: Depreciation on Plant & Machinery		10,000		
Add: Interest on Debentures		18,000		
Operating profit before the working Capital changes		<u>2,73,000</u>		
Less: Increase in Trade Receivables		(50,000)		
Increase in Inventories		(80,000)		
Decrease in Trade Payables		<u>(10,000)</u>		
Cash generated from Operations		1,33,000		
Less: Tax Paid		<u>(80,000)</u>		
Net Cash From Operating Activities			53,000	1 ½
B. Cash flows from Investing Activities :				
Sale of Plant & Machinery		30,000		
Purchase of Plant & Machinery		(1,50,000)		
Purchase of Goodwill		(80,000)		
Purchase of Non Current Investments		<u>(5,00,000)</u>		
Net Cash used in investing activities			(7,00,000)	1
C.Cash flows from financing Activities				
Issue of shares		5,00,000		
Redemption of Debentures		(1,00,000)		
Interest on Debentures paid		<u>(18,000)</u>		
Cash flows from Financing Activities			3,82,000	1 ½
Net Decrease in Cash and Cash Equivalents			(2,65,000)	
Add: Opening Balance of Cash and Cash equivalents			6,40,000	½
Closing Balance of Cash and Cash equivalents			3,75,000	
Working Notes:				
Note-1:Net Profit before tax & Extraordinary items				
Net Profit during the year –1,50,000				
Add: Prov. for Tax made— <u>95,000</u>				
2,45,000				
Plant and Machinery A/c				
Particulars	₹	Particulars	₹	
To Balance b/d	11,40,000	By Accumulated Dep. A/c	50,000	
To Bank A/c (B.F.)	1,50,000	By Bank A/c	30,000	
		By Balance c/d	12,10,000	½
	<u>12,90,000</u>		<u>12,90,000</u>	
Accumulated Depreciation A/c				
Particulars	₹	Particulars	₹	

			<div> <div>To Plant and Machinery A/c</div> <div>To Balance c/d</div> </div>	<div>50,000</div> <div>2,00,000</div>	<div>By Balance b/d</div> <div>By Statement of P & L (Bal. Fig.)</div>	<div>2,40,000</div> <div>10,000</div>	<div>½</div> <div>=6 Marks</div>
				2,50,000		2,50,000	
			PART B OPTION 2 (Computerized Accounting)				
-	18	-	Q. What is.....spreadsheet ? Ans. A spreadsheet without any formula is a collection of data which are arranged in rows and columns like a calendar, time table or simple list etc.				=1 Mark
-	19	-	Q. What.....Database Design’? Ans. It means description of the structure of different parts of the overall database.				=1 Mark
-	20	-	Q. Explain any four.....management system. Ans. Advantages of ‘Database management ‘(Any four): <ol style="list-style-type: none"> 1. Ready availability from one central source. 2. Minimum data redundancy. 3. Reduced programming effort. 4. Facility of preparation of special purpose reports. 5. Greater consistency. 6. One transaction input updates multiple data base records leads to minimising input efforts. (with suitable explanation) 				1x4 = 4 Marks
22	21	22	Q. .Why is it.....data security Ans. To maintain the secrecy of accounting data it is necessary to have security features in accounting software. Tools (any two) <ol style="list-style-type: none"> 1. Password security: Password is widely accepted security control to access the data. Only the authorised person can access the data. Any user who does not know the password cannot retrieve information from the system. It ensures data integrity. It uses a binary encoding format of storage and offers access to the data base. 2. Data Audit: Audit feature of accounting software provides the user with administrator right in order to keep track of unauthorised access to the data base. It audit for the correctness of entries. Once entries are audited with adulterations, if any, the software displays all entries along with the name of 				=4 Marks

			<p>the auditor user and date and time of alteration.</p> <p>3. Data vault: Software provides additional security for the imputed data and this feature is referred as data vault. Data vault ensures that original information is presented and is not tempered. Data vault password cannot be broken. Some software uses data encryption method.</p> <p style="text-align: center;">OR</p> <p>Q. Name the value.....these values.</p> <p>Ans. The value is called “ Null value” The three situations in which these can be used are</p> <p>(i) When a particular attribute does not apply to an entry.</p> <p>(ii) Value of an attribute is unknown.</p> <p>(iii) Unknown because it does not exit</p>	
21	22	21	<p>Q. differentiate between.....’server database’?</p> <p>Ans. (Any four)</p> <p>(i) <u>Application:</u> Desktop database can be used by a single user server data base can be used by many users at the same time.</p> <p>(ii) <u>Additional provision for reliability:</u> Desktop database doesn’t present this but these provisions are available in server based database.</p> <p>(iii) <u>Cost :</u> Desktop database ten dto cost less than the server database.</p> <p>(iv) <u>Flexibility regarding the choice of performance in front end applications :</u> It is not present in desktop database but server database provide this flexibility.</p> <p>(v) <u>Suitability:</u> Desktop database are suitable for small/home offices and server database are more suitable for large business organisations.</p> <p style="text-align: center;">OR</p> <p>Q. State theaccounting software.</p> <p>Ans. Following are the features of good accounting software: (Any four)</p> <ol style="list-style-type: none"> 1. Do all basic accounting functions. 2. Manage your stores. 3. Do the job costing. 4. Manage payroll. 5. Get many MIS (Management information System). 6. File tax returns. 7. Maintain budgets etc. 8. Calculate interest pending amounts. 9. Manage data over different locations and synchronize it and many more other features. 	=4 Marks
23	23	23	<p>Q. Nisan Ltd.....MS Excel.</p> <p>Ans.</p> <ul style="list-style-type: none"> • Cost of purchase column A1=`1,50,0000 • Installation + other expense column B1=`50,000 • Cost to use = sum (A1,B1)= column C1=`2,00000/- 	= 6 Marks

			<ul style="list-style-type: none"> • Salvage value= column D1=`25,000/- • Life of asset= column E1=5 years • SLM Depreciation= $SLM(C1,D1,E1)$ = column F1=`100000/- • Rate of Depreciation=$35,000/1,75,000*100= 20\%$ 	
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SET 3

Q. Set No.			Marking Scheme 2018-19 Accountancy (055) 67/4/3 Expected Answers / Value points	Distribut ion of marks						
67/4 /1	67/4 /2	67/4 /3								
3	4	1	Q. A and B.....A, B, C, D. Ans. Old ratio =3:2 A's Sacrifice(in favour of C)= $1/4 \times 3/5 = 3/20$ B's Sacrifice(in favour of D)= $1/2 \times 2/5 = 2/10$ A's New Share= $3/5 - 3/20 = 9/20$ B's New Share= $2/5 - 2/10 = 2/10$ New Profit Sharing Ratio=9:4:3:4	 $\frac{1}{2}$ $\frac{1}{2}$ =1 Mark						
4	2	2	Q. Distinguish between 'Closure of Books'. Ans. <table><tr><th>Basis</th><th>Reconstitution of Partnership</th><th>Dissolution of Partnership Firm</th></tr><tr><td>Closure of Books</td><td>Does not require because the business is not terminated.</td><td>The books of accounts are closed.</td></tr></table> OR Q. State the basis.....year of Death. Ans. Profit may be estimated (a) On the basis of Last year's profit/ Average profits of last given no. of years (b) On the basis of Turnover/ Sales.	Basis	Reconstitution of Partnership	Dissolution of Partnership Firm	Closure of Books	Does not require because the business is not terminated.	The books of accounts are closed.	 =1 mark $\frac{1}{2}$ $\frac{1}{2}$ =1 Mark
Basis	Reconstitution of Partnership	Dissolution of Partnership Firm								
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5	1	3	Q. What is meant..... Collateral Security? Ans. Debentures issued as secondary security/additional security over and above the primary security is known as Issue of Debentures as Collateral Security. OR Q. State the Provision.....Debenture Redemption Reserve. Ans. Where a company has issued Debentures, it shall create a DRR equivalent to at least 25% of the nominal value of debentures outstanding for the redemption of such debentures.	 =1 Mark						
1	5	4	Q. Differentiate between.....of 'Period'. Ans. <table><tr><th>Basis</th><th>Receipts & Payments A/c</th><th>Income & Expenditure A/c</th></tr><tr><td>Period</td><td>May relate to preceeding and succeeding periods</td><td>Relate to current period.</td></tr></table>	Basis	Receipts & Payments A/c	Income & Expenditure A/c	Period	May relate to preceeding and succeeding periods	Relate to current period.	 =1 Mark
Basis	Receipts & Payments A/c	Income & Expenditure A/c								
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			<p style="text-align: center;">OR</p> <p>Q. What is.....'Life Membership Fees'? Ans. Membership fee paid in lump sum to become a life member of a not- for- profit organisation.</p>											
2	3	5	<p>Q. Dev withdrew.....on Dev's Drawings. Ans. Interest On Drawings= $1,20,000 \times 12 / 100 \times 6 / 12 = 7,200$</p>	=1 Mark										
-	-	6	<p>Q. State any two.....dissolved. Ans. A firm is dissolved compulsorily in the following cases: (any two) (a) When all the partners or all but one partner, becomes insolvent, rendering them incompetent to sign a contract. (b) When the business of the firm becomes illegal; or (c) When some event has taken place which makes it unlawful for the partners to carry on the business of the firm in partnership, e.g. when a partner who is a citizen of a country becomes an alien enemy because of the declaration of war with his country and India.</p>	½ x2 =1 mark										
7	7	7	<p>Q. What is meant Over-subscription. Ans. When the no. of shares applied is more than the no. of shares offered by the co., it is said to be a case of over-subscription. For Example: A company invited applications for 1,00,000 shares and received applications for 4,00,000 shares. Three alternatives are available for allotment of shares: (a) To allot 1,00,000 shares in full to selected applicants and the remaining 3,00,000 applications were rejected outright. (b) To make pro-rata allotment to all applicants. (c) Totally reject applications for 2,00,000 shares, accept full applications for 80,000 shares and make pro-rata allotment of 20,000 shares to remaining 1,20,000 applicants. (or any other correct example)</p> <p style="text-align: center;">OR</p> <p>Q. What is meant.....Capital Reserve? Ans. Cancellation of shares for the non payment of called up amount is termed as Forfeiture of shares. Gain on Forfeited shares arises on reissue. It is transferred immediately on the reissue of forfeited shares.</p>	<p>1 ½</p> <p>1 ½ = 3 marks</p> <p>OR</p> <p>1</p> <p>1 1 =3 marks</p>										
-	-	8	<p>Q. Devi, Dayal and Daya.....Divya's admission. Ans. Journal</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">Date</th><th style="width: 45%;">Particulars</th><th style="width: 5%;">LF</th><th style="width: 15%;">Dr. Amt. (₹)</th><th style="width: 20%;">Cr. Amt. (₹)</th></tr> </thead> <tbody> <tr> <td></td><td>Cash/ Bank A/cDr. To Divya's Capital A/c To Premium for Goodwill A/c [Divya brings his share of capital and premium]</td><td></td><td>5,50,000</td><td>5,00,000 50,000</td></tr> </tbody> </table>	Date	Particulars	LF	Dr. Amt. (₹)	Cr. Amt. (₹)		Cash/ Bank A/cDr. To Divya's Capital A/c To Premium for Goodwill A/c [Divya brings his share of capital and premium]		5,50,000	5,00,000 50,000	1 ½
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-	-	9	<p>Q. From the following.....31st March, 2018.</p> <p>Ans.</p> <table><tr><th colspan="4">Stationery A/c</th></tr><tr><th>Particulars</th><th>Amt (₹)</th><th>Particulars</th><th>Amt (₹)</th></tr><tr><td>To Balance b/d</td><td>24,000</td><td>By Income</td><td>2,80,500</td></tr><tr><td>To Creditors for stationery</td><td>2,86,000</td><td>&Expenditure A/c(B.F.)</td><td></td></tr><tr><td></td><td></td><td>By Balance c/d</td><td>29,500</td></tr><tr><td></td><td><u>3,10,000</u></td><td></td><td><u>3,10,000</u></td></tr></table> <table><tr><th colspan="4">Creditors for Stationery A/c</th></tr><tr><th>Particulars</th><th>Amt (₹)</th><th>Particulars</th><th>Amt (₹)</th></tr><tr><td>To Bank A/c</td><td>3,00,000</td><td>By Balance b/d</td><td>2,09,000</td></tr><tr><td>To Balance c/d</td><td>1,95,000</td><td>By Credit Purchases (B.F.)</td><td>2,86,000</td></tr><tr><td></td><td><u>4,95,000</u></td><td></td><td><u>4,95,000</u></td></tr></table> <p style="text-align: center;">OR</p> <table><tr><td>Closing Creditors of Stationery</td><td>1,95,000</td></tr><tr><td>Add: payment made to creditors during the year</td><td><u>3,00,000</u></td></tr><tr><td>Total</td><td>4,95,000</td></tr><tr><td>Less: Creditors at the beginning</td><td><u>2,09,000</u></td></tr><tr><td>Credit Purchases made during the year</td><td><u>2,86,000</u></td></tr><tr><td>Opening Stock of Stationery</td><td>24,000</td></tr><tr><td>Credit Purchases made during the year</td><td><u>2,86,000</u></td></tr><tr><td></td><td>3,10,000</td></tr><tr><td>Less: Closing stock of Stationery</td><td><u>29,500</u></td></tr><tr><td>Stationery consumed during the year</td><td><u>2,80,500</u></td></tr></table>	Stationery A/c				Particulars	Amt (₹)	Particulars	Amt (₹)	To Balance b/d	24,000	By Income	2,80,500	To Creditors for stationery	2,86,000	&Expenditure A/c(B.F.)				By Balance c/d	29,500		<u>3,10,000</u>		<u>3,10,000</u>	Creditors for Stationery A/c				Particulars	Amt (₹)	Particulars	Amt (₹)	To Bank A/c	3,00,000	By Balance b/d	2,09,000	To Balance c/d	1,95,000	By Credit Purchases (B.F.)	2,86,000		<u>4,95,000</u>		<u>4,95,000</u>	Closing Creditors of Stationery	1,95,000	Add: payment made to creditors during the year	<u>3,00,000</u>	Total	4,95,000	Less: Creditors at the beginning	<u>2,09,000</u>	Credit Purchases made during the year	<u>2,86,000</u>	Opening Stock of Stationery	24,000	Credit Purchases made during the year	<u>2,86,000</u>		3,10,000	Less: Closing stock of Stationery	<u>29,500</u>	Stationery consumed during the year	<u>2,80,500</u>		1 ½
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-	-	10	<p>Q. On 1st April, 2018 9% Debentures Account.</p> <p>Ans.</p> <p style="text-align: center;">Journal</p> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr (₹)</th><th>Cr (₹)</th></tr><tr><td>2018 Apr 1</td><td>Bank A/c.....Dr. To Debenture Application & Allotment A/c [Applications received for 10,000, 9% debentures issued at 10% discount]</td><td></td><td>9,00,000</td><td>9,00,000</td></tr><tr><td>Apr 1</td><td>Debenture Application & Allotment A/c.....Dr. Discount on issue of Debentures A/c.....Dr. Loss on issue of Debentures A/c.....Dr. To 9% Debentures A/c To Premium on redemption of Deb. A/c [Allotment of 10,000, 9% debentures issued at 10% discount redeemable at 5% premium]</td><td></td><td>9,00,000 1,00,000 50,000</td><td>10,00,000 50,000</td></tr></table> <p style="text-align: center;">9% Debentures A/c</p> <table><tr><th>Date</th><th>Particulars</th><th>Amt (₹)</th><th>Date</th><th>Particulars</th><th>Amt (₹)</th></tr><tr><td>2019 Mar 31</td><td>To Balance c/d</td><td>10,00,000</td><td>2018 Apr 1</td><td>By Debenture Application & Allotment A/c</td><td>9,00,000</td></tr><tr><td></td><td></td><td></td><td>Apr 1</td><td>By Discount on issue of Deb.A/c</td><td>1,00,000</td></tr><tr><td></td><td></td><td><u>10,00,000</u></td><td></td><td></td><td><u>10,00,000</u></td></tr></table> <p style="text-align: center;">OR</p> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr (₹)</th><th>Cr (₹)</th></tr><tr><td>2018 Apr 1</td><td>Bank A/c.....Dr. To Debenture Application & Allotment A/c [Applications received for 10,000, 9% debentures issued at 10% discount]</td><td></td><td>9,00,000</td><td>9,00,000</td></tr><tr><td>Apr 1</td><td>Debenture Application & Allotment A/c.Dr. Loss on issue of Debentures A/c.....Dr. To 9% Debentures A/c To Premium on redemption of Deb. A/c [Allotment of 10,000, 9% debentures issued at 10% discount redeemable at 5% premium]</td><td></td><td>9,00,000 1,50,000</td><td>10,00,000 50,000</td></tr></table> <p style="text-align: center;">9% Debentures A/c</p> <table><tr><th>Date</th><th>Particulars</th><th>Amt (₹)</th><th>Date</th><th>Particulars</th><th>Amt (₹)</th></tr><tr><td>2019 Mar 31</td><td>To Balance c/d</td><td>10,00,000</td><td>2018 Apr 1</td><td>By Debenture Application & Allotment A/c</td><td>9,00,000</td></tr><tr><td></td><td></td><td></td><td>Apr 1</td><td>By Loss on issue of Deb.</td><td>1,00,000</td></tr></table>	Date	Particulars	LF	Dr (₹)	Cr (₹)	2018 Apr 1	Bank A/c.....Dr. To Debenture Application & Allotment A/c [Applications received for 10,000, 9% debentures issued at 10% discount]		9,00,000	9,00,000	Apr 1	Debenture Application & Allotment A/c.....Dr. Discount on issue of Debentures A/c.....Dr. Loss on issue of Debentures A/c.....Dr. To 9% Debentures A/c To Premium on redemption of Deb. A/c [Allotment of 10,000, 9% debentures issued at 10% discount redeemable at 5% premium]		9,00,000 1,00,000 50,000	10,00,000 50,000	Date	Particulars	Amt (₹)	Date	Particulars	Amt (₹)	2019 Mar 31	To Balance c/d	10,00,000	2018 Apr 1	By Debenture Application & Allotment A/c	9,00,000				Apr 1	By Discount on issue of Deb.A/c	1,00,000			<u>10,00,000</u>			<u>10,00,000</u>	Date	Particulars	LF	Dr (₹)	Cr (₹)	2018 Apr 1	Bank A/c.....Dr. To Debenture Application & Allotment A/c [Applications received for 10,000, 9% debentures issued at 10% discount]		9,00,000	9,00,000	Apr 1	Debenture Application & Allotment A/c.Dr. Loss on issue of Debentures A/c.....Dr. To 9% Debentures A/c To Premium on redemption of Deb. A/c [Allotment of 10,000, 9% debentures issued at 10% discount redeemable at 5% premium]		9,00,000 1,50,000	10,00,000 50,000	Date	Particulars	Amt (₹)	Date	Particulars	Amt (₹)	2019 Mar 31	To Balance c/d	10,00,000	2018 Apr 1	By Debenture Application & Allotment A/c	9,00,000				Apr 1	By Loss on issue of Deb.	1,00,000	<p>1</p> <p>1</p> <p>1</p> <p>=3</p> <p>Marks</p> <p>OR</p> <p>1</p> <p>1</p> <p>1</p> <p>=</p> <p>3</p> <p>marks</p>
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			<table><tr><td></td><td>To G's Current A/c (Profit on Appropriation transferred)</td><td></td><td></td><td>26,400</td></tr></table>		To G's Current A/c (Profit on Appropriation transferred)			26,400	=4 marks																																																			
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15	13	13	<p>Q. Pass necessary rectifying..... Was omitted.</p> <p>(i)</p> <p style="text-align: center;">Journal</p> <table><tr><th>Date</th><th>Particulars</th><th>Dr. (₹)</th><th>Cr.(₹)</th></tr><tr><td></td><td>A's Current* A/c Dr. To C's Current* A/c (Being interest on capital omitted, now rectified)</td><td>10,000</td><td>10,000</td></tr></table> <p>Note: 1 mark may be deducted for writing Capital Account instead of Current Account.</p> <p style="text-align: center;"><u>Past Adjustment Table</u></p> <table><tr><th></th><th>A (₹)</th><th>B (₹)</th><th>C (₹)</th><th>Total (₹)</th></tr><tr><td>Omission of IOC</td><td>40,000 (Cr.)</td><td>50,000 (Cr.)</td><td>60,000 (Cr.)</td><td>1,50,000</td></tr><tr><td>Total divided in PSR</td><td>50,000 (Dr.)</td><td>50,000 (Dr.)</td><td>50,000 (Dr.)</td><td>1,50,000</td></tr><tr><td>Net Effect</td><td>10,000 (Dr.)</td><td>--</td><td>10,000 (Cr.)</td><td></td></tr></table> <p>(ii)</p> <p style="text-align: center;">Journal</p> <table><tr><th>Date</th><th>Particulars</th><th>Dr. (₹)</th><th>Cr.(₹)</th></tr><tr><td></td><td>R's Capital A/c Dr. To P's Capital A/c To Q's Capital A/c (Being interest on drawings omitted, now rectified)</td><td>1,300</td><td>400 900</td></tr></table> <p style="text-align: center;"><u>Past Adjustment Table</u></p> <table><tr><th></th><th>P (₹)</th><th>Q (₹)</th><th>R (₹)</th><th>Total (₹)</th></tr><tr><td>Omission of IOD</td><td>1,000 (Dr.)</td><td>500 (Dr.)</td><td>2,000 (Dr.)</td><td>3,500</td></tr><tr><td>Total divided in PSR</td><td>1,400 (Cr.)</td><td>1,400 (Cr.)</td><td>700 (Cr.)</td><td>3,500</td></tr><tr><td>Net Effect</td><td>400 (Cr.)</td><td>900 (Cr.)</td><td>1,300 (Dr.)</td><td></td></tr></table>	Date	Particulars	Dr. (₹)	Cr.(₹)		A's Current* A/c Dr. To C's Current* A/c (Being interest on capital omitted, now rectified)	10,000	10,000		A (₹)	B (₹)	C (₹)	Total (₹)	Omission of IOC	40,000 (Cr.)	50,000 (Cr.)	60,000 (Cr.)	1,50,000	Total divided in PSR	50,000 (Dr.)	50,000 (Dr.)	50,000 (Dr.)	1,50,000	Net Effect	10,000 (Dr.)	--	10,000 (Cr.)		Date	Particulars	Dr. (₹)	Cr.(₹)		R's Capital A/c Dr. To P's Capital A/c To Q's Capital A/c (Being interest on drawings omitted, now rectified)	1,300	400 900		P (₹)	Q (₹)	R (₹)	Total (₹)	Omission of IOD	1,000 (Dr.)	500 (Dr.)	2,000 (Dr.)	3,500	Total divided in PSR	1,400 (Cr.)	1,400 (Cr.)	700 (Cr.)	3,500	Net Effect	400 (Cr.)	900 (Cr.)	1,300 (Dr.)		2 1 2 1 = 6 Marks
Date	Particulars	Dr. (₹)	Cr.(₹)																																																									
	A's Current* A/c Dr. To C's Current* A/c (Being interest on capital omitted, now rectified)	10,000	10,000																																																									
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13	14	14	<p>Ques.A, B and C.....dissolution of the firm.</p> <p>Ans.</p> <p style="text-align: center;">Journal</p> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr (₹)</th><th>Cr (₹)</th></tr><tr><td>a)</td><td>Realisation A/c.....Dr.</td><td></td><td>12,05,000</td><td></td></tr></table>	Date	Particulars	LF	Dr (₹)	Cr (₹)	a)	Realisation A/c.....Dr.		12,05,000																																																
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a)	Realisation A/c.....Dr.		12,05,000																																																									

				To Fixed Assets A/c To Stock A/c To Debtors A/c (Assets transferred to realisation A/c)			7,10,000 3,00,000 1,95,000		1
			b)	Sundry Creditors A/c.....Dr. Provision for Doubtful Debts A/c.....Dr. To Realisation A/c (liabilities transferred to Realisation A/c)		2,00,000 5,000	2,05,000		1
			c)	Bank A/cDr. To Realisation A/c (Assets realised)		11,49,000	11,49,000		1
			d)	Realisation A/c.....Dr. To Bank A/c (Realisation Exp.& Creditors paid in full settlement) OR Realisation A/c.....Dr. To Bank A/c (Creditors paid in full settlement) Realisation A/c.....Dr. To Bank A/c (Realisation Exp. Paid)		2,04,000 1,85,000 19,000	2,04,000 1,85,000 19,000		1
			e)	A's Capital A/cDr. B's Capital A/cDr. C's Capital A/cDr. To Realisation A/c (Loss on realisation debited to Partners' Capital A/c)		22,000 22,000 11,000	55,000		1
			f)	A's Capital A/cDr. B's Capital A/cDr. C's Capital A/cDr. To Bank A/c (Partners' A/c settled on dissolution)		7,28,000 2,78,000 2,39,000	12,45,000		1
			OR						
			Ques. P, Q and R.....reconstitution of the firm.						
			Ans. Journal						
			Date	Particulars	LF	Dr (₹)	Cr (₹)		
			a)	Bad Debts A/c.....Dr. To Debtors A/c (bad debts written off)		6,000	6,000		½
			b)	Revaluation A/c..Dr. To Bad Debts A/c		9,000	6,000		

			<table><tr><td></td><td>To Provision For Doubtful Debts A/c (Bad Debts and Provision transferred to Revaluation A/c)</td><td></td><td></td><td>3,000</td><td rowspan="7">1 =6 marks</td></tr><tr><td>c)</td><td>P's Capital A/cDr. Q's Capital A/cDr. R's Capital A/cDr. To Revaluation A/c (loss on revaluation transferred to Partners' capital A/c)</td><td></td><td>4,500 3,000 1,500</td><td>9,000</td></tr><tr><td>d)</td><td>General Reserve A/c.....Dr. To P's Capital A/c To Q's Capital A/c To R's Capital A/c (general reserve credited to partners' Capital A/c)</td><td></td><td>60,000</td><td>30,000 20,000 10,000</td></tr><tr><td>e)</td><td>P's Current A/cDr. To P's Capital A/c (Capital A/c adjusted)</td><td></td><td>1,14,900</td><td>1,14,900</td></tr><tr><td>f)</td><td>Q's Current A/cDr. To Q's Capital A/c (Capital A/c adjusted)</td><td></td><td>23,400</td><td>23,400</td></tr><tr><td>g)</td><td>R's Capital A/cDr. To R's Current A/c (Capital A/c adjusted)</td><td></td><td>1,38,300</td><td>1,38,300</td></tr></table>		To Provision For Doubtful Debts A/c (Bad Debts and Provision transferred to Revaluation A/c)			3,000	1 =6 marks	c)	P's Capital A/cDr. Q's Capital A/cDr. R's Capital A/cDr. To Revaluation A/c (loss on revaluation transferred to Partners' capital A/c)		4,500 3,000 1,500	9,000	d)	General Reserve A/c.....Dr. To P's Capital A/c To Q's Capital A/c To R's Capital A/c (general reserve credited to partners' Capital A/c)		60,000	30,000 20,000 10,000	e)	P's Current A/cDr. To P's Capital A/c (Capital A/c adjusted)		1,14,900	1,14,900	f)	Q's Current A/cDr. To Q's Capital A/c (Capital A/c adjusted)		23,400	23,400	g)	R's Capital A/cDr. To R's Current A/c (Capital A/c adjusted)		1,38,300	1,38,300																										
	To Provision For Doubtful Debts A/c (Bad Debts and Provision transferred to Revaluation A/c)			3,000	1 =6 marks																																																							
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g)	R's Capital A/cDr. To R's Current A/c (Capital A/c adjusted)		1,38,300	1,38,300																																																								
14	15	15	<p>Q. From the following..... Capital Fund ₹ 1,28,000.</p> <p>Ans:</p> <table><tr><th colspan="4">Income & Expenditure A/c</th></tr><tr><th colspan="4">For the year ending 31st March, 2018</th></tr><tr><th>Expenditure</th><th>Amt (₹)</th><th>Income</th><th>Amt (₹)</th></tr><tr><td>To Campaign Expenses</td><td>1,30,000</td><td>By Subscription</td><td>1,80,000</td></tr><tr><td>To Office Rent</td><td>40,000</td><td>By Govt. Grant</td><td>2,00,000</td></tr><tr><td>To Salary</td><td>10,000</td><td>By interested accrued on FD</td><td>16,000</td></tr><tr><td>To Furniture hire rent</td><td>12,000</td><td></td><td></td></tr><tr><td>To Advertisement</td><td>15,000</td><td></td><td></td></tr><tr><td>To Loss on sale of old Furniture</td><td>1,000</td><td></td><td></td></tr><tr><td>To Surplus (Excess of Income over Expenditure)</td><td>1,88,000</td><td></td><td></td></tr><tr><td></td><td><u>3,96,000</u></td><td></td><td><u>3,96,000</u></td></tr></table> <p>Balance Sheet</p> <p>As at 31st March, 2018</p> <table><tr><th>Liabilities</th><th>Amt (₹)</th><th>Assets</th><th>Amt (₹)</th></tr><tr><td>Capital Fund</td><td>1,28,000</td><td>Fixed Deposits</td><td>2,00,000</td></tr><tr><td>Add: Surplus</td><td>1,88,000</td><td>Add: Accrued</td><td>2,16,000</td></tr></table>	Income & Expenditure A/c				For the year ending 31st March, 2018				Expenditure	Amt (₹)	Income	Amt (₹)	To Campaign Expenses	1,30,000	By Subscription	1,80,000	To Office Rent	40,000	By Govt. Grant	2,00,000	To Salary	10,000	By interested accrued on FD	16,000	To Furniture hire rent	12,000			To Advertisement	15,000			To Loss on sale of old Furniture	1,000			To Surplus (Excess of Income over Expenditure)	1,88,000				<u>3,96,000</u>		<u>3,96,000</u>	Liabilities	Amt (₹)	Assets	Amt (₹)	Capital Fund	1,28,000	Fixed Deposits	2,00,000	Add: Surplus	1,88,000	Add: Accrued	2,16,000	4
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			<table><tr><td>Add: Life Membership Fees <u>30,000</u></td><td>3,46,000</td><td>Interest <u>16,000</u></td><td>50,000</td><td rowspan="5">2</td></tr><tr><td></td><td>60,000</td><td>Books</td><td>75,000</td></tr><tr><td>Creditors</td><td></td><td>Computers</td><td>40,000</td></tr><tr><td></td><td></td><td>Cash at Bank</td><td>25,000</td></tr><tr><td></td><td></td><td>Cash in Hand</td><td></td></tr><tr><td></td><td><u>4,06,000</u></td><td></td><td><u>4,06,000</u></td><td>=</td></tr><tr><td></td><td></td><td></td><td></td><td>6</td></tr><tr><td></td><td></td><td></td><td></td><td>Marks</td></tr></table>	Add: Life Membership Fees <u>30,000</u>	3,46,000	Interest <u>16,000</u>	50,000	2		60,000	Books	75,000	Creditors		Computers	40,000			Cash at Bank	25,000			Cash in Hand			<u>4,06,000</u>		<u>4,06,000</u>	=					6					Marks
Add: Life Membership Fees <u>30,000</u>	3,46,000	Interest <u>16,000</u>	50,000	2																																			
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	<u>4,06,000</u>		<u>4,06,000</u>	=																																			
				6																																			
				Marks																																			
16	17	16	<p>Q. S Ltd. invited books of the company.</p> <p>Ans. Dr. </p>																																				

				(Being shares forfeited)																																																
			(v)	Shares Forfeited A/c To Capital Reserve A/c (Gain on reissue of forfeited shares transferred to Capital Reserve)	Dr.		4,100		4,100	=8 Marks																																										
16 OR	17 OR	16 OR	<p>Ques. Jain Ltd.....in the books of Jain Ltd.</p> <p>Ans.</p> <p style="text-align: center;">Books of the Jain Ltd.</p> <p style="text-align: center;">Journal</p> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr (₹)</th><th>Cr (₹)</th><th></th></tr><tr><td>(i)</td><td>Bank A/cDr. To Equity Share Application A/c [Application money received on 1,00,000 shares]</td><td></td><td>1,00,000</td><td>1,00,000</td><td>½</td></tr><tr><td>(ii)</td><td>Equity Share Application A/c.....Dr. To Equity Share Capital A/c [Application money transferred to share capital A/c]</td><td></td><td>1,00,000</td><td>1,00,000</td><td>½</td></tr><tr><td>(iii)</td><td>Equity Share Allotment A/c.....Dr. To Equity Share Capital A/c [Allotment money due on 1,00,000shares]</td><td></td><td>2,00,000</td><td>2,00,000</td><td>½</td></tr><tr><td>(iv)</td><td>Bank A/c.....Dr. To Share Allotment A/c [Allotment money received except on 1,000 shares] OR Bank A/c.....Dr. Calls in Arrear A/c.....Dr. To Share Allotment A/c [Allotment money received except on 1,000 shares]</td><td></td><td>1,98,000 1,98,000 2,000</td><td>1,98,000 2,00,000</td><td>1</td></tr><tr><td>(v)</td><td>Equity Share Capital A/c.....Dr. To Forfeited Shares A/c To Equity Share Allotment A/c [Forfeiture of 1,000 shares for non payment of allotment money] OR Equity Share Capital A/c.....Dr. To Forfeited Shares A/c To Calls – in – Arrear A/c [Forfeiture of 4,000 shares for non payment of call money]</td><td></td><td>3,000 3,000</td><td>1,000 2,000 1,000 2,000</td><td>1½ ½</td></tr><tr><td>(vi)</td><td>Equity Share First Call A/cDr. To Equity Share Capital A/c [First call money due on 99,000 shares]</td><td></td><td>2,97,000</td><td>2,97,000</td><td></td></tr></table>								Date	Particulars	LF	Dr (₹)	Cr (₹)		(i)	Bank A/cDr. To Equity Share Application A/c [Application money received on 1,00,000 shares]		1,00,000	1,00,000	½	(ii)	Equity Share Application A/c.....Dr. To Equity Share Capital A/c [Application money transferred to share capital A/c]		1,00,000	1,00,000	½	(iii)	Equity Share Allotment A/c.....Dr. To Equity Share Capital A/c [Allotment money due on 1,00,000shares]		2,00,000	2,00,000	½	(iv)	Bank A/c.....Dr. To Share Allotment A/c [Allotment money received except on 1,000 shares] OR Bank A/c.....Dr. Calls in Arrear A/c.....Dr. To Share Allotment A/c [Allotment money received except on 1,000 shares]		1,98,000 1,98,000 2,000	1,98,000 2,00,000	1	(v)	Equity Share Capital A/c.....Dr. To Forfeited Shares A/c To Equity Share Allotment A/c [Forfeiture of 1,000 shares for non payment of allotment money] OR Equity Share Capital A/c.....Dr. To Forfeited Shares A/c To Calls – in – Arrear A/c [Forfeiture of 4,000 shares for non payment of call money]		3,000 3,000	1,000 2,000 1,000 2,000	1½ ½	(vi)	Equity Share First Call A/cDr. To Equity Share Capital A/c [First call money due on 99,000 shares]		2,97,000	2,97,000	
Date	Particulars	LF	Dr (₹)	Cr (₹)																																																
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(ii)	Equity Share Application A/c.....Dr. To Equity Share Capital A/c [Application money transferred to share capital A/c]		1,00,000	1,00,000	½																																															
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(vi)	Equity Share First Call A/cDr. To Equity Share Capital A/c [First call money due on 99,000 shares]		2,97,000	2,97,000																																																

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17	16	17	<div>Q. A and B.....reconstituted firm.</div> <div>Ans. Revaluation A/c</div> <table><tr><th colspan="2">Dr</th><th colspan="2">Cr</th></tr><tr><th>Particulars</th><th>Amt (₹)</th><th>Particulars</th><th>Amt (₹)</th></tr><tr><td>To Stock</td><td>3,000</td><td>By Building</td><td>20,000</td></tr><tr><td>To Provision for D/D</td><td>400</td><td></td><td></td></tr><tr><td>To Furniture</td><td>2,000</td><td></td><td></td></tr><tr><td>To Gain transferred to:</td><td></td><td></td><td></td></tr><tr><td>A's Capital A/c- 8,760</td><td>14,600</td><td></td><td></td></tr><tr><td>B's Capital A/c- <u>5,840</u></td><td></td><td></td><td></td></tr><tr><td></td><td><u>20,000</u></td><td></td><td><u>20,000</u></td></tr></table> <div>Partners' Capital A/c</div> <table><tr><th colspan="4">Dr.</th><th colspan="4">Cr.</th></tr><tr><th>Particulars</th><th>A</th><th>B</th><th>C</th><th>Particulars</th><th>A</th><th>B</th><th>C</th></tr><tr><td>To Balance c/d</td><td>1,60,000</td><td>96,000</td><td>64,000</td><td>By Balance b/d</td><td>1,04,000</td><td>52,000</td><td>----</td></tr><tr><td></td><td></td><td></td><td></td><td>By Cash A/c</td><td>-----</td><td>-----</td><td>64,000</td></tr><tr><td></td><td></td><td></td><td></td><td>By Revaluation A/c</td><td>8,760</td><td>5,840</td><td>----</td></tr><tr><td></td><td></td><td></td><td></td><td>By Workmen Compensation Fund</td><td>6,000</td><td>4,000</td><td>-----</td></tr><tr><td></td><td></td><td></td><td></td><td>By Contingency Reserve</td><td>6,000</td><td>4,000</td><td>-----</td></tr><tr><td></td><td></td><td></td><td></td><td>By Premium for Goodwill</td><td>7,500</td><td>7,500</td><td>----</td></tr><tr><td></td><td></td><td></td><td></td><td>By Cash A/c(B.F.)</td><td>27,740</td><td>22,660</td><td>----</td></tr><tr><td></td><td>1,60,000</td><td>96,000</td><td>64,000</td><td></td><td>1,60,000</td><td>96,000</td><td>64,000</td></tr></table> <div>Balance Sheet of the Reconstituted firm as at April1, 2018</div> <table><tr><th>Liabilities</th><th>Amt (₹)</th><th>Assets</th><th>Amt (₹)</th></tr><tr><td>Capitals:</td><td></td><td>Cash</td><td>1,37,400</td></tr><tr><td>G- 1,60,000</td><td></td><td>Sundry Debtors- 37,600</td><td></td></tr><tr><td>H- 96,000</td><td></td><td>Less: Prov. for D/D-<u>2,000</u></td><td>35,600</td></tr><tr><td>I- <u>64,000</u></td><td>3,20,000</td><td>Stock</td><td>57,000</td></tr><tr><td>Creditors</td><td>1,54,000</td><td>Prepaid Insurance</td><td>6,000</td></tr><tr><td>Employees Provident Fund</td><td>16,000</td><td>Plant & Machinery</td><td>76,000</td></tr><tr><td></td><td></td><td>Building</td><td>1,60,000</td></tr><tr><td></td><td></td><td>Furniture</td><td>18,000</td></tr><tr><td></td><td><u>4,90,000</u></td><td></td><td><u>4,90,000</u></td></tr></table> <div>Working notes:</div> <div>[1] Calculation of New Capitals:</div> <div>C's Capital= 64,0000(for 2/10 share)</div> <div>Capital of the new firm= 3,20,000</div> <div>A's share=5/10 of 3,20,000= 1,60,000</div> <div>B's Share=3/10 of 3,20,000=96,000</div> <div>[2]</div> <div>Old Ratio=3:2</div> <div>New Ratio=5:3:2</div> <div>A=5/10-3/5= (1/10) Sac.</div> <div>B=3/10-2/5= (1/10) Sac.</div>	Dr		Cr		Particulars	Amt (₹)	Particulars	Amt (₹)	To Stock	3,000	By Building	20,000	To Provision for D/D	400			To Furniture	2,000			To Gain transferred to:				A's Capital A/c- 8,760	14,600			B's Capital A/c- <u>5,840</u>					<u>20,000</u>		<u>20,000</u>	Dr.				Cr.				Particulars	A	B	C	Particulars	A	B	C	To Balance c/d	1,60,000	96,000	64,000	By Balance b/d	1,04,000	52,000	----					By Cash A/c	-----	-----	64,000					By Revaluation A/c	8,760	5,840	----					By Workmen Compensation Fund	6,000	4,000	-----					By Contingency Reserve	6,000	4,000	-----					By Premium for Goodwill	7,500	7,500	----					By Cash A/c(B.F.)	27,740	22,660	----		1,60,000	96,000	64,000		1,60,000	96,000	64,000	Liabilities	Amt (₹)	Assets	Amt (₹)	Capitals:		Cash	1,37,400	G- 1,60,000		Sundry Debtors- 37,600		H- 96,000		Less: Prov. for D/D- <u>2,000</u>	35,600	I- <u>64,000</u>	3,20,000	Stock	57,000	Creditors	1,54,000	Prepaid Insurance	6,000	Employees Provident Fund	16,000	Plant & Machinery	76,000			Building	1,60,000			Furniture	18,000		<u>4,90,000</u>		<u>4,90,000</u>	2	3	3	=	8
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17 OR	16 OR	17 OR	Q. G, E and F.....reconstituted firm.								2
			Ans. Revaluation A/c								
			Dr				Cr				
			Particulars	Amt (₹)		Particulars	Amt (₹)				
			To Machinery	4,000		By Land & Building	68,000				
			To Stock	4,000							
			To Prov. for Doubtful Debts	600							
			To Gain transferred to: G's Capital A/c-41,580 E's capital A/c-11,880 F's Capital A/c- <u>5,940</u>	59,400							
				<u>68,000</u>			<u>68,000</u>				
Partners' Capital A/c											
Dr.				Cr.							
Particulars	G	E	F	Particulars	G	E	F				
To E's Capital A/c	15,750	----	2,250	By Balance b/d	1,40,000	40,000	20,000				
To E's Loan A/c	-----	1,37,880	----	By Revaluation A/c	41,580	11,880	5,940				
To Balance c/d	2,10,000	----	30,000	By G's Capital A/c	----	15,750	----				
				By F's Capital A/c	----	2,250	----				
				By General Reserve	28,000	8,000	4,000				
				By E's Loan A/c	-----	60,000	-----				
				By current A/c	16,170	-----	2,310				
	2,25,750	137,880	32,250		2,25,750	1,37,880	32,250				
								3			
Balance Sheet of the Reconstituted firm as at April1, 2018											
Liabilities		Amt (₹)		Assets		Amt (₹)					
Capitals:				Cash		90,000					
G- 2,10,000				Debtors- 24,000							
F- <u>30,000</u>		2,40,000		Less: Prov. For							
E's Loan		1,37,880		Doubtful Debts <u>600</u>		23,400					
Creditors		28,000		Stock		10,000					
				Machinery		76,000					
				Land & building		1,88,000					

			<table><tr><td></td><td></td><td>G's current A/c F's Current A/c</td><td>16,170 2,310</td></tr><tr><td></td><td><u>4,05,880</u></td><td></td><td><u>4,05,880</u></td></tr></table> <p>Working Notes:(1) New Firm's capital- 2,40,000 E's capital -7/8x2,40,000=2,10,000 F's capital- 1/8x 2,40,000= 30,000 Note: if candidate has not transferred E's Loan A/c given in the existing Balance Sheet to E's Capital A/c, no marks will be deducted. In such case, the balance of E's Loan A/c in the Capital A/c will be ₹77,800.</p>			G's current A/c F's Current A/c	16,170 2,310		<u>4,05,880</u>		<u>4,05,880</u>	=8 marks																			
		G's current A/c F's Current A/c	16,170 2,310																												
	<u>4,05,880</u>		<u>4,05,880</u>																												
			PART B (Financial Statements Analysis)																												
-	-	18	<p>Q. How is goodwilloperating activities?</p> <p>Ans. It will be considered as a non cash expense and will be added back to the net profit for the purpose of calculating operating profit before working capital changes.</p>	=1 Mark																											
-	-	19	<p>Ques. When does.....cash equivalent?</p> <p>Ans. An investment normally qualifies as cash equivalent when it has a short maturity of say 90 days or less without any significant risk of changes in its value from the date of acquisition.</p>	=1 mark																											
20	22	20	<p>Q. Under which major.....Companies Act, 2013?</p> <p>Ans.</p> <table><tr><td>Items</td><td>Heads</td><td>Sub-heads</td></tr><tr><td>Cheques and Bank Drafts in Hand</td><td>Current Assets</td><td>Cash & Cash Equivalents</td></tr><tr><td>Loose Tools</td><td>Current Assets</td><td>Inventories</td></tr><tr><td>Securities Premium Reserve</td><td>Shareholders' Funds</td><td>Reserves & Surplus</td></tr><tr><td>Long term Investments with maturity period less than six months</td><td>Current Assets</td><td>Current Investments</td></tr><tr><td>Work- in-Progress</td><td>Current Assets</td><td>Inventories</td></tr><tr><td>Mining Rights</td><td>Non Current Assets</td><td>Fixed Assets- Intangible</td></tr><tr><td>Publishing Titles</td><td>Non Current Assets</td><td>Fixed Assets- Intangible</td></tr><tr><td>Debtors</td><td>Current Assets</td><td>Trade Receivables</td></tr></table> <p style="text-align: center;">OR</p> <p>Ques: Explain.....Creditors.</p> <p>Ans. Importance for Labour Unions: Labour unions analyse the financial statements to assess whether it can presently afford a wage increase and whether it can absorb a wage increase through increased productivity or by raising the prices. Importance for Creditors: Creditors through an analysis of Financial Statements appraises not only the ability of the company to meet its short term obligations but also judges the</p>	Items	Heads	Sub-heads	Cheques and Bank Drafts in Hand	Current Assets	Cash & Cash Equivalents	Loose Tools	Current Assets	Inventories	Securities Premium Reserve	Shareholders' Funds	Reserves & Surplus	Long term Investments with maturity period less than six months	Current Assets	Current Investments	Work- in-Progress	Current Assets	Inventories	Mining Rights	Non Current Assets	Fixed Assets- Intangible	Publishing Titles	Non Current Assets	Fixed Assets- Intangible	Debtors	Current Assets	Trade Receivables	<p>½x8 = 4 Marks OR</p> <p>2+2 =4</p>
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			probability of its continued ability to meet all its financial obligations in future.	Marks																																																												
-	-	21	<p>Ques. From the following.....Comparative Income Statement of NY Ltd:</p> <p>Ans.</p> <p style="text-align: center;">Comparative Income Statement For the year ending 31st March 2017 and 2018</p> <table><tr><th>Particulars</th><th>Note No.</th><th>31st March, 2017 (₹)</th><th>31st March, 2018(₹)</th><th>Absolute Inc/ Dec. (₹)</th><th>Percentage Inc./ Dec.</th></tr><tr><td>Revenue from Operations</td><td></td><td>15,00,000</td><td>24,00,000</td><td>9,00,000</td><td>60</td></tr><tr><td>Expenses:</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Cost of Materials Consumed</td><td></td><td>8,00,000</td><td>12,00,000</td><td>4,00,000</td><td>50</td></tr><tr><td>Employee Benefit Expenses</td><td></td><td>1,20,000</td><td>1,80,000</td><td>60,000</td><td>50</td></tr><tr><td>Other Expenses</td><td></td><td>80,000</td><td>60,000</td><td>(20,000)</td><td>(25)</td></tr><tr><td>Total Expenses</td><td></td><td>10,00,000</td><td>14,40,000</td><td>4,40,000</td><td>44</td></tr><tr><td>Profit before Tax</td><td></td><td>5,00,000</td><td>9,60,000</td><td>4,60,000</td><td>92</td></tr><tr><td>Less: Tax @ 50%</td><td></td><td>2,50,000</td><td>4,80,000</td><td>2,30,000</td><td>92</td></tr><tr><td>Profit after tax</td><td></td><td>2,50,000</td><td>4,80,000</td><td>2,30,000</td><td>92</td></tr></table>	Particulars	Note No.	31 st March, 2017 (₹)	31 st March, 2018(₹)	Absolute Inc/ Dec. (₹)	Percentage Inc./ Dec.	Revenue from Operations		15,00,000	24,00,000	9,00,000	60	Expenses:						Cost of Materials Consumed		8,00,000	12,00,000	4,00,000	50	Employee Benefit Expenses		1,20,000	1,80,000	60,000	50	Other Expenses		80,000	60,000	(20,000)	(25)	Total Expenses		10,00,000	14,40,000	4,40,000	44	Profit before Tax		5,00,000	9,60,000	4,60,000	92	Less: Tax @ 50%		2,50,000	4,80,000	2,30,000	92	Profit after tax		2,50,000	4,80,000	2,30,000	92	<div>1</div> <div>1</div> <div>1</div> <div>1</div> <div>=4 Marks</div>
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22	20	22	<p>Q. The Operating Ratio..... change the ratio:</p> <p>Ans.</p> <table><tr><th>S.No.</th><th>Transactions</th><th>Effect</th></tr><tr><td>1</td><td>Purchase goods on credit ₹20,000</td><td>No change</td></tr><tr><td>2</td><td>Paid wages ₹5,000</td><td>No Change</td></tr><tr><td>3</td><td>Redeemed ₹. 8,000,9% Debentures</td><td>No Change</td></tr><tr><td>4</td><td>Sold goods ₹ 50,000 for cash</td><td>No Change</td></tr></table> <p style="text-align: center;">OR</p> <p>Ques: From the following.....Debt Ratio.</p> <p>Ans. Total Assets to Debt Ratio = $\frac{\text{Total Assets}}{\text{Long Term Debt}}$ $= \frac{15,40,000}{3,00,000} = 5.13$</p> <p>Total Assets= Fixed Assets+ Non Current Investments+ Current Assets $= ₹ 15,40,000$</p> <p>Debt = Total Liabilities- Equity Share Capital-Preference Share Capital-Reserves & Surplus- Current Liabilities $= ₹ 3,00,000$</p>	S.No.	Transactions	Effect	1	Purchase goods on credit ₹20,000	No change	2	Paid wages ₹5,000	No Change	3	Redeemed ₹. 8,000,9% Debentures	No Change	4	Sold goods ₹ 50,000 for cash	No Change	<div>1 X 4 = 4 Marks</div> <div>OR</div> <div>1</div> <div>1</div> <div>1</div> <div>1</div>																																													
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23	23	23	<p>Q. Following is the..... Cash Flow Statement.</p> <p>Ans. Cash Flow Statement of R.M. Ltd.</p> <p>As at 31st March, 2017</p> <table><thead><tr><th>Particulars</th><th>Details (₹)</th><th>Amount (₹)</th></tr></thead><tbody><tr><td colspan="3">A.Cash flows from Operating Activities :</td></tr><tr><td>Net Profit before Tax and extraordinary items (note-1)</td><td>2,45,000</td><td></td></tr><tr><td>Add: Depreciation on Plant & Machinery</td><td>10,000</td><td></td></tr><tr><td>Add: Interest on Debentures</td><td>18,000</td><td></td></tr><tr><td>Operating profit before the working Capital changes</td><td><u>2,73,000</u></td><td></td></tr><tr><td>Less: Increase in Trade Receivables</td><td>(50,000)</td><td></td></tr><tr><td> Increase in Inventories</td><td>(80,000)</td><td></td></tr><tr><td> Decrease in Trade Payables</td><td><u>(10,000)</u></td><td></td></tr><tr><td>Cash generated from Operations</td><td>1,33,000</td><td></td></tr><tr><td>Less: Tax Paid</td><td><u>(80,000)</u></td><td></td></tr><tr><td>Net Cash From Operating Activities</td><td></td><td>53,000</td></tr><tr><td colspan="3">B. Cash flows from Investing Activities :</td></tr><tr><td>Sale of Plant & Machinery</td><td>30,000</td><td></td></tr><tr><td>Purchase of Plant & Machinery</td><td>(1,50,000)</td><td></td></tr><tr><td>Purchase of Goodwill</td><td>(80,000)</td><td></td></tr><tr><td>Purchase of Non Current Investments</td><td><u>(5,00,000)</u></td><td></td></tr><tr><td>Net Cash used in investing activities</td><td></td><td>(7,00,000)</td></tr><tr><td colspan="3">C.Cash flows from financing Activities</td></tr><tr><td>Issue of shares</td><td>5,00,000</td><td></td></tr><tr><td>Redemption of Debentures</td><td>(1,00,000)</td><td></td></tr><tr><td>Interest on Debentures paid</td><td><u>(18,000)</u></td><td></td></tr><tr><td>Cash flows from Financing Activities</td><td></td><td>3,82,000</td></tr><tr><td>Net Decrease in Cash and Cash Equivalents</td><td></td><td>(2,65,000)</td></tr><tr><td>Add: Opening Balance of Cash and Cash equivalents</td><td></td><td>6,40,000</td></tr><tr><td>Closing Balance of Cash and Cash equivalents</td><td></td><td>3,75,000</td></tr></tbody></table> <p>Working Notes:</p> <p>Note-1:Net Profit before tax & Extraordinary items</p> <p>Net Profit during the year –1,50,000</p> <p>Add: Prov. for Tax made— 95,000</p> <p>2,45,000</p> <table><thead><tr><th colspan="4">Plant and Machinery A/c</th></tr><tr><th>Particulars</th><th>₹</th><th>Particulars</th><th>₹</th></tr></thead><tbody><tr><td>To Balance b/d</td><td>11,40,000</td><td>By Accumulated Dep. A/c</td><td>50,000</td></tr><tr><td>To Bank A/c (B.F.)</td><td>1,50,000</td><td>By Bank A/c</td><td>30,000</td></tr><tr><td></td><td></td><td>By Balance c/d</td><td>12,10,000</td></tr><tr><td></td><td><u>12,90,000</u></td><td></td><td><u>12,90,000</u></td></tr></tbody></table>	Particulars	Details (₹)	Amount (₹)	A.Cash flows from Operating Activities :			Net Profit before Tax and extraordinary items (note-1)	2,45,000		Add: Depreciation on Plant & Machinery	10,000		Add: Interest on Debentures	18,000		Operating profit before the working Capital changes	<u>2,73,000</u>		Less: Increase in Trade Receivables	(50,000)		Increase in Inventories	(80,000)		Decrease in Trade Payables	<u>(10,000)</u>		Cash generated from Operations	1,33,000		Less: Tax Paid	<u>(80,000)</u>		Net Cash From Operating Activities		53,000	B. Cash flows from Investing Activities :			Sale of Plant & Machinery	30,000		Purchase of Plant & Machinery	(1,50,000)		Purchase of Goodwill	(80,000)		Purchase of Non Current Investments	<u>(5,00,000)</u>		Net Cash used in investing activities		(7,00,000)	C.Cash flows from financing Activities			Issue of shares	5,00,000		Redemption of Debentures	(1,00,000)		Interest on Debentures paid	<u>(18,000)</u>		Cash flows from Financing Activities		3,82,000	Net Decrease in Cash and Cash Equivalents		(2,65,000)	Add: Opening Balance of Cash and Cash equivalents		6,40,000	Closing Balance of Cash and Cash equivalents		3,75,000	Plant and Machinery A/c				Particulars	₹	Particulars	₹	To Balance b/d	11,40,000	By Accumulated Dep. A/c	50,000	To Bank A/c (B.F.)	1,50,000	By Bank A/c	30,000			By Balance c/d	12,10,000		<u>12,90,000</u>		<u>12,90,000</u>	1 ½	1	1 ½	½	½
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			<div>PART B</div> <div>OPTION 2</div> <div>(Computerized Accounting)</div>																									
-	-	18	<div>Q. Give the’Mixed Reference’.</div> <div>Ans. A mixed reference is a reference that is fixed only on part of the reference either the row or column. It is useful when the formula or function is copied to another location.</div>	<div>=</div> <div>1</div> <div>mark</div>																								
-	-	19	<div>Q. What.....’Block Codes’?</div> <div>Ans. i)Name, ii) ID, iii) Designation, iv) Location, v)Basic Pay (any four)</div>	<div>=</div> <div>1</div> <div>mark</div>																								
-	-	20	<div>Q. State the.....accounting system.</div> <div>Ans.(Any Four)</div> <table><tr><th>Basis</th><th>Generic</th><th>Specific’ Software</th></tr><tr><td>Nature of business</td><td>Small, conventional business</td><td>large, medium business</td></tr><tr><td>Cost of installation and maintenance</td><td>Low</td><td>relatively high</td></tr><tr><td>Expected level of secrecy (software and Data)</td><td>Low</td><td>Relatively high</td></tr><tr><td>Number of user and their interface</td><td>Limited</td><td>As per specifications</td></tr><tr><td>Linkage to other information system</td><td>Restricted</td><td>yes</td></tr><tr><td>Adaptability</td><td>High</td><td>Relatively high</td></tr><tr><td>Training requirements</td><td>Low</td><td>medium</td></tr></table>	Basis	Generic	Specific’ Software	Nature of business	Small, conventional business	large, medium business	Cost of installation and maintenance	Low	relatively high	Expected level of secrecy (software and Data)	Low	Relatively high	Number of user and their interface	Limited	As per specifications	Linkage to other information system	Restricted	yes	Adaptability	High	Relatively high	Training requirements	Low	medium	<div>1x4</div> <div>=4</div> <div>marks</div>
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21	22	21	<div>Q. Differentiate between.....’server database’?</div> <div>Ans. (Any four)</div>	<div>=4</div> <div>Marks</div>																								

		<p>(i) <u>Application</u>: Desktop database can be used by a single user server data base can be used by many users at the same time.</p> <p>(ii) <u>Additional provision for reliability</u>: Desktop database doesn't present this but these provisions are available in server based database.</p> <p>(iii) <u>Cost</u> : Desktop database ten dto cost less than the server database.</p> <p>(iv) <u>Flexibility regarding the choice of performance in front end applications</u> : It is not present in desktop database but server database provide this flexibility.</p> <p>(v) <u>Suitability</u>: Desktop database are suitable for small/home offices and server database are more suitable for large business organisations.</p> <p style="text-align: center;">OR</p> <p>Q. State theaccounting software.</p> <p>Ans. Following are the features of good accounting software: (Any four)</p> <ol style="list-style-type: none"> 1. Do all basic accounting functions. 2. Manage your stores. 3. Do the job costing. 4. Manage payroll. 5. Get many MIS (Management information System). 6. File tax returns. 7. Maintain budgets etc. 8. Calculate interest pending amounts. 9. Manage data over different locations and synchronize it and many more other features. 	
22	21	<p>22 Q. .Why is it.....data security</p> <p>Ans. To maintain the secrecy of accounting data it is necessary to have security features in accounting software.</p> <p>Tools (any two)</p> <p>1. Password security: Password is widely accepted security control to access the data. Only the authorised person can access the data. Any user who does not know the password cannot retrieve information from the system. It ensures data integrity. It uses a binary encoding format of storage and offers access to the data base.</p> <p>2. Data Audit: Audit feature of accounting software provides the user with administrator right in order to keep track of unauthorised access to the data base. It audit for the correctness of entries. Once entries are audited with adulterations, if any, the software displays all entries along with the name of the auditor user and date and time of alteration.</p> <p>3. Data vault: Software provides additional security for the imputed data and this feature is referred as data vault. Data vault ensures that original information is presented and is not tempered. Data vault password cannot be broken. Some software uses data</p>	=4 Marks

			<p>encryption method.</p> <p style="text-align: center;">OR</p> <p>Q. Name the value.....these values.</p> <p>Ans. The value is called “ Null value” The three situations in which these can be used are</p> <p>(i) When a particular attribute does not apply to an entry.</p> <p>(ii) Value of an attribute is unknown.</p> <p>(iii) Unknown because it does not exit</p>	
23	23	23	<p>Q. Nisan Ltd.....MS Excel.</p> <p>Ans.</p> <ul style="list-style-type: none"> • Cost of purchase column A1=`1,50,0000 • Installation + other expense column B1=`50,000 • Cost to use = sum (A1,B1)= column C1=`2,00000/- • Salvage value= column D1=`25,000/- • Life of asset= column E1=5 years • SLM Depreciation= $SLM(C1,D1,E1) = \text{column F1} = `100000/-$ • Rate of Depreciation=$35,000/1,75,000 \times 100 = 20\%$ 	<p>=</p> <p>6</p> <p>Marks</p>