

**- Strictly Confidential : (For Internal and Restricted Use Only)**  
**Senior School Certificate Examination**  
**March -2018 - 19**  
**Marking Scheme – Accountancy 67/5/1, 67/5/2, 67/5/3**

**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.



			<p>equally.</p> <p>2. When Capital contribution is same but the share of profits are unequal.</p> <p style="text-align: center;"><b>OR</b></p> <p><b>Q. Distinguish between .....basis of Credit balance.</b></p> <p><b>Ans:</b> Fixed Capital account will have credit balance whereas Fluctuating Capital account can have debit balance as well.</p>	<p>½ + ½</p> <p style="text-align: center;"><b>OR</b></p> <p>1</p>																				
7	9	10	<p><b>Q. State any three purposes other than.....Securities Premium Reserve can be utilised.</b></p> <p><b>Ans :</b> (i) Issue of Fully paid bonus shares (ii) To pay premium for redemption of debentures or preference shares. (iii) To write off expenses of, or commission paid, or discount allowed on shares/ debentures. (iv) For buy back of shares. <b>(Any Three)</b></p> <p style="text-align: center;"><b>OR</b></p> <p><b>Q. Using imaginary..... Companies Act,2013.</b></p> <p><b>Ans.</b></p> <p style="text-align: center;"><b>Balance Sheet</b> <b>(Of .....Ltd. as per Schedule III Of Companies Act 2013)</b></p> <table><tr><th>Particulars</th><th>Note No.</th><th>Current Year (Rs.)</th><th>Previous Year (Rs.)</th></tr><tr><td>I. <u>Equity and Liabilities</u> 1. Shareholders Funds</td><td>1</td><td>15,00,000</td><td>15,00,000</td></tr></table> <p>Note No.</p> <table><tr><th>Particulars</th><th>Current Year (Rs.)</th><th>Previous Year (Rs.)</th></tr><tr><td><u>Authorised Capital:</u>  2,00,000 Equity Shares of Rs.10 each</td><td>20,00,000</td><td>20,00,000</td></tr><tr><td><u>Issued Capital:</u>  1,50,000 Equity Shares of Rs. 10 Each</td><td>15,00,000</td><td>15,00,000</td></tr><tr><td><u>Subscribed Capital:</u>  Subscribed and Fully paid  1,50,000 Equity Shares of Rs.10 each</td><td>15,00,000</td><td>15,00,000</td></tr></table> <p><b>Note:</b> <b>(i) The figures provided are imaginary. If the candidate has provided other correct figures full credit be given.</b></p>	Particulars	Note No.	Current Year (Rs.)	Previous Year (Rs.)	I. <u>Equity and Liabilities</u> 1. Shareholders Funds	1	15,00,000	15,00,000	Particulars	Current Year (Rs.)	Previous Year (Rs.)	<u>Authorised Capital:</u>  2,00,000 Equity Shares of Rs.10 each	20,00,000	20,00,000	<u>Issued Capital:</u>  1,50,000 Equity Shares of Rs. 10 Each	15,00,000	15,00,000	<u>Subscribed Capital:</u>  Subscribed and Fully paid  1,50,000 Equity Shares of Rs.10 each	15,00,000	15,00,000	<p>3</p> <p>(1x3)</p> <p>1</p> <p>2</p>
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[illegible]

10	-	-	<p><b>Q. On 1<sup>st</sup> April,2011, XYZ, a banking company ..... redemption investments as per the provisions of Companies Act,2013. Pass necessary journal entries for redemption of debentures.</b></p> <p><b>Ans. Journal</b></p> <table border="1"> <thead> <tr> <th>Date</th><th>Particulars</th><th>L.F</th><th>Amount (Dr.)</th><th>Amount (Cr.)</th></tr> </thead> <tbody> <tr> <td>2017 march 31<sup>st</sup></td><td>Surplus i.e balance in statement of P &amp; L A/c. Dr. To Debenture redemption reserve (Being reserve created at 25% of outstanding debentures)</td><td></td><td>6,25,000</td><td>6,25,000</td></tr> <tr> <td>April 2017</td><td>Debenture redemption investment A/c Dr. To Bank A/c (Being 15% invested in investments)</td><td></td><td>3,75,000</td><td>3,75,000</td></tr> <tr> <td>2018 March 31<sup>st</sup></td><td>Bank A/c Dr. To Debenture Redemption Investment A/c (Being investments sold)</td><td></td><td>3,75,000</td><td>3,75,000</td></tr> <tr> <td>2018 March 31<sup>st</sup></td><td>9% debentures A/c Dr. Premium on redemption of Debentures A/c Dr. To Debentureholder's A/c (Being debentures and premium due for redemption)</td><td></td><td>25,00,000 2,50,000</td><td>27,50,000</td></tr> <tr> <td>2018 March 31<sup>st</sup></td><td>Debentureholder's A/c Dr. To Bank A/c (Being payment made to debentureholders)</td><td></td><td>27,50,000</td><td>27,50,000</td></tr> <tr> <td>2018 March 31<sup>st</sup></td><td>Debenture redemption reserve A/c Dr. To General reserve A/c (Being debentures redemption reserve transferred to general reserve).</td><td></td><td>6,25,000</td><td>6,25,000</td></tr> </tbody> </table> <p><b>Note: In case the student has not created reserve and transferred the same to general reserve deduct only half mark.</b></p>	Date	Particulars	L.F	Amount (Dr.)	Amount (Cr.)	2017 march 31 <sup>st</sup>	Surplus i.e balance in statement of P & L A/c. Dr. To Debenture redemption reserve (Being reserve created at 25% of outstanding debentures)		6,25,000	6,25,000	April 2017	Debenture redemption investment A/c Dr. To Bank A/c (Being 15% invested in investments)		3,75,000	3,75,000	2018 March 31 <sup>st</sup>	Bank A/c Dr. To Debenture Redemption Investment A/c (Being investments sold)		3,75,000	3,75,000	2018 March 31 <sup>st</sup>	9% debentures A/c Dr. Premium on redemption of Debentures A/c Dr. To Debentureholder's A/c (Being debentures and premium due for redemption)		25,00,000 2,50,000	27,50,000	2018 March 31 <sup>st</sup>	Debentureholder's A/c Dr. To Bank A/c (Being payment made to debentureholders)		27,50,000	27,50,000	2018 March 31 <sup>st</sup>	Debenture redemption reserve A/c Dr. To General reserve A/c (Being debentures redemption reserve transferred to general reserve).		6,25,000	6,25,000	3
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( ½ x 6)

11	-	-	<p><b>Q. V and S are partners in a firm..... as his share of goodwill premium. Give necessary journal entries.</b></p> <p>1. When the amount of goodwill..... in the business, and</p> <p><b>ANS. Journal</b></p> <table border="1"> <thead> <tr> <th>DATE</th><th>PARTICULARS</th><th>L.F</th><th>Debit (Rs.)</th><th>Credit (Rs.)</th></tr> </thead> <tbody> <tr> <td></td><td>Bank/Cash A/c Dr. To G's capital A/c To Premium for goodwill A/c (Being cash brought in for capital and goodwill)</td><td></td><td>24000</td><td>20,000 4,000</td></tr> <tr> <td></td><td>Premium for goodwill A/c Dr. To V's capital A/c To S's capital A/c (Being premium distributed to old partners in sacrificing ratio)</td><td></td><td>4,000</td><td>2,500 1,500</td></tr> </tbody> </table> <p><b>No further entry for retention of goodwill in business. For withdrawal additional entry is as under:</b></p> <p>2. When the amount of ..... was fully withdrawn.</p> <p><b>Ans. Journal</b></p> <table border="1"> <thead> <tr> <th>DATE</th><th>PARTICULARS</th><th>L.F</th><th>Debit (Rs.)</th><th>Credit (Rs.)</th></tr> </thead> <tbody> <tr> <td></td><td>V's capital A/c Dr. S's capital A/c Dr. To Bank/ Cash A/c (Being cash withdrawn by old partners)</td><td></td><td>2,500 1,500</td><td>4,000</td></tr> </tbody> </table>	DATE	PARTICULARS	L.F	Debit (Rs.)	Credit (Rs.)		Bank/Cash A/c Dr. To G's capital A/c To Premium for goodwill A/c (Being cash brought in for capital and goodwill)		24000	20,000 4,000		Premium for goodwill A/c Dr. To V's capital A/c To S's capital A/c (Being premium distributed to old partners in sacrificing ratio)		4,000	2,500 1,500	DATE	PARTICULARS	L.F	Debit (Rs.)	Credit (Rs.)		V's capital A/c Dr. S's capital A/c Dr. To Bank/ Cash A/c (Being cash withdrawn by old partners)		2,500 1,500	4,000	<p><b>4</b></p> <p>(1 ½ )</p> <p>(1 ½ )</p> <p>(1)</p>
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12	-	-	<p><b>Q. A, B and C were partners..... there was a liability of Rs. 7,000 on account of workmen's compensation.</b></p> <p><b>Pass the necessary journal entries for the above at the time of A's death.</b></p> <p><b>Journal</b></p> <table border="1"> <thead> <tr> <th>Date</th><th>Particulars</th><th>L.F</th><th>Debit (Rs.)</th><th>Credit (Rs.)</th></tr> </thead> <tbody> <tr> <td></td><td>Revaluation A/c Dr. To Patents A/c To Furniture A/c To Plant A/c (Being assets revalued).</td><td></td><td>24,000</td><td>8,000 6,000 10,000</td></tr> <tr> <td></td><td>Workmen's Compensation fund A/c Dr. To claim for workmen's compensation To A's Capital A/c To B's Capital A/c To C's Capital A/c (Being compensation fund transferred to claim and balance distributed)</td><td></td><td>10,000</td><td>7,000 1,000 1,000 1,000</td></tr> <tr> <td></td><td>A's capital A/c Dr.</td><td></td><td>8,000</td><td></td></tr> </tbody> </table>	Date	Particulars	L.F	Debit (Rs.)	Credit (Rs.)		Revaluation A/c Dr. To Patents A/c To Furniture A/c To Plant A/c (Being assets revalued).		24,000	8,000 6,000 10,000		Workmen's Compensation fund A/c Dr. To claim for workmen's compensation To A's Capital A/c To B's Capital A/c To C's Capital A/c (Being compensation fund transferred to claim and balance distributed)		10,000	7,000 1,000 1,000 1,000		A's capital A/c Dr.		8,000		<p><b>4</b></p> <p>(1/2)</p> <p>(1)</p>					
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(Being adjustment entry passed through current's A/c of partners)

**Note: In case the working notes have been prepared in a different format or through profit and loss adjustment account full credit may be given.**

**OR**

**Q. T and N were partners in a..... Prepare Revaluation account, Partner's Capital Accounts and Opening Balance Sheet of the new firm.**

**Ans.**

<b>Dr.</b>		<b>REVALUATION A/C</b>		<b>Cr.</b>	
Particulars	Amount	Particulars	Amount		
To Provision For Doubtful Debts	2,000	By Partner's capital A/c			
To Furniture A/c	150	T	1,575		
To Stock A/c	1000	N	1,575		
	<u>3150</u>				
					<u>3,150</u>

(2)

<b>Dr.</b>				<b>PARTNER'S CAPITAL A/C</b>				<b>Cr.</b>			
Particulars	T	N	M	Particulars	T	N	M				
To Revaluation A/c	1,575	1,575	-	By Balance b/d	30,000	15,000	-				
To Balance C/d	31,675	16,675	15,500	By General Reserve A/c	1,000	1,000	-				
				By Bank A/c	-	-	15,500				
				By Premium for Goodwill A/c	2,250	2,250	-				
	<u>33,250</u>	<u>18,250</u>	<u>15,500</u>		<u>33,250</u>	<u>18,250</u>	<u>15,500</u>				

(2)

**BALANCE SHEET**  
**(of T,N and M as at 31-3-2018)**

Liabilities	Amount (Rs.)	Assets	Amount (Rs.)
Creditors	18,000	Cash at bank	21,000
Capitals		Debtors	40,000
T – 31,675		(-) Provision	<u>(2,000)</u>
N- 16,675		Stock	5,000
M- <u>15,500</u>	63,850	Furniture	2,850
		Freehold Property	15,000
	<u>81,850</u>		<u>81,850</u>

(2)

**14 15 13 Q. A, B and C were partners in a firm..... Prepare Profit and Loss Appropriation Account..... the Current Accounts of the partners. ANS.**

**6**

**P&L APPROPRIATION A/C**

Dr.		(OF A,B AND C FOR THE YEAR ENDING 31-3-18)		Cr.	
Particulars	Amount	Particulars	Amount		
To Interest on Capital		By Net Profits	3,88,000		
A's current A/c 40,500		(4,00,000-12,000)			
B's current A/c 45,000					
C's current A/c <u>54,000</u>	1,39,500				
To Salary to Partner					
A's current A/c	2,00,000				
To Profits					
A's current A/c 14,550					
B's current A/c 14,550					
C's current A/c <u>19,400</u>	48,500				
	<u>3,88,000</u>		<u>3,88,000</u>		

(3)

Dr.				PARTNER'S CURRENT A/C			Cr.
PARTICULARS	A	B	C	PARTICULARS	A	B	C
To balance B/d	20,000	10,000	15,000	By Int. On Cap	40,500	45,000	54,000
				By salary	2,00,000	--	---
To Drawings	40,000	75,000	55,000	By profits	14,550	14,550	19,400
To Balance c/d	1,95,050	--	3,400	By Balance c/d		25,450	
	2,55,050	85,000	73,400		2,55,050	85,000	73,400

(3)

15	13	14	<p><b>Q. Following is the summary of cash transactions..... summary prepare a Receipts and Payments Account of Good Health Club for the year ending 31.3.2018.</b></p> <p><b>Ans.</b></p> <p style="text-align: center;"><b>Receipts and Payments A/c</b></p> <p style="text-align: center;">Dr. (of Good Health club for the year ending 31-3-18) Cr.</p> <table><tr><th>Receipts</th><th>Amount(Rs.)</th><th>Payments</th><th>Amount(Rs.)</th></tr><tr><td>To opening balance</td><td></td><td>By wages and salary</td><td>55,000</td></tr><tr><td>    cash</td><td>70,000</td><td>By Investment in 9% deb</td><td>2,40,000</td></tr><tr><td>    bank</td><td>3,00,000</td><td>    of XYZ Ltd.</td><td></td></tr><tr><td>To subscription received</td><td></td><td>By health journals</td><td>5,000</td></tr><tr><td>2016-17   40,000</td><td></td><td>By stationary</td><td>12,500</td></tr><tr><td>2017-18   3,75,000</td><td></td><td>By insurance premium</td><td>6760</td></tr><tr><td>2018-19   20,000</td><td>4,35,000</td><td>By courier charges</td><td>800</td></tr><tr><td>To donations for gym</td><td>1,64,000</td><td>By Municipal taxes</td><td>9570</td></tr><tr><td>To Admission Fees</td><td>14,000</td><td>By Machine purchased</td><td>38,000</td></tr><tr><td>To Life Member fees</td><td>45,000</td><td>By Balance C/d</td><td></td></tr><tr><td>To lockers rent</td><td>11,000</td><td>    Cash in hand</td><td>43000</td></tr><tr><td>To sale for old paper</td><td>300</td><td>    Bank (Balancing</td><td>6,30,410</td></tr><tr><td>To interest on bank</td><td>1740</td><td>    Figure)</td><td></td></tr><tr><td>balance</td><td></td><td></td><td></td></tr><tr><td></td><td><u>10,41,040</u></td><td></td><td><u>10,41,040</u></td></tr></table>	Receipts	Amount(Rs.)	Payments	Amount(Rs.)	To opening balance		By wages and salary	55,000	cash	70,000	By Investment in 9% deb	2,40,000	bank	3,00,000	of XYZ Ltd.		To subscription received		By health journals	5,000	2016-17   40,000		By stationary	12,500	2017-18   3,75,000		By insurance premium	6760	2018-19   20,000	4,35,000	By courier charges	800	To donations for gym	1,64,000	By Municipal taxes	9570	To Admission Fees	14,000	By Machine purchased	38,000	To Life Member fees	45,000	By Balance C/d		To lockers rent	11,000	Cash in hand	43000	To sale for old paper	300	Bank (Balancing	6,30,410	To interest on bank	1740	Figure)		balance					<u>10,41,040</u>		<u>10,41,040</u>	6												
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	<u>10,41,040</u>		<u>10,41,040</u>																																																																													
16	16	17	<p><b>Q. Michael, Jackson and John were..... Prepare Realisation account, Bank Account and Partner's Capital Accounts.</b></p> <p><b>Ans.</b></p> <p style="text-align: center;"><b>REALISATION A/C</b></p> <p style="text-align: center;">Dr. Cr.</p> <table><tr><th>Particulars</th><th>Amount</th><th>Particulars</th><th>Amount</th></tr><tr><td>To Debtors</td><td>48,400</td><td>By Provision for Doubtful</td><td>2,400</td></tr><tr><td>To Stock In hand</td><td>16000</td><td>Debts</td><td></td></tr><tr><td>To Furniture</td><td>2000</td><td>By Creditors</td><td>11,500</td></tr><tr><td>To Sundry assets</td><td>34000</td><td>By Loan</td><td>3,500</td></tr><tr><td>To Michael's Capital A/c</td><td>10,000</td><td>By Michael's Capital A/c</td><td></td></tr><tr><td>    (creditors)</td><td></td><td>    Furniture   2,600</td><td></td></tr><tr><td>To John's Capital A/c</td><td></td><td>    Debtors    <u>34,400</u></td><td>37,000</td></tr><tr><td>    Loan       3,500</td><td></td><td>By Jackson's capital A/c</td><td></td></tr><tr><td>Expenses     <u>600</u></td><td>4,100</td><td>Stock in trade   14,000</td><td></td></tr><tr><td>To Bank(creditors)</td><td>1,500</td><td>sundry assets   <u>28800</u></td><td>42,800</td></tr><tr><td></td><td></td><td>By John's Capital A/c</td><td></td></tr><tr><td></td><td></td><td>    Sundry assets</td><td>1,800</td></tr><tr><td></td><td></td><td>By Bank(Debtors)</td><td>4,200</td></tr><tr><td></td><td></td><td>By Partner's Capital A/c</td><td></td></tr><tr><td></td><td></td><td>    Michael       7680</td><td></td></tr><tr><td></td><td></td><td>    Jackson       2560</td><td></td></tr><tr><td></td><td></td><td>    John          <u>2560</u></td><td>12800</td></tr><tr><td></td><td><u>1,16,000</u></td><td></td><td><u>1,16,000</u></td></tr></table>	Particulars	Amount	Particulars	Amount	To Debtors	48,400	By Provision for Doubtful	2,400	To Stock In hand	16000	Debts		To Furniture	2000	By Creditors	11,500	To Sundry assets	34000	By Loan	3,500	To Michael's Capital A/c	10,000	By Michael's Capital A/c		(creditors)		Furniture   2,600		To John's Capital A/c		Debtors <u>34,400</u>	37,000	Loan       3,500		By Jackson's capital A/c		Expenses <u>600</u>	4,100	Stock in trade   14,000		To Bank(creditors)	1,500	sundry assets <u>28800</u>	42,800			By John's Capital A/c				Sundry assets	1,800			By Bank(Debtors)	4,200			By Partner's Capital A/c				Michael       7680				Jackson       2560				John <u>2560</u>	12800		<u>1,16,000</u>		<u>1,16,000</u>	8
Particulars	Amount	Particulars	Amount																																																																													
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	<u>1,16,000</u>		<u>1,16,000</u>																																																																													

½ mark for two correct posting + 1 for calculating closing bank bal.

(4)

Dr. PARTNERS CAPITAL A/C				Cr.			
Particulars	Michael	Jackson	John	Particulars	Michael	Jackson	John
To Realisation A/c	37000	42800	1800	By Balance b/d	50,000	25,000	14,000
To Realisation A/c (loss)	7680	2560	2560	By Realisation A/c	10,000	-	4100
To Bank A/c	<u>15320</u>	-	<u>13740</u>	By bank A/c	-	<u>20,360</u>	-
	<u>60,000</u>	<u>45,360</u>	<u>18100</u>		<u>60,000</u>	<u>45,360</u>	<u>18,100</u>

(2)

Dr. BANK A/C		Cr.	
PARTICULARS	AMOUNT	PARTICULARS	AMOUNT
To Balance b/d	6,000	By Realisation A/c	1500
To Realisation A/c	4,200	By Michael's Capital A/c	15320
To Jackson's Capital A/c	<u>20,360</u>	By John's Capital A/c	<u>13740</u>
	<u>30,560</u>		<u>30,560</u>

(2)

OR

**Q. N, S and B were partners in a firm..... Prepare Revaluation account, Partner's Capital Accounts and the Balance Sheet of the reconstituted firm.**

Ans-

Dr. REVALUATION A/C		Cr.	
PARTICULARS	AMOUNT	PARTICULARS	AMOUNT
To Machinery A/c	3000	By Freehold Premises A/c	8,000
To Furniture A/c	840	By Stock A/c	3,300
To Provision for doubtful debts	1500		
To Partner's capital A/c			
N- 2980			
S- 993			
B- <u>1987</u>	<u>5960</u>		
	<u>11,300</u>		<u>11,300</u>

(2 1/2)

Dr. PARTNER'S CAPITAL A/C				Cr.			
PARTICULARS	N	S	B	PARTICULARS	N	S	B
To B's A/c	5250	1750	-	By Balance B/d	30,000	30,000	28,000
To B's Loan A/c	-	-	40,987	By N's Capital A/c	-	-	5250
				By S's Capital A/c	-	-	1750
To Balance c/d	33,730	31,243	-	By General Reserve	6,000	2,000	4,000
				By Revaluation A/c	<u>2980</u>	<u>993</u>	<u>1987</u>
	<u>38980</u>	<u>32993</u>	<u>40987</u>		<u>38980</u>	<u>32993</u>	<u>40987</u>
To Current A/c	-	15000	-	By Balance B/d	33,730	31,243	-
				By current A/c	15000	-	-
To Balance C/d	<u>48,730</u>	<u>16,243</u>	-		<u>48,730</u>	<u>31,243</u>	-
	<u>48730</u>	<u>31243</u>	-				

(3 ½)

**BALANCE SHEET**  
**(of N & S as at 31-3-17)**

Liabilities	Amount	Assets	Amount
Capital's A/C		Freehold premises	48,000
N        48,730		Machinery A/c	27,000
S <u>16,243</u>	64,973	Furniture A/c	11,160
Bills Payable	12,000	Stock A/c	25,300
Sundry Creditors	18,000	Sundry Debtors        20,000	
N's Current A/c	15,000	-Provision for debtors(2,500)	17,500
B's Loan A/c	<u>40987</u>	Cash	7,000
		S's Current A/c	<u>15,000</u>
	<u>1,50,960</u>		<u>1,50,960</u>

(2)

**ALTERNATE SOLUTION**

**Alternate**

**Note: An examinee should have prepared Revaluation Account as per the given question. But if an examinee has prepared Realisation Account instead of Revaluation Account, the marking will be as follows:**

Dr.	Realisation A/c		Cr.
Particulars	Amount (₹)	Particulars	Amount (₹)
To Sundry Assets		By Provision for bad debts	1,000
Freehold Premises    40,000		By Bills payable	12,000
Machinery            30,000		By Sundry Creditors	18,000
Furniture             12,000			1 ½
Stock                 22,000			marks
Sundry Debtors <u>20,000</u>	1,24,000		
	2½		
To Bank	marks		
Creditors             18,000	1 mark		
Bills payable        12,000	1 mark		

6 marks

**Dr.                                      PARTNER'S CAPITAL A/c                                      Cr.**

Particulars	N(₹)	S(₹)	B(₹)	Particulars	N(₹)	S(₹)	B(₹)
				By Balance b/d	30,000	30,000	28,000
				By General Reserve	6,000	2,000	4,000

1 mark  
1 mark

**17    17    16    Q. Royal Ltd. Invited applications for issuing 2,00,000 equity shares of Rs. 10**

**8**

each..... All the forfeited shares were reissued at rs.11.50 fully paid up to Meeta.

Pass necessary journal entries..... in the books of Royal Ltd.

Ans.

Journal

Date	Particulars	L.F.	Debit (Rs.)	Credit (Rs.)
	Bank A/c Dr. To Equity share application A/c (Being amount received on application of 4,50,000 shares at a premium of rs.2.50)		18,00,000	18,00,000
	Equity share application A/c Dr. To Equity share capital A/c To Securities Premium reserve A/c To Equity share allotment A/c To Bank A/c (Being the amount transferred to share capital, share allotment, securities premium reserve and bank)		18,00,000	3,00,000 5,00,000 6,00,000 4,00,000
	Equity share allotment A/c Dr. To Equity share capital A/c (Being share allotment made due)		7,00,000	7,00,000
	Bank A/c Dr. Calls in arrears A/c Dr. To Equity share allotment A/c (Being share allotment received.)		98,000 2,000	1,00,000
	Equity share capital A/c Dr. To Share forfeited A/c To Calls in arrears A/c (Being shares forfeited.)		20,000	18,000 2,000
	Equity share 1 <sup>st</sup> and final call A/c Dr. To Equity share capital A/c (Being shares 1 <sup>st</sup> and final call made due.)		9,80,000	9,80,000
	Bank A/c Dr. Calls in arrears A/c Dr. To Equity share 1 <sup>st</sup> and final call A/c (Being first and final call received)		9,50,000 30,000	9,80,000
	Equity share capital A/c Dr. To Share forfeiture A/c To Calls in arrears A/c (Being shares forfeited.)		60,000	30,000 30,000
	Bank A/c Dr. To Equity share capital A/c To Securities premium reserve A/c (Being shares re-issued.)		1,15,000	1,00,000 15,000
	Share forfeiture A/c Dr. To Capital Reserve A/c		48,000	48,000

½

1

½

1

1

1

½

1

1

½

(Being amount transferred to capital A/c)

**Note: In case the candidate has given the solution without opening calls in arrears account full credit may be given.**

**Working notes:**

Shares Applied =  $3,50,000 / 2,00,000 \times 4000 = 7,000$  shares

Money Sent on Application =  $7,000 \times 4 = \text{Rs.}28,000$

Money used on application =  $4,000 \times 4 = \text{Rs.}16,000$

Excess received on Application =  $\text{Rs.}4,000$

Money Due on allotment =  $\text{Rs.}7,00,000$

Less Adjustment on Application =  $\text{Rs.}6,00,000$

Money Receivable =  $\text{Rs.}1,00,000$

Less: Not received =  $\text{Rs.}2,000$

( $\text{Rs. } 14,000 - 12,000$  (excess))

Amount Received on Allotment =  $\text{Rs.}98,000$

**OR**

**Q. Saral Ltd. Invited applications for issuing 25,000 equity shares ..... The forfeited shares were reissued at Rs. 95 per share fully paid up.**

**Pass necessary journal entries for the above transaction in the books of the company.**

**Ans.**

**Journal**

Date	Particulars	L.F.	Debit (Rs.)	Credit (Rs.)
	Bank A/c Dr. To equity share application A/c (Being amount received on application)		4,80,000	4,80,000
	Equity share application A/c Dr. To equity share capital A/c (Being amount transferred to share capital.)		4,80,000	4,80,000
	Equity share allotment A/c Dr. To Equity share capital A/c (Being share allotment made due.)		7,20,000	7,20,000
	Bank A/c Dr. Calls in arrears A/c Dr. To equity share allotment A/c (Being share allotment received.)		6,75,000 45,000	7,20,000
	Equity share 1 <sup>st</sup> call A/c Dr. To Equity share capital A/c (Being 1 <sup>st</sup> call due.)		6,00,000	6,00,000
	Bank A/c Dr. Calls in arrears A/c Dr. To Equity share 1 <sup>st</sup> call A/c (Being 1 <sup>st</sup> call received.)		5,00,000 1,00,000	6,00,000

½

½

½

1

1

1

			<table><tr><td>Equity share 2<sup>nd</sup> call A/c To Equity share capital A/c (Being second call due.)</td><td>Dr.</td><td></td><td>6,00,000</td><td>6,00,000</td><td>½</td></tr><tr><td>Bank A/c Calls in arrears A/c To Equity share 2<sup>nd</sup> call A/c (Being second call received.)</td><td>Dr. Dr.</td><td></td><td>4,50,000 1,50,000</td><td>6,00,000</td><td>1</td></tr><tr><td>Equity share capital A/c To Share forfeiture A/c To Calls in arrear A/c (Being shares forfeited.)</td><td>Dr.</td><td></td><td>4,00,000</td><td>1,55,000 2,45,000</td><td>1</td></tr><tr><td>Bank A/c Share forfeiture A/c To Equity share capital A/c (Being forfeited shares re-issued.)</td><td>Dr. Dr.</td><td></td><td>3,80,000 20,000</td><td>4,00,000</td><td>½</td></tr><tr><td>Share Forfeiture A/c To capital reserve A/c (Being amount transferred to capital reserve.)</td><td>Dr.</td><td></td><td>1,35,000</td><td>1,35,000</td><td>½</td></tr></table>	Equity share 2 <sup>nd</sup> call A/c To Equity share capital A/c (Being second call due.)	Dr.		6,00,000	6,00,000	½	Bank A/c Calls in arrears A/c To Equity share 2 <sup>nd</sup> call A/c (Being second call received.)	Dr. Dr.		4,50,000 1,50,000	6,00,000	1	Equity share capital A/c To Share forfeiture A/c To Calls in arrear A/c (Being shares forfeited.)	Dr.		4,00,000	1,55,000 2,45,000	1	Bank A/c Share forfeiture A/c To Equity share capital A/c (Being forfeited shares re-issued.)	Dr. Dr.		3,80,000 20,000	4,00,000	½	Share Forfeiture A/c To capital reserve A/c (Being amount transferred to capital reserve.)	Dr.		1,35,000	1,35,000	½	
Equity share 2 <sup>nd</sup> call A/c To Equity share capital A/c (Being second call due.)	Dr.		6,00,000	6,00,000	½																													
Bank A/c Calls in arrears A/c To Equity share 2 <sup>nd</sup> call A/c (Being second call received.)	Dr. Dr.		4,50,000 1,50,000	6,00,000	1																													
Equity share capital A/c To Share forfeiture A/c To Calls in arrear A/c (Being shares forfeited.)	Dr.		4,00,000	1,55,000 2,45,000	1																													
Bank A/c Share forfeiture A/c To Equity share capital A/c (Being forfeited shares re-issued.)	Dr. Dr.		3,80,000 20,000	4,00,000	½																													
Share Forfeiture A/c To capital reserve A/c (Being amount transferred to capital reserve.)	Dr.		1,35,000	1,35,000	½																													
<b>Note: In case the candidate has given the solution without opening calls in arrears account full credit may be given.</b>																																		
18.	-	-	<b>Q. What is meant by “operating activities”?</b>  <b>Ans. Operating Activities:-</b> These are the principal revenue generating activities of the enterprise.			1																												
19.	-	-	<b>Q. State any two..... “Cash Flow statements”.</b>  <b>Ans.</b> 1) To calculate inflow and outflow of cash during a particular period under various heads. 2) To assess the ability of enterprise to generate cash and the needs to utilize those cash flows.  <b>Note: In case the candidate has given any other correct objective full credit may be given.</b>			½ x 2																												
20.	21	20	<b>Q. Under which major heads and sub-heads will..... Companies act, 2013?</b> <b>Bank overdraft.....</b> <b>..... 8) Provision of taxation</b> <b>Ans.</b> <table><tr><td>S.No.</td><td>Items</td><td>Headings</td><td>Sub-Headings</td></tr><tr><td>(i)</td><td>Bank Overdraft</td><td>Current Liabilities</td><td>Short term borrowings</td></tr><tr><td>(ii)</td><td>Subsidy Reserve</td><td>Shareholders’ funds</td><td>Reserves and surplus- other</td></tr></table>			S.No.	Items	Headings	Sub-Headings	(i)	Bank Overdraft	Current Liabilities	Short term borrowings	(ii)	Subsidy Reserve	Shareholders’ funds	Reserves and surplus- other	<b>4</b>  <																
S.No.	Items	Headings	Sub-Headings																															
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(ii)	Subsidy Reserve	Shareholders’ funds	Reserves and surplus- other																															



(iii)	Capital redemption reserve	Shareholders' funds	Reserves and surplus
(iv)	Mining Rights	Non current assets	Fixed assets-Intangibles
(v)	Patents	Non current assets	Fixed assets-Intangibles
(vi)	Debit balance in Statement of P&L	Shareholders' funds	Reserves and surplus
(vii)	Debenture Redemption Reserve	Shareholders' funds	Reserves and surplus
(viii)	Provision for tax	Current Liabilities	Short term provisions

2

2

OR

**Q. Explain briefly ..... 2) Top Management.**

**Ans. 1) Finance Manager:** Focuses on the facts and relationships related to managerial performance, corporate efficiency, financial strength and weakness and credit worthiness of the company. It helps in constant review of financial operation and to analyse causes of major deviations which further help in taking corrective actions.

2) **Top Management-** Top management is interested in every aspect of the financial analyses. It is their overall responsibility to see that the resources are used most efficiently and the firm's financial condition is sound. It helps the management in measuring the success of company's operations, appraising the individual's performance and evaluating the system of internal control.

**21. - - Q. From the follow..... Comaparative Balance Sheet of X Ltd.****4****Ans.****Comparative Balance Sheet**

(Of X Ltd. As at 31-3-16 and 31-3-17)

Particulars	31-3-16 (Rs.)	31-3-17 (Rs.)	Absolute change (Rs.)	Percentage change
<b>1. Equity and Liabilities:-</b>				
1. <u>Shareholder's Fund</u>				
a) Share capital	25,00,000	25,00,000	-----	-----
b) Reserves and surplus	10,00,000	6,00,000	(4,00,000)	(40)
2. <u>Non- Current Liabilities</u>				
a) Long term borrowings	15,00,000	16,00,000	1,00,000	6.67
3. <u>Current Liabilities</u>	4,50,000	5,00,000	50,000	11.11
	<u>54,50,000</u>	<u>52,00,000</u>	<u>(2,50,000)</u>	<u>(4.58)</u>
<b>2. Assets:-</b>				
1. <u>Non-Current assets</u>				
a) Fixed Assets	25,00,000	35,00,000	10,00,000	40

½

½

½

½

½

½

			<table><tr><td>b) Non-Current Investments</td><td>15,00,000</td><td>10,50,000</td><td>(4,50,000)</td><td>(30)</td></tr><tr><td>2. <u>Current Assets</u></td><td><u>14,50,000</u></td><td><u>6,50,000</u></td><td><u>(8,00,000)</u></td><td><u>(55.17)</u></td></tr><tr><td></td><td><u>54,50,000</u></td><td><u>52,00,000</u></td><td><u>(2,50,000)</u></td><td><u>(4.58)</u></td></tr><tr><td></td><td></td><td></td><td></td><td></td></tr></table>	b) Non-Current Investments	15,00,000	10,50,000	(4,50,000)	(30)	2. <u>Current Assets</u>	<u>14,50,000</u>	<u>6,50,000</u>	<u>(8,00,000)</u>	<u>(55.17)</u>		<u>54,50,000</u>	<u>52,00,000</u>	<u>(2,50,000)</u>	<u>(4.58)</u>						$\frac{1}{2}$ $\frac{1}{2}$																			
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			<b>Note: Only half marks may be deducted for incorrect calculation of percentages.</b>																																								
22	20	21	<p><b>Q. From the following balances..... proprietary ratio.</b></p> <p><b>Ans.</b> Proprietary ratio= <math>\frac{\text{Shareholder's Funds}}{\text{Total Assets}}</math> <b>Total Assets</b>= Plant and machinery+ Land and Building + Motor car+ Furniture + Stock+ debtors + Cash at bank  = 10,00,000+ 6,00,000+ 8,00,000+ 1,50,000+ 4,50,000+ 90,000+ 3,40,000 = Rs. 34,30,000  Total Assets= Shareholder's Fund's + Non Current liabilities+ Current Liabilities 34,30,000= Shareholder's Fund+ 10,00,000+ 6,20,000  Shareholder's Funds= Rs. 18,10,000 Proprietary Ratio= <math>\frac{18,10,000}{34,30,000}</math> = 0.527  <b>OR</b> <b>Q. Assuming that debt to equity..... following cases:</b>  <b>Ans .</b> (i) No change (ii) Decrease (iii) Decrease (iv) Increase</p>	4  1  1    1  1   (1x4=4)																																							
23	23	23	<p><b>Q. From the following balance sheet..... Cash Flow statement:-</b></p> <p><b>Ans.</b> <b>Cash Flow Statement</b> of AXE Ltd. For the year ending 31-3-18(As per AS-3)</p> <table><tr><th>Particulars</th><th>Details(Rs.)</th><th>Amount(Rs.)</th></tr><tr><td colspan="3"><b>1. <u>Operating Activities:</u></b></td></tr><tr><td>Profit before tax and extraordinary items</td><td>1,98,000</td><td></td></tr><tr><td><u>Non Operating and Non Cash Items-</u></td><td></td><td></td></tr><tr><td>Depreciation charged during the year</td><td>6,000</td><td></td></tr><tr><td>Profit on sale of assets/machinery</td><td><u>(42,000)</u></td><td></td></tr><tr><td>Operating Profits before tax and changes in working capital</td><td>1,62,000</td><td></td></tr><tr><td><u>Changes in working Capital</u></td><td></td><td></td></tr><tr><td>Increase in trade payables</td><td>26,000</td><td></td></tr><tr><td>Decrease in other current liabilities</td><td>(14,000)</td><td></td></tr><tr><td>Decrease In inventories</td><td>56,000</td><td></td></tr><tr><td>Increase in trade receivables</td><td><u>(2,10,000)</u></td><td></td></tr><tr><td>Cash from Operating Activities(A)</td><td></td><td>20,000</td></tr></table>	Particulars	Details(Rs.)	Amount(Rs.)	<b>1. <u>Operating Activities:</u></b>			Profit before tax and extraordinary items	1,98,000		<u>Non Operating and Non Cash Items-</u>			Depreciation charged during the year	6,000		Profit on sale of assets/machinery	<u>(42,000)</u>		Operating Profits before tax and changes in working capital	1,62,000		<u>Changes in working Capital</u>			Increase in trade payables	26,000		Decrease in other current liabilities	(14,000)		Decrease In inventories	56,000		Increase in trade receivables	<u>(2,10,000)</u>		Cash from Operating Activities(A)		20,000	6    1   1   1
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2. <u>Investing Activities:</u>			
Purchase of machinery	(1,32,000)		1
Sale of machinery	<u>56,000</u>		
Cash Used In Investing Activities (B)		(76,000)	
3. <u>Financing Activity:</u>			
Issue of shares	<u>70,000</u>		½
Cash from financing activities (C)		<u>70,000</u>	
Net Cash Inflow During the year(A+ B+ C)		14,000	
+ Opening Cash Equivalents		<u>70,000</u>	½
Closing cash equivalents		<u>84,000</u>	

Working Notes:

**Machinery A/c**

**Dr.**

**Cr.**

Particulars	Amount	Particulars	Amount
To Balance B/d	3,60,000	By accumulated depreciation (prev. Depr)	28,000
To statement of P&L (Profit)	42,000	By Bank	56,000
To Bank A/c(Purchase)	1,32,000	By Balance C/d	4,50,000
(balancing figure)			
	<u>5,34,000</u>		<u>5,34,000</u>

### Accumulated Depreciation A/c

**Dr.**

**Cr.**

Particulars	Amount	Particulars	Amount
To Machinery		By Balance b/d	80,000
A/c(previous depreciation)	28,000	By Depreciation (Charged)	6,000
To balance c/d	<u>58,000</u>		
	<u>86,000</u>		<u>86,000</u>

## PART B

### OPTION 2

**(Computerized Accounting )**

18	-	-	Q. What is.....'Parameter Queries'?
----	---	---	-------------------------------------

**Ans.** A parameter query prompts the user to enter parameters or criteria through an input box for selecting a set of records. A parameter query is useful when there is a need to repeat the same query with criteria.

**=1 Mark**

19	-	-	Q. What.....'Label'?
----	---	---	----------------------

**=1 Mark**

			<b>Ans.</b> It is a text or special character assigned to a row or column or descriptive information. These cannot be treated mathematically.	
20	-	-	<b>Q. Give the.....three advantages.</b>  <b>Ans.</b> A Graph is a pictorial presentation of data which has at least two dimensional relationships. Three advantages are:  (i) Help to explore. (ii) Help to present (iii) Help to convince  <b>(With suitable explanation )</b>	= <b>4 Marks</b>
21	22	21	<b>Q. Explain four.....'server database'?</b>  <b>Ans.</b> (Any four)  (i) Flexibility. (ii) Choice of front end applications. (iii) Powerful performance. (iv) Scalability to handle rapidly expanding number of users. (v) Ease of handling huge amount of data.(with suitable explanation)  <b>OR</b>  <b>Q. What is .....types of vouchers.</b> <b>Ans.</b> The vouchers are three types-(any two) <ul style="list-style-type: none"> <li>• <b>Memo voucher:</b> Memo voucher is a non accounting voucher. It does not affect accounts of the user. These entries are stated/recorded in a separate register, but not as a part of ledger</li> <li>• <b>Post dated voucher:</b> Some accounting software allows the user to enter the voucher for future transactions which are usually similar as the previous once.</li> <li>• <b>User defined Voucher:</b> In accounting software there are 23 predefined vouchers. It allows the user to define or create new accounting or inventory vouchers as per the requirement. In the voucher entry, entry can be classified into three basic categories.</li> </ul>	=4 Marks
22	21	22	<b>Q. Explain.....'Mnemonic' codes.</b>  <b>Ans.</b> <u>Sequential Codes</u> : In these codes numbers and/or letters are assigned in consecutive order. These codes are applied primarily to source documents such as cheques, invoices etc. This code facilitates document searches. This process enables in either identification of missing codes (numbers) relating to a particular document or a relevant document can be traced.  <u>Mnemonic Codes</u> : These codes consist of alphabets or abbreviations as symbols to codify a piece of information. SJ for sales Journal, HQ for Head Quarters are examples of mnemonic codes.  <b>OR</b>	

			<p><b>Q. State the steps.....Tally.</b></p> <p><b>Ans.</b> The following are the steps to construct BRS in tally:</p> <ol style="list-style-type: none"> <li>1. Bring up the monthly summary of bank book.</li> <li>2. Bring your cursor to the first month and press enter. This brings up the vouchers for the month. Since this is a bank account, an additional button F5: reconcile will be visible on the right Press F5.</li> <li>3. The display now becomes an Edit screen in Reconciliation mode. The primary components are: A column for the 'Bankers Date'</li> <li>4. Amounts not reflected in banks</li> <li>5. Balance as per bank</li> </ol>	=4 marks
23	23	23	<p><b>Q. What is.....its benefits.</b></p> <p><b>Ans.</b> A format change, such as background cell shading or font colour that is applied to a cell when a specified condition for the data in the cell is true.</p> <p><u>Conditional formatting</u> is often applied to worksheets to find:</p> <ul style="list-style-type: none"> <li>• Data that is above or below a certain value. Duplicate data values.</li> <li>• Cells containing specific text. Data that is above or below average.</li> <li>• Data that falls in the top ten or bottom ten values.</li> </ul> <p><b><u>Benefits of using conditional formatting:</u></b></p> <ol style="list-style-type: none"> <li>i) Helps in answering questions which are important for taking decisions.</li> <li>ii) Guides with help of using visuals.</li> <li>iii) Helps in understanding distribution and variation of critical data.</li> </ol>	= 6 Marks

**SET 2**



			<div>Ans.</div> <table><tr><th colspan="5">Journal</th></tr><tr><th>Date</th><th>Particulars</th><th>L.F.</th><th>Debit</th><th>Credit</th></tr><tr><td></td><td>Revaluation A/c                      Dr     To Sundry Liabilities a/c ( Being liability now recorded)</td><td></td><td></td><td></td></tr></table>	Journal					Date	Particulars	L.F.	Debit	Credit		Revaluation A/c                      Dr To Sundry Liabilities a/c ( Being liability now recorded)				1
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Date	Particulars	L.F.	Debit	Credit															
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-	7	-	<div>Q. The goodwill of a firm..... Last three years were:- Calculate mount of the goodwill.</div> <div>Ans.</div> <table><tr><th>Year</th><th>Normal Profits</th><th>Amount (Rs.)</th></tr><tr><td>2015-16</td><td>4,00,000 – 50,000 (abnormal gains)</td><td>3,50,000</td></tr><tr><td>2016-17</td><td>5,00,000 + 1,00,000 (abnormal loss)</td><td>6,00,000</td></tr><tr><td>2017-18</td><td>2,50,000</td><td>2,50,000</td></tr><tr><td colspan="2">Total Normal Profits</td><td>12,00,000</td></tr></table> <div>Average Normal profits = 12,00,000/3 = Rs.4,00,000 Goodwill = Average Profits x Years of purchase   </div>	Year	Normal Profits	Amount (Rs.)	2015-16	4,00,000 – 50,000 (abnormal gains)	3,50,000	2016-17	5,00,000 + 1,00,000 (abnormal loss)	6,00,000	2017-18	2,50,000	2,50,000	Total Normal Profits		12,00,000	
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			<table><tr><td>Less. Received (for year ending 31-3-17)</td><td>(14,000)</td></tr><tr><td>Less Advance received for the next year</td><td>(26,400)</td></tr><tr><td>Amount to be credited to Income and Expenditure A/c</td><td>2,52,200</td></tr></table> <p><b>Note: In case the candidate has calculated using any other correct method full credit be given.</b></p>	Less. Received (for year ending 31-3-17)	(14,000)	Less Advance received for the next year	(26,400)	Amount to be credited to Income and Expenditure A/c	2,52,200	$\frac{1}{2}$ $\frac{1}{2}$ $\frac{1}{2}$  =  3																														
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7	9	10	<p><b>Q. State any three purposes other than.....Securities Premium Reserve can be utilised.</b></p> <p><b>Ans :</b> (i) Issue of Fully paid bonus shares (ii) To pay premium for redemption of debentures or preference shares. (iii) To write off expenses of ,or commission paid, or discount allowed on shares/ debentures. (iv) For buy back of shares. <b>(Any Three)</b></p> <p style="text-align: center;"><b>Or</b></p> <p><b>Q. Using imaginary..... Companies Act,2013.</b></p> <p><b>Ans.</b></p> <p style="text-align: center;"><b>Balance Sheet</b> <b>(Of .....Ltd. as per Schedule III Of Companies Act 2013)</b></p> <table><tr><td>Particulars</td><td>Note No.</td><td>Current Year (Rs.)</td><td>Previous Year (Rs.)</td></tr><tr><td><u>Equity and Liabilities</u></td><td></td><td></td><td></td></tr><tr><td>(i) Shareholders Funds</td><td>1</td><td>15,00,000</td><td>15,00,000</td></tr></table> <p>Note No. 1</p> <table><tr><td>Particulars</td><td>Current Year (Rs.)</td><td>Previous Year (Rs.)</td></tr><tr><td><u>Authorised Capital:</u></td><td></td><td></td></tr><tr><td>2,00,000 Equity Shares of Rs.10 each</td><td>20,00,000</td><td>20,00,000</td></tr><tr><td><u>Issued Capital:</u></td><td></td><td></td></tr><tr><td>1,50,000 Equity Shares of Rs. 10 Each</td><td>15,00,000</td><td>15,00,000</td></tr><tr><td><u>Subscribed Capital:</u></td><td></td><td></td></tr><tr><td>Subscribed and Fully paid</td><td></td><td></td></tr><tr><td>1,50,000 Equity Shares of Rs.10 each</td><td>15,00,000</td><td>15,00,000</td></tr></table> <p><b>Note:</b> <b>(i) The figures provided are imaginary. If the candidate has provided other correct</b></p>	Particulars	Note No.	Current Year (Rs.)	Previous Year (Rs.)	<u>Equity and Liabilities</u>				(i) Shareholders Funds	1	15,00,000	15,00,000	Particulars	Current Year (Rs.)	Previous Year (Rs.)	<u>Authorised Capital:</u>			2,00,000 Equity Shares of Rs.10 each	20,00,000	20,00,000	<u>Issued Capital:</u>			1,50,000 Equity Shares of Rs. 10 Each	15,00,000	15,00,000	<u>Subscribed Capital:</u>			Subscribed and Fully paid			1,50,000 Equity Shares of Rs.10 each	15,00,000	15,00,000	3  (1x3)   
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		<p>figures full credit be given.</p> <p>(ii) In the Balance Sheet, previous year column may be ignored</p> <p>(iii) If an examinee has presented the Balance Sheet with ‘Subscribed and not fully paid’ capital with calls in arrears or shown share forfeiture account, full credit is to be given.</p>																																				
-	10	<p>- Q. On 1<sup>st</sup> April,2011, K Ltd. Issued..... redemption of debentures on 31<sup>st</sup> March,2018.</p> <p style="text-align: center;"><b>Journal</b></p> <table><tr><th>Date</th><th>Particulars</th><th>L.F.</th><th>Debit</th><th>Credit</th></tr><tr><td>March 31<sup>st</sup> 2017</td><td>Surplus i.e. balance in Statement of P&amp;L Dr. To Debenture Redemption Reserve A/c (Being Debenture redemption reserve created)</td><td></td><td>2,25,000</td><td>2,25,000</td></tr><tr><td>April 2017</td><td>Debenture Redemption Reserve Investment A/c... Dr. To Bank A/c (Being specified securities purchased)</td><td></td><td>1,35,000</td><td>1,35,000</td></tr><tr><td>March 31<sup>st</sup> 2018</td><td>Bank A/c..... Dr. To Debenture Redemption Reserve Investment A/c (Being Investments realized)</td><td></td><td>1,35,000</td><td>1,35,000</td></tr><tr><td>March 31<sup>st</sup> 2018</td><td>9% Debentures A/c ..... Dr. Premium on Redemption of Debenture A/c..Dr. To Debenture holders A/c (Being debentures and premium on redemption due for redemption)</td><td></td><td>9,00,000 90,000</td><td>9,90,000</td></tr><tr><td>March 31<sup>st</sup> 2018</td><td>Debenture holders A/c ..... Dr. To Bank A/c (Being payment made to debenture holders)</td><td></td><td>9,90,000</td><td>9,90,000</td></tr><tr><td>March 31<sup>st</sup> 2018</td><td>Debenture Redemption Reserve A/c Dr To General Reserve A/c (Being Debenture redemption Reserve transferred to general reserve)</td><td></td><td>2,25,000</td><td>2,25,000</td></tr></table>	Date	Particulars	L.F.	Debit	Credit	March 31 <sup>st</sup> 2017	Surplus i.e. balance in Statement of P&L Dr. To Debenture Redemption Reserve A/c (Being Debenture redemption reserve created)		2,25,000	2,25,000	April 2017	Debenture Redemption Reserve Investment A/c... Dr. To Bank A/c (Being specified securities purchased)		1,35,000	1,35,000	March 31 <sup>st</sup> 2018	Bank A/c..... Dr. To Debenture Redemption Reserve Investment A/c (Being Investments realized)		1,35,000	1,35,000	March 31 <sup>st</sup> 2018	9% Debentures A/c ..... Dr. Premium on Redemption of Debenture A/c..Dr. To Debenture holders A/c (Being debentures and premium on redemption due for redemption)		9,00,000 90,000	9,90,000	March 31 <sup>st</sup> 2018	Debenture holders A/c ..... Dr. To Bank A/c (Being payment made to debenture holders)		9,90,000	9,90,000	March 31 <sup>st</sup> 2018	Debenture Redemption Reserve A/c Dr To General Reserve A/c (Being Debenture redemption Reserve transferred to general reserve)		2,25,000	2,25,000	<p>3</p> <p>(1/2x6)</p>
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March 31 <sup>st</sup> 2018	Debenture holders A/c ..... Dr. To Bank A/c (Being payment made to debenture holders)		9,90,000	9,90,000																																		
March 31 <sup>st</sup> 2018	Debenture Redemption Reserve A/c Dr To General Reserve A/c (Being Debenture redemption Reserve transferred to general reserve)		2,25,000	2,25,000																																		

-	11	-	<p><b>Q. Nirupama and Anupama were partners..... in the books of the firm.</b></p> <p><b>ANS.</b></p> <p style="text-align: center;">Journal</p> <table border="1"> <thead> <tr> <th>Date</th><th>Particulars</th><th>L.F.</th><th>Debit (Rs.)</th><th>Credit (Rs.)</th></tr> </thead> <tbody> <tr> <td></td><td>Bank a/c ..... Dr. To Kumar's Capital A/c To Premium for Goodwill A/c (Being capital and premium brought by new partner Kumar)</td><td></td><td>2,30,000</td><td>2,00,000 30,000</td></tr> <tr> <td></td><td>Premium for Goodwill A/c..... Dr. To Anupama's Capital A/c (Being premium for goodwill transferred to sacrificing partners)</td><td></td><td>30,000</td><td>30,000</td></tr> </tbody> </table>	Date	Particulars	L.F.	Debit (Rs.)	Credit (Rs.)		Bank a/c ..... Dr. To Kumar's Capital A/c To Premium for Goodwill A/c (Being capital and premium brought by new partner Kumar)		2,30,000	2,00,000 30,000		Premium for Goodwill A/c..... Dr. To Anupama's Capital A/c (Being premium for goodwill transferred to sacrificing partners)		30,000	30,000	4										
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-	12	-	<p><b>Q. Pawan, Raman and Hina were partners..... journal entries for the above transactions in the books of the firm.</b></p> <p><b>Ans.</b></p> <p style="text-align: center;">Journal</p> <table border="1"> <thead> <tr> <th>Date</th><th>Particulars</th><th>L.F.</th><th>Debit</th><th>Credit</th></tr> </thead> <tbody> <tr> <td></td><td>Revaluation A/c.....Dr. To Furniture A/c To Plant A/c (Being assets revalued)</td><td></td><td>60,000</td><td>30,000 30,000</td></tr> <tr> <td></td><td>Pawan's Capital A/c.....Dr. Raman's Capital A/c.....Dr. Hina's Capital A/c.....Dr. To Revaluation A/c (Being loss on revaluation distributed among partners)</td><td></td><td>24,000 24,000 12,000</td><td>60,000</td></tr> <tr> <td></td><td>General Reserve A/c.....Dr. To Pawan's Capital A/c To Raman's Capital A/c To Hina's Capital A/c (Being General Reserve distributed among partners)</td><td></td><td>45,000</td><td>18,000 18,000 9,000</td></tr> <tr> <td></td><td>Workmen Compensation Fund Dr. To Claim for Workmen</td><td></td><td>20,000</td><td>12,000</td></tr> </tbody> </table>	Date	Particulars	L.F.	Debit	Credit		Revaluation A/c.....Dr. To Furniture A/c To Plant A/c (Being assets revalued)		60,000	30,000 30,000		Pawan's Capital A/c.....Dr. Raman's Capital A/c.....Dr. Hina's Capital A/c.....Dr. To Revaluation A/c (Being loss on revaluation distributed among partners)		24,000 24,000 12,000	60,000		General Reserve A/c.....Dr. To Pawan's Capital A/c To Raman's Capital A/c To Hina's Capital A/c (Being General Reserve distributed among partners)		45,000	18,000 18,000 9,000		Workmen Compensation Fund Dr. To Claim for Workmen		20,000	12,000	4
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15	13	14	<b>Q. Following is the summary of cash transactions..... summary prepare a Receipts and Payments Account of Good Health Club for the year ending 31.3.2018.</b>  <b>Ans.</b>  <b>Receipts and Payments A/c</b> Dr. (of Good Health Club for the year ending 31-3-18) Cr. <table><tr><td>Receipts</td><td>Amount(Rs.)</td><td>Payments</td><td>Amount(Rs.)</td></tr><tr><td>To opening balance</td><td></td><td>By wages and salary</td><td>55,000</td></tr><tr><td>    cash</td><td>70,000</td><td>By Investment in 9% deb</td><td>2,40,000</td></tr><tr><td>    bank</td><td>3,00,000</td><td>of XYZ Ltd.</td><td></td></tr><tr><td>To subscription received</td><td></td><td>By health journals</td><td>5,000</td></tr><tr><td>2016-17   40,000</td><td></td><td>By stationary</td><td>12,500</td></tr><tr><td>2017-18   3,75,000</td><td></td><td>By insurance premium</td><td>6760</td></tr><tr><td>2018-19   20,000</td><td>4,35,000</td><td>By courier charges</td><td>800</td></tr><tr><td>To donations for gym</td><td>1,64,000</td><td>By Municipal taxes</td><td>9570</td></tr><tr><td>To Admission Fees</td><td>14,000</td><td>By Machine purchased</td><td>38,000</td></tr><tr><td>To Life Member fees</td><td>45,000</td><td>By Balance C/d</td><td></td></tr><tr><td>To lockers rent</td><td>11,000</td><td>    Cash in hand</td><td>43000</td></tr><tr><td>To sale for old paper</td><td>300</td><td>    Bank (Balancing</td><td>6,30,410</td></tr><tr><td>To Interest on bank</td><td>1740</td><td>Figure)</td><td></td></tr><tr><td>balance</td><td></td><td></td><td></td></tr><tr><td></td><td><u>10,41,040</u></td><td></td><td><u>10,41,040</u></td></tr></table>				Receipts	Amount(Rs.)	Payments	Amount(Rs.)	To opening balance		By wages and salary	55,000	cash	70,000	By Investment in 9% deb	2,40,000	bank	3,00,000	of XYZ Ltd.		To subscription received		By health journals	5,000	2016-17   40,000		By stationary	12,500	2017-18   3,75,000		By insurance premium	6760	2018-19   20,000	4,35,000	By courier charges	800	To donations for gym	1,64,000	By Municipal taxes	9570	To Admission Fees	14,000	By Machine purchased	38,000	To Life Member fees	45,000	By Balance C/d		To lockers rent	11,000	Cash in hand	43000	To sale for old paper	300	Bank (Balancing	6,30,410	To Interest on bank	1740	Figure)		balance					<u>10,41,040</u>		<u>10,41,040</u>	½ mark for two correct posting + 1 for calculating closing bank bal.
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13	14	15	<b>Q. A, B and C were partners. Their fixed capitals were .....workings clearly, pass the necessary adjustment entry.</b> <b>ANS</b> <table><tr><td></td><td>Interest on capital</td><td>Salary</td><td>Commission</td><td>Profits Payable</td><td>Total Payable</td><td>Profits Distributed</td><td>Excess/ (Deficiency)</td></tr><tr><td>A</td><td>3,000</td><td>-</td><td>-</td><td>20,920</td><td>23,920</td><td>40,000</td><td>16080</td></tr><tr><td>B</td><td>2,000</td><td>18,000</td><td>-</td><td>20,920</td><td>40,920</td><td>26,667</td><td>(14253)</td></tr><tr><td>C</td><td>1,000</td><td>-</td><td>3,700</td><td>10,460</td><td>15,160</td><td>13,333</td><td>(1827)</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>					Interest on capital	Salary	Commission	Profits Payable	Total Payable	Profits Distributed	Excess/ (Deficiency)	A	3,000	-	-	20,920	23,920	40,000	16080	B	2,000	18,000	-	20,920	40,920	26,667	(14253)	C	1,000	-	3,700	10,460	15,160	13,333	(1827)									6   																								
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Date	Particulars	L.F	Debit (Rs.)	Credit (Rs.)
	A's Current A/c Dr. To B's current A/c To C's current A/c (Being adjustment entry passed through current's A/c of partners)		16,080	14,253 1,827

(2)

**Note:** In case the working notes have been prepared in a different format or through profit and loss adjustment account full credit may be given.

**OR**

**Q.** T and N were partners in a..... Prepare Revaluation account, Partner's Capital Accounts and Opening Balance Sheet of the new firm.

**Ans.**

Dr.		REVALUATION A/C		Cr.	
Particulars	Amount	Particulars	Amount		
To Provision For Doubtful Debts	2,000	By partner's capital A/c			
To Furniture A/c	150	T	1,575		
To Stock A/c	1000	N	1,575		3,150
	3150				3,150

(2)

Dr.				Cr.			
Particulars	T	N	M	Particulars	T	N	M
To Revaluation A/c	1,575	1,575	-	By Balance b/d	30,000	15,000	-
To Balance C/d	31,675	16,675	15,500	By General Reserve A/c	1,000	1,000	-
				By Bank A/c	-	-	15,500
				By Premium for Goodwill A/c	2,250	2,250	-
	33,250	18,250	15,500		33,250	18,250	15,500

(2)

**BALANCE SHEET**  
**(of T,N and M as at 31-3-2018)**

Liabilities	Amount (Rs.)	Assets	Amount (Rs.)
Creditors	18,000	Cash at bank	21,000
Capitals		Debtors	40,000
T – 31,675		(-) Provision	(2,000)
N- 16,675		Stock	5,000
M- 15,500	63,850	Furniture	2,850
		Freehold Property	15,000
	81,850		81,850

(2)

14	15	13	<p><b>Q. A, B and C were partners in a firm..... Prepare Profit and Loss Appropriation Account..... the Current Accounts of the partners.</b></p> <p><b>ANS.</b></p> <p style="text-align: center;"><b>P&amp;L APPROPRIATION A/C</b></p> <p><b>Dr.</b> (OF A,B AND C FOR THE YEAR ENDING 31-3-18) <b>Cr.</b></p> <table><tr><th>Particulars</th><th>Amount</th><th>Particulars</th><th>Amount</th></tr><tr><td>To Interest on Capital</td><td></td><td>By Net Profits</td><td>3,88,000</td></tr><tr><td>    A's current A/c 40,500</td><td></td><td>(4,00,000-12,000)</td><td></td></tr><tr><td>    B's current A/c 45,000</td><td></td><td></td><td></td></tr><tr><td>    C's current A/c <u>54,000</u></td><td>1,39,500</td><td></td><td></td></tr><tr><td>To Salary to Partner</td><td></td><td></td><td></td></tr><tr><td>    A's current A/c</td><td>2,00,000</td><td></td><td></td></tr><tr><td>To Profits</td><td></td><td></td><td></td></tr><tr><td>    A's current A/c 14,550</td><td></td><td></td><td></td></tr><tr><td>    B's current A/c 14,550</td><td></td><td></td><td></td></tr><tr><td>    C's current A/c <u>19,400</u></td><td>48,500</td><td></td><td></td></tr><tr><td></td><td><u>3,88,000</u></td><td></td><td><u>3,88,000</u></td></tr></table> <p><b>Dr.</b> <b>Partner's Current A/C</b> <b>Cr.</b></p> <table><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</td><td>20,000</td><td>10,000</td><td>15,000</td><td>By Int. On</td><td>40,500</td><td>45,000</td><td>54,000</td></tr><tr><td>B/d</td><td></td><td></td><td></td><td>Cap</td><td></td><td></td><td></td></tr><tr><td>To Drawings</td><td>40,000</td><td>75,000</td><td>55,000</td><td>By salary</td><td>2,00,000</td><td>--</td><td>---</td></tr><tr><td>To Balance</td><td>1,95,050</td><td>--</td><td>3,400</td><td>By profits</td><td>14,550</td><td>14,550</td><td>19,400</td></tr><tr><td>c/d</td><td><u>2,55,050</u></td><td><u>85,000</u></td><td><u>73,400</u></td><td>By Balance</td><td></td><td>25,450</td><td></td></tr><tr><td></td><td></td><td></td><td></td><td>c/d</td><td><u>2,55,050</u></td><td><u>85,000</u></td><td><u>73,400</u></td></tr></table>	Particulars	Amount	Particulars	Amount	To Interest on Capital		By Net Profits	3,88,000	A's current A/c 40,500		(4,00,000-12,000)		B's current A/c 45,000				C's current A/c <u>54,000</u>	1,39,500			To Salary to Partner				A's current A/c	2,00,000			To Profits				A's current A/c 14,550				B's current A/c 14,550				C's current A/c <u>19,400</u>	48,500				<u>3,88,000</u>		<u>3,88,000</u>	PARTICULARS	A	B	C	PARTICULARS	A	B	C	To balance	20,000	10,000	15,000	By Int. On	40,500	45,000	54,000	B/d				Cap				To Drawings	40,000	75,000	55,000	By salary	2,00,000	--	---	To Balance	1,95,050	--	3,400	By profits	14,550	14,550	19,400	c/d	<u>2,55,050</u>	<u>85,000</u>	<u>73,400</u>	By Balance		25,450						c/d	<u>2,55,050</u>	<u>85,000</u>	<u>73,400</u>	6
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16	16	17	<p><b>Q. Michael, Jackson and John were..... Prepare Realisation account, Bank Account and Partner's Capital Accounts.</b></p> <p><b>Ans.</b></p> <p style="text-align: center;"><b>REALISATION A/C</b></p> <p><b>Dr.</b> <b>Cr.</b></p> <table><tr><th>Particulars</th><th>Amount</th><th>Particulars</th><th>Amount</th></tr><tr><td>To Debtors</td><td>48,400</td><td>By Provision for Doubtful</td><td>2,400</td></tr><tr><td>To Stock In hand</td><td>16000</td><td>Debts</td><td></td></tr><tr><td>To Furniture</td><td>2000</td><td>By Creditors</td><td>11,500</td></tr><tr><td>To Sundry assets</td><td>34000</td><td>By Loan</td><td>3,500</td></tr><tr><td>To Michael's Capital A/c</td><td>10,000</td><td>By Michael's Capital A/c</td><td></td></tr><tr><td>(creditors)</td><td></td><td>    Furniture 2,600</td><td></td></tr><tr><td>To John's Capital A/c</td><td></td><td>    Debtors <u>34,400</u></td><td>37,000</td></tr><tr><td>    Loan 3,500</td><td></td><td>By Jackson's capital A/c</td><td></td></tr><tr><td>    Expenses <u>600</u></td><td>4,100</td><td>    Stock in trade 14,000</td><td></td></tr><tr><td>To Bank(creditors)</td><td>1,500</td><td>    sundry assets <u>28800</u></td><td>42,800</td></tr><tr><td></td><td></td><td>By John's Capital A/c</td><td></td></tr><tr><td></td><td></td><td>    Sundry assets</td><td>1,800</td></tr><tr><td></td><td></td><td>By Bank(Debtors)</td><td>4,200</td></tr><tr><td></td><td></td><td>By Partner's Capital A/c</td><td></td></tr><tr><td></td><td></td><td>    Michael 7680</td><td></td></tr></table>	Particulars	Amount	Particulars	Amount	To Debtors	48,400	By Provision for Doubtful	2,400	To Stock In hand	16000	Debts		To Furniture	2000	By Creditors	11,500	To Sundry assets	34000	By Loan	3,500	To Michael's Capital A/c	10,000	By Michael's Capital A/c		(creditors)		Furniture 2,600		To John's Capital A/c		Debtors <u>34,400</u>	37,000	Loan 3,500		By Jackson's capital A/c		Expenses <u>600</u>	4,100	Stock in trade 14,000		To Bank(creditors)	1,500	sundry assets <u>28800</u>	42,800			By John's Capital A/c				Sundry assets	1,800			By Bank(Debtors)	4,200			By Partner's Capital A/c				Michael 7680		8																																								
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		Michael 7680																																																																																																										

		Jackson	2560	
		John	<u>2560</u>	<u>12800</u>
	<u>1,16,000</u>			<u>1,16,000</u>

**Dr. PARTNERS CAPITAL A/C**

**Cr.**

Particulars	Michael	Jackson	John	Particulars	Michael	Jackson	John
To Realisation A/c	37000	42800	1800	By Balance b/d	50,000	25,000	14,000
To Realisation/c (loss)	7680	2560	2560	By Realisation A/c	10,000	-	4100
To Bank A/c	<u>15320</u>	-	<u>13740</u>	By Bank A/c	-	<u>20,360</u>	-
	<u>60,000</u>	<u>45,360</u>	<u>18100</u>		<u>60,000</u>	<u>45,360</u>	<u>18,100</u>

(2)

**Dr. BANK A/C**

**Cr.**

PARTICULARS	AMOUNT	PARTICULARS	AMOUNT
To Balance b/d	6,000	By Realisation A/c	1500
To Realisation A/c	4,200	By Michael's Capital A/c	15320
To Jackson's Capital A/c	<u>20,360</u>	By John's Capital A/c	<u>13740</u>
	<u>30,560</u>		<u>30,560</u>

(2)

**OR**

**Q. N, S and B were partners in a firm..... Prepare Revaluation account, Partner's Capital Accounts and the Balance Sheet of the reconstituted firm.**

**Ans-**

**Dr. REVALUATION A/C**

**Cr.**

PARTICULARS	AMOUNT	PARTICULARS	AMOUNT
To Machinery A/c	3000	By Freehold Premises A/c	8,000
To Furniture A/c	840	By Stock A/c	3,300
To Provision for doubtful debts	1500		
To Partner's Capital A/c			
N- 2980			
S- 993			
B- <u>1987</u>	<u>5960</u>		
	<u>11,300</u>		<u>11,300</u>

(2 1/2)

Dr. PARTNER'S CAPITAL A/C				Cr.			
PARTICULARS	N	S	B	PARTICULARS	N	S	B
To B's A/c	5250	1750	-	By Balance B/d	30,000	30,000	28,000
To B's Loan A/c	-	-	40,987	By N's A/c	-	-	5250
To Balance C/d	33,730	31,243	-	By S's A/c	-	-	1750
				By General Reserve	6,000	2,000	4,000
				By Revaluation A/c	2980	993	1987
	<u>38980</u>	<u>32993</u>	<u>40987</u>		<u>38980</u>	<u>32993</u>	<u>40987</u>
To Current A/c	-	15000	-	By Balance B/d	33,730	31,243	-
			-	By current A/c	15000	-	-
To Balance C/d	48,730	16,243	-				
	<u>48730</u>	<u>31243</u>			<u>48,730</u>	<u>31,243</u>	-

(3 ½)

**BALANCE SHEET**  
(of N & S as at 31-3-17)

Liabilities	Amount	Assets	Amount
Capital's A/C		Freehold premises	48,000
N 48,730		Machinery A/c	27,000
S <u>16,243</u>	64,973	Furniture A/c	11,160
Bills Payable	12,000	Stock A/c	25,300
Sundry Creditors	18,000	Sundry Debtors 20,000	
N's Current A/c	15,000	-Provision for debtors(2,500)	17,500
B's Loan A/c	<u>40987</u>	Cash	7,000
	<u>1,50,960</u>	S's Current A/c	<u>15,000</u>
			<u>1,50,960</u>

(2)

**ALTERNATE SOLUTION**

Alternate

**Note: An examinee should have prepared Revaluation Account as per the given question. But if an examinee has prepared Realisation Account instead of Revaluation Account, the marking will be as follows:**



Dr.		Realisation A/c		Cr.	
Particulars		Amount (₹)	Particulars		Amount (₹)
To Sundry Assets			By Provision for bad debts		1,000
Freehold Premises	40,000		By Bills payable		12,000
Machinery	30,000		By Sundry Creditors		18,000
Furniture	12,000				1 ½ marks
Stock	22,000				
Sundry Debtors	<u>20,000</u>				
		1,24,000			
To Bank		2 ½ marks			
Creditors	18,000	marks			
Bills payable	12,000	1 mark			
		1 mark			

6 marks

Dr.				PARTNER'S CAPITAL A/c	Cr.		
Particulars	N(₹)	S(₹)	B(₹)	Particulars	N(₹)	S(₹)	B(₹)
				By Balance b/d	30,000	30,000	28,000
				By General Reserve	6,000	2,000	4,000

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17	17	16	<p><b>Q. Royal Ltd. Invited applications for issuing 2,00,000 equity shares of Rs. 10 each..... All the forfeited shares were reissued at rs.11.50 fully paid up to Meeta.</b></p> <p><b>Pass necessary journal entries..... in the books of Royal Ltd.</b></p> <p><b>Ans. Journal</b></p> <table> <tr> <th>Date</th><th>Particulars</th><th>L.F.</th><th>Debit (Rs.)</th><th>Credit (Rs.)</th></tr> <tr> <td></td><td>Bank A/c Dr. To Equity share application A/c (Being amount received on application of 4,50,000 shares at a premium of rs.2.50)</td><td></td><td>18,00,000</td><td>18,00,000</td></tr> <tr> <td></td><td>Equity share application A/c Dr. To Equity share capital A/c To Securities Premium reserve A/c To Equity share allotment A/c To Bank A/c</td><td></td><td>18,00,000</td><td>3,00,000 5,00,000 6,00,000 4,00,000</td></tr> </table>	Date	Particulars	L.F.	Debit (Rs.)	Credit (Rs.)		Bank A/c Dr. To Equity share application A/c (Being amount received on application of 4,50,000 shares at a premium of rs.2.50)		18,00,000	18,00,000		Equity share application A/c Dr. To Equity share capital A/c To Securities Premium reserve A/c To Equity share allotment A/c To Bank A/c		18,00,000	3,00,000 5,00,000 6,00,000 4,00,000	8
Date	Particulars	L.F.	Debit (Rs.)	Credit (Rs.)															
	Bank A/c Dr. To Equity share application A/c (Being amount received on application of 4,50,000 shares at a premium of rs.2.50)		18,00,000	18,00,000															
	Equity share application A/c Dr. To Equity share capital A/c To Securities Premium reserve A/c To Equity share allotment A/c To Bank A/c		18,00,000	3,00,000 5,00,000 6,00,000 4,00,000															

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	(Being the amount transferred to share capital, share allotment, securities premium reserve and bank)				
	Equity share allotment A/c Dr. To Equity share capital A/c (Being share allotment made due)		7,00,000	7,00,000	½
	Bank A/c Dr. Calls in arrears A/c Dr. To Equity share allotment A/c (Being share allotment received.)		98,000 2,000	1,00,000	1
	Equity share capital A/c Dr. To Share forfeited A/c To Calls in arrears A/c (Being shares forfeited.)		20,000	18,000 2,000	1
	Equity share 1 <sup>st</sup> and final call A/c Dr. To equity share capital A/c (Being shares 1 <sup>st</sup> and final call made due.)		9,80,000	9,80,000	1
	Bank A/c Dr. Calls in arrears A/c Dr. To Equity share 1 <sup>st</sup> and final call A/c (Being first and final call received)		9,50,000 30,000	9,80,000	½
	Equity share capital A/c Dr. To Share forfeiture A/c To Calls in arrears A/c (Being shares forfeited.)		60,000	30,000 30,000	1
	Bank A/c Dr. To Equity share capital A/c To Securities premium reserve A/c (Being shares re-issued.)		1,15,000	1,00,000 15,000	1
	Share Forfeiture A/c Dr. To Capital Reserve A/c (Being amount transferred to capital A/c)		48,000	48,000	½

**Note: In case the candidate has given the solution without opening calls in arrears account full credit may be given.**

**Working notes:**

Shares Applied =  $3,50,000 / 2,00,000 \times 4000 = 7,000$  shares

Money Sent on Application =  $7,000 \times 4 = \text{Rs.}28,000$

Money used on application =  $4,000 \times 4 = \text{Rs.}16,000$

Excess received on Application = Rs.4,000

Money Due on allotment = Rs.7,00,000

Less Adjustment on Application = Rs.6,00,000

Money Receivable = Rs.1,00,000

Less: Not received = Rs.2,000

(Rs. 14,000 - 12,000 (excess))

Amount Received on Allotment = Rs.98,000

OR

**Q. Saral Ltd. Invited applications for issuing 25,000 equity shares ..... The forfeited shares were reissued at Rs. 95 per share fully paid up. Pass necessary journal entries for the above transaction in the books of the company.**

**Ans.**

**Journal**

Date	Particulars	L.F.	Debit (Rs.)	Credit (Rs.)
	Bank A/c Dr. To Equity share application A/c (Being amount received on application)		4,80,000	4,80,000
	Equity share application A/c Dr. To Equity share capital A/c (Being amount transferred to share capital.)		4,80,000	4,80,000
	Equity share allotment A/c Dr. To Equity share capital A/c (Being share allotment made due.)		7,20,000	7,20,000
	Bank A/c Dr. Calls in arrears A/c Dr. To Equity share allotment A/c (Being share allotment received.)		6,75,000 45,000	7,20,000
	Equity share 1 <sup>st</sup> call A/c Dr. To Equity share capital A/c (Being 1 <sup>st</sup> call due.)		6,00,000	6,00,000
	Bank A/c Dr. Calls in arrears A/c Dr. To Equity share 1 <sup>st</sup> call A/c (Being 1 <sup>st</sup> call received.)		5,00,000 1,00,000	6,00,000
	Equity share 2 <sup>nd</sup> call A/c Dr. To Equity share capital A/c (Being second call due.)		6,00,000	6,00,000
	Bank A/c Dr. Calls in arrears A/c Dr. To Equity share 2 <sup>nd</sup> call A/c (Being second call received.)		4,50,000 1,50,000	6,00,000
	Equity share capital A/c Dr. To Share forfeiture A/c To Calls in arrear A/c (Being shares forfeited.)		4,00,000	1,55,000 2,45,000
	Bank A/c Dr. Share forfeiture A/c Dr.		3,80,000 20,000	

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			<table><tr><td>To Equity share capital A/c (Being forfeited shares re-issued.)</td><td></td><td></td><td>4,00,000</td></tr><tr><td>Share Forfeiture A/c To Capital Reserve A/c (Being amount transferred to capital reserve.)</td><td>Dr.</td><td>1,35,000</td><td>1,35,000</td></tr></table>	To Equity share capital A/c (Being forfeited shares re-issued.)			4,00,000	Share Forfeiture A/c To Capital Reserve A/c (Being amount transferred to capital reserve.)	Dr.	1,35,000	1,35,000	<div>½</div> <div>½</div>
To Equity share capital A/c (Being forfeited shares re-issued.)			4,00,000									
Share Forfeiture A/c To Capital Reserve A/c (Being amount transferred to capital reserve.)	Dr.	1,35,000	1,35,000									
			<b>Note: In case the candidate has given the solution without opening calls in arrears account full credit may be given.</b>									
-	18	-	<b>Q. Give any two examples..... investing activities of a finance company.</b>  <b>Ans.</b> (i) Purchase of Building. (ii) Purchase of Patents.	½ x 2=1								
-	19	-	<b>Q. What..... “Cash Flow Statement”.</b>  <b>Ans.</b> It is statement which shows inflows and outflows of cash and cash equivalents.	1								
22	20	21	<b>Q. From the following balances..... proprietary ratio.</b>  <b>Ans.</b> Proprietary ratio= $\frac{\text{Shareholder's Funds}}{\text{Total Assets}}$ <b>Total Assets</b> = Plant and machinery+ Land and Building + Motor car+ Furniture + Stock+ debtors + Cash at bank  = 10,00,000+ 6,00,000+ 8,00,000+ 1,50,000+ 4,50,000+ 90,000+ 3,40,000 = Rs. 34,30,000  Total Assets= Shareholder's Fund's + Non Current liabilities+ Current Liabilities 34,30,000= Shareholder's Fund+ 10,00,000+ 6,20,000  Shareholder's Fund= Rs. 18,10,000 Proprietary Ratio= $\frac{18,10,000}{34,30,000}$ = 0.527  <b>OR</b>  <b>Q. Assuming that debt to equity..... following cases:</b>  <b>Ans .</b> (i) No change (ii) Decrease (iii) Decrease (iv) Increase	<div>4</div> <div>1</div> <div>1</div> <div>1</div> <div>1</div> <div>1</div> <div>OR</div> <div>(1x4=4)</div>								

20.	21	20	<p><b>Q. Under which major heads and sub-heads will..... Companies act, 2013?</b></p> <p>1) <b>Bank overdraft.....</b> ..... <b>8) Provision of taxation</b></p> <p><b>Ans.</b></p> <table><tr><th>S.No.</th><th>Items</th><th>Headings</th><th>Sub-Headings</th></tr><tr><td>(i)</td><td>Bank Overdraft</td><td>Current Liabilities</td><td>Short term borrowings</td></tr><tr><td>(ii)</td><td>Subsidy Reserve</td><td>Shareholders' funds</td><td>Reserves and surplus- other</td></tr><tr><td>(iii)</td><td>Capital redemption reserve</td><td>Shareholders' funds</td><td>Reserves and surplus</td></tr><tr><td>(iv)</td><td>Mining Rights</td><td>Non current assets</td><td>Fixed assets- Intangibles</td></tr><tr><td>(v)</td><td>Patents</td><td>Non current assets</td><td>Fixed assets- Intangibles</td></tr><tr><td>(vi)</td><td>Debit balance in Statement of P&amp;L</td><td>Shareholders' funds</td><td>Reserves and surplus</td></tr><tr><td>(vii)</td><td>Debenture Redemption Reserve</td><td>Shareholders' funds</td><td>Reserves and surplus</td></tr><tr><td>(viii)</td><td>Provision for tax</td><td>Current Liabilities</td><td>Short term provisions</td></tr></table> <p style="text-align: center;"><b>OR</b></p> <p><b>Q. Explain briefly ..... 2) Top Management.</b></p> <p><b>Ans.</b> 1) <u>Finance Manager</u>: Focuses on the facts and relationships related to managerial performance, corporate efficiency, financial strength and weakness and credit worthiness of the company. It helps in constant review of financial operation and to analyse causes of major deviations which further help in taking corrective actions.</p> <p>2) <u>Top Management</u>- Top management is interested in every aspect of the financial analyses. It is their overall responsibility to see that the resources are used most efficiently and the firm's financial condition is sound. It helps the management in measuring the success of company's operations, appraising the individual's performance and evaluating the system of internal control.</p>	S.No.	Items	Headings	Sub-Headings	(i)	Bank Overdraft	Current Liabilities	Short term borrowings	(ii)	Subsidy Reserve	Shareholders' funds	Reserves and surplus- other	(iii)	Capital redemption reserve	Shareholders' funds	Reserves and surplus	(iv)	Mining Rights	Non current assets	Fixed assets- Intangibles	(v)	Patents	Non current assets	Fixed assets- Intangibles	(vi)	Debit balance in Statement of P&L	Shareholders' funds	Reserves and surplus	(vii)	Debenture Redemption Reserve	Shareholders' funds	Reserves and surplus	(viii)	Provision for tax	Current Liabilities	Short term provisions	4  
S.No.	Items	Headings	Sub-Headings																																					
(i)	Bank Overdraft	Current Liabilities	Short term borrowings																																					
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(vii)	Debenture Redemption Reserve	Shareholders' funds	Reserves and surplus																																					
(viii)	Provision for tax	Current Liabilities	Short term provisions																																					

			Revenue from operation (2016-17)	Revenue from operation (2017-18)
I. Revenue from Operation	20,00,000	10,00,000	100%	100%
II. Other Incomes	2,00,000	50,000	10%	5%
III. Total incomes	22,00,000	10,50,000	110%	105%
IV. Expenses				
Cost of material	12,00,000	5,00,000	60%	50%
ConsumedEmployee benefit expenses	1,40,000	80,000	7%	8%
Total expenses	13,40,000	5,80,000	67%	58%
V. Net Profit Before Tax (III-IV)	8,60,000	4,70,000	43%	47%
VI. Tax	2,58,000	1,41,000	12.9%	14.1%
VII. Net Profit After Tax (V-VI)	6,02,000	3,29,000	30.1%	32.9%

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23	23	23	Q. From the following balance sheet..... Cash Flow statement:-
----	----	----	--

**Ans.** Cash Flow Statement  
of AXE Ltd. For the year ending 31-3-18(As per AS-3)

Particulars	Details(Rs.)	Amount(Rs.)
<u>1. Operating Activities:</u>		
Profit before tax and extraordinary items	1,98,000	
<u>Non Operating and Non Cash Items-</u>		
Depreciation charged during the year	6,000	
Profit on sale of assets/machinery	<u>(42,000)</u>	
Operating Profits before tax and changes in working capital	1,62,000	
<u>Changes in working Capital</u>		
Increase in trade payables	26,000	
Decrease in other current liabilities	(14,000)	
Decrease In inventories	56,000	
Increase in trade receivables	(2,10,000)	
Cash from Operating Activities(A)		20,000
<u>2. Investing Activities:</u>		
Purchase of machinery	(1,32,000)	
Sale of machinery	<u>56,000</u>	
Cash Used In Investing Activities (B)		(76,000)
<u>3. Financing Activity:</u>		
Issue of shares	<u>70,000</u>	
Cash from financing activities (C)		<u>70,000</u>
Net Cash Inflow During the year(A+ B+ C)		14,000
+ Opening Cash Equivalents		70,000

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			Closing cash equivalents		84,000																																														
			<div>Working Notes:</div> <div><div>Machinery A/c</div><table><tr><td>Dr.</td><td></td><td></td><td>Cr.</td></tr><tr><td>Particulars</td><td>Amount</td><td>Particulars</td><td>Amount</td></tr><tr><td>To Balance B/d</td><td>3,60,000</td><td>By accumulated depreciation (prev. Depr)</td><td>28,000</td></tr><tr><td>To statement of P&amp;L (Profit)</td><td>42,000</td><td>By Bank</td><td>56,000</td></tr><tr><td>To Bank A/c(Purchase) (balancing figure)</td><td>1,32,000</td><td>By Balance C/d</td><td>4,50,000</td></tr><tr><td></td><td>5,34,000</td><td></td><td>5,34,000</td></tr></table><div>Accumulated Depreciation A/c</div><table><tr><td>Dr.</td><td></td><td></td><td>Cr.</td></tr><tr><td>Particulars</td><td>Amount</td><td>Particulars</td><td>Amount</td></tr><tr><td>To Machinery A/c(previous depreciation)</td><td>28,000</td><td>By Balance b/d</td><td>80,000</td></tr><tr><td>To balance c/d</td><td>58,000</td><td>By Depreciation (Charged)</td><td>6,000</td></tr><tr><td></td><td>86,000</td><td></td><td>86,000</td></tr></table></div>				Dr.			Cr.	Particulars	Amount	Particulars	Amount	To Balance B/d	3,60,000	By accumulated depreciation (prev. Depr)	28,000	To statement of P&L (Profit)	42,000	By Bank	56,000	To Bank A/c(Purchase) (balancing figure)	1,32,000	By Balance C/d	4,50,000		5,34,000		5,34,000	Dr.			Cr.	Particulars	Amount	Particulars	Amount	To Machinery A/c(previous depreciation)	28,000	By Balance b/d	80,000	To balance c/d	58,000	By Depreciation (Charged)	6,000		86,000		86,000	½
Dr.			Cr.																																																
Particulars	Amount	Particulars	Amount																																																
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	86,000		86,000																																																
			<div>PART B</div> <div>OPTION 2</div> <div>(Computerized Accounting )</div>				½																																												
-	18	-	<div>Q. What is the activity.....processing mode?</div> <div>Ans. The activity sequence of the basic information mode is collect data, organise and process it and then communicate the information extracted.</div>	=1 Mark																																															
-	19	-	<div>Q. What.....data Validation?</div> <div>Ans. Data Validation is the process of ensuring that a program operates on clean, correct and useful data. It uses validation rules and constraints to check for the correctness, meaningfulness and security of data that are input to the system.</div>	=1 Mark																																															
-	20	-	<div>Q. Why is it .....debtors security.</div> <div>Ans. To maintain the secrecy of accounting data it is necessary to have security features in accounting software</div> <div>Tools (any two)</div> <div>(i) Password security: Password is widely accepted security control to access</div>																																																

			<p>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>(ii) <b>Data Audit:</b> 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>(iii) <b>Data vault:</b> 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><b>2+2</b> <b>=</b> <b>4 Marks</b></p>
22	21	22	<p><b>Q. Explain.....'Mnemonic' codes.</b></p> <p><b>Ans.</b> <u>Sequential Codes:</u> In these codes numbers and/or letters are assigned in consecutive order. These codes are applied primarily to source documents such as cheques, invoices etc. This code facilitates document searches. This process enables in either identification of missing codes (numbers) relating to a particular document or a relevant document can be traced.</p> <p><u>Mnemonic Codes:</u> These codes consist of alphabets or abbreviations as symbols to codify a piece of information. SJ for sales Journal, HQ for Head Quarters are examples of mnemonic codes.</p> <p style="text-align: center;"><b>OR</b></p> <p><b>Q. State the steps.....Tally.</b></p> <p><b>Ans.</b> The following are the steps to construct BRS in tally:</p> <ol style="list-style-type: none"> <li>1. Bring up the monthly summary of bank book.</li> <li>2. Bring your cursor to the first month and press enter. This brings up the vouchers for the month. Since this is a bank account, an additional button F5: reconcile will be visible on the right Press F5.</li> <li>3. The display now becomes an Edit screen in Reconciliation mode. The primary components are: A column for the 'Bankers Date'</li> <li>4. Amounts not reflected in banks</li> <li>5. Balance as per bank</li> </ol>	<p><b>=4 marks</b></p>
21	22	21	<p><b>Q. Explain four.....'server database'?</b></p> <p><b>Ans.</b> (Any four)</p> <ol style="list-style-type: none"> <li>(i) Flexibility.</li> <li>(ii) Choice of front end applications.</li> <li>(iii) Powerful performance.</li> <li>(iv) Scalability to handle rapidly expanding number of users.</li> </ol>	<p><b>=4 Marks</b></p>



			<p>(v) Ease of handling huge amount of data.(with suitable explanation)</p> <p style="text-align: center;"><b>OR</b></p> <p><b>Q. What is .....types of vouchers.</b></p> <p><b>Ans.</b> The vouchers are three types-(any two)</p> <ul style="list-style-type: none"> <li>• <b>Memo voucher:</b> Memo voucher is a non accounting voucher. It does not affect accounts of the user. These entries are stated/recorded in a separate register, but not as a part of ledger</li> <li>• <b>Post dated voucher:</b> Some accounting software allows the user to enter the voucher for future transactions which are usually similar as the previous once.</li> <li>• <b>User defined Voucher:</b> In accounting software there are 23 predefined vouchers. It allows the user to define or create new accounting or inventory vouchers as per the requirement. In the voucher entry, entry can be classified into three basic categories.</li> </ul>	
23	23	23	<p><b>Q. What is.....its benefits.</b></p> <p><b>Ans.</b> A format change, such as background cell shading or font colour that is applied to a cell when a specified condition for the data in the cell is true.</p> <p><u>Conditional formatting</u> is often applied to worksheets to find:</p> <ul style="list-style-type: none"> <li>• Data that is above or below a certain value. Duplicate data values.</li> <li>• Cells containing specific text. Data that is above or below average.</li> <li>• Data that falls in the top ten or bottom ten values.</li> </ul> <p><b><u>Benefits of using conditional formatting:</u></b></p> <p>i) Helps in answering questions which are important for taking decisions.</p> <p>ii) Guides with help of using visuals.</p> <p>iii) Helps in understanding distribution and variation of critical data.</p>	<p>=</p> <p><b>6 Marks</b></p>

### SET 3

[illegible]



			<table><tr><td>Add Advance Subscription (for the year ending 31-3-18)</td><td>15,500</td><td>½</td></tr><tr><td></td><td>2,55,700</td><td></td></tr><tr><td>Less. Received (for year ending 31-3-17)</td><td>(2,800)</td><td>½</td></tr><tr><td>Less Advance received for the next year</td><td>(21,600)</td><td>½</td></tr><tr><td>Amount to be credited to Income and Expenditure A/c</td><td>2,31,300</td><td>½</td></tr></table> <p><b>Note: In case the candidate has calculated using any other correct method full credit be given.</b></p>	Add Advance Subscription (for the year ending 31-3-18)	15,500	½		2,55,700		Less. Received (for year ending 31-3-17)	(2,800)	½	Less Advance received for the next year	(21,600)	½	Amount to be credited to Income and Expenditure A/c	2,31,300	½	=3 marks																				
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-	-	9	<p><b>Q. On 1<sup>st</sup> April,2012, Samir Ltd. Issued ..... Redemption of debentures on 31<sup>st</sup> March,2018.</b></p> <p style="text-align: center;"><b>Journal</b></p> <table><tr><th>Date</th><th>Particulars</th><th>L.F.</th><th>Debit</th><th>Credit</th></tr><tr><td>March 31<sup>st</sup> 2017</td><td>Surplus i.e. balance in Statement of P&amp;L ..Dr. To Debenture Redemption Reserve A/c (Being Debenture redemption reserve created)</td><td></td><td>1,25,000</td><td>1,25,000</td></tr><tr><td>April 2017</td><td>Debenture Redemption Reserve Investment A/c...Dr. To Bank A/c (Being specified securities purchased)</td><td></td><td>75,000</td><td>75,000</td></tr><tr><td>March 31<sup>st</sup> 2018</td><td>Bank A/c .....Dr. To Debenture Redemption Reserve Investment A/c (Being Investments realized)</td><td></td><td>75,000</td><td>75,000</td></tr><tr><td>March 31<sup>st</sup> 2018</td><td>9% Debentures A/c.....Dr. Premium on Redemption of Debentures A/c .....Dr. To Debenture holders A/c (Being debentures and premium on redemption due for redemption)</td><td></td><td>5,00,000 50,000</td><td>5,50,000</td></tr><tr><td>March 31<sup>st</sup> 2018</td><td>Debenture holders A/c.....Dr. To Bank A/c (Being payment made to debenture holders)</td><td></td><td>5,50,000</td><td>5,50,000</td></tr><tr><td>March 31<sup>st</sup> 2018</td><td>Debenture Redemption Reserve A/c Dr. To General Reserve A/c (Being Debenture Redemption Reserve transferred to general reserve)</td><td></td><td>1,25,000</td><td>1,25,000</td></tr></table>	Date	Particulars	L.F.	Debit	Credit	March 31 <sup>st</sup> 2017	Surplus i.e. balance in Statement of P&L ..Dr. To Debenture Redemption Reserve A/c (Being Debenture redemption reserve created)		1,25,000	1,25,000	April 2017	Debenture Redemption Reserve Investment A/c...Dr. To Bank A/c (Being specified securities purchased)		75,000	75,000	March 31 <sup>st</sup> 2018	Bank A/c .....Dr. To Debenture Redemption Reserve Investment A/c (Being Investments realized)		75,000	75,000	March 31 <sup>st</sup> 2018	9% Debentures A/c.....Dr. Premium on Redemption of Debentures A/c .....Dr. To Debenture holders A/c (Being debentures and premium on redemption due for redemption)		5,00,000 50,000	5,50,000	March 31 <sup>st</sup> 2018	Debenture holders A/c.....Dr. To Bank A/c (Being payment made to debenture holders)		5,50,000	5,50,000	March 31 <sup>st</sup> 2018	Debenture Redemption Reserve A/c Dr. To General Reserve A/c (Being Debenture Redemption Reserve transferred to general reserve)		1,25,000	1,25,000	<p><b>3</b></p> <p>(1/2x6)</p>
Date	Particulars	L.F.	Debit	Credit																																			
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9

10

**Q. State any three purposes other than.....Securities Premium Reserve can be utilised.**

**Ans :** (i) Issue of Fully paid bonus shares  
(ii) To pay premium for redemption of debentures or preference shares.  
(iii) To write off expenses of, or commission paid or, discount allowed on shares/ debentures.  
(iv) For buy back of shares.

**(Any Three)**

**Or**

**Q. Using imaginary..... Companies Act,2013.**

**Ans.**

**Balance Sheet**  
**(Of .....Ltd. as per Schedule III Of Companies Act 2013)**

Particulars	Note No.	Current Year (Rs.)	Previous Year (Rs.)
<u>Equity and Liabilities</u>			
Shareholders Funds	1	15,00,000	15,00,000

Note No.

Particulars	Current Year (Rs.)	Previous Year (Rs.)
<u>Authorised Capital:</u>		
2,00,000 Equity Shares of Rs.10 each	20,00,000	20,00,000
<u>Issued Capital:</u>		
1,50,000 Equity Shares of Rs. 10 Each	15,00,000	15,00,000
<u>Subscribed Capital:</u>		
Subscribed and Fully paid		
1,50,000 Equity Shares of Rs.10 each	15,00,000	15,00,000

**Note:**  
(i) The figures provided are imaginary. If the candidate has provided other correct figures full credit be given.  
(ii) In the Balance Sheet, previous year column may be ignored  
  
(iii) If an examinee has presented the Balance Sheet with ‘Subscribed and not fully paid’ capital with calls in arrears or shown share forfeiture account, full credit is to be given.

3

(1x3)

OR

1

2

-	-	11	<b>Q. Kanu and Manu were partners..... in the books of the firm.</b> <b>Ans. Journal</b> <table border="1"> <thead> <tr> <th>Date</th><th>Particulars</th><th>L.F.</th><th>Debit</th><th>Credit</th></tr> </thead> <tbody> <tr> <td></td><td>Bank A/c ..... Dr.     To Tarun's Capital A/c     To Premium for Goodwill A/c (Being capital and premium brought by new partner Tarun)</td><td></td><td>3,40,000</td><td>3,00,000 40,000</td></tr> <tr> <td></td><td>Premium for Goodwill A/c..... Dr.     To Manu's Capital A/c (Being premium for goodwill transferred to sacrificing partners)</td><td></td><td>40,000</td><td>40,000</td></tr> </tbody> </table>	Date	Particulars	L.F.	Debit	Credit		Bank A/c ..... Dr. To Tarun's Capital A/c To Premium for Goodwill A/c (Being capital and premium brought by new partner Tarun)		3,40,000	3,00,000 40,000		Premium for Goodwill A/c..... Dr. To Manu's Capital A/c (Being premium for goodwill transferred to sacrificing partners)		40,000	40,000	4					
Date	Particulars	L.F.	Debit	Credit																				
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-	-	12	<b>Q. Anita, Babita and Chamanpreet were partners..... journal entries for the above transactions in the books of the firm..... executor was paid to her immediately.</b> <b>Ans12: Journal</b> <table border="1"> <thead> <tr> <th>Date</th><th>Particulars</th><th>L.F.</th><th>Debit</th><th>Credit</th></tr> </thead> <tbody> <tr> <td></td><td>Revaluation A/c.....Dr.     To Furniture A/c     To Plant and Machinery A/c     To Claim for Workmen Compensation A/c (Being assets revalued claim for workmen compensation recorded)</td><td></td><td>63,000</td><td>36,000 12,000 15,000</td></tr> <tr> <td></td><td>Anita Capital A/c ..... Dr. Babita Capital A/c..... Dr. Chamanpreet Capital A/c..... Dr.     To Revaluation A/c (Being loss on revaluation distributed among partners)</td><td></td><td>21,000 21,000 21,000</td><td>63,000</td></tr> <tr> <td></td><td>General Reserve A/c Dr.     To Anita's Capital A/c     To Babita's Capital A/c     To Chamanpreet's Capital A/c (Being General Reserve distributed among</td><td></td><td>63,000</td><td>21,000 21,000 21,000</td></tr> </tbody> </table>	Date	Particulars	L.F.	Debit	Credit		Revaluation A/c.....Dr. To Furniture A/c To Plant and Machinery A/c To Claim for Workmen Compensation A/c (Being assets revalued claim for workmen compensation recorded)		63,000	36,000 12,000 15,000		Anita Capital A/c ..... Dr. Babita Capital A/c..... Dr. Chamanpreet Capital A/c..... Dr. To Revaluation A/c (Being loss on revaluation distributed among partners)		21,000 21,000 21,000	63,000		General Reserve A/c Dr. To Anita's Capital A/c To Babita's Capital A/c To Chamanpreet's Capital A/c (Being General Reserve distributed among		63,000	21,000 21,000 21,000	4
Date	Particulars	L.F.	Debit	Credit																				
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				3150			3,150																																																		
<div>Dr. PARTNER'S CAPITAL A/C Cr.</div> <table><tr><td>Particulars</td><td>T</td><td>N</td><td>M</td><td>Particulars</td><td>T</td><td>N</td><td>M</td></tr><tr><td>To Revaluation A/c</td><td>1,575</td><td>1,575</td><td>-</td><td>By Balance b/d</td><td>30,000</td><td>15,000</td><td>-</td></tr><tr><td>To Balance C/d</td><td>31,675</td><td>16,675</td><td>15,500</td><td>By General Reserve A/c</td><td>1,000</td><td>1,000</td><td>-</td></tr><tr><td></td><td></td><td></td><td></td><td>By Bank A/c</td><td>-</td><td>-</td><td>15,500</td></tr><tr><td></td><td></td><td></td><td></td><td>By Premium for Goodwill A/c</td><td>2,250</td><td>2,250</td><td>-</td></tr><tr><td></td><td>33,250</td><td>18,250</td><td>15,500</td><td></td><td>33,250</td><td>18,250</td><td>15,500</td></tr></table>									Particulars	T	N	M	Particulars	T	N	M	To Revaluation A/c	1,575	1,575	-	By Balance b/d	30,000	15,000	-	To Balance C/d	31,675	16,675	15,500	By General Reserve A/c	1,000	1,000	-					By Bank A/c	-	-	15,500					By Premium for Goodwill A/c	2,250	2,250	-		33,250	18,250	15,500		33,250	18,250	15,500	(2)
Particulars	T	N	M	Particulars	T	N	M																																																		
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<div>BALANCE SHEET</div> <div>(of T,N and M as at 31-3-2018)</div> <table><tr><td>Liabilities</td><td>Amount (Rs.)</td><td>Assets</td><td>Amount (Rs.)</td></tr><tr><td>Creditors</td><td>18,000</td><td>Cash at bank</td><td>21,000</td></tr><tr><td>Capitals</td><td></td><td>Debtors</td><td>40,000</td></tr><tr><td>T – 31,675</td><td></td><td>(-) Provision</td><td>(2,000)</td></tr><tr><td>N- 16,675</td><td></td><td>Stock</td><td>5,000</td></tr><tr><td>M- 15,500</td><td>63,850</td><td>Furniture</td><td>2,850</td></tr><tr><td></td><td></td><td>Freehold Property</td><td>15,000</td></tr><tr><td></td><td>81,850</td><td></td><td>81,850</td></tr></table>									Liabilities	Amount (Rs.)	Assets	Amount (Rs.)	Creditors	18,000	Cash at bank	21,000	Capitals		Debtors	40,000	T – 31,675		(-) Provision	(2,000)	N- 16,675		Stock	5,000	M- 15,500	63,850	Furniture	2,850			Freehold Property	15,000		81,850		81,850	(2)																
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17	17	16	Q. Royal Ltd. Invited applications for issuing 2,00,000 equity shares of Rs. 10 each..... All the forfeited shares were reissued at Rs.11.50 fully paid up to Meeta. Pass necessary journal entries..... in the books of Royal Ltd. Ans. Journal					8																																																	
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	Equity share allotment A/c Dr. To Equity share capital A/c (Being share allotment made due)		7,00,000	7,00,000																																																					

Bank A/c	Dr.	98,000	
Calls in arrears A/c	Dr.	2,000	
To Equity share allotment A/c (Being share allotment received.)			1,00,000
Equity share capital A/c	Dr.	20,000	
To Share forfeited A/c			18,000
To Calls in arrears A/c (Being shares forfeited.)			2,000
Equity share 1 <sup>st</sup> and final call A/c	Dr.	9,80,000	
To equity share capital A/c (Being shares 1 <sup>st</sup> and final call made due.)			9,80,000
Bank A/c	Dr.	9,50,000	
Calls in arrears A/c	Dr.	30,000	
To Equity share 1 <sup>st</sup> and final call A/c (Being first and final call received)			9,80,000
Equity share capital A/c	Dr.	60,000	
To Share forfeiture A/c			30,000
To Calls in arrears A/c (Being shares forfeited.)			30,000
Bank A/c	Dr.	1,15,000	
To Equity share capital A/c			1,00,000
To Securities premium reserve A/c (Being shares re-issued.)			15,000
Share Forfeiture A/c	Dr.	48,000	
To Capital Reserve A/c (Being amount transferred to capital A/c)			48,000

**Note: In case the candidate has given the solution without opening calls in arrears account full credit may be given.**

**Working notes:**

Shares Applied =  $3,50,000 / 2,00,000 \times 4000 = 7,000$  shares

Money Sent on Application =  $7,000 \times 4 = \text{Rs.} 28,000$

Money used on application =  $4,000 \times 4 = \text{Rs.} 16,000$

Excess received on Application =  $\text{Rs.} 4,000$

Money Due on allotment =  $\text{Rs.} 7,00,000$

Less Adjustment on Application =  $\text{Rs.} 6,00,000$

Money Receivable =  $\text{Rs.} 1,00,000$

Less: Not received =  $\text{Rs.} 2,000$

( $\text{Rs.} 14,000 - 12,000$  (excess))

Amount Received on Allotment =  $\text{Rs.} 98,000$

**OR**

**Q. Saral Ltd. Invited applications for issuing 25,000 equity shares ..... The forfeited shares were reissued at Rs. 95 per share fully paid up. Pass necessary journal entries for the above transaction in the books of the company.**

1

1

1

$\frac{1}{2}$

1

1

$\frac{1}{2}$

**OR**

Ans.		Journal		
Date	Particulars	L.F.	Debit (Rs.)	Credit (Rs.)
	Bank A/c Dr. To Equity share application A/c (Being amount received on application)		4,80,000	4,80,000
	Equity share application A/c Dr. To Equity share capital A/c (Being amount transferred to share capital.)		4,80,000	4,80,000
	Equity share allotment A/c Dr. To Equity share capital A/c (Being share allotment made due.)		7,20,000	7,20,000
	Bank A/c Dr. Calls in arrears A/c Dr. To Equity share allotment A/c (Being share allotment received.)		6,75,000 45,000	7,20,000
	Equity share 1 <sup>st</sup> call A/c Dr. To Equity share capital A/c (Being 1 <sup>st</sup> call due.)		6,00,000	6,00,000
	Bank A/c Dr. Calls in arrears A/c Dr. To Equity share 1 <sup>st</sup> call A/c (Being 1 <sup>st</sup> call received.)		5,00,000 1,00,000	6,00,000
	Equity share 2 <sup>nd</sup> call A/c Dr. To Equity share capital A/c (Being second call due.)		6,00,000	6,00,000
	Bank A/c Dr. Calls in arrears A/c Dr. To Equity share 2 <sup>nd</sup> call A/c (Being second call received.)		4,50,000 1,50,000	6,00,000
	Equity share capital A/c Dr. To Share forfeiture A/c To Calls in arrear A/c (Being shares forfeited.)		4,00,000	1,55,000 2,45,000
	Bank A/c Dr. Share Forfeiture A/c Dr. To Equity share capital A/c (Being forfeited shares re-issued.)		3,80,000 20,000	4,00,000
	Share Forfeiture A/c Dr. To capital reserve A/c (Being amount transferred to capital reserve.)		1,35,000	1,35,000

**Note: In case the candidate has given the solution without opening calls in arrears account full credit may be given.**

½

½

½

1

1

1

½

1

1

½

½

16 16 17 Q. Michael, Jackson and John were..... Prepare Realisation account, Bank Account and Partner's Capital Accounts. 8

Ans.

Dr.		REALISATION A/C		Cr.	
Particulars	Amount	Particulars	Amount		
To Debtors	48,400	By Provision for Doubtful Debts	2,400		
To Stock In hand	16000	By Creditors	11,500		
To Furniture	2000	By Loan	3,500		
To Sundry assets	34000	By Michael's Capital A/c			
To Michael's Capital A/c (creditors)	10,000	Furniture	2,600		
To John's Capital A/c		Debtors	34,400	37,000	
Loan	3,500	By Jackson's capital A/c			
Expenses	600	Stock in trade	14,000		
To Bank(creditors)	1,500	sundry assets	28800	42,800	
		By John's Capital A/c			
		Sundry assets		1,800	
		By Bank(Debtors)		4,200	
		By Partner's Capital A/c			
		Michael	7680		
		Jackson	2560		
		John	2560	12800	
	1,16,000			1,16,000	

(4)

Dr.		PARTNERS CAPITAL A/C			Cr.		
Particulars	Michael	Jackson	John	Particulars	Michael	Jackson	John
To Realisation A/c	37000	42800	1800	By Balance b/d	50,000	25,000	14,000
To Realisation A/c (loss)	7680	2560	2560	By Realisation A/c	10,000	-	4100
To Bank A/c	15320	-	13740	By Bank A/c	-	20,360	-
	60,000	45,360	18100		60,000	45,360	18,100

(2)

Dr.		BANK A/C		Cr.	
PARTICULARS	AMOUNT	PARTICULARS	AMOUNT		
To Balance b/d	6,000	By Realisation A/c	1500		
To Realisation A/c	4,200	By Michael's Capital A/c	15320		
To Jackson's Capital A/c	20,360	By John's Capital A/c	13740		
	30,560		30,560		

(2)

OR

Q. N, S and B were partners in a firm..... Prepare Revaluation account,

**Partner's Capital Accounts and the Balance Sheet of the reconstituted firm.**

**Ans-**

<b>Dr.</b>		<b>REVALUATION A/C</b>		<b>Cr.</b>	
PARTICULARS	AMOUNT	PARTICULARS	AMOUNT		
To Machinery A/c	3000	By Freehold	8,000		
To Furniture A/c	840	premises A/c			
To Provision for doubtful debts	1500	By Stock A/c	3,300		
To partner's capital A/c					
N- 2980					
S- 993					
B- 1987					
	5960				
	<u>11,300</u>				<u>11,300</u>

(2 ½ )

<b>Dr.</b>				<b>Cr.</b>			
PARTICULARS	N	S	B	PARTICULARS	N	S	B
To B's A/c	5250	1750	-	By Balance B/d	30,000	30,000	28,000
To B's Loan A/c	-	-	40,987	By N's A/c	-	-	5250
				By S's A/c	-	-	1750
To Balance c/d	33,730	31,243	-	By General Reserve	6,000	2,000	4,000
				By Revaluation A/c	<u>2980</u>	<u>993</u>	<u>1987</u>
	<u>38980</u>	<u>32993</u>	<u>40987</u>		<u>38980</u>	<u>32993</u>	<u>40987</u>
To Current A/c	-	15000	-	By Balance b/d	33,730	31,243	-
To Balance C/d	48,730	16,243	-	By current A/c	15000	-	-
	<u>48730</u>	<u>31243</u>	-		<u>48,730</u>	<u>31,243</u>	-

(3 ½ )

**BALANCE SHEET**  
**(of N & S as at 31-3-17)**

Liabilities	Amount	Assets	Amount
Capital's A/C		Freehold premises	48,000
N 48,730		Machinery A/c	27,000
S <u>16,243</u>	64,973	Furniture A/c	11,160
Bills Payable	12,000	Stock A/c	25,300
Sundry Creditors	18,000	Sundry Debtors 20,000	
N's Current A/c	15,000	-Provision for debtors(2,500)	17,500
B's Loan A/c	<u>40987</u>	Cash	7,000
	<u>1,50,960</u>	S's Current A/c	<u>15,000</u>
			<u>1,50,960</u>

(2)

**ALTERNATE SOLUTION**

**Note: An examinee should have prepared Revaluation Account as per the given question. But if an examinee has prepared Realisation Account instead of Revaluation Account, the marking will be as follows:**

Dr.		Realisation A/c	Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)	
To Sundry Assets		By Provision for bad debts	1,000	
Freehold Premises 40,000		By Bills payable	12,000	
Machinery 30,000		By Sundry Creditors	18,000	
Furniture 12,000				1 ½ marks
Stock 22,000				
Sundry Debtors 20,000				
	1,24,000			
To Bank				2 ½ marks
Creditors 18,000				
Creditors 18,000				
Bills payable 12,000				1 mark
				1 mark

6 marks

Dr.				PARTNER'S CAPITAL A/c	Cr.			
Particulars	N(₹)	S(₹)	B(₹)	Particulars	N(₹)	S(₹)	B(₹)	
				By Balance b/d	30,000	30,000	28,000	1 mark
				By General Reserve	6,000	2,000	4,000	1 mark

.

-	-	18	<p><b>Q. Give any two examples of financing activities of a finance company.</b></p> <p><b>Ans.</b> (i) Dividend paid. (ii) Issue of Shares.</p> <p><b>Note: In Case any candidate has given any other correct answer full marks be awarded</b></p>	½ x 2=1
-	-	19	<p><b>Q. Give the meaning of..... cash flow statement.</b></p>	½ +

			<b>Ans:</b> Cash comprises of cash in hand and demand deposits with bank and cash equivalents are short term highly liquid investments that are readily convertible into cash which are subject to insignificant risk of loss in value.	½																																				
20.	21	20	<b>Q. Under which major heads and sub-heads will..... Companies act, 2013?</b> <b>Bank overdraft.....</b> <b>..... 8) Provision of taxation</b> <b>Ans.</b> <table><tr><th>S.No.</th><th>Items</th><th>Headings</th><th>Sub-Headings</th></tr><tr><td>(i)</td><td>Bank Overdraft</td><td>Current Liabilities</td><td>Short term borrowings</td></tr><tr><td>(ii)</td><td>Subsidy Reserve</td><td>Shareholders’ funds</td><td>Reserves and surplus- other</td></tr><tr><td>(iii)</td><td>Capital redemption reserve</td><td>Shareholders’ funds</td><td>Reserves and surplus</td></tr><tr><td>(iv)</td><td>Mining Rights</td><td>Non current assets</td><td>Fixed assets- Intangibles</td></tr><tr><td>(v)</td><td>Patents</td><td>Non current assets</td><td>Fixed assets- Intangibles</td></tr><tr><td>(vi)</td><td>Debit balance in Statement of P&amp;L</td><td>Shareholders’ funds</td><td>Reserves and surplus</td></tr><tr><td>(vii)</td><td>Debenture Redemption Reserve</td><td>Shareholders’ funds</td><td>Reserves and surplus</td></tr><tr><td>(viii)</td><td>Provision for tax</td><td>Current Liabilities</td><td>Short term provisions</td></tr></table> <p style="text-align: center;"><b>OR</b></p> <b>Q. Explain briefly ..... 2) Top Management.</b> <p><b>Ans.</b> 1) <u>Finance Manager</u>: Focuses on the facts and relationships related to managerial performance, corporate efficiency, financial strength and weakness and credit worthiness of the company. It helps in constant review of financial operation and to analyse causes of major deviations which further help in taking corrective actions.</p> <p>2) <u>Top Management</u>- Top management is interested in every aspect of the financial analyses. It is their overall responsibility to see that the resources are used most efficiently and the firm’s financial condition is sound. It helps the management in measuring the success of company's operations, appraising the individual’s performance and evaluating the system of internal control.</p>	S.No.	Items	Headings	Sub-Headings	(i)	Bank Overdraft	Current Liabilities	Short term borrowings	(ii)	Subsidy Reserve	Shareholders’ funds	Reserves and surplus- other	(iii)	Capital redemption reserve	Shareholders’ funds	Reserves and surplus	(iv)	Mining Rights	Non current assets	Fixed assets- Intangibles	(v)	Patents	Non current assets	Fixed assets- Intangibles	(vi)	Debit balance in Statement of P&L	Shareholders’ funds	Reserves and surplus	(vii)	Debenture Redemption Reserve	Shareholders’ funds	Reserves and surplus	(viii)	Provision for tax	Current Liabilities	Short term provisions	4  <
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22	20	21	<p><b>Q. From the following balances..... proprietary ratio.</b></p> <p><b>Ans.</b></p> <p>Proprietary ratio= <math>\frac{\text{Shareholder's Funds}}{\text{Total Assets}}</math></p> <p><b>Total Assets</b>= Plant and machinery+ Land and Building + Motor car+ Furniture + Stock+ debtors + Cash at bank</p> <p>= 10,00,000+ 6,00,000+ 8,00,000+ 1,50,000+ 4,50,000+ 90,000+ 3,40,000 = Rs. 34,30,000</p> <p>Total Assets= Shareholder's Fund's + Non Current liabilities+ Current Liabilities 34,30,000= Shareholder's Fund+ 10,00,000+ 6,20,000</p> <p>Shareholder's Fund= Rs. 18,10,000</p> <p>Proprietary Ratio= <math>\frac{18,10,000}{34,30,000} = 0.527</math></p> <p style="text-align: center;"><b>OR</b></p> <p><b>Q. Assuming that debt to equity..... following cases:</b></p> <p><b>Ans .</b> (i) No change (ii) Decrease (iii) Decrease (iv) Increase</p>	<p>4</p> <p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>(1x4=4)</p>																																																							
-	-	22	<p><b>Q. From the following information, prepare a common size statement..... R.K. Ltd.</b></p> <p><b>Ans</b></p> <p style="text-align: center;"><b><u>Common Size Statement of Profit and loss/Common size Income Statement</u></b> ( of R.K. Ltd. For the year ending 31-3-17 and 31-3-18)</p> <table border="1"> <thead> <tr> <th>Particulars</th><th>2016-17</th><th>2017-18</th><th>As a % of Revenue from operation (2016-17)</th><th>As a % of Revenue from operation (2017-18)</th></tr> </thead> <tbody> <tr> <td>(i) Revenue from Operation</td><td>20,00,000</td><td>10,00,000</td><td>100%</td><td>100%</td></tr> <tr> <td>(ii) Other Incomes</td><td>3,00,000</td><td>80,000</td><td>15%</td><td>8%</td></tr> <tr> <td>(iii) Total incomes</td><td>23,00,000</td><td>10,80,000</td><td>115%</td><td>108%</td></tr> <tr> <td>(iv) Expenses</td><td></td><td></td><td></td><td></td></tr> <tr> <td>Cost of material Consumed</td><td>8,00,000</td><td>3,00,000</td><td>40%</td><td>30%</td></tr> <tr> <td>Employee benefit expenses</td><td>2,40,000</td><td>1,80,000</td><td>12%</td><td>18%</td></tr> <tr> <td>Total expenses</td><td>10,40,000</td><td>4,80,000</td><td>52%</td><td>48%</td></tr> <tr> <td>(v) Net Profit Before Tax</td><td>12,60,000</td><td>6,00,000</td><td>63%</td><td>60%</td></tr> <tr> <td>(vi) Tax</td><td>5,04,000</td><td>2,40,000</td><td>25.2%</td><td>24%</td></tr> <tr> <td>(vii) Net Profit After Tax</td><td>7,56,000</td><td>3,60,000</td><td>37.8%</td><td>36%</td></tr> </tbody> </table>	Particulars	2016-17	2017-18	As a % of Revenue from operation (2016-17)	As a % of Revenue from operation (2017-18)	(i) Revenue from Operation	20,00,000	10,00,000	100%	100%	(ii) Other Incomes	3,00,000	80,000	15%	8%	(iii) Total incomes	23,00,000	10,80,000	115%	108%	(iv) Expenses					Cost of material Consumed	8,00,000	3,00,000	40%	30%	Employee benefit expenses	2,40,000	1,80,000	12%	18%	Total expenses	10,40,000	4,80,000	52%	48%	(v) Net Profit Before Tax	12,60,000	6,00,000	63%	60%	(vi) Tax	5,04,000	2,40,000	25.2%	24%	(vii) Net Profit After Tax	7,56,000	3,60,000	37.8%	36%	<p>4</p> <p><math>\frac{1}{2}</math></p> <p><math>\frac{1}{2}</math></p> <p><math>\frac{1}{2}</math></p> <p><math>\frac{1}{2}</math></p> <p><math>\frac{1}{2}</math></p> <p><math>\frac{1}{2}</math></p> <p><math>\frac{1}{2}</math></p> <p><math>\frac{1}{2}</math></p> <p><math>\frac{1}{2}</math></p> <p>=4 marks</p>
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23	23	23	<p><b>Q. From the following balance sheet..... Cash Flow statement:-</b></p> <p><b>Ans. Cash Flow Statement</b></p> <p>of AXE Ltd. For the year ending 31-3-18(As per AS-3)</p> <table><tr><th>Particulars</th><th>Details(Rs.)</th><th>Amount(Rs.)</th></tr><tr><td colspan="3"><b>1. Operating Activities:</b></td></tr><tr><td>Profit before tax and extraordinary items</td><td>1,98,000</td><td></td></tr><tr><td colspan="3"><u>Non Operating and Non Cash Items-</u></td></tr><tr><td>Depreciation charged during the year</td><td>6,000</td><td></td></tr><tr><td>Profit on sale of assets/machinery</td><td>(42,000)</td><td></td></tr><tr><td>Operating Profits before tax and changes in working capital</td><td>1,62,000</td><td></td></tr><tr><td colspan="3"><u>Changes in working Capital</u></td></tr><tr><td>Increase in trade payables</td><td>26,000</td><td></td></tr><tr><td>Decrease in other current liabilities</td><td>(14,000)</td><td></td></tr><tr><td>Decrease In inventories</td><td>56,000</td><td></td></tr><tr><td>Increase in trade receivables</td><td>(2,10,000)</td><td></td></tr><tr><td>Cash from Operating Activities(A)</td><td></td><td>20,000</td></tr><tr><td colspan="3"><b>2. Investing Activities:</b></td></tr><tr><td>Purchase of machinery</td><td>(1,32,000)</td><td></td></tr><tr><td>Sale of machinery</td><td>56,000</td><td></td></tr><tr><td>Cash Used In Investing Activities (B)</td><td></td><td>(76,000)</td></tr><tr><td colspan="3"><b>3. Financing Activity:</b></td></tr><tr><td>Issue of shares</td><td>70,000</td><td></td></tr><tr><td>Cash from financing activities (C)</td><td></td><td>70,000</td></tr><tr><td>Net Cash Inflow During the year(A+ B+ C)</td><td></td><td>14,000</td></tr><tr><td>+ Opening Cash Equivalents</td><td></td><td>70,000</td></tr><tr><td>Closing cash equivalents</td><td></td><td>84,000</td></tr></table> <p>Working Notes:</p> <p style="text-align: center;"><b>Machinery A/c</b></p> <table><tr><th colspan="2">Dr.</th><th colspan="2">Cr.</th></tr><tr><th>Particulars</th><th>Amount</th><th>Particulars</th><th>Amount</th></tr><tr><td>To Balance B/d</td><td>3,60,000</td><td>By accumulated depreciation (prev. Depr)</td><td>28,000</td></tr><tr><td>To statement of P&amp;L (Profit)</td><td>42,000</td><td>By Bank</td><td>56,000</td></tr><tr><td>To Bank A/c(Purchase) (balancing figure)</td><td>1,32,000</td><td>By Balance C/d</td><td>4,50,000</td></tr><tr><td></td><td>5,34,000</td><td></td><td>5,34,000</td></tr></table>	Particulars	Details(Rs.)	Amount(Rs.)	<b>1. Operating Activities:</b>			Profit before tax and extraordinary items	1,98,000		<u>Non Operating and Non Cash Items-</u>			Depreciation charged during the year	6,000		Profit on sale of assets/machinery	(42,000)		Operating Profits before tax and changes in working capital	1,62,000		<u>Changes in working Capital</u>			Increase in trade payables	26,000		Decrease in other current liabilities	(14,000)		Decrease In inventories	56,000		Increase in trade receivables	(2,10,000)		Cash from Operating Activities(A)		20,000	<b>2. Investing Activities:</b>			Purchase of machinery	(1,32,000)		Sale of machinery	56,000		Cash Used In Investing Activities (B)		(76,000)	<b>3. Financing Activity:</b>			Issue of shares	70,000		Cash from financing activities (C)		70,000	Net Cash Inflow During the year(A+ B+ C)		14,000	+ Opening Cash Equivalents		70,000	Closing cash equivalents		84,000	Dr.		Cr.		Particulars	Amount	Particulars	Amount	To Balance B/d	3,60,000	By accumulated depreciation (prev. Depr)	28,000	To statement of P&L (Profit)	42,000	By Bank	56,000	To Bank A/c(Purchase) (balancing figure)	1,32,000	By Balance C/d	4,50,000		5,34,000		5,34,000	<p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>½</p> <p>½</p> <p>½</p>
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			<div>PART B</div> <div>OPTION 2</div> <div>(Computerized Accounting )</div>																					
-	-	18	<div>Q. What is .....Attributes’.</div> <div>Ans. In DBMS data is organised in tables .A table has a number of rows and columns. Each row contains a record of information. The information which is in the form of a sequence of columns is known as <b>attribute</b>.</div>	<div>=</div> <div>1 mark</div>																				
-	-	19	<div>Q. What.....Hardware’?</div> <div>Ans Computer related peripherals and their network is known as hardware.</div>	<div>=</div> <div>1 mark</div>																				
-	-	20	<div>Q. Explain four.....Accounting System.</div> <div>Ans Following are the limitations of computerised accounting softwares:</div> <div>1. Faster obsolescence of technology necessitates investment in shorter period of time .</div> <div>2. Data may be lost or corrupted due to power interruptions.</div> <div>3. Data are prone to hacking.</div> <div>4. Un-programmed and un-specified reports cannot be granted.</div>	<div>1x4</div> <div>=4 marks</div>																				
21	22	21	<div>Q. Explain four.....’server database’?</div> <div>Ans. (Any four)</div> <div>(i) Flexibility.</div> <div>(ii) Choice of front end applications.</div> <div>(iii) Powerful performance.</div> <div>(iv) Scalability to handle rapidly expanding number of users.</div> <div>(v) Ease of handling huge amount of data.(with suitable explanation)</div> <div>OR</div>	<div>=4 Marks</div>																				

**OR**

			<p><b>Q. What is .....types of vouchers.</b></p> <p><b>Ans.</b> The vouchers are three types-(any two)</p> <ul style="list-style-type: none"> <li>• <b>Memo voucher:</b> Memo voucher is a non accounting voucher. It does not affect accounts of the user. These entries are stated/recorded in a separate register, but not as a part of ledger</li> <li>• <b>Post dated voucher:</b> Some accounting software allows the user to enter the voucher for future transactions which are usually similar as the previous once.</li> <li>• <b>User defined Voucher:</b> In accounting software there are 23 predefined vouchers. It allows the user to define or create new accounting or inventory vouchers as per the requirement. In the voucher entry, entry can be classified into three basic categories.</li> </ul>	
22	21	22	<p><b>Q. Explain.....'Mnemonic' codes.</b></p> <p><b>Ans. Sequential Codes:</b> In these codes numbers and/or letters are assigned in consecutive order. These codes are applied primarily to source documents such as cheques, invoices etc. This code facilitates document searches. This process enables in either identification of missing codes (numbers) relating to a particular document or a relevant document can be traced.</p> <p><u>Mnemonic Codes:</u> These codes consist of alphabets or abbreviations as symbols to codify a piece of information. SJ for sales Journal, HQ for Head Quarters are examples of mnemonic codes.</p> <p style="text-align: center;"><b>OR</b></p> <p><b>Q. State the steps.....Tally.</b></p> <p><b>Ans.</b> The following are the steps to construct BRS in tally:</p> <ol style="list-style-type: none"> <li>1. Bring up the monthly summary of bank book.</li> <li>2. Bring your cursor to the first month and press enter. This brings up the vouchers for the month. Since this is a bank account, an additional button F5: reconcile will be visible on the right Press F5.</li> <li>3. The display now becomes an Edit screen in Reconciliation mode. The primary components are: A column for the 'Bankers Date'</li> <li>4. Amounts not reflected in banks</li> <li>5. Balance as per bank</li> </ol>	=4 marks
23	23	23	<p><b>Q. What is.....its benefits.</b></p> <p><b>Ans.</b> A format change, such as background cell shading or font colour that is applied to a cell when a specified condition for the data in the cell is true.</p> <p><u>Conditional formatting</u> is often applied to worksheets to find:</p> <ul style="list-style-type: none"> <li>• Data that is above or below a certain value. Duplicate data values.</li> </ul>	

		<ul style="list-style-type: none"> <li>Cells containing specific text. Data that is above or below average.</li> <li>Data that falls in the top ten or bottom ten values.</li> </ul> <p><b><u>Benefits of using conditional formatting:</u></b></p> <p>i) Helps in answering questions which are important for taking decisions.</p> <p>ii) Guides with help of using visuals.</p> <p>iii) Helps in understanding distribution and variation of critical data.</p>	<p>=</p> <p><b>6 Marks</b></p>
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