Downloaded from: | www.commerceschool.in

**Strictly Confidential: (For Internal and Restricted use only) Senior School Certificate Examination July 2019 Marking Scheme ACCOUNTANCY (055)** (67/1/1, 67/1/2, 67/1/3)

#### **General Instructions: -**

- 1. You are aware that evaluation is the most important process in the actual and correct assessment of the candidates. A small mistake in evaluation may lead to serious problems which may affect the future of the candidates, education system and teaching profession. To avoid mistakes, it is requested that before starting evaluation, you must read and understand the spot evaluation guidelines carefully. Evaluation is a 10-12 days mission for all of us. Hence, it is necessary that you put in your best efforts in this process.
- 2. Evaluation is to be done as per instructions provided in the Marking Scheme. It should not be done according to one's own interpretation or any other consideration. Marking Scheme should be strictly adhered to and religiously followed. However, while evaluating, answers which are based on latest information or knowledge and/or are innovative, they may be assessed for their correctness otherwise and marks be awarded to them.
- 3. The Head-Examiner must go through the first five answer books evaluated by each evaluator on the first day, to ensure that evaluation has been carried out as per the instructions given in the Marking Scheme. The remaining answer books meant for evaluation shall be given only after ensuring that there is no significant variation in the marking of individual evaluators.
- 4. Evaluators will mark( $\sqrt{\ }$ ) wherever answer is correct. For wrong answer 'X' be marked. Evaluators will not put right kind of mark while evaluating which gives an impression that answer is correct and no marks are awarded. This is most common mistake which evaluators are committing.
- 5. If a question has parts, please award marks on the right-hand side for each part. Marks awarded for different parts of the question should then be totaled up and written in the left-hand margin and encircled. This may be followed strictly.
- 6. If a question does not have any parts, marks must be awarded in the left hand margin and encircled. This may also be followed strictly.
- 7. If a student has attempted an extra question, answer of the question deserving more marks should be retained and the other answer scored out.
- 8. No marks to be deducted for the cumulative effect of an error. It should be penalized only once.
- 9. A full scale of marks **0-80** has to be used. Please do not hesitate to award full marks if the answer deserves it.
- 10. Every examiner has to necessarily do evaluation work for full working hours i.e. 8 hours every day and evaluate 20 / 25 answer books per day.
- 11. Ensure that you do not make the following common types of errors committed by the Examiner in the past:-
  - Leaving answer or part thereof unassessed in an answer book.

- Giving more marks for an answer than assigned to it.
- Wrong transfer 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 transfer of marks from the answer book to online award list.
- Answers marked as correct, but marks not awarded. (Ensure that the right tick mark is correctly and clearly indicated. It should merely be a line. Same is with the X for incorrect answer.)
- Half or a part of answer marked correct and the rest as wrong, but no marks awarded.
- 12. While evaluating the answer books if the answer is found to be totally incorrect, it should be marked as (X) and awarded zero (0)Marks.
- 13. Any unassessed portion, non-carrying over of marks to the title page, or totaling 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.
- 14. The Examiners should acquaint themselves with the guidelines given in the Guidelines for spot Evaluation before starting the actual evaluation.
- 15. Every Examiner shall also ensure that all the answers are evaluated, marks carried over to the title page, correctly totaled and written in figures and words.
- 16. The Board permits candidates to obtain photocopy of the Answer Book on request in an RTI application and also separately as a part of the re-evaluation process on payment of the processing charges.

### **ACCOUNTANCY**

			Marking Scheme 2018-19	
(7	(7	(7	_	MADIZO
67	67	67	Accountancy (055)	MARKS
/1	/1	/1	Delhi Compartment 67/1/1	
/1	/2	/3	Expected Answers/ Value Points	
1	4	6	Q. What is meant by over subscription of shares?	
			<b>Ans.</b> Oversubscription of shares means that the company receives applications for	
			more than the number of shares offered to the public for subscription.	1 mark
			OD	OB
			OR	OR
			Q. What is meant by 'par value' of a share?	
			Q. What is meant by par value of a share:	
			<b>Ans</b> . Par value is the nominal value or the face value of the share.	1 mark
			This. I all value is the nominal value of the face value of the share.	1 mm
2	5	5	Q. A, B and C were partners sharing profits in the ratio of 5 : 4 : 3. They decided	
			to change their profit sharing ratio to 2:2:1 w.e.f. 1st April, 2019. On that date,	
			there was a balance of ₹3,00,000 in General Reserve and a debit balance of	
			₹4,80,000 in the Profit and Loss Account. Pass necessary journal entries for the	
			above on account of change in the profit sharing ratio.	
	<u> </u>	<u> </u>	1	1

		Ans.	Journal				
		Date	Particulars		Dr. (₹)	Cr. (₹)	
		2019	General reserve A/c	Dr.	3,00,000		
		Apr 1	To A's Capital A/c			1,25,000	
			To B's Capital A/c			1,00,000	
			To C's Capital A/c			75,000	½ x 2
			(Being general reserve distribute	ted among the			
			partners in the old ratio)				=
			A's Capital A/c	Dr.	2,00,000		1 marl
			B's Capital A/c	Dr.	1,60,000		
			C's Capital A/c	Dr.	1,20,000		
			To Profit and Loss A/c			4,80,000	
			(Being debit balance of Profit a	and Loss account			
			debited to the old partners in th	e old profit sharing			
			ratio)				
2	4		and Seema started a partnership				
			vas entitled to a commission of	_			
		_	f ₹2,500 per quarter and Seema		<del>-</del>		
		_	g Raj's salary and Seema's com	_	r ended 31 <sup>st</sup>	March,	
		2019 wa	s ₹2,27,500. Calculate Seema's	commission.			
	1						

			Ans. Net Profit before salary and commission $= ₹2,27,500$ Less Raj's salary ₹2,500 x 3 $= ₹7,500$ Net profit after Raj's salary but before Seema's commission $= ₹2,20,000$ Seema's commission $= 10/110$ of ₹2,20,000 $= ₹20,000$	1 mark
4	1	3	Q. How are general donations treated while preparing financial statements of a not-for-profit organisation?  Ans. General donations are treated as revenue receipts.  (Note: If an examinee has given the treatment of general donations as shown in receipts side of Receipts and Payments Account and Income side of Income and	1 mark
			OR  Q. What is meant by 'life membership fee'?  Ans. Life membership fee is the membership fee paid by some members as a lump sum amount instead of a periodic subscription.	OR 1 mark

## Download Android App:- Commerce School

_	2	2	O At the time of admission of a newtron, who decides the shows of profit of the	
5	3	2	Q. At the time of admission of a partner, who decides the share of profit of the new partner out of the firm's profit?	
			Ans. It is decided mutually among the old partners and the new partner.	1 mark
			OR	OR
			Q. At the time of retirement, how is the new profit sharing ratio among the remaining partners calculated?	
			Ans. The new share of each of the remaining partner is calculated as his/ her own share in the firm plus the share acquired from the retiring partner.	1 mark
6	-	-	Q. A and B are partners in a firm sharing profits in the ratio of 3: 2. Mrs. B has given a loan of ₹40,000 to the firm and A has also given a loan of ₹80,000 to the firm. The firm was dissolved and its assets realised ₹60,000. State the order of payment of Mrs. B's loan and A's loan assuming that there was no other third party liability of the firm.	
			Ans. Order of payment:  First, the third party loan i.e. Mrs. B's loan will be paid.  Then Partner's loan i.e. A's loan will be paid.	1 mark

7	8	8	Q. Hari and Krishan were partners sharing profits and losses in the ratio of 2:1.	
			They admitted Shyam as a partner for 1/5th share in the profits Calculate	
			Goodwill of the firm after adjusting the following: The profit of 2014 – 15 was	
			calculated after charging ₹10,000 for abnormal loss of goods by fire.	
			Ans.	
			Year Profit (Loss) ( $\mathfrak{T}$ )	
			2013-14 50,000	
			2014-15 = 40,000+10,000 = 50,000	
			2015-16 75,000	1 mark
			2016-17 (25,000)	
			2017-18 <u>50,000</u>	
			<u>2,00,000</u>	
			Average profits = ₹2,00,000/5= ₹40,000	1 mark
			Goodwill= Average Profits x Number of years purchase	
			= ₹40,000 x 3	
			= ₹1,20,000	1 mark =
				1+1+1
				=
				3 marks
			7	L

9	year end	B are partners in ed 31 <sup>st</sup> March, 201 on capital and pary adjustment entr	19 ₹2,78,000 tners' salary	was distributed. Showing you	d without provi	ding for	
	Ans.		Journal				
	Date	Particulars			Dr. (₹)	Cr. (₹)	
	2019 Mar 31	A's Current A/c To B's Current A (Being omission of now rectified)		Dr. Capital and sala	11,200 ary,	11,200	1 ½ marl
	Table sho	owing Past Adjustm	nents:	Profits	Net e	ffect	
	1 1		(Cr.)	(Dr.)	Dr.	Cr.	
		Capital (Cr.)	(CI.)		(₹)	(₹)	
		(Cr.) (₹)	(₹)	(₹)	(₹)		1 1/2
	A	(Cr.)		, ,			1 ½ marl
	A B	(Cr.) (₹)	(₹)	(₹)	(₹)	(₹)	marl
		(Cr.) (₹) 90,000	(₹) 50,000	(₹) 1,51,200	(₹) 11,200	-	mar =

₹4,00,0 partner	and C were partners in a 00, ₹3,00,000 and ₹2,00,00 rship deed	0 respectivel Showing you	y. As per the	provisions	of the	
Ans.	Jou	rnal				
Date	Particulars			Dr. (₹)	Cr. (₹)	
2019	B's Capital A/c		Dr.	20,000	-	1 ½
Mar 31	C's Capital A/c		Dr.	30,000	-	mar
	(Being omission of interest	est on Capital	and salary,			
	now rectified)					
	nowing Past Adjustments:		In		66 4	
Table si	nowing Past Adjustments: rs Interest on Capital	Salary	Profits (Dr.)		effect	
	nowing Past Adjustments:	Salary (Cr.) (₹)	Profits (Dr.) (₹)	Net Dr. (₹)	effect Cr. (₹)	
	nowing Past Adjustments:  rs Interest on Capital (Cr.)	(Cr.)	(Dr.)	Dr.	Cr.	
Partne	nowing Past Adjustments:  rs	(Cr.) (₹)	(Dr.) (₹)	Dr. (₹)	Cr. (₹)	
Partne	nowing Past Adjustments:  rs Interest on Capital (Cr.) (₹)  40,000	(Cr.) (₹)	(Dr.) (₹) 50,000	Dr. (₹)	Cr. (₹) 50,000	1 ½ mar =

		constru	ction work is in progre	ss and has no	ot yet been complete	ed.		
		Ans.						
			Balar	ice Sheet of (	Queen's Club			
			As on 3	1 <sup>st</sup> March 20	19 (An extract)			
		Liabilit	ies	Amount	Assets		Amount	
				(₹)			(₹)	
		Capital	Fund 10,80,000		10% Building Fund		1/2	
		Add tra	insferred from		Investments		4,80,000	
		Buildin	g Fund 3,60,000	14,40,000				
				1			1/2	
		Buildin	g Fund 4,80,000		Building		3,60,000	2 manulus
		Add do	onations 6,00,000					3 marks
		Add in	terest on Building Fund					
		Investm	nents $48,000$					
			11,28,000					
		Less ex	penditure on					
		constru	ction transferred					
		to Capi	tal fund $3,60,000$	7,68,000				
				1				
10	_   _	O. A. B	and C were partners in	ı a firm shar	ing profits in the ra	tio of 3	2:1.D	
			nitted into the firm					
			ecord the necessary jou			-	A, D and	
		Canur	ecord the necessary joi	irnai entries	for the above trans	actions.		
		Ans.						
				Journ	al			
		Date	Particulars			Dr. (₹)	Cr. (₹)	
			Cash/ Bank A/c		Dr.	30,000	-	
			To D's capital A/c			-	30,000	½ mark
							,	

	(Being cash b	rought in by D as	his capital)			
	A's Capital A		Dr.	2,500	-	
	B's Capital A		Dr.	2,500	-	1 1
	C's Capital A		Dr.	10,000	-	1 mark
	To Cash/ Ba			-	15,000	
		vithdrawn by partr	ners to adjust the			
	capitals in the	new ratio))				
	Calculation of new prof	it sharing ratio				
	A = 3/6 - 3/16 = 15/48					
	B = 2/6 - 1/16 = 13/48					
	C = 1/6					
	$D = \frac{1}{4}$					
	New ratio =15:13:8:12					
	So, new capitals of A, B	, C are:				
	A $\sqrt[3]{1,20,000} \times 15/48 =$	₹37,500				1½
	B $= 1,20,000 \times 13/48 =$	₹32,500				marks
	C ₹1,20,000 x 1/6 = ₹2	0,000				
	D ₹1,20,000 x 1/4 = ₹3	0,000				
	Calculation of cash brou	ight in or paid off				
		A(₹)	B(₹)	C(₹)		
	Existing capitals	40,000	35,000	30,000		
	Adjusted capitals	37,500	32,500	20,000		=
	Cash withdrawn	2,500	2,500	10,000		1/2 +1+ 1
						1/2
						=
						3marks
_	Q. Ravi and Mukesh w	ere partners in a	firm sharing p	rofits and losses		

# Subscribe YouTube Channel:- Commerce School - CBSE

			es for the abov	ve ·	
	Ans.	Journal			
	1 22200	00111111			
	Date	Particulars	Dr. (₹)	Cr. (₹)	
	(i)	Ravi's Capital A/c Dr.	19,200	-	
		To Realisation A/c	-	19,200	
		(Being 40% of the total stock taken over by Ravi at 20% discount)			1 x 4
	(ii)	No Entry			
	(iii)	Cash A/c Dr.	22,500	-	4 marks
		To Realisation A/c (Being stock sold for cash)	-	22,500	
	(iv)	Realisation A/c Dr.  To Cash A/c  (Being creditors paid in cash at a discount of 10%)	45,000	45,000	
12	 3:2:1. (	and C were partners in a firm sharing profits and C died on			

			Ans.						
			Dr.		(	C's Execu	tors Account	Cr.	
			Date	Particulars	Amount	Date	Particulars	Amount	
					(₹)			(₹)	
			2016			2016			
			July 1	To Bank A/c	10,600	June 30	By C's Capital A/c	70,600	
			2017			2017			
			Mar 31	To Balance c/d	64,500	Mar 31	By Interest	4,500	
					75 100			75 100	
			2017		75,100	2017		75,100	
			June 30	To Bank A/c	26,000	Apr 1	By Balance b/d	64,500	
			2018	To Bank A/C	20,000	June 30	By Interest	1,500	1 x 4
			Mar 31	To Balance c/d	43,000	2018	By interest	1,500	
			1,141 31	To Buranec e, a	12,000	Mar 31	By Interest	3,000	
								,,,,,	=
					69,000			69,000	
			2018			2018			
			June 30	To Bank A/c	24,000	Apr 1	By Balance b/d	43,000	4 marks
			2019	To Balance c/d	21,500	June 30	By Interest	1,000	
			Mar 31			2019			
						Mar 31	By Interest	1,500	
					45,500			45,500	
			2019			2019			
			June 30	To Bank A/c	22,000	Apr 1	By Balance b/d	21,500	
						June 30	By Interest	500	
					22,000			22,000	
			-						
13	14	-	Q. On 1 <sup>st</sup> A	April, 2016, Gane	sh Ltd. ac	quired as	sets of ₹6,00,000 and to	ook over	
			liabilities (	of ₹70,000 of Soh:	an Ltd	•••••	Ignoring entri	es relating	
			_				nterest paid on debentu	=	
			the necess	ary journal entri	es to recor	d the issu	e and redemption of d	ebentures.	

	T=			~
Date	Particulars		Dr. (₹)	Cr. (₹)
2016	Assets A/c	Dr.	6,00,000	-
Apr 1	Goodwill A/c	Dr.	1,30,000	-
	To Liabilities A/c			70,000
	To Sohan Ltd. A/c			6,60,000
	(Being assets and liabilities acquired o	f Sohan		
	Ltd.)			
2016	Sohan Ltd A/c	Dr.	6,60,000	<del>-</del>
Apr 1	Loss on issue of debentures A/c	Dr.	30,000	-
	To 12% debentures A/c			6,00,000
	To Securities Premium Reserve A/c			60,000
	To Premium on redemption of Deber	ntures A/c		30,000
	(Being debentures issued at a premiun	1		
	redeemable at a premium)			
2018				
Mar 31	Surplus i.e. balance in Statement of Profit	ad Loss Dr.	1,50,000	
	To Debenture Redemption Reserve A	\/c		1,50,000
	(Being Debenture Redemption Reserv	e created		
	out of profits)			
2018	10% Debenture Redemption Investments	A/c Dr.	90,000	
Apr.1	To Bank A/c			90,000
	(Being Debenture Redemption Investr	nents		
	purchased)			
2019	Bank A/c	Dr.	8,100	
Mar 31	TDS Collected/ Deposited A/c	Dr.	900	

## Download Android App:- Commerce School

				Redemption Investments)			
			2019	Bank A/c Dr.	90,000		
			Mar.31	To 10% Debenture Redemption Investments A/c		90,000	½ mark
				(Being Debenture Redemption Investments sold)			
			66	12% Debentures A/c Dr.	6,00,000		
				Premium on redemption of Debentures A/c Dr.	30,000		
				To Debenture holders A/c	30,000	6,30,000	½ mark
						0,30,000	/2 IIIai K
				(Being amount payable to debenture holders on			
				redemption)			
				Debenture holders A/c Dr.	6,30,000		
				To Bank A/c		6,30,000	
				(Being Debentures redeemed)			½ mark
				Interest on Debenture Redemption Investments Dr.	9,000	-	
				To Statement of Profit and Loss		9,000	
				(Being Interest on Debenture Redemption			1/2
				Investments transferred to Statement of Profit			mark
				and Loss)			
			٠,	Debenture Redemption Reserve A/c Dr.	1,50,000		
				To General Reserve A/c		1,50,000	½ mark
				(Being Debenture Redemption Reserve			=
				transferred to general reserve)			6 marks
				<u> </u>			
4 .	1.5	1.5					
14	13	15		Y are partners sharing profits in the ratio of 3:2	_	_	
			_	videdComplete the Profit and		_	
				for the year ended 31st March, 2019, Partners' C	apital Accou	ints and	
			Current	Accounts.			

Particulars	Amou	nt Particulars		Amount
	(₹)			(₹)
To Interest on Capital		By Profit and Los Profit b/d1/2	s A/c- Net	2,82,860
X's Current A/c 18,000	01/2			
Y's Current A/c <b>24,00</b>	)[1/2] <b>42,</b> (	By Interest on Dra	awings	
1 5 Current A/C <u>24,00</u>	J., 1/2 425,	X's Current A/c	600	
To Salary		Y's Current A/c	<b>540</b> 1/2	1,140
Y's Current A/c	1/242,0		<u>340</u> [1/2]	2,2 10
To Profit transferred to:				
X's Current A/c 1,20,0	00			
Y's Current A/c 80,0	2,00,0	000		
	2,84,0	000		2,84,000
Dr.	Partners' (	Capital Accounts	,	Cr.
Particulars X (	₹) Y (₹)	Particulars	X (₹)	Y (₹)

Particulars         X (₹)         Y (₹)         Particulars         X (₹)         Y (₹)           To Bank A/c (Drawings)         10,000         9,000         By balance b/d         78,000         69,000           To Interest on drawings	Dr.	Partners' Current Accounts Cr.							
(Drawings) To Interest on drawings	Particulars	X (₹)	Y (₹)	Particulars	X (₹)	Y (₹)			
To Interest on drawings		10,000	9,000	By balance b/d	78,000	69,000			
drawings				By Interest on	18,000	24,000			
To balance c/d 2,05,400 2,05,460 By P/L Appropriation A/c- Profit ☑ 2,16,000 2,15,000  OR  OR  OR  OR  OR  OR  OR  OR  OR		600	540						
Appropriation A/c- Profit 2  2,16,000 2,15,000  OR  OR  Q. X and Y are partners in a firm sharing profits and losses in the ratio of 2:1.  Complete the Profit and Loss Appropriation A/c of X and Y for the year ended				By Salary ½	-	42,000			
OR  Q. X and Y are partners in a firm sharing profits and losses in the ratio of 2:1.  Complete the Profit and Loss Appropriation A/c of X and Y for the year ended	To balance c/d	2,05,400	2,05,460	By P/L					
OR  OR  Q. X and Y are partners in a firm sharing profits and losses in the ratio of 2:1.  Complete the Profit and Loss Appropriation A/c of X and Y for the year ended	1/2				1,20,000	80,000			
OR  Q. X and Y are partners in a firm sharing profits and losses in the ratio of 2:1.  Complete the Profit and Loss Appropriation A/c of X and Y for the year ended				A/c- Profit ½					
Q. X and Y are partners in a firm sharing profits and losses in the ratio of 2:1.  Complete the Profit and Loss Appropriation A/c of X and Y for the year ended		2,16,000	2,15,000		2,16,000	2,15,000			
Q. X and Y are partners in a firm sharing profits and losses in the ratio of 2:1.  Complete the Profit and Loss Appropriation A/c of X and Y for the year ended									
				OD					
	_			ing profits and losses					
	Complete the Pro	ofit and Los		ing profits and losses					
	Complete the Pro	ofit and Los		ing profits and losses					
	Complete the Pro	ofit and Los		ing profits and losses					
	Complete the Pro	ofit and Los		ing profits and losses					

			Particulars  To Interest on Capital X's Current A/c 45,000	Amount (₹)  1/272,000  1/248,000  15,000  13,07,920	Particulars  By Profit and Loss A/c- Net Profit b/d  By Interest on Drawings  X's Current A/c 3,600 1/2  Y's Current A/c 4,320 1/2	Amount (₹)  13,00,000  1/2  7,920	6 marks
15	-	14	Q. From the following Receipt information of Modern Health for the year ended 31st March 2019.  Ans.	Club, prep	are Income and Expenditu	re Account	

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

Particulars	Amount	Particulars	Amount
	(₹)		(₹)
To depreciation on books	2,000	By Subscriptions 60,000	
		(+) Advance for current year	
To loss on sale of furniture	1,000	4,000	
		(-) Advance for next year	
To salaries	30,000	(5,000)	
		(-) o/s for last year (3,000)	
To rent	18,300	(+) o/s for current yr <u>4,000</u>	60,000
To repairs	4,700	By donations	2,000
To surplus	15,000	By interest on investments	9,000
	71,000		71,000

## Balance Sheet of Modern Health Club as on 31st March 2019

Liabilities	Amount	Assets	Amount
	(₹)		(₹)
Subscriptions received in advance	5,000	Cash	1,000
Capital Fund 2,14,500		Investments	1,80,000
Add Life membership fee 7,000		Outstanding Subscriptions	4,000
<b>Add</b> Surplus <u>15,000</u>	2,36,500	Books	26,500
		Building	30,000

3 marks

1 ½ marks

		Working Notes:	2,41,500		2,41,500	
		Liabilities	Amount	Iealth Club as on 31st Assets	Amount	
		Subscriptions received in	(₹) 4,000	Cash	(₹) 17,000	
		advance	4,000	- Ca311	17,000	1 1/2
				Investments	1,80,000	marks
		Capital Fund	2,14,500			=
				Outstanding	3,000	3+1 1/2
				Subscriptions		1 1/2
				Books	12,500	= 6 mark
				Furniture	6,000	
			2,18,500		2,18,500	
6 17	16	Q. Lisa, Monika and Nisha we the ratio of 2:2:1Prepare and the Balance Sheet of the r	Revaluation A	account, Partners' Ca	pital Accounts	

Particulars	Amount	Particulars	Amount
	(₹)		(₹)
To Machinery	1,20,000	By Land and Building	2,40,000
To Provision for doubtful debts	20,000		
To Profit transferred to:			
Lisa's Capital A/c 40,000			
Monika's Capital A/c 40,000			
Nisha's Capital A/c 20,000	1,00,000		
	2,40,000		2,40,000

Dr.

#### **Partners Capital Accounts**

Cr.

Particulars	Lisa	Monika	Nisha	Particulars	Lisa	Monika	Nisha
	(₹)	(₹)	(₹)		(₹)	(₹)	(₹)
To Stock A/c	-	5,00,000	-	By balance b/d	14,00,000	14,00,000	3,60,000
To Monika's				By Revaluation	40,000	40,000	20,000
Capital A/c	80,000	-	40,000	A/c			
To Monika's				By Lisa's	-	80,000	-
loan A/c	-	10,60,000	-	Capital A/c			
To balance c/d	18,00,000		9,00,000	By Nisha's	-	40,000	-

1 x 3

½ x 4

2 marks

3 marks

				By C	Current A/c	4,40,000		5,60,000
	18,80,000	15,60,000	9,40,000			18,80,000	15,60,000	9,40,000
	ance Shee	t of the r	T		firm as on	ı 31 <sup>st</sup> Mar		
Liabilities			Amoui	nt	Assets			Amount
			(₹)					(₹)
Trade Credito	ors		1,60,0	000	Land and	Building		2,40,000
Bills Payable			2,44,0	000	Machiner	y	1	0,80,000
Employees Pr	rovident F	und	76,0	000	Stock			5,00,000
Monika's Loa	an		10,60,0		Debtors Less Prov		0,000	
Capitals Lisa 18	8,00,000				doubtful o		,000	3,80,000
Nisha 9	9,00,000		27,00,0	000	Bank			40,000
					Lisa's Cu	rrent A/c		4,40,000
					Nisha's C	Surrent A/o		5,60,000
			44,20,0	000				12,40,000
			o	) R			·	

22

firm.

Ans.								
Dr.			Reval	luation	ı A/c		,	Cr.
Particulars			An	nount	Particulars		<u> </u>	Amount
Turviculais				(₹)	T divionals			(₹)
To Workmen's	compensa	ation clain		5,000	By Bank /bad	debts		2,000
					recovered			
To Stock				3,000	Des Dedes d			2.000
					By Patents			2,000
					By Loss transf	ferred to:		
					Madan's Capit	tal A/c 2,	400	
					Mohan's Capi	tal A/c <u>1,</u>	600	4,000
				8,000				8,000
Dr.		Par	tners C	apital	Accounts			Cr.
Dr. Particulars	Madan	Par Mohan	tners Ca	apital  Partic		Madan	Mohan	
Particulars	(₹)	Mohan (₹)		Partic	ulars	(₹)	Mohan (₹)	Gopal (₹)
Dr.  Particulars  To Revaluation A/c		Mohan	Gopal	Partice By Ba			Mohan	Gopal (₹)

<u> </u>				1 1	
		By Ba	ink A/c	23,200	
	66,000 54,000	23,200	66,000	54,000 23,200	
	66,000   34,000	23,200	66,000	34,000 23,200	
	Note: If the goodwill premium account first and then credited credit be given.		_		
	Balance Sheet of the	reconstituted	firm as on 31 <sup>st</sup> March	2018	
	Liabilities	Amount	Assets	Amount	
		(₹)		(₹)	
	Creditors	28,000	Cash at bank	45,200	
	Employees Provident Fund	22,000	Debtors 65,000 Less Provision for		
	Workmen's compensation claim	5,000	doubtful debts 5,000	60,000	$1\frac{1}{2} x$
	Capitals:		Stock	30,000	3 marl
	Madan 63,600				=
	Mohan 52,400		Patents	59,000	2+3+3
	Gopal <u>23,200</u>	1,39,200			=
					8 marl
		1,94,200		1,94,200	
16 1	7 O Dathas I td invited applica	tions for issui	ng 1 00 000 aguity sha	was of 710 anah	
16 1					
	The shares were issued at a pro			nai entries for	
	the above transactions in the b	ooks of Kathe	e Llu.		
	Ans.				
	In t	he books of R	athee Ltd.		
		Journa	I		
		JJULIIU	_		

Date	Particulars		Dr. (₹)	Cr. (₹)
	Bank A/c	Dr.	11,50,000	
	To Equity Share Application and Allotment A	A/c		11,50,000
	(Being application money received)			
	Equity Share Application and Allotment A/c	Dr.	11,50,000	
	To Equity Share Capital A/c			2,00,000
	To Securities Premium Reserve A/c			4,00,000
	To Calls in Advance A/c			4,82,000
	To Bank A/c			68,000
	(Being application money transferred to share	capital,		
	securities premium reserve, calls and the balar	nce refunded)		
	Equity Share First and Final call A/c	Dr.	10,00,000	
	To Equity Share Capital A/c			8,00,000
	To Securities Premium Reserve A/c			2,00,000
	(Being First call money due)			
	Bank A/c	Dr.	5,11,600	
	Calls in arrears A/c	Dr.	6,400	
	Calls in advance A/c	Dr.	4,82,000	
	To Equity Share First and Final call A/c			10,00,000
	(Being first call money received)			
	or			
	Bank A/c	Dr.	5,11,600	
	Calls in advance A/c	Dr.	4,82,000	
	To Equity Share First and Final call A/c			9,93,600
	(Being first call money received)			
	Equity Share Capital A/c	Dr.	10,000	
	Securities Premium Reserve A/c	Dr.	2,000	
	To Share Forfeiture A/c			5,600

final call)				
Bank A/c	Dr.	15,000		
To Equity Share Capital A/c			10,000	
To Securities Premium Reserve	A/c		5,000	
(Being Bali's shares reissued for	₹15 per share fully paid)			1 n
Share Forfeiture A/c	Dr.	5,600		
To Capital Reserve A/c			5,600	
(Being balance in Share forfeiture	e account transferred to			
capital reserve)				
<b>-</b>				1 m
				8 m

OR

#### In the books of Venus Ltd.

#### **Journal**

Date	Particulars		Dr. (₹)	Cr. (₹)
	Building A/c	Dr.	7,00,000	
	To M/s Star Ltd.			7,00,000
	(Being building purchased from M/s Star Ltd.)	)		
	M/s Star Ltd.	Dr.	7,00,000	
	To Equity Share Capital A/c			7,00,000
	(Being 70,000 shares issued as fully paid to St	ar Ltd.		
	for payment of building purchased)			

½ mark

OR

Bank A/c	Or. 6,00,000		
To Equity Share Application A/c		6,00,000	
(Being application money received on 2,00,000			½ mark
shares)			
Equity Share Application A/c	Or. 6,00,000		
To Equity Share Capital A/c		6,00,000	
(Being application money transferred to share cap	ital)		½ mark
Equity Share Allotment A/c D	r. 4,00,000		
To Equity Share Capital A/c		4,00,000	
(Being Allotment money due on 2,00,000 shares)			
			½ mark
Bank A/c Dr	3,80,000		
To Equity Share Allotment A/c		3,80,000	
(Being allotment money received)			
			½ mark
or			
Bank A/c Dr	3,80,000		
Calls in arrears A/c Dr	. 20,000		
To Equity Share Allotment A/c		4,00,000	
(Being allotment money received)			
			½ mark
Equity Share First call A/c Dr.	4,00,000		
To Equity Share Capital A/c		4,00,000	
(Being First call money due on 2,00,000 shares)			
Bank A/c Dr	3,20,000		
To Equity Share First call A/c		3,20,000	
(Being first call money received)			
or			½ mark

Bank A/c	Dr.	3,20,000		
Calls in arrears A/c	Dr.	80,000		
To Equity Share First call A/c			4,00,000	
(Being first call money received				
				1 mark
Equity Share Second and Final call A/c	Dr.	6,00,000		
To Equity Share Capital A/c			6,00,000	
(Being First call money due on 2,00,000 share	res)			
Bank A/c	Dr.	3,00,000		
To Equity Share Second and Final call A/c			3,00,000	
(Being first call money received)				1/2
				mark
or				
Bank A/c	Dr.	3,00,000		
Calls in arrears A/c	Dr.	3,00,000		
To Equity Share Second and Final call A/c			6,00,000	
(Being first call money received				
				1 mark
Equity Share Capital A/c	Dr.	1,00,000		
To Share Forfeiture A/c			30,000	
To Equity Share Allotment A/c			20,000	
To Equity Share first call A/c			20,000	
To Equity Share Second and Final call A/c			30,000	
(Being shares forfeited)				
or				
Equity Share Capital A/c	Dr.	1,00,000		
To Share Forfeiture A/c			30,000	
To Calls in Arrears A/c			70,000	
(Being shares forfeited)				1 mark
		•		

			Bank A/c Dr.  To Equity Share Capital A/c  To Securities Premium Reserve A/c  (Being shares reissued for ₹12 per share fully paid)  Share Forfeiture A/c Dr.	1,20,000	1,00,000 20,000	
			To Capital Reserve A/c (Being balance in Share forfeiture account transferred to capital reserve)		30,000	½ mark
						½ mark = 8 marks
			PART B			
			OPTION 1			
			Analysis of Financial Statements			
18	-	-	Q. Give any two examples of cash flows from operating activ	vities.		
			Ans. Any two examples:			½ x 2
			(i) Cash Sales			
			(ii) Cash Purchases			1 mark
			(iii) Salary paid			
			(or any other correct example)			

19	-	-	Q. What is meant by 'Financing Activities' for preparing Cash Flow Statement?	
			<b>Ans.</b> Financing activities are the activities that result in change in capital or borrowings of the enterprise.	1 mark
20	21	22	Q. From the given information, calculate the following ratios:	
			(i) Operating Ratio	
			(ii) Inventory Turnover Ratio	
			Ans.	
			(i) Operating ratio = $\underline{\text{Cost of Revenue from operations}} + \underline{\text{Operating expenses}} \times 100$	
			Net Revenue from operations	
			Cash Revenue from operations = ₹10,00,000	
			Credit Revenue from operations = ₹12,00,000	
			Therefore, Total Revenue from operations = ₹22,00,000	
			Operating expenses = $10\%$ of $322,00,000 = 32,20,000$	
			Gross profit = 40% of ₹22,00,000	2 marks

70.00.000	
= ₹8,80,000	
So, Cost of Revenue from operations = ₹13,20,000	
Operating ratio = $\sqrt[3]{13,20,000} + \sqrt[3]{2,20,000} \times 100$	
₹22,00,000	
=70%	
(ii) Inventory Turnover ratio = <u>Cost of Revenue from operations</u>	
Average Inventory	2 marks
_ ₹12 20 000/₹1 60 000	= =
= ₹13,20,000/₹1,60,000	2+2
=8.25 times	=
-8.25 times	4 marks
	4 marks
	OR
OR	011
<b>Q. (A)</b> Net profit after interest and tax of M Ltd. was ₹1,00,000. Its Current Assets	
were ₹4,00,000 and Current Liabilities were ₹2,00,000. Tax rate was 50%. Its Total	
Assets were ₹10,00,000 and 10% Long term debt was ₹4,00,000. Calculate Return on	
Investment.	
(B) Rate of Gross profit on Revenue from operations of a company is 25%. Its Gross	
profit is ₹5,00,000. Its Shareholders' Funds are ₹25,00,000; Non-current Liabilities	
are ₹8,00,000 and Non-current Assets are ₹23,00,000.	
Calculate its Working Capital Turnover Ratio.	
Ans.	
(A) Return on Investment = Profit before interest and tax x 100	
Capital employed	
31	

	Profit before interest and tax =₹1,00,000 + ₹1,00,000 + ₹40,000	2 marks
	= ₹2,40,000	
	Capital employed = ₹8,00,000	
	Therefore, Return on Investment = $\stackrel{?}{=} 2,40,000/\stackrel{?}{=} 8,00,000 \times 100$	
	Therefore, Return on investment – \(\frac{72}{40}\),000/\(\frac{70}{60}\),000/\(\frac{70}{60}\),000/\(\frac{70}{60}\)	
	= 30%	
	- 30 7 <sub>0</sub>	
	(B) Working Capital Turnover ratio = Revenue from operations/ Working Capital	
	Gross Profit = ₹5,00,000	
	C. D	2 marks
	So, Revenue from operations = ₹20,00,000	
	Working Capital = Shareholders Funds + Non Current Liabilities – Non Current	
	Assets	
	= ₹25,00,000 + ₹8,00,000 - ₹23,00,000	
	=₹10,00,000	
		=
	Working Capital Turnover ratio = ₹20,00,000/ ₹10,00,000 = <b>2 times</b>	2+2
	orning capital rather tade (20,00,000 (10,00,000 2 times	= 4 manks
	32	4 marks

21	-	-	Q. Under which sub-headings will the following items be placed in the Balance Sheet of a company as per Schedule-III, Part-I of the Companies Act, 2013?			
			Ans.			
				Item	Sub Head	1
			(i)	Prepaid Expenses	Other Current Assets	
			(ii)	Loose Tools	Inventories	-
			(iii)	Loans repayable on demand	Short Term borrowings	_
			(iv)	Provision for employees benefit	Long term provisions	1/2 x 8
			(v)	Negative balance in Statement of Profit and Loss	Reserves and Surplus	=
			(vi)	Bank Overdraft	Short Term borrowings	4 marks
			(vii)	Bills Receivable	Trade Receivables	
			(viii)	Trade Marks	Fixed assets- Intangible	
22	20	21		oare a Common-Size Statement of Profee e following information:	it and Loss of 'Hari Darshan Ltd.'	
			Ans.	In the books of 'Hari l	Darshan Ltd.'	
				Common Size Statement of	Profit and Loss	

## for the years ended 31st March 2018 and 31st March 2019

Particulars	Absolute	e amount	Percentage of Revenue from operations		
	2017-18 2018-19		2017-18	2017-18	
	(₹)	(₹)	(%)	(%)	
Revenue from operations	10,00,000	20,00,000	100	100	
Add Other income	50,000	60,000	5	3	
Total Revenue	10,50,000	20,60,000	105	103	
Less Expenses:					
Purchase of stock in trade	4,20,000	7,70,000	42	38.5	
Changes in inventories	80,000	1,20,000	8	6	
Other expenses	30,000	52,000	3	2.6	
Total Expenses	5,30,000	9,42,000	53	47.1	
Profit before Tax	5,20,000	11,18,000	52	55.9	
Less Tax @50%	2,60,000	5,59,000	26	27.95	
Profit after Tax	2,60,000	5,59,000	26	27.95	

½ x 8

1/2

1/2

1/2

1/2

1/2

1/2

1/2

1/2

4marks

OR

OR

Q. Following information is extracted from the Statement of Profit and Loss of Delko Ltd. for the year ended 31<sup>st</sup> March, 2019:

# In the books of Delko Ltd. Comparative Statement of Profit and Loss for the years ended 31<sup>st</sup> March 2018 and 31<sup>st</sup> March 2019

Particulars	2017-18 (₹)	2018-19 (₹)	Absolute Increase/ Decrease	Percentage Increase/ Decrease	
			(₹)	(%)	
Revenue from operations	45,00,000	60,00,000	15,00,000	33.33	
Less					
Employee benefit expenses	22,50,000	30,00,000	7,50,000	33.33	
Depreciation	6,00,000	7,50,000	1,50,000	25	
Other expenses	10,00,000	15,50,000	5,50,000	55	
Total Expenses	38,50,000	53,00,000	14,50,000	37.66	
Profit before Tax	6,50,000	7,00,000	50,000	7.69	
Less Tax @50%	3,25,000	3,50,000	25,000	7.69	
Profit after Tax	3,25,000	3,50,000	25,000	7.69	

23	23					= 4 marks		
	23 23 23	Q. Following is the Balance Sheet of X Ltd. as at 31 <sup>st</sup> March, 2018 Prepare a Cash Flow Statement.						
			Ans. Cash Flow Statement of X Ltd. for the year ended 31st March 2018					
			Particulars	Amount (₹)	Amount (₹)			
			CASH FLOWS FROM OPERATING ACTIVITIES					
			Net Profit before Tax	5,00,000				
			Add depreciation on Machinery	1,40,000				
			Interest on 12% Debentures	60,000				
			Goodwill written off	1,00,000				
			Less Profit on sale of machinery	(10,000)				
			Operating profit before Working Capital changes	7,90,000				
			Less Increase in Inventories	(1,30,000)		1 ½ marks		
			Cash generated from operations	6,60,000		marks		
			Less Tax paid	(1,65,000)				
			Cash Inflows from Operating activities		4,95,000			
			CASH FLOWS FROM INVESTING ACTIVITIES					
			Sale of Machinery	50,000				
			Purchase of Machinery	(6,80,000)				
			Purchase of Investments	(1,00,000)		1 mark		
			Cash used in Investing activities		(7,30,000)			
			CASH FLOWS FROM FINANCING ACTIVITIES					

To balance b/d	20,00,000	By Cash (sale)		50,000
Dr. Particulars	Amount (₹)	Machinery A/c  Particulars		Cr.
		5,00,000		
Add Provision for Tax		<u>2,00,000</u>		
Net profit		3,00,000		
		(₹)		
Working Notes:  Calculation of Net Pro-	fit before Tax:			
Cash and Cash	equivalents		70,000	2,10,000
Current Invest			1,40,000	2 10 000
Closing balance of Co		quivalents		
Cash and Cash	n equivalents		40,000	2,10,000
Add Opening balance Current Invest		asn equivaienis	1,70,000	
4410				
Net increase in Cash	and Cash equ	ıivalents		
<b>Cash Inflows from F</b>	inancing activ	vities		2,35,000
Interest paid on 12%	Debentures		(60,000)	
Bank overdraft repaid	[		(5,000)	
Issue of 12% Debentu	ires		1,00,000	

			To Bank (purchase)	6,80,000	By balance c/d	26,00,000	
				26,90,000		26,90,000	
					<u> </u>		
			Dr.	Accumulate	ed depreciation A/c	Cr.	
			Particulars	Amount (₹)	Particulars	Amount (₹)	½ mark
			1 articulars	Amount (V)	1 articulars	Amount (t)	
			To Machinery A/c	40,000	By balance b/d	1,00,000	
			To balance c/d	2,00,000	By depreciation	1,40,000	=
			10 balance c/d	2,00,000	By depreciation	1,40,000	6 marks
				2,40,000		2,40,000	
					PART B		
					OPTION II		
10	10	10			terised Accounting		
18	19	18	Q. Name the data element	ment in accour	nting transaction.		1 mark
			Ans. A data element is	the smallest na	amed unit of data in the informat	ion system. In	
			accounting, a transaction	on consists of f	our data elements, such as name	of the account,	
			accounting code, date	of transaction a	nd amount.		
19	18	19	Q. What is meant by	'Primary Key	??		
						1 1 7	
				· ·	ional database that is unique for of more than one attributes of a table		1 mark
			telephone number with		more than one attroducts of a table	e such as	1 mai K
<u> </u>							

20	Q. Explain 'Sequential' and 'Mnemonic' codes.	
20	Ans.	
	Sequential codes	
	These are codes in which code numbers and/or letters are assigned in a consecutive	
	order. These codes are applied primarily to source documents such as cheques,	
	invoices etc. This facilitates document searches. This process enables either	2 marks
	identification of missing codes (numbers) relating to a particular document or a	
	relevant document can be traced.	
	Mnemonic codes	
	These and as consist of almbahata an albhaviations as symbols to and if you misse of	
	These codes consist of alphabets or abbreviations as symbols to codify a piece of	2 marks
	information. SJ for sales journal, HQ for Headquarters are examples of mnemonic codes.	2 marks
	codes.	2+2
		=
		4 marks
	OR	OR
	Q. State the element which is considered while calculating 'earning' for current	
	payroll period.	
	<b>Ans.</b> Elements which is considered while calculating 'Earning' for the current payroll	
	period are:	
	(i) Basic Pay (BP): It is the pay in the pay scale plus grade pay but does not include	
	special pay.	
	(ii) Grade pay (GP): It is the pay to be added to the basic pay according to the	
	designation of the employee and applicable pay band of pay.	4 marks
	(iii) Dearness pay (DP): It is that portion of dearness allowance which has been	
	declared and deemed to have been merged with basic pay.	
	(iv) Dearness allowance (DA): It is a compensation for erosion in the purchasing	

	power of wage earner due to price rise. It is granted by the government periodically as	
	a percentage of (basic pay+ dearness pay, if applicable).	
	(v) House rent allowance (HRA): It is an amount paid to facilitate employee in	
	acquiring on lease of residential accommodation.	
	(vi) Transport allowance (TRA): It is an amount paid to facilitate commuting to the	
	place of work i.e. Delhi, Bhopal, Haridwar etc.	
	(vii) Any other earning: It may include any other allowance not included in the above	
	but declared from time to time such as education allowance, medical allowance,	
	washing allowance etc.	
21	Q. State the features of a good accounting software.	
	Ans. Following are the features of accounting software: (Any four)	
	(i) Does all basic accounting functions.	
	(ii) Manages your stores.	
	(iii) Does job costing.	
	(iv) Manages payroll.	1 4
	(v) Get many MIS (Management Information System)	1 x 4
		4 marks
	(vi) Filing of tax returns.	
	(vii) Maintaining budgets.	
	(viii) Calculation of pending amount of interest.	
	(ix) Manages and synchronises data over different locations.	
	OR	OR

amounts of data. State its five advantages.	
	4 marks
	=
	2+2
software uses data encryption method.	
presented and is not tempered. Data vault password cannot be broken. Some	=
is referred to as data vault. Data vault ensures that original information is	2 marks
Software provides additional security for the imputed data and this feature	
Data vault	
the database.	
	2 marks
It is a widely accepted security control to access the data Only an	2
rassword Security	
Ans.	
Q. Explain the terms 'Password Security' and 'Data Vault'.	
a) Select start>run>type the file name E:\install.exe	
OR	
click on install.exe.	
a) Select any (C:or E:or D: )from My computer icon on the desktop double	4 marks
(ii) After inserting CD select the option in following steps;	
(i) Insert CD in the system.	
required:	
<b>Ans.</b> For installation of computerised accounting system the following steps are	
Q. State the steps involved in installation of a computerised accounting system.	
	Ans. For installation of computerised accounting system the following steps are required:  (i) Insert CD in the system.  (ii) After inserting CD select the option in following steps;  a) Select any (C:or E:or D:) from My computer icon on the desktop double click on install.exe.  OR  a) Select start>run>type the file name E:\install.exe  Q. Explain the terms 'Password Security' and 'Data Vault'.  Ans.  Password Security  It is a widely accepted security control to access the data Only an authorized 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 database.  Data vault  Software provides additional security for the imputed data and this feature is referred to as data vault. Data vault ensures that original information is presented and is not tempered. Data vault password cannot be broken. Some

	Ans. 'Pivot Table'	1 mark
	Advantages of Pivot Table are:	
	(i) User friendly	
	(ii) Focus on results	1 x 5
	(iii) Multiple summarisations of data.	= 5 marks
	(iv) Filtering, sorting, grouping etc. make it possible to focus on information.	
	(v) Presenting concise, attractive and annotated online or printed reports. Analysis of	= 1+5
	related tables is facilitated (with suitable explanation)	=
		6 marks

### <u>SET 2</u>

			Marking Scheme 2018-19	
67	67	67	Accountancy (055)	MARKS
/1	/1	/1	Delhi- 67/1/2	
/1	/2	/3	Expected Answers/ Value Points	
	1		Q. How are general donations treated while preparing financial statements of a	
			not-for-profit organisation?	
			Ans. General donations are treated as revenue receipts.	1 mark
			(Note: If an examinee has given the treatment of general donations as shown in receipts side of Receipts and Payments Account and Income side of Income and Expenditure Account, full credit should be given)	
			OR	OR
			Q. What is meant by 'life membership fee'?	
			<b>Ans.</b> Life membership fee is the membership fee paid by some members as a lump sum amount instead of a periodic subscription.	1 mark

2	Q. Raj and Seema started a partnership firm on 1st July, 2018. They agreed that Seema was entitled to a commission of 10% of the net profit after charging Raj's salary of ₹2,500 per quarter and Seema's commission. The net profit before charging Raj's salary and Seema's commission for the year ended 31 <sup>st</sup> March, 2019 was ₹2,27,500. Calculate Seema's commission.		
	<b>Ans.</b> Net Profit before salary and commission = ₹2,27,500		
	Less Raj's salary ₹2,500 x 3 = ₹ <u>7,500</u>		
	Net profit after Raj's salary but before Seema's commission = ₹2,20,000		
	Seema's commission = 10/110 of ₹2,20,000	1 marl	
	= <b>₹20,000</b>		
3	Q. At the time of admission of a partner, who decides the share of profit of the new partner out of the firm's profit?		
	Ans. It is decided mutually among the old partners and the new partner.	1 mark	
	OR	OR	
	Q. At the time of retirement, how is the new profit sharing ratio among the remaining partners calculated?		

	share in	the firm plus the share acquired	from the retiring pa	irtner.		1 mark
4	Q. What is meant by over subscription of shares?					
		ersubscription of shares means t n the number of shares offered t	1 2	• •	ions for	1 mark
			OR			OR
	Q. What	t is meant by 'par value' of a s	hare?			
	Ans. Par	value is the nominal value or th	ne face value of the	share.		1 mark
5	to chang there wa ₹4,80,00	and C were partners sharing page their profit sharing ratio to as a balance of ₹3,00,000 in Go in the Profit and Loss Account of change in the pro	2:2:1 w.e.f. 1 <sup>st</sup> A eneral Reserve and int. Pass necessar	pril, 2019. On d a debit balar	that date,	
	Ans.	Journal				
	Date	Particulars		Dr. (₹)	Cr. (₹)	
	2019	General reserve A/c	Dr.	3,00,000		
	Apr 1	To A's Capital A/c			1,25,000	
		To B's Capital A/c To C's Capital A/c			1,00,000 75,000	
		(Being general reserve distrib	uted among the		73,000	
		partners in the old ratio)	acea uniong the			
						½ x 2

	" A's Capital A/c		Dr.	2,00,000		=	
	B's Capital A/c		Dr.	1,60,000			
	C's Capital A/c		Dr.	1,20,000		1 mark	
	To Profit and Lo	oss A/c			4,80,000		
	(Being debit balan	nce of Profit and I	Loss account				
	debited to the old partners in the old profit sharing						
	ratio)						
			I				
6	Q. Khan and Gupta were	partners in a firn	n sharing profits a	nd losses	in the		
	ratio of 1 : 3. Mrs. Khan g	ave a loan of ₹1,0	0,000 to the firm.	Gupta als	so gave a		
	loan of ₹1,50,000 to the fir	m besides his cap	ital. On 1st April,	2019 the	firm was		
	dissolved and its assets rea	dissolved and its assets realised ₹1,40,000. Assuming that there was no third					
	party liability of the firm,	state the order of	payment of Mrs.	Khan's lo	an and		
	Gupta's loan.						
	Ans. Order of payment:						
						1 a lv	
	First, the third party loan i.e		•			1 mark	
	Then Partner's loan i.e. Gupta's loan will be paid.						
7	Q. Present the following it	ems in the Raland	re Sheet of Queen	's Club as	at 31st		
	March, 2019 Expenditu						
	construction work is in pro						
	Ans.	8					
	В	Salance Sheet of (	Queen's Club				
	As on 31 <sup>st</sup> March 2019 (An extract)						
	Liabilities	Amount	Assets		Amount		
		(₹)			(₹)		
	Capital Fund 10,80,000		10% Building Fund	1	1/2		
	Add transferred from		Investments		4,80,000		
	Building Fund <u>3,60,000</u>	14,40,000					
	Duilding Fund 4 90 000		Duilding		1/2		
	Building Fund 4,80,000		Building		3,60,000		

	Add donations 6,00,000	3 marks
	Add interest on Building Fund	J mai ks
	Investments 48,000	
	11,28,000	
	Less expenditure on	
	construction transferred	
	to Capital fund $3,60,000$ $7,68,000$	
8	Q. Hari and Krishan were partners sharing profits and losses in the ratio of 2:1.	
	They admitted Shyam as a partner for 1/5th share in the profits Calculate	
	Goodwill of the firm after adjusting the following: The profit of 2014 – 15 was	
	calculated after charging ₹10,000 for abnormal loss of goods by fire.	
	Ans.	
	Year Profit (Loss) (₹)	
	2013-14 50,000	
	2013 11	
	2014 15 40 000 110 000 50 000	
	2014-15 = 40,000+10,000 = 50,000	
	2015-16 75,000	1 mark
	2016-17 (25,000)	
	2017-18 50,000	
	2017-10	
	2,00,000	
	Average profits = $₹2,00,000/5 = ₹40,000$	1 mark

		= Average Profits x	Number of	years purchase			
	=	₹40,000 x 3					
	=	₹1,20,000					1 mark
							=
							1+1+1
							3 marks
9	Q. A and	B are partners in	a firm shar	ing	Pr	ofit for the	
	year ende	ed 31 <sup>st</sup> March, 201	9 ₹2,78,000	was distributed	l without pro	viding for	
		n capital and part			r working cle	arly, pass the	
	necessary	adjustment entry	for the abo	ove omissions.			
	Ans.		Journal				
	Date	Particulars			Dr. (	₹) Cr. (₹)	
	2019	A's Current A/c		Dr.	11,20	00	1 ½
	Mar 31	To B's Current A	A/c			11,200	marks
		(Being omission o	f interest on	Capital and sala	ry,		
		now rectified)					
	Table sho	wing Past Adjustm	ents:				
	Partners	Interest on	Salary	Profits	Net	effect	
		Capital	(Cr.)	(Dr.)	Dr.	Cr.	
		(Cr.)			(₹)	(₹)	
							1 1/2

B 40,000 36,000 64,800 - 11,200 3 ma  1,30,000 86,000 2,16,000 11,200 11,200  OR  OR  OR  OR  OR  OR  OR  OR  OR		(₹)	(₹)	(₹)				mark
OR	A	90,000	50,000	1,5	1,200	11,200	-	=
OR  OR  OR  Q. A, B and C were partners in a firm. On 1 <sup>st</sup> April, 2018, their capitals stood at ₹4,00,000, ₹3,00,000 and ₹2,00,000 respectively. As per the provisions of the partnership deedShowing your working clearly, pass an adjustment entry to rectify the above error.  Ans. Journal  Date Particulars Dr. (₹) Cr. (₹)  2019 B's Capital A/c Dr. 20,000 - Mar 31 C's Capital A/c Dr. 30,000 - To A's Capital A/c Dr. 50,000 (Being omission of interest on Capital and salary,	В	40,000	36,000	64,8	800	-	11,200	3 marl
OR  Q. A, B and C were partners in a firm. On 1 <sup>st</sup> April, 2018, their capitals stood at ₹4,00,000, ₹3,00,000 and ₹2,00,000 respectively. As per the provisions of the partnership deedShowing your working clearly, pass an adjustment entry to rectify the above error.  Ans. Journal  Date Particulars Dr. (₹) Cr. (₹)  2019 B's Capital A/c Dr. 20,000 - Mar 31 C's Capital A/c Dr. 30,000 - Mar 31 C's Capital A/c Dr. 50,000 (Being omission of interest on Capital and salary,		1,30,000	86,000	2,10	6,000	11,200	11,200	
Date Particulars Dr. (₹) Cr. (₹)   2019 B's Capital A/c Dr. 20,000 -   Mar 31 C's Capital A/c Dr. 30,000 -   To A's Capital A/c - 50,000   (Being omission of interest on Capital and salary,				OR				OR
Date       Particulars       Dr. (₹)       Cr. (₹)         2019       B's Capital A/c       Dr.       20,000       -         Mar 31       C's Capital A/c       Dr.       30,000       -         To A's Capital A/c       -       50,000         (Being omission of interest on Capital and salary,       -       50,000		_			_	_		
2019 B's Capital A/c Dr. 20,000 -  Mar 31 C's Capital A/c Dr. 30,000 -  To A's Capital A/c - 50,000  (Being omission of interest on Capital and salary,	partners adjustm	ship deed	Shovy the above	ving you error.	• •	-		
Mar 31 C's Capital A/c Dr. 30,000 - To A's Capital A/c - 50,000  (Being omission of interest on Capital and salary,	partners adjustm Ans.	ship deedent entry to rectify	Shovy the above	ving you error.	• •	g clearly, pass	an	
To A's Capital A/c  (Being omission of interest on Capital and salary,	partners adjustm Ans.	ship deedent entry to rectify	Shovy the above	ving you error.	• •	g clearly, pass	an	
(Being omission of interest on Capital and salary,	partners adjustm Ans. Date	ship deedent entry to rectify	Shovy the above	ving you error.	r working	g clearly, pass	an Cr. (₹)	1 ½
	Ans. Date	Particulars  B's Capital A/c	Shovy the above	ving you error.	r working	Dr. (₹)	an  Cr. (₹)	1½ mark
	Ans. Date	Particulars  B's Capital A/c  C's Capital A/c	Shov y the above Journal	ving you error.	r working	Dr. (₹)	an  Cr. (₹)	
	Ans. Date 2019 Mar 31	Particulars  B's Capital A/c C's Capital A/c To A's Capital A (Being omission on now rectified)  owing Past Adjustn	Show y the above  Journal  A/c of interest or	ving you	r working  Dr.  Dr.	Dr. (₹) 20,000 30,000	an  Cr. (₹)	
(Cr.) (Cr.) (Dr.) Dr. Cr.	Partners adjustm Ans. Date 2019 Mar 31	Particulars  B's Capital A/c C's Capital A/c To A's Capital A (Being omission on mow rectified)  owing Past Adjustments Interest on Capital A	Show y the above  Journal  A/c of interest or  ments:	ving you error.	Dr. Dr. and salary	Dr. (₹)  20,000 30,000	an  Cr. (₹)  50,000	

	A	40,000	60,000	50,000	-	50,000	
							1 1/2
	В	30,000	-	50,000	20,000	-	marl
	$\ _{\mathcal{C}}$	20,000		50,000	30,000		=
		20,000	-	30,000	30,000		3 mar
		90,000	60,000	1,50,000	50,000	50,000	
10	O. P. O	and R were partners in	a firm sharing	profits and	losses equal	llv. S was	
		d as a new partner for ½	<u> </u>	-	-	· ·	
	firm as	agreed between P, Q, R	and S was ₹2,0	00,000 and S	brought in	cash	
	1 -	ent to 1/4 <sup>th</sup> of this amoun	-	-			
		oe adjusted in their profi	C	• 0 0	, 1	C	
		ase may be. The capitals		· ·	· ·		
	revalua	tion of assets and reasses	ssment of habi	nues were \2	10,000; 150,	ooo ana	
	₹60,000	waamaatiyaly Calaulata	the next conite	lefD O and	ID and nas	. W. C.	
		respectively. Calculate	_		_	s necessary	
		respectively. Calculate entries for the above tra	_		_	s necessary	
	journal		_		_	s necessary	
			_		_	s necessary	
	journal		insactions in th		_	s necessary  Cr. (₹)	
	journal Ans.	entries for the above tra	insactions in th		he firm.		
	journal Ans.	entries for the above tra	Journal		he firm.		
	journal Ans.	entries for the above tra	Journal	ne books of th	he firm. Dr. (₹)		
	journal Ans.	Particulars  Cash/ Bank A/c	Journal	ne books of th	he firm. Dr. (₹)	Cr. (₹)	
	journal Ans.	Particulars  Cash/ Bank A/c  To S's capital A/c	Journal  Dournal	ne books of th	he firm. Dr. (₹)	Cr. (₹)	1 x 3
	journal Ans.	Particulars  Cash/ Bank A/c  To S's capital A/c  (Being cash brought in	Journal  Dournal	ne books of the	Dr. (₹)	Cr. (₹)	1 x 3
	journal Ans.	Particulars  Cash/ Bank A/c  To S's capital A/c  (Being cash brought in	Journal  by S)	ne books of the	Dr. (₹)	Cr. (₹)	
	journal Ans.	Particulars  Cash/ Bank A/c  To S's capital A/c  (Being cash brought in  Cash/ Bank A/c  To P's capital A/c	Journal  by S)	or.	Dr. (₹)	Cr. (₹)	1 x 3

	(Being cash withdra	wn by R				
Calculat	tion of cash brought in	or paid off				
Existing	capitals	P(₹) 40,000	Q(₹) 50,000	R(₹) 60,000		
Adjuste	d capitals	50,000	50,000	50,000		
Cash wi	thdrawn/ brought in	10,000		(10,000)		
Ans.	ooks of the firm.	Journal				
Date	Particulars			Dr. (₹)	Cr. (₹)	
(i)	Singh's Capital A/c To Realisation A/c (Being 50% of the to at 10% discount)		Dr. n over by Singh	40,500	40,500	1 x 4
(ii)	No Entry					
(iii)	Cash A/c To Realisation A/c (Being stock sold fo		Dr.	24,300	24,300	= 4 mark

		To Bank A/c (Being creditors pa	aid in cash	at a disco	ount of 5%)	- 76,000	
2	died on 32 ₹19,000 w yearly ins firm close	1 <sup>st</sup> March, 2016. T vere paid to K imn	The amoun nediately a from 31 <sup>st</sup> I	t payable and the b March, 2 ery year.	profits in the ration to Z's executor K alance was paid in 017 with interest (	X was ₹1,09,000. • three equal	
	Ans.		,	K's Acco	unf	Cr.	
	Date	Particulars	Amount	Date	Particulars	Amount	٦
			(₹)			(₹)	
	2016			2016			-
	Mar 31	To Bank A/c	19,000	Mar 31	By Z's Capital A/c	1,09,000	
	Mar 31	To Balance c/d	90,000				
			1,09,000			1,09,000	1 x
	2017			2016			
	Mar 31	To Bank A/c	40,800	Apr 1	By Balance b/d	90,000	
				2017			
	Mar 31	To Balance c/d	60,000	Mar 31	By Interest	10,800	
	2010		1,00,800	2017		1,00,800	
	2018 Mar 21	To Don't A /-	27 200	2017	Dr. Dolones 1. / 1	(0.000	
	Mar 31	To Bank A/c	37,200	Apr 1 2018	By Balance b/d	60,000	
	Mar 31	To Balance c/d	30,000	Mar 31	By Interest	7,200	
			67,200	• •	,	67,200	-     4 ma
	1.1		1 ,	2010		. ,	-
	2019			2018			
	2019 Mar 31	To Bank A/c	33,600	2018 Apr 1	By Balance b/d	30,000	

Q. X and Y are part	tners sharii	ng profits	s in the	ratio of 3:2	2. Their par	tnership
deed provided	•••••	Comp	olete the	e Profit and	Loss Appro	priation
Account for the yea	r ended 31s	st March	, 2019,	Partners' C	apital Accou	unts and
<b>Current Accounts.</b>						
Ans.						
D D C 11			6 4		0.18t N.F. 1	2010 G
Dr. Profit and Loss	s Appropria	ation A/c	for the	year ended	31 <sup>st</sup> March	2019 Cr.
Particulars		Amour	ıt Par	ticulars		Amount
		(₹)		irculais		/ timount (₹)
To Interest on Capital	1		By	Profit and Los	ss A/c- Net	2,82,860
			Pro	fit b/d1/2		
X's Current A/c 18	<b>8,000</b> 1/2					
			<u>By</u>	Interest on Dr	awings	
Y's Current A/c 24	<b>4,000</b> <u>1/2</u>	42,0				
			X's	Current A/c	600	
To Salary			V'a	Current A/c	540 1/2	1,140
Y's Current A/c		½42,0		Current A/C	<u><b>540</b></u> <u>1/2</u>	1,140
1 3 Current 74/C						
To Profit transferred	<u>to</u> :					
X's Current A/c 1,	,20,000					
		3 00 0	00			
Y's Current A/c	<b>80,000</b> 1/2	2,00,0	טט			
		2,84,0	00			2,84,000
		<u> </u>				

Dr.	Partners' Capital Accounts

Cr.

Particulars	X (₹)	Y (₹)	Particulars	X (₹)	Y (₹)
TD 1 1 /1	1.00.000	2 40 000	D 1 1 1/1	1.00.000	2 40 000
To balance c/d	1,80,000	2,40,000	By balance b/d	1,80,000	2,40,000
	1,80,000	2,40,000		1,80,000	2,40,000

1 mark

Dr.

#### **Partners' Current Accounts**

Cr.

	1	1		I	
Particulars	X (₹)	Y (₹)	Particulars	X (₹)	Y (₹)
		, ,			, ,
To Bank A/c	10,000	9,000	By balance b/d	78,000	69,000
(D)					
(Drawings)					
To Interest on			By Interest on	18,000	24,000
drawings 1/2	600	540	Capital		
			By Salary 1/2	-	42,000
To balance c/d	2,05,400	2,05,460	By P/L		
1/2			Appropriation	1,20,000	80,000
			A/c- Profit ½		
	2,16,000	2,15,000		2,16,000	2,15,000

2 marks

6 marks

OR

OR

3+1+2

Q. X and Y are partners in a firm sharing profits and losses in the ratio of 2:1. Complete the Profit and Loss Appropriation A/c of X and Y for the year ended 31st March, 2019.

Dr. Profit and Loss Appropriation A/c for the year ended 31st March 2019 Cr.

Particulars	Amount	Particulars	Amount
	(₹)		(₹)

	To Inter	est on Capital		By Profit and Lo	SS A/C- NEL	13,00,000	
	X's Cur	rent A/c <b>45,000</b> 1/2		Profit b/d		_	
	Y's Cur	rent A/c <b>27,000</b> 1/2	½72,000				
		_		By Interest on Da	rawings		
	To Salar	ry		X's Current A/c	3,600 1/2	1/2	
	X's Cur	rent A/c	1/248,000	Y's Current A/c	<b>4,320</b> 1/2	7,920	
	To Gene	eral Reserve	15,000				6 mark
	To Profi	it transferred to:					
	X's Cur	rent A/c1,15,2801/2					
	Y's Cur	rent A/c 57,640 1/2	1,72,920				
			3,07,920			3,07,920	
			3,07,920			3,07,920	
14	liabilitie	st April, 2016, Ganesh s of ₹70,000 of Sohan ng off loss on issue of	Ltd	Igr	noring entrie	s relating	
14	liabilitie to writir	s of ₹70,000 of Sohan	Ltddebentures a	Igr	oring entrie	es relating res, pass	
14	liabilitie to writin the nece	s of ₹70,000 of Sohan ng off loss on issue of	Ltddebentures a	Ign and interest paid the issue and rede	oring entrie	es relating res, pass	
14	liabilitie to writin the nece Ans.	s of ₹70,000 of Sohan ng off loss on issue of ssary journal entries	Ltddebentures a	Ign and interest paid the issue and rede	noring entrie on debentur mption of de	s relating res, pass bentures.	
14	liabilitie to writin the nece  Ans.	es of ₹70,000 of Sohan ng off loss on issue of ssary journal entries Particulars	Ltddebentures a	Ign and interest paid e issue and reder	oring entrie on debentui mption of de Dr. (₹)	s relating res, pass bentures.	
14	liabilitie to writin the nece  Ans.  Date 2016	es of ₹70,000 of Sohan ng off loss on issue of ssary journal entries  Particulars Assets A/c	Ltddebentures a	Igrand interest paid e issue and reder	Dr. (₹)	s relating res, pass bentures.	1 marl
14	liabilitie to writin the nece  Ans.  Date 2016	Particulars Assets A/c Goodwill A/c	Ltddebentures a	Igrand interest paid e issue and reder	Dr. (₹)	res, pass bentures.  Cr. (₹)	1 marl
14	liabilitie to writin the nece  Ans.  Date 2016	Particulars Assets A/c Goodwill A/c To Liabilities A/c	Ltddebentures a to record the	Igrand interest paid e issue and reder	Dr. (₹)	res, pass bentures.  Cr. (₹)  - 70,000	1 mark
14	liabilitie to writin the nece  Ans.  Date 2016	Particulars Assets A/c Goodwill A/c To Liabilities A/c To Sohan Ltd. A/c	Ltddebentures a to record the	Igrand interest paid e issue and reder	Dr. (₹)	res, pass bentures.  Cr. (₹)  - 70,000	1 marl
14	liabilitie to writin the nece  Ans.  Date 2016	Particulars Assets A/c Goodwill A/c To Liabilities A/c To Sohan Ltd. A/c (Being assets and lia	Ltddebentures a to record the	Igrand interest paid e issue and reder	Dr. (₹)	res, pass bentures.  Cr. (₹)  - 70,000	1 mark
14	liabilitie to writin the nece  Ans.  Date 2016 Apr 1	Particulars Assets A/c Goodwill A/c To Liabilities A/c To Sohan Ltd. A/c (Being assets and lia Ltd.)	Ltddebentures a to record the Jou	Ignand interest paid e issue and redermal  Dr.  Dr.  Dr.	Dr. (₹)	res, pass bentures.  Cr. (₹)  - 70,000	1 mark

	To Securities Premium Reserve A/c		60,000	
	To Premium on redemption of Debentures A/c		30,000	
	(Being debentures issued at a premium			
	redeemable at a premium)			
2018				
Mar 31	Surplus i.e. balance in Statement of Profit ad Loss Dr.	1,50,000		½ ma
	To Debenture Redemption Reserve A/c		1,50,000	
	(Being Debenture Redemption Reserve created out of profits)			
2018	10% Debenture Redemption Investments A/c Dr.	90,000		½ ma
Apr.1	To Bank A/c		90,000	
	(Being Debenture Redemption Investments			
	purchased)			
2019	Bank A/c Dr.	8,100		
Mar 31	TDS Collected/ Deposited A/c Dr.	900		
	To Interest on Debenture Redemption Investments A/c		9,000	½ ma
	(Being Interest received on Debenture			
	Redemption Investments)			
2019	Bank A/c Dr.	90,000		
Mar.31	To 10% Debenture Redemption Investments A/c		90,000	½ ma
	(Being Debenture Redemption Investments sold)			
	12% Debentures A/c Dr.	6,00,000		
	Premium on redemption of Debentures A/c Dr.	30,000		½ ma
	To Debenture holders A/c		6,30,000	
	(Being amount payable to debenture holders on			
	redemption)			
	Debenture holders A/c Dr.	6,30,000		

	(Being Debentu	res redeemed)				
	To Statement (Being Interest	nture Redemption I of Profit and Loss on Debenture Re unsferred to State	s demption	9,000	9,000	½ mark
	To General Re	re Redemption R		1,50,000	1,50,000	½ mark = 6 marks
15	Q. Following is the Recei				-	
	ended 31 <sup>st</sup> March, 2019  Account of the Club for to at 31 <sup>st</sup> March, 2019.  Ans.  Dr. Income and Expen	the year ended 3	1 <sup>st</sup> March, 2019 and	d its Balan	ce Sheet as Cr.	
	Account of the Club for the at 31st March, 2019.  Ans.	the year ended 3	1 <sup>st</sup> March, 2019 and	d its Balan	ce Sheet as	
	Account of the Club for to at 31 <sup>st</sup> March, 2019.  Ans.  Dr. Income and Expen	the year ended 3  diture A/c for the	1 <sup>st</sup> March, 2019 and	70,500 rrent year 2,000	Cr. Amount	
	Account of the Club for the at 31st March, 2019.  Ans.  Dr. Income and Expen  Particulars  To salaries  To travelling expenses  To stationery consumed	the year ended 3  diture A/c for the Amount (₹)  25,000  4,000  3,000	Particulars  By Subscriptions  Add Advance for cur  Less Advance for necessory to the control of	70,500 rrent year 2,000 xt year (3,500) (3,400)	Cr. Amount (₹)	3 marks
	Account of the Club for to at 31st March, 2019.  Ans.  Dr. Income and Expen  Particulars  To salaries  To travelling expenses	the year ended 3  diture A/c for the Amount (₹)  25,000  4,000	Particulars  By Subscriptions  Add Advance for cur  Less Advance for ne	70,500 rrent year 2,000 xt year (3,500) (3,400)	Cr. Amount	3 marks
	Account of the Club for the at 31st March, 2019.  Ans.  Dr. Income and Expension Particulars  To salaries  To travelling expenses  To stationery consumed  To rent	the year ended 3  diture A/c for the Amount (₹)  25,000  4,000  32,000	Particulars  By Subscriptions  Add Advance for cur  Less Advance for ne  Less o/s for last year  Add o/s for current y	70,500 rrent year 2,000 xt year (3,500) (3,400) year 4,300	Cr. Amount (₹)	3 marks

## Balance Sheet of Modern Health Club as on 31st March 2019

Liabilities	Amount	Assets	Amount
	(₹)		(₹)
Subscriptions received in advance	3,500	Cash	30,000
Capital Fund 44,900		9% Investments	25,000
Add Life membership fee10,000			
<b>Add</b> Surplus <u>13,150</u>	68,050	Outstanding Subscriptions	4,300
		Books	12,000
		Accrued interest on	
		9% Investments	250
	71,550		71,550

Working Notes:

## Balance Sheet of Modern Health Club as on 31st March 2018

(₹)
10,500
25,000
3,400
8,000
46,900
rip

= 1 ½ +

3+1 1/2 +

1 1/2

marks

1 1/2

marks

1 1/2

=

						6 mar
16	Q. Ra	thee Ltd. invited applications for issuing	1,00,000 equ	ity shares o	of ₹10 each.	
	The sh	nares were issued at a premium of 60%.	Pass necessar	y journal e	entries for	
	the ab	ove transactions in the books of Rathee	Ltd.			
	Ans.					
		In the books of Rat	hee Ltd.			
		Journal				
	Date	Particulars		Dr. (₹)	Cr. (₹)	
		Bank A/c	Dr.	11,50,000		
		To Equity Share Application and Allotment	A/c		11,50,000	1 ma
		(Being application money received)				1 IIIa
		Equity Share Application and Allotment A/c	Dr.	11,50,000		
		To Equity Share Capital A/c			2,00,000	41/
		To Securities Premium Reserve A/c			4,00,000	11/2
		To Calls in Advance A/c			4,82,000	mar
		To Bank A/c			68,000	
		(Being application money transferred to share	e capital,			
		securities premium reserve, calls and the bala	ince refunded)			
		Equity Share First and Final call A/c	Dr.	10,00,000		
		To Equity Share Capital A/c			8,00,000	
		To Securities Premium Reserve A/c			2,00,000	1 ma
		(Being First call money due)				
		Bank A/c	Dr.	5,11,600		
		Calls in arrears A/c	Dr.	6,400		
		Calls in advance A/c	Dr.	4,82,000		
		To Equity Share First and Final call A/c			10,00,000	
		(Being first call money received)				
						1 1/2
		or				marl

	Bank A/c	Dr.	5,11,600	
	Calls in advance A/c	Dr.	4,82,000	
i	To Equity Share First and Final call A/c			9,93,600
	(Being first call money received)			
	Equity Share Capital A/c	Dr.	10,000	
i	Securities Premium Reserve A/c	Dr.	2,000	
	To Share Forfeiture A/c			5,600
	To Calls in Arrears A/c/ Equity Share first an			6,400
	(Being Bali's shares forfeited for non pays	ment of first and		
	final call)			
	Bank A/c	Dr.	15,000	
	To Equity Share Capital A/c			10,000
	To Securities Premium Reserve A/c			5,000
ı	(Being Bali's shares reissued for ₹15 per s	share fully paid)		
	Share Forfeiture A/c	Dr.	5,600	
	To Capital Reserve A/c			5,600
	<u> </u>			
'	(Being balance in Share forfeiture account	transferred to		
	(Being balance in Share forfeiture account capital reserve)	transferred to		
	capital reserve)	transferred to		
	` -	transferred to		
Q. 'V	capital reserve)		f₹40,00,000	divided
	capital reserve)  OR	orised capital o		
into 4	capital reserve)  OR  Genus Ltd' was registered with an authorized	orised capital o	es were issue	d as fully
into 4 paid.	capital reserve)  OR  enus Ltd' was registered with an author, 00,000 equity shares of 10 each. 70,000	orised capital of 0 of these share Pass necessary j	es were issue	d as fully
into 4 paid.	capital reserve)  OR  enus Ltd' was registered with an author, 00,000 equity shares of 10 each. 70,00	orised capital of 0 of these share Pass necessary j	es were issue	d as fully
into 4 paid. above	capital reserve)  OR  Tenus Ltd' was registered with an authority,00,000 equity shares of 10 each. 70,000 et transactions in the books of 'Venus L	orised capital of 0 of these share Pass necessary j	es were issue	d as fully
into 4 paid. above	capital reserve)  OR  enus Ltd' was registered with an author, 00,000 equity shares of 10 each. 70,00	orised capital of 0 of these share Pass necessary j .td'.	es were issue	d as fully
into 4 paid. above	capital reserve)  OR  enus Ltd' was registered with an author,00,000 equity shares of 10 each. 70,000 et transactions in the books of 'Venus L.  In the books of Vourna	orised capital of 0 of these share Pass necessary j .td'.	es were issue	d as fully
into 4 paid. above Ans.	capital reserve)  OR  enus Ltd' was registered with an author,00,000 equity shares of 10 each. 70,000 et transactions in the books of 'Venus L.  In the books of Vourna	orised capital of 0 of these share Pass necessary j .td'.	es were issue journal entr	d as fully ies for the

(Being building purchased from M/s Star Ltd	l.)			
M/s Star Ltd.  To Equity Share Capital A/c  (Being 70,000 shares issued as fully paid to S for payment of building purchased)	Dr. Star Ltd.	7,00,000	7,00,000	½ mark
Bank A/c To Equity Share Application A/c (Being application money received on 2,00,0 shares)	Dr.	6,00,000	6,00,000	½ mark
Equity Share Application A/c  To Equity Share Capital A/c  (Being application money transferred to share)	Dr.	6,00,000	6,00,000	½ mark
Equity Share Allotment A/c  To Equity Share Capital A/c  (Being Allotment money due on 2,00,000 sha	Dr.	4,00,000	4,00,000	½ mark
Bank A/c  To Equity Share Allotment A/c  (Being allotment money received)	Dr.	3,80,000	3,80,000	
or				½ mark
Bank A/c Calls in arrears A/c To Equity Share Allotment A/c (Being allotment money received)	Dr. Dr.	3,80,000 20,000	4,00,000	
Equity Share First call A/c To Equity Share Capital A/c	Dr.	4,00,000	4,00,000	

	(Being First call money due on 2,00,000 shares)			½ mar
	Bank A/c Dr.	3,20,000		
	To Equity Share First call A/c	3,20,000	3,20,000	
	(Being first call money received)		2,20,000	1 marl
	or			
	Bank A/c Dr.	3,20,000		
	Calls in arrears A/c Dr.	80,000		
	To Equity Share First call A/c	00,000	4,00,000	
	(Being first call money received		1,00,000	
	Equity Share Second and Final call A/c Dr.	6,00,000		
	To Equity Share Capital A/c		6,00,000	
	(Being First call money due on 2,00,000 shares)			1/2
				mark
-	Bank A/c Dr.	3,00,000		
	To Equity Share Second and Final call A/c		3,00,000	
	(Being first call money received)			
	or			
	Bank A/c Dr.	3,00,000		1 mai
	Calls in arrears A/c Dr.	3,00,000		
	To Equity Share Second and Final call A/c		6,00,000	
	(Being first call money received			
	Equity Share Capital A/c Dr.	1,00,000		
	To Share Forfeiture A/c		30,000	
	To Equity Share Allotment A/c		20,000	
	To Equity Share first call A/c		20,000	
	To Equity Share Second and Final call A/c		30,000	

		or				
						1 mar
	Equity Share Capital A/o	2	Dr.			
	To Share Forfeiture A/o	e		1,00,000		
	To Calls in Arrears A/c	;			30,000	
	(Being shares forfeited)				70,000	
	Bank A/c		Dr.	1,20,000		
	To Equity Share Capita	ıl A/c			1,00,000	
	To Securities Premium	Reserve A/c			20,000	½ mai
	(Being shares reissued for	or ₹12 per sha	re fully paid)			
	Share Forfeiture A/c		Dr.	30,000		
	To Capital Reserve A/o	;			30,000	
	(Being balance in Share	forfeiture acco	ount transferred			½ mai
	to capital reserve)					
						=
		•				8 marl
17	Q. Lisa, Monika and Nisha we	re partners in	a firm sharing	profits and	losses in	
	the ratio of 2:2:1Prepare	Revaluation A	Account, Partner	rs' Capital	Accounts	
	and the Balance Sheet of the re	econstituted fi	rm on Monika's	s retiremen	t.	
	Ans.					
	Dr.	Revaluat	ion A/c		Cr.	
	Particulars	Amount	Particulars		Amount	
		(₹)			(₹)	
					2 40 000	
	To Machinery	1,20,000	By Land and B	uıldıng	2,40,000	
	To Machinery  To Provision for doubtful debts		By Land and B	uıldıng	2,40,000	
			By Land and B	uilding	2,40,000	½ x 4

## Subscribe YouTube Channel:- Commerce School - CBSE

Lisa's Capital A/c	40,000		
Monika's Capital A/c	40,000		
Nisha's Capital A/c	20,000	1,00,000	
		2,40,000	2,40,000

### Dr.

### **Partners Capital Accounts**

### Cr.

Particulars	Lisa	Monika	Nisha	Particulars	Lisa	Monika	Nisha
	(₹)	(₹)	(₹)		(₹)	(₹)	(₹)
To Stock A/c	-	5,00,000	-	By balance b/d	14,00,000	14,00,000	3,60,000
To Monika's Capital A/c	80,000	-	40,000	By Revaluation A/c	40,000	40,000	20,000
To Monika's loan A/c	-	10,60,000	-	By Lisa's Capital A/c	-	80,000	-
To balance c/d	18,00,000		9,00,000	By Nisha's Capital A/c	-	40,000	-
				By Current A/c	4,40,000		5,60,000
	18,80,000	15,60,000	9,40,000		18,80,000	15,60,000	9,40,000

# 1 x 3

### 3 marks

## Balance Sheet of the reconstituted firm as on 31st March 2019

Liabilities	Amount	Assets	Amount
	(₹)		(₹)
Trade Creditors	1,60,000	Land and Building	12,40,000
Bills Payable	2,44,000	Machinery	10,80,000

Employees Provident Fund	76,000	Stock	5,00,000
Monika's Loan	10,60,000	Debtors 4,00,000	
		Less Provision for	
Capitals		doubtful debts 20,000	3,80,000
Lisa 18,00,000			
Nisha <u>9,00,000</u>	27,00,000	Bank	40,000
		Lisa's Current A/c	4,40,000
		Nisha's Current A/c	5,60,000
	44,20,000		42,40,000
Q. On 31st March, 2019 the Bala profits and losses in the ratio of 3	3:2	Prepare Revalu	ıation
	nce Sheet o	Prepare Revalu	ıation
profits and losses in the ratio of 3 Account, Capital Accounts of the firm.  Ans.	nce Sheet o	Prepare Revalund the Balance Sheet of t	ıation
profits and losses in the ratio of 3 Account, Capital Accounts of the firm.  Ans.	nce Sheet o	Prepare Revalund the Balance Sheet of t	nation he new
profits and losses in the ratio of 3 Account, Capital Accounts of the firm.  Ans.	Revaluation	Prepare Revalund the Balance Sheet of t	Cr. Amount
profits and losses in the ratio of 3 Account, Capital Accounts of the firm.  Ans. Dr.  Particulars	nce Sheet of 3:2e. Partners a Revaluation	Prepare Revalund the Balance Sheet of t  A/c  Particulars	Cr.  Amount  (₹)
profits and losses in the ratio of 3 Account, Capital Accounts of the firm.  Ans. Dr.	Revaluation	Prepare Revalund the Balance Sheet of t	Cr. Amount
profits and losses in the ratio of 3 Account, Capital Accounts of the firm.  Ans. Dr.  Particulars	nce Sheet of 3:2e. Partners a Revaluation Amount	Prepare Revaluend the Balance Sheet of to A/c  Particulars  By Bank /bad debts	Cr.  Amount  (₹)

		By Loss transferred to:		= 2 marks
		Madan's Capital A/c 2,400 Mohan's Capital A/c 1,600	4,000	
	8,000		8,000	

Dr.

### **Partners Capital Accounts**

Cr.

1 x 3

3 marks

Particulars	Madan	Mohan	Gopal	Particulars	Madan	Mohan	Gopal
	(₹)	(₹)	(₹)		(₹)	(₹)	(₹)
To Revaluation	2,400	1,600	-	By Balance b/d	60,000	40,000	-
A/c							
				By Premium for			
To Balance c/d	63,600	52,400	23,200	goodwill A/c	-	10,000	-
				By General Reserve	6,000	4,000	-
				A/c			
				By Bank A/c			23,200
	66,000	54,000	23,200		66,000	54,000	23,200

Note: If the goodwill premium brought by the partner has been credited to his account first and then credited to his capital accounts in the sacrificing ratio, full credit be given.

## Balance Sheet of the reconstituted firm as on 31st March 2018

Liabilities	Amount	Assets	Amount

			(₹)		(₹)	
		Creditors	28,000	Cash at bank	45,200	1½ x 2
		Employees Provident Fund	22,000	Debtors 65,000 Less Provision for		= 3 marks
		Workmen's compensation claim	5,000	doubtful debts 5,000	60,000	= 2+3+3
		Capitals: Madan 63,600		Stock	30,000	= 8 marks
		Mohan 52,400 Gopal <u>23,200</u>	1,39,200	Patents	59,000	
			1,94,200		1,94,200	
			PART I	3		
			OPTION	1		
				al Statements		
18	3	Q. What is meant by investing a Ans. Investing activities (as per A assets and other investments not in	S-3) are the	acquisition and disposal of		1 mark
19	)	Q. State the primary objective o	f preparing	Cash Flow Statement.		
		<b>Ans</b> . The primary objective of preinformation about cash inflows and	_	-		1 mark
		period under various heads i.e. operactivities.	erating activi	ties, investing activities an	d financing	
20	)	Q. Prepare a Common-Size Stat from the following information:	ement of Pr	ofit and Loss of 'Hari Da	rshan Ltd.'	
		Ans. In the bo	ooks of 'Har	i Darshan Ltd.'		
		Common Size	e Statement	of Profit and Loss		

## for the years ended 31st March 2018 and 31st March 2019

1/2

1/2

1/2

1/2

1/2

1/2

1/2

1/2

½ x 8

4marks

Particulars	Absolute	e amount	Reven	ntage of ue from ations
	2017-18	2018-19	2017-18	2017-18
	(₹)	(₹)	(%)	(%)
Revenue from operations	10,00,000	20,00,000	100	100
Add Other income	50,000	60,000	5	3
Total Revenue	10,50,000	20,60,000	105	103
Less Expenses:				
Purchase of stock in trade	4,20,000	7,70,000	42	38.5
Changes in inventories	80,000	1,20,000	8	6
Other expenses	30,000	52,000	3	2.6
Total Expenses	5,30,000	9,42,000	53	47.1
Profit before Tax	5,20,000	11,18,000	52	55.9
Less Tax @50%	2,60,000	5,59,000	26	27.95
Profit after Tax	2,60,000	5,59,000	26	27.95

68

OR OR

Q. Following information is extracted from the Statement of Profit and Loss of Delko Ltd. for the year ended 31st March, 2019: Ans.

## In the books of Delko Ltd. **Comparative Statement of Profit and Loss** for the years ended 31st March 2018 and 31st March 2019

Particulars	2017-18	2018-19	Absolute	Percentage	
	(₹)	(₹)	Increase/	Increase/	
			Decrease	Decrease	
			(₹)	(%)	
Revenue from operations	45,00,000	60,00,000	15,00,000	33.33	1/2
Less					
Employee benefit expenses	22,50,000	30,00,000	7,50,000	33.33	1/2
Depreciation	6,00,000	7,50,000	1,50,000	25	1/2
Other expenses	10,00,000	15,50,000	5,50,000	55	1/2
Total Expenses	38,50,000	53,00,000	14,50,000	37.66	1/2
					/2
Profit before Tax	6,50,000	7,00,000	50,000	7.69	1/2
Less Tax @50%	3,25,000	3,50,000	25,000	7.69	1/2
Profit after Tax	3,25,000	3,50,000	25,000	7.69	1/2

		½ x 8
		=
		4 mark
21	Q. From the given information, calculate the following ratios:	
	(i) Operating Ratio	
	(ii) Inventory Turnover Ratio	
	Ans.	
	(i) Operating ratio = Cost of Revenue from operations + Operating expenses x 100  Net Revenue from operations	
	Cash Revenue from operations = $\sqrt[3]{10,00,000}$	
	Credit Revenue from operations = ₹12,00,000	
	Therefore, Total Revenue from operations = ₹22,00,000	2 mar
	Operating expenses = $10\%$ of $322,00,000 = 32,20,000$	
	Gross profit = $40\%$ of $322,00,000$	
	= ₹8,80,000	
	So, Cost of Revenue from operations = ₹13,20,000	2 mar
		2 n

Operating ratio =  $313,20,000 + 32,20,000 \times 100$ 2+2 ₹22,00,000 4 marks =70%OR (ii) Inventory Turnover ratio = <u>Cost of Revenue from operations</u> Average Inventory = 313,20,000/31,60,000**=8.25** times OR Q. (A) Net profit after interest and tax of M Ltd. was ₹1,00,000. Its Current Assets were ₹4,00,000 and Current Liabilities were ₹2,00,000. Tax rate was 50%. Its Total Assets were ₹10,00,000 and 10% Long term debt was ₹4,00,000. Calculate Return on Investment. (B) Rate of Gross profit on Revenue from operations of a company is 25%. Its Gross profit is ₹5,00,000. Its Shareholders' Funds are ₹25,00,000; Non-current Liabilities are ₹8,00,000 and Non-current Assets are ₹23,00,000. Calculate its Working Capital Turnover Ratio. Ans. (A) Return on Investment =  $\underline{\text{Profit before interest and tax}} \times 100$ Capital employed Profit before interest and tax =₹1,00,000 + ₹1,00,000 + ₹40,000 2 marks =₹2,40,000

	Capital employed = ₹8,00,000	
	Therefore, Return on Investment = ₹2,40,000/₹8,00,000 x 100	
	= 30%	
	(B) Working Capital Turnover ratio = Revenue from operations/ Working Capital	
	Gross Profit = ₹5,00,000	
	So, Revenue from operations = ₹20,00,000	2 marks
	Working Capital = Shareholders Funds + Non Current Liabilities – Non Current Assets	
	= ₹25,00,000 + ₹8,00,000 - ₹23,00,000	
	=₹10,00,000	
	Working Capital Turnover ratio = ₹20,00,000/ ₹10,00,000 = <b>2 times</b>	= 2+2 = 4 marks
22	Q. Under which sub-headings the following items will be placed in the Balance	
	Sheet of a company as per Schedule-III, Part-I of the Companies Act, 2013?	
 	72	

	Ans.				
		Item	Sub Head		
	(i)	Patents	Fixed assets- Intangible		
	(ii)	Unpaid dividend	Other Current liabilities		
	(iii)	Calls in advance	Other Current liabilities		
	(iv)	Cheques in hand	Cash and Cash Equivale	ents	
	(v)	Bills Payable	Trade Payables		½ X <sup>2</sup>
	(vi)	Office Equipments	Fixed assets- Tangible		/2 X =
	(vii)	General Reserve	Reserves and Surplus		4 mar
	(viii)	Public Deposits	Long Term borrowings		
23	Cash Flo	w Statement. sh Flow Statement of X Ltd	X Ltd. as at 31 <sup>st</sup> March, 2018 . for the year ended 31 <sup>st</sup> Mar	ch 2018	
23	Cash Flo	w Statement. sh Flow Statement of X Ltd		ch 2018	
23	Ans. Cas	w Statement. sh Flow Statement of X Ltd	. for the year ended 31 <sup>st</sup> Mar	ch 2018	
23	Cash Flo  Ans. Cas  Particula  CASH F	w Statement.  sh Flow Statement of X Ltd  ars  FLOWS FROM OPERATING	Amount (  5,00,00	ch 2018  ₹) Amount (₹)	
23	Cash Flo  Ans. Cas  Particula  CASH F  Net Prof  Add dep	w Statement.  sh Flow Statement of X Ltd  ars  FLOWS FROM OPERATING  fit before Tax  breciation on Machinery	Amount (  5 ACTIVITIES  5,00,00 1,40,00	ch 2018  ₹) Amount (₹)  00 00	
23	Cash Flo  Ans. Cas  Particula  CASH F  Net Prof  Add dep  Interest	w Statement.  sh Flow Statement of X Ltd  ars  FLOWS FROM OPERATING	Amount (  5,00,00	ch 2018  ₹) Amount (₹)  00 00 00	

	Operating profit before Working Capital changes	7,90,000		1 ½
	Less Increase in Inventories	(1,30,000)		marks
		<del>\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ </del>		
	Cash generated from operations	6,60,000		
	Less Tax paid	(1,65,000)		
	Cash Inflows from Operating activities		4,95,000	
	CASH FLOWS FROM INVESTING ACTIVITIES			
	Sale of Machinery	50,000		
	Purchase of Machinery	(6,80,000)		1 mark
	Purchase of Investments	(1,00,000)		
	Cash used in Investing activities		(7,30,000)	
	CASH FLOWS FROM FINANCING ACTIVITIES			
	Issue of Shares	2,00,000		
	Issue of 12% Debentures	1,00,000		1 ½
	Bank overdraft repaid	(5,000)		marks
	Interest paid on 12% Debentures	(60,000)		
	Cash Inflows from Financing activities		2,35,000	
	Net increase in Cash and Cash equivalents			
	Add Onaning halance of Cook and Cook amington			
	Add Opening balance of Cash and Cash equivalents  Current Investments	1 70 000		
		1,70,000	2 10 000	1/ mauls
	Cash and Cash equivalents	40,000	2,10,000	½ mark
	Closing balance of Cash and Cash equivalents			
	Current Investments	1,40,000		
			2 10 000	
	Cash and Cash equivalents	70,000	<u>2,10,000</u>	

Working Notes: Calculation of Net Pro	ofit before Tax:		
<u>Calculation of 14ct 11c</u>	one octore rax.	(₹)	
Net profit		3,00,000	
Add Provision for Tax	(	2,00,000	
		5,00,000	
Dr.		Machinery A/c	Cr.
	T		
Particulars	Amount (₹)	Particulars	Amount (₹)
Particulars	Amount (₹)	Particulars	Amount (₹)
To balance b/d	Amount (₹)  20,00,000	Particulars  By Cash (sale)	Amount (₹) 50,000
To balance b/d	20,00,000	By Cash (sale)	50,000
To balance b/d  To Profit on sale	20,00,000	By Cash (sale)  By Accumulated depreciation	50,000
To balance b/d To Profit on sale	20,00,000 10,000 6,80,000 26,90,000	By Cash (sale)  By Accumulated depreciation	50,000 40,000 26,00,000
To balance b/d  To Profit on sale  To Bank (purchase)	20,00,000 10,000 6,80,000 26,90,000	By Cash (sale)  By Accumulated depreciation  By balance c/d	50,000 40,000 26,00,000 26,90,000
To balance b/d  To Profit on sale  To Bank (purchase)  Dr.	20,00,000 10,000 6,80,000 26,90,000	By Cash (sale)  By Accumulated depreciation  By balance c/d  ed depreciation A/c	50,000 40,000 26,00,000 26,90,000 Cr.

2,40,000	
	6 marks
PART B	
OPTION II	
Computerised Accounting	
Q. 18. What is meant by 'Primary Key'?	
<b>Ans.</b> Primary key is a key in the relational database that is unique for each record. It	
consists of minimum possible one or more than one attributes of a table such as	1 mark
telephone number with area code.	
Q. 19. Name the data element in accounting transaction.	
	1 mark
Ans. A data element is the smallest named unit of data in the information system. In	
accounting, a transaction consists of four data elements, such as name of the account	,
accounting code, date of transaction and amount	
Q. 20. Explain the terms 'Password Security' and 'Data Vault'.	
Ans.	
Password Security	
It is a widely accepted security control to access the data Only an	
authorized person can access the data. Any user who does not know the	2 marks
password cannot retrieve information from the system. It ensures data	
integrity. It uses a binary encoding format of storage and offers access to	
the database.	
Data vault	
Software provides additional security for the imputed data and this feature	
is referred to as data vault. Data vault ensures that original information is	2 marks

designation of the employee and applicable pay band of pay.	4 marks
(ii) Grade pay (GP): It is the pay to be added to the basic pay according to the	
special pay.	
(i) Basic Pay (BP): It is the pay in the pay scale plus grade pay but does not include	
period are:	
<b>Ans.</b> Elements which is considered while calculating 'Earning' for the current payroll	
payroll period.	
Q. State the element which is considered while calculating 'earning' for current	
OR	OR
	4 marks
	4 marks
codes.	2+2
information. SJ for sales journal, HQ for Headquarters are examples of mnemonic	=
These codes consist of alphabets or abbreviations as symbols to codify a piece of	2 marks
Mnemonic codes	
relevant document can be traced.	
identification of missing codes (numbers) relating to a particular document or a	
invoices etc. This facilitates document searches. This process enables either	2 marks
These are codes in which code numbers and/or letters are assigned in a consecutive order. These codes are applied primarily to source documents such as cheques,	2 marks
There are ended in which and a numbers and/or letters are engineed in a consequitive	
Sequential codes	
Ans.	
Q. 21. Explain 'Sequential' and 'Mnemonic' codes.	
	4 marks
	=
	2+2
software uses data encryption method.	
presented and is not tempered. Data vault password cannot be broken. Some	=

(ix) Manages and synchronises data over different locations.	
(viii) Calculation of pending amount of interest.	
(vii) Maintaining budgets.	
(vi) Filing of tax returns.	4 marks
(v) Get many MIS (Management Information System)	1 x 4 =
(iv) Manages payroll.	1 4
(iii) Does job costing.	
(ii) Manages your stores.	
(i) Does all basic accounting functions.	
Ans. Following are the features of accounting software: (Any four)	
Q. 22. State the features of a good accounting software.	
washing allowance etc.	
but declared from time to time such as education allowance, medical allowance,	
(vii) Any other earning: It may include any other allowance not included in the above	
place of work i.e. Delhi, Bhopal, Haridwar etc.	
(vi) Transport allowance (TRA): It is an amount paid to facilitate commuting to the	
acquiring on lease of residential accommodation.	
(v) House rent allowance (HRA): It is an amount paid to facilitate employee in	
a percentage of (basic pay+ dearness pay, if applicable).	
power of wage earner due to price rise. It is granted by the government periodically as	
declared and deemed to have been merged with basic pay.  (iv) Dearness allowance (DA): It is a compensation for erosion in the purchasing	
(iii) Dearness pay (DP): It is that portion of dearness allowance which has been	

OR	OR
Q. State the steps involved in installation of a computerised accounting system.	
<b>Ans.</b> For installation of computerised accounting system the following steps are required:	
(i) Insert CD in the system.	
(ii) After inserting CD select the option in following steps;	
a) Select any (C:or E:or D: )from My computer icon on the desktop double click on install.exe.	4 marks
OR	
a) Select start>run>type the file name E:\install.exe	
Q. 23 What is meant three benefits.	
Ans:	
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.	
<b>Conditional formatting</b> is often applied to worksheets to find:	
• Data that is above or below a certain value. Duplicate data values.	
<ul> <li>Cells containing specific text. Data that is above or below average.</li> </ul>	
• Data that falls in the top ten or bottom ten values.	
Benefits of using conditional formatting:	
i) Helps in answering questions which are important for taking decisions.	
ii) Guides with help of using visuals.	6 marks
iii) Helps in understanding distribution and variation of critical data.	

#### **SET 3**

			Marking Scheme 2018-19	
67	67	67	Accountancy (055)	MARKS
/1	/1	/1	Delhi- 67/1/3	
/1	/2	/3	Expected Answers/ Value Points	
		1	Q. B and C were partners in a firm sharing profits and losses in the ratio of 11:	
			9. B had given a loan of ₹80,000 to the firm and the firm also took a loan of	
			₹1,60,000 from Mrs. C. On 31 <sup>st</sup> March, 2019 the firm was dissolved and its assets	
			realised ₹1,20,000. Assuming that the firm did not have any other third party	
			liability, state the order of payment of B's loan and Mrs. C's loan.	
			Ans. Order of payment:	
			First, the third party loan i.e. Mrs. C's loan will be paid.	
			Then Partner's loan i.e. B's loan will be paid.	1 mark
		2	Q. At the time of admission of a partner, who decides the share of profit of the	
			new partner out of the firm's profit?	
			<b>Ans.</b> It is decided mutually among the old partners and the new partner.	
				1 mark
			OR	

	Q. At the time of retirement, how is the new profit sharing ratio among the remaining partners calculated?	OR
	Ans. The new share of each of the remaining partner is calculated as his/ her own share in the firm plus the share acquired from the retiring partner.	1 mar
3	Q. How are general donations treated while preparing financial statements of a not-for-profit organisation?	
	Ans. General donations are treated as revenue receipts.	1 mar
	(Note: If an examinee has given the treatment of general donations as shown in receipts side of Receipts and Payments Account and Income side of Income and Expenditure Account, full credit should be given)	
	OR	OR
	Q. What is meant by 'life membership fee'?	
	<b>Ans.</b> Life membership fee is the membership fee paid by some members as a lump sum amount instead of a periodic subscription.	1 mar
4	Q. Raj and Seema started a partnership firm on 1st July, 2018. They agreed that Seema was entitled to a commission of 10% of the net profit after charging Raj's salary of ₹2,500 per quarter and Seema's commission. The net profit before charging Raj's salary and Seema's commission for the year ended 31 <sup>st</sup> March,	

2019 wa	s ₹2,27,500. Calculate Seema's commi	ission.			
Ans. No	et Profit before salary and commission		=₹2,27,50	00	
Less Raj	's salary ₹2,500 x 3		= ₹ <u>7,50</u>	0	
Net prof	it after Raj's salary but before Seema's c	commission	= ₹ <u>2,20,00</u>	<u>00</u>	
Seema's	commission = 10/110 of ₹2,20,000				
	= ₹20,000				1 mark
	and C were partners sharing profits inge their profit sharing ratio to 2 : 2 : 1			-	
there wa	as a balance of ₹3,00,000 in General F	Reserve and a	a debit balan	ice of	
₹4,80,00	0 in the Profit and Loss Account. Pas	s necessary j			
₹4,80,00		s necessary j			
₹4,80,00	0 in the Profit and Loss Account. Pas	s necessary j			
₹4,80,00 above of	00 in the Profit and Loss Account. Pas n account of change in the profit shari	s necessary j			
₹4,80,00 above of Ans.	00 in the Profit and Loss Account. Pas n account of change in the profit shari Journal	s necessary j	journal entri	ies for the	
₹4,80,00 above of Ans.	00 in the Profit and Loss Account. Pass account of change in the profit shari  Journal  Particulars	s necessary j	journal entri Dr. (₹)	ies for the	
<b>₹4,80,00 above of Ans.</b> Date  2019	Journal  Particulars  General reserve A/c	s necessary j	journal entri Dr. (₹)	Cr. (₹)	
<b>₹4,80,00 above of Ans.</b> Date  2019	Journal  Particulars  General reserve A/c  To A's Capital A/c	s necessary j	journal entri Dr. (₹)	Cr. (₹)	
<b>₹4,80,00 above of Ans.</b> Date  2019	Journal  Particulars  General reserve A/c  To A's Capital A/c  To B's Capital A/c	ng ratio.  Dr.	journal entri Dr. (₹)	Cr. (₹)  1,25,000 1,00,000	
<b>₹4,80,00 above of Ans.</b> Date  2019	Journal  Particulars  General reserve A/c  To A's Capital A/c  To B's Capital A/c  To C's Capital A/c	ng ratio.  Dr.	journal entri Dr. (₹)	Cr. (₹)  1,25,000 1,00,000	
<b>₹4,80,00 above of Ans.</b> Date  2019	Journal  Particulars  General reserve A/c  To A's Capital A/c  To C's Capital A/c  (Being general reserve distributed amorpartners in the old ratio)	ng ratio.  Dr.	Dr. (₹)	Cr. (₹)  1,25,000 1,00,000	½ x 2
₹4,80,00 above of Ans.  Date  2019 Apr 1	Journal  Particulars  General reserve A/c  To A's Capital A/c  To C's Capital A/c  (Being general reserve distributed amounts)	ong the	journal entri	Cr. (₹)  1,25,000 1,00,000	½ x 2

	To Profit and Loss A/c	4,80,000 1 mar
	(Being debit balance of Profit and Loss acco	ount
	debited to the old partners in the old profit s	haring
	ratio)	
	O Whatian and have a supplied that of the supplied to	
6	Q. What is meant by over subscription of shares?	
	<b>Ans.</b> Oversubscription of shares means that the compa	ny receives applications for 1 mar
	more than the number of shares offered to the public for	or subscription.
	OR	OR
	Q. What is meant by 'par value' of a share?	
	<b>Ans</b> . Par value is the nominal value or the face value or	of the share. 1 mar
7	Q. Anita, Geeta, Sunita and Lata were partners in	a firm. They admitted Kavita
	as a new partner forCalcula	
	Geeta, Sunita and Lata and pass necessary journal	entries for the above
	transactions in the books of the firm.	
	Ama	
	Ans. Journal	
	Date Particulars	Dr. (₹)   Cr. (₹)
	Cash/ Bank A/c Dr.	80,000 -

	To Kavita's capi (Being cash broug		-	80,000 1 x 3
	Cash/ Bank A/c To Sunita's capit (Being cash broug		5,000	5,000
	Geeta's Capital A.  To Cash/ Bank A  (Being cash withd	/c E	or. 5,000	5,000 3 marks
	Calculation of cash brought	in or paid off		
	Existing capitals	Anita(₹) Geeta(₹) 80,000 85,000	Sunita(₹) Lata(₹) 75,000 80,000	
	Adjusted capitals  Cash withdrawn/ brought in	<u>80,000</u> <u>80,000</u> (5,000)	<u>80,000</u> <u>80,000</u> <u>5,000</u>	
8	Q. Hari and Krishan were They admitted Shyam as a Goodwill of the firm after a calculated after charging ₹	partner for 1/5th share	e in the profits C The profit of 2014	alculate
	Year Profit (Los			
	2013-14 2014-15 = 40,000+10,0	50,000 00 = 50,000		

	2015-16 75,000	1 mark
	2016-17 (25,000)	
	2017-18 <u>50,000</u>	
	2,00,000	
	Average profits = ₹2,00,000/5= ₹40,000	1 mark
	Goodwill= Average Profits x Number of years purchase	
	= ₹40,000 x 3	
	= ₹1,20,000	1 marl =
		1+1+1
		3 mark
9	Q. A and B are partners in a firm sharing	
	Date Particulars Dr. (₹) Cr. (	(₹)
		` /
	2019   A's Current A/c   Dr.   11,200   Mar 31   To B's Current A/c   11,2	

Table show Partners	Interest on	Salary	Profits	Ne	et effect
	Capital	(Cr.)	(Dr.)	Dr.	Cr.
	(Cr.)			(₹)	(₹)
	(₹)	(₹)	(₹)		
A	90,000	50,000	1,51,200	11,200	-
В	40,000	36,000	64,800	-	11,200
	1,30,000	86,000	2,16,000	11,200	11,200
			OR		
₹4,00,000, <sup>₹</sup> partnershi <sub>l</sub>	d C were partne ₹3,00,000 and ₹. p deed t entry to rectify	2,00,000 resp Showi	pectively. As pe ing your worki	er the provisi	ons of the

2019	B's Capital A/c		Dr.	20,000	-
Mar 31	C's Capital A/c		Dr.	30,000	-
	To A's Capital A/c			-	50,000
	(Being omission of inte	rest on Capita	al and salary,		
	now rectified)				
	wing Past Adjustments:		D C.4	NI-4	- CC4
Partners	1	Salary	Profits		effect
	(Cr.)	(Cr.)	(Dr.)	Dr.	Cr.
	(₹)	(₹)	(₹)	(₹)	(₹)
<u> </u>	40.000	60,000	50,000		50,000
A	40,000	60,000	50,000	-	50,000
$\ _{\mathrm{B}}$	30,000	_	50,000	20,000	_
	30,000	_	30,000	20,000	
C	20,000	-	50,000	30,000	_
	90,000	60,000	1,50,000	50,000	50,000
		I			
Q. Prese	nt the following items in	n the Balance	Sheet of Que	en's Club as	s at 31st
March, 2	019 Expenditure on	construction	of building ₹	3,60,000. Th	ie
construct	tion work is in progress	and has not	yet been com	pleted.	
Ans.					
	Balanc	e Sheet of Q	ueen's Club		
	As on 31	st March 201	9 (An extract)		
Liabilitie	S	Amount	Assets		Amount
		(₹)			(₹)
Capital F			10% Building F	und	1/2
	sferred from		Investments		4,80,000
Building	Fund <u>3,60,000</u>	14,40,000			

	Buildin	_	[] B	uilding		3,60,000	
		onations 6,00,000  terest on Building Fund  nents 48,000  11,28,000					
	constru	expenditure on ction transferred					
	to Capı	tal fund 3,60,000	7,68,000				3 marks
1		rit and Preet were partne On 31 <sup>st</sup> March, 2019 thei					
	their Ba	alance Sheet showed stoc rring assets (other than o es to realisation account	ck of ₹2,00,000 cash in hand ar	and creditors of ₹ ad cash at bank) a	1,20,00 nd thir	0. After	
	Date	Particulars		Г	Or. (₹)	Cr. (₹)	
	(i)	Amrit's Capital A/c		Dr. 72	2,000		
		To Realisation A/c (Being 40% of the total at 10% less than the bo		er by Amrit	-	72,000	
	(ii)	(Being 40% of the total		er by Amrit	-	72,000	1 x 4

12

(iv) Cash A/c Dr. 90,000  To Realisation A/c (Being stock sold for cash)	5,000)			
To Realisation A/c - 90,00				
	(iv) Cash A/c	Dr.	90,000	-
(Being stock sold for cash)	To Realisation A/	'c	-	90,000
	(Being stock sold f	for cash)		

Q. E, F and G were partners in a firm. On 31st March, 2015 G died. After doing all necessary adjustments the capital account of G showed a net balance of ₹1,40,000. ₹50,000 was immediately paid to G's executor H and starting from 31st March, 2016, the balance was paid to him in three equal yearly instalments with interest @ 12% p.a. The firm closes its books on 31st March every year. Prepare H's account till he is finally paid.

Ans.

Dr. H's Account Cr. Date Date **Particulars Particulars** Amount Amount (₹) (₹) 2015 2015 Mar 31 To Bank A/c 50,000 Mar 31 By G's Capital A/c 1,40,000 To Balance c/d 90,000 Mar 31 1,40,000 1,40,000 2016 2015 To Bank A/c By Balance b/d 90,000 Mar 31 40,800 Apr 1 2016 To Balance c/d Mar 31 60,000 Mar 31 By Interest 10,800 1,00,800 1,00,800 2017 2016 60,000 Mar 31 To Bank A/c 37,200 By Balance b/d Apr 1 2017 Mar 31 To Balance c/d 30,000 Mar 31 By Interest 7,200 67,200 67,200 2018 2017 33,600 Mar 31 To Bank A/c Apr 1 By Balance b/d 30,000

1 x 4

4 marks

				2018				
				Mar 31	By Interest		3,600	
			33,600				33,600	
12		it is a constant		00 00/ 1		7100		
13	premiun writing	of April, 2016 X Ltd.  The of  The of loss on issue of descriptions for the above	ebentures	and inte	exclu	ding the ent	ries for	
	Date	Particulars				Dr. (₹)	Cr. (₹)	
	2016	Bank A/c			Dr.	1,05,000	-	
	Apr 1	To 9% Debenture A (Being 1,000, 9% De premium)					1,05,000	1 mark
	2016	9% Debenture Applie	cation and a	allotment A	A/c Dr.	1,05,000	-	
	Apr 1	Loss on issue of debe To 9% debentures A To Securities Premi To Premium on redo (Being debentures issue a premium)	A/c um Reserve emption of	e A/c Debenture		8,000	1,00,000 5,000 8,000	1 mark
	2018							
	Mar 31	Surplus i.e. balance i To Debenture Rede (Being Debenture Re profits)	mption Res	serve A/c		25,000	25,000	½ mark
	2018 Apr.1	8% Debenture Reden To Bank A/c (Being Debenture Re	•			15,000	15,000	½ mark
	2019	Bank A/c			Dr.	1,200		

	Mar 31	To Interest on Debenture Redemption Investments A/c		1,200	
		(Being Interest received on Debenture Redemption			½ mark
		Investments)			
	2019	Bank A/c Dr.	15,000		
	Mar.31	To 8% Debenture Redemption Investments A/c		15,000	½ mark
		(Being Debenture Redemption Investments sold)			
			1 00 000		
		9% Debentures A/c Dr.	1,00,000		
		Premium on redemption of Debentures A/c Dr.	8,000	1 00 000	
		To Debenture holders A/c		1,08,000	½ marl
		(Being amount payable to debenture holders on			/2 111411
		redemption)			
		Debenture holders A/c Dr.	1,08,000		
		To Bank A/c	1,00,000	1,08,000	1/
		(Being Debentures redeemed)		1,00,000	½ mark
		(String Steemants Touteman)			
		Interest on Debenture Redemption Investments Dr.	1,200	-	
		To Statement of Profit and Loss		1,200	
		(Being Interest on Debenture Redemption Investments			
		transferred to Statement of Profit and Loss)			1/2
					mark
	۲۲	Debenture Redemption Reserve A/c Dr.	25,000		
		To General Reserve A/c		25,000	
		(Being Debenture Redemption Reserve transferred to			
		general reserve)			½ marl
					=
	•				6 marks
14	Q. From	the following Receipts and Payments Account and	l additional		
		tion of Modern Health Club, prepare Income and l		Account	
		ear ended 31 <sup>st</sup> March, 2019 and the Balance Sheet	_		
	2019.	on one of the same			
	2017.				
	Ans.				
	Alls.				

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

Particulars	Amount	Particulars	Amount
	(₹)		(₹)
To depreciation on books	2,000	By Subscriptions 60,000	
		(+) Advance for current year	
To loss on sale of furniture	1,000	4,000	
		(-) Advance for next year	
To salaries	30,000	(5,000)	
		(-) o/s for last year (3,000)	
To rent	18,300	(+) o/s for current yr <u>4,000</u>	60,000
To repairs	4,700	By donations	2,000
To surplus	15,000	By interest on investments	9,000
	71,000		71,000

## Balance Sheet of Modern Health Club as on 31st March 2019

Liabilities	Amount	Assets	Amount
	(₹)		(₹)
Subscriptions received in advance	5,000	Cash	1,000

3 marks

			D 111	20.000			
			Building	30,000			
		2,41,500		2,41,500			
		1					
	Wanking Natas						
	Working Notes:  Balance Sheet of	f Modern F	Iealth Club as on 31 <sup>st</sup> Mar	ch 2018			
	Liabilities	Amount	Assets	Amount			
		(₹)		(₹)			
	Subscriptions received in	4,000	Cash	17,000			
	advance						
			Investments	1,80,000	1 1/2		
	Capital Fund	2,14,500		2 000	marks		
			Outstanding Subscriptions	3,000	=		
			Subscriptions		3+1 1/2 +		
			Books	12,500	1 ½		
					6 marks		
			Furniture	6,000			
		2,18,500		2,18,500			
15	Q. X and Y are partners sharing	profits in t	he ratio of 3 : 2. Their par	tnership			
	deed provided	.Complete	the Profit and Loss Appro	priation			
	Account for the year ended 31st March, 2019, Partners' Capital Accounts and						

#### Dr. Profit and Loss Appropriation A/c for the year ended 31st March 2019 Cr.

Particulars		Amount	Particulars		Amount
		(₹)			(₹)
To Interest on Cap	<u>ital</u>		By Profit and Loss	s A/c- Net	2,82,860
			Profit b/d 1/2		
X's Current A/c	<b>18,000</b> 1/2				
			By Interest on Dra	wings_	
Y's Current A/c	<b>24,000</b> <u>1/2</u>	42,000			
			X's Current A/c	600	
<u>To Salary</u>					
			Y's Current A/c	<b>540</b> 1/2	1,140
Y's Current A/c		½42,000			
To Profit transferre	ed to:				
X's Current A/c	1,20,000				
		2 00 000			
Y's Current A/c	<b>80,000</b> 1/2	2,00,000			
		2,84,000			2,84,000

**Partners' Capital Accounts** Dr.

Cr.

Particulars	X (₹)	Y (₹)	Particulars	X (₹)	Y (₹)
To balance c/d	1,80,000	2,40,000	By balance b/d	1,80,000	2,40,000
	4.00.000	2 40 000		1.00.000	2 40 000
	1,80,000	2,40,000		1,80,000	2,40,000

1 mark

3 marks

Dr.

#### **Partners' Current Accounts**

Cr.

Particulars	X (₹)	Y (₹)	Particulars	X (₹)	Y (₹)
To Bank A/c	10,000	9,000	By balance b/d	78,000	69,000
(Drawings)	,,,,,,	,,,,,,	,	,	,
(Diawings)					
To Interest on			By Interest on	18,000	24,000

drawings ½	600	540	Capital			
			By Salary ½	-	42,000	2 ma
To <b>balance c/d</b>	2,05,400	2,05,460	By <b>P</b> /L			
1/2			Appropriation	1,20,000	80,000	
			A/c- Profit ½			
	2,16,000	2,15,000		2,16,000	2,15,000	=
						3+1
						=
			OR			6 ma
Q. X and Y are pa	artners in a	ı firm shar	ing profits and loss	es in the rat	io of 2 : 1.	O
Complete the Pro	ofit and Los	s Appropr	riation A/c of X and	Y for the ye	ear ended	
31 <sup>st</sup> March, 2019.						
Ans.						
Dr. Profit and Lo	ss Appropi	riation A/c	for the year ended	31st March	2019 Cr.	
Dr. Profit and Lo	oss Appropi	riation A/c	for the year ended	31 <sup>st</sup> March	2019 Cr.	
Dr. Profit and Lo  Particulars	oss Appropi	Amoun		31 <sup>st</sup> March	2019 Cr.  Amount	
	oss Appropi			31 <sup>st</sup> March		
		Amou			Amount	
Particulars  To Interest on Cap  X's Current A/c 4	ital <b>45,000</b> 1/2	Amour (₹)	By Profit and Lo		Amount (₹)	
Particulars  To Interest on Cap	ital <b>45,000</b> 1/2	Amou	By Profit and Lo. Profit b/d	ss A/c- Net	Amount (₹)	
Particulars  To Interest on Capa X's Current A/c 4 Y's Current A/c 2	ital <b>45,000</b> 1/2	Amour (₹)	By Profit and Log Profit b/d By Interest on Di	ss A/c- Net	Amount (₹)	
Particulars  To Interest on Capital X's Current A/c 4 Y's Current A/c 2  To Salary	ital <b>45,000</b> 1/2	Amour (₹)	By Profit and Log Profit b/d  By Interest on Dr  X's Current A/c 3	rawings 3,600 1/2	Amount (₹)  1.3,00,000	
Particulars  To Interest on Capa X's Current A/c 4 Y's Current A/c 2	ital <b>45,000</b> 1/2	Amour (₹)	By Profit and Log Profit b/d  By Interest on Dr X's Current A/c 3	rawings 3,600 1/2	Amount (₹)	
Particulars  To Interest on Capa X's Current A/c 4 Y's Current A/c 2  To Salary X's Current A/c	ital 45,0001/2 27,0001/2	Amoun (₹)	By Profit and Log Profit b/d  By Interest on Dr X's Current A/c 3	rawings 3,600 1/2	Amount (₹)  1.3,00,000	6 ma
Particulars  To Interest on Capital X's Current A/c 4 Y's Current A/c 2  To Salary	ital 45,0001/2 27,0001/2	Amour (₹)	By Profit and Log Profit b/d  By Interest on Dr X's Current A/c 3	rawings 3,600 1/2	Amount (₹)  1.3,00,000	6 ma
Particulars  To Interest on Capt X's Current A/c 4 Y's Current A/c 2  To Salary X's Current A/c	ital 15,0001/2 27,0001/2	Amoun (₹)	By Profit and Log Profit b/d  By Interest on Dr X's Current A/c 3	rawings 3,600 1/2	Amount (₹)  1.3,00,000	6 ma
Particulars  To Interest on Capa X's Current A/c 4 Y's Current A/c 2  To Salary X's Current A/c  To General Reserv	ital  15,0001/2  27,0001/2	Amoun (₹)	By Profit and Log Profit b/d  By Interest on Dr X's Current A/c 3	rawings 3,600 1/2	Amount (₹)  1.3,00,000	6 ma
Particulars  To Interest on Capital X's Current A/c 4 Y's Current A/c 2  To Salary X's Current A/c  To General Reserv  To Profit transferre	ital 45,0001/2 27,0001/2 re ed to: 15,2801/2	Amoun (₹)	By Profit and Log Profit b/d  By Interest on Dr X's Current A/c  Y's Current A/c	rawings 3,600 1/2	Amount (₹)  1.3,00,000	6 ma
Particulars  To Interest on Capital X's Current A/c 4 Y's Current A/c 2  To Salary X's Current A/c  To General Reserv  To Profit transferre X's Current A/c1,1	ital 45,0001/2 27,0001/2 re ed to: 15,2801/2	Amoun (₹)	By Profit and Log Profit b/d  By Interest on Dr X's Current A/c  Y's Current A/c	rawings 3,600 1/2	Amount (₹)  1.3,00,000	6 ma

Q. Lisa, Monika and Nisha were partners in a firm sharing profits and losses in 16 the ratio of 2:2:1...Prepare Revaluation Account, Partners' Capital Accounts and the Balance Sheet of the reconstituted firm on Monika's retirement. Ans. Dr. **Revaluation A/c** Cr. **Particulars** Amount **Particulars** Amount (₹) (₹) To Machinery 1,20,000 By Land and Building 2,40,000 To Provision for doubtful debts 20,000  $\frac{1}{2} \times 4$ To Profit transferred to: Lisa's Capital A/c 2 marks 40,000 Monika's Capital A/c 40,000 Nisha's Capital A/c 20,000 1,00,000 2,40,000 2,40,000 Dr. **Partners Capital Accounts** Cr. Particulars Monika Nisha Particulars Nisha Lisa Lisa Monika (₹) (₹) (₹) (₹) (₹) (₹) 14,00,000 To Stock A/c 5,00,000 By balance b/d 14,00,000 3,60,000 40,000 40,000 20,000 To Monika's By Revaluation Capital A/c 80,000 40,000 A/c 1 x 3

To Monika's				By	Lisa's	-	80,000	0 -
loan A/c	-	10,60,000	-	Cap	oital A/c			
To balance c/d	18,00,000		9,00,000	By	Nisha's	_	40,000	0 -
10 barance c/u	18,00,000		7,00,000		oital A/c		40,000	
				Ву	Current A/c	4,40,000		5,60,000
	18,80,000	15,60,000	9,40,000			18,80,000	15,60,000	0 9,40,000
	L		<u> </u>	<u> </u>		1	l	
Bala	ance Shee	t of the r	econstitu	ıted	firm as on	ı 31 <sup>st</sup> Maı	ch 2019	
Liabilities			Amour	nt	Assets			Amount
			(₹)					(₹)
Trade Credito	ors		1,60,0	000	Land and	Building	1	12,40,000
Bills Payable			2,44,0	000	Machiner	y	1	10,80,000
Employees Pr	rovident F	und	76,0	000	Stock			5,00,000
   Monika's Loa	an		10,60,0	000	Debtors	4,00	0,000	
					Less Prov	vision for		
Capitals					doubtful d	debts 20	,000	3,80,000
Lisa 18	8,00,000							
Nisha 9	0,00,000		27,00,0	000	Bank			40,000
					Lisa's Cu	rrent A/c		4,40,000
					Nisha's C	Surrent A/o	c	5,60,000
			44,20,0	000				42,40,000
							l .	
			0	R				

profits and losses in the ratio of 3:2......Prepare Revaluation
Account, Capital Accounts of the Partners and the Balance Sheet of the new
firm.

Ans.

Dr. Revaluation A/c Cr.

Particulars	Amount	Particulars	Amount
	(₹)		(₹)
To Workmen's compensation claim	5,000	By Bank /bad debts	2,000
		recovered	
To Stock	3,000		
		By Patents	2,000
		By Loss transferred to:	
		Madan's Capital A/c 2,400	
		Mohan's Capital A/c 1,600	4,000
	8,000		8,000

½ x 4
=
2 marks

Dr. Partners Capital Accounts Cr.

Particulars	Madan	Mohan	Gopal	Particulars	Madan	Mohan	Gopal
	(₹)	(₹)	(₹)		(₹)	(₹)	(₹)
To Revaluation	2,400	1,600	=	By Balance b/d	60,000	40,000	-
A/c							
				By Premium for			
To Balance c/d	63,600	52,400	23,200	goodwill A/c	-	10,000	-
				By General Reserve	6,000	4,000	-
				A/c			

1 x 3

3 marks

Ans.

				By Bank A/c			23,200
	66,000	54,000	23,200		66,000	54,000	23,200

Note: If the goodwill premium brought by the partner has been credited to his account first and then credited to his capital accounts in the sacrificing ratio, full credit be given.

#### Balance Sheet of the reconstituted firm as on 31st March 2018

Liabilities	Amount	Assets	Amount	
	(₹)		(₹)	
Creditors	28,000	Cash at bank	45,200	
Employees Provident Fund	22,000	Debtors 65,000 Less Provision for		
Workmen's compensation claim	5,000	doubtful debts 5,000	60,000	
				1½ x 2
Capitals:		Stock	30,000	=
Madan 63,600				3 marks
Mohan 52,400		Patents	59,000	=
Gopal <u>23,200</u>	1,39,200			2+3+3
				=
	1.04.200		1.04.200	8 marks
	1,94,200		1,94,200	

Q. Rathee Ltd. invited applications for issuing 1,00,000 equity shares of ₹10 each.

The shares were issued at a premium of 60%. Pass necessary journal entries for the above transactions in the books of Rathee Ltd.

#### In the books of Rathee Ltd.

#### Journal

Date	Particulars		Dr. (₹)	Cr. (₹)
	Bank A/c	Dr.	11,50,000	
	To Equity Share Application and Allotment A	A/c		11,50,000

1 mark

(Being application money received)				
Equity Share Application and Allotment A/c To Equity Share Capital A/c To Securities Premium Reserve A/c To Calls in Advance A/c To Bank A/c (Being application money transferred to share securities premium reserve, calls and the balance	•	11,50,000	2,00,000 4,00,000 4,82,000 68,000	1½ marks
Equity Share First and Final call A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being First call money due)	Dr.	10,00,000	8,00,000 2,00,000	1 mark
Bank A/c Calls in arrears A/c Calls in advance A/c To Equity Share First and Final call A/c (Being first call money received)	Dr. Dr. Dr.	5,11,600 6,400 4,82,000	10,00,000	1 ½
Bank A/c Calls in advance A/c To Equity Share First and Final call A/c (Being first call money received)	Dr. Dr.	5,11,600 4,82,000	9,93,600	marks
Equity Share Capital A/c Securities Premium Reserve A/c To Share Forfeiture A/c To Calls in Arrears A/c/ Equity Share first and fir (Being Bali's shares forfeited for non payment final call)		10,000 2,000	5,600 6,400	1 mark
Bank A/c To Equity Share Capital A/c To Securities Premium Reserve A/c	Dr.	15,000	10,000 5,000	

	Share Forfeiture A/c Dr.	5,600	
	To Capital Reserve A/c		5,600
	(Being balance in Share forfeiture account transferred to		
	capital reserve)		
	OR		
	enus Ltd' was registered with an authorised capital of 00,000 equity shares of 10 each. 70,000 of these shares		
	Pass necessary		_
•	transactions in the books of 'Venus Ltd'.	J IIII CIIII	IOI UII
Ans.			
	In the books of Venus Ltd.		
	Journal		
Date	Particulars	Dr. (₹)	Cr. (₹)
	Building A/c Dr.	7,00,000	
	To M/s Star Ltd.		7,00,000
	10 M/S Stat Ltu.		
	(Being building purchased from M/s Star Ltd.)		
		7,00,000	
	(Being building purchased from M/s Star Ltd.)	7,00,000	7,00,000
	(Being building purchased from M/s Star Ltd.)  M/s Star Ltd. Dr.	7,00,000	7,00,000
	(Being building purchased from M/s Star Ltd.)  M/s Star Ltd. Dr.  To Equity Share Capital A/c	7,00,000	7,00,000
	(Being building purchased from M/s Star Ltd.)  M/s Star Ltd. Dr.  To Equity Share Capital A/c (Being 70,000 shares issued as fully paid to Star Ltd.	7,00,000	7,00,000
	(Being building purchased from M/s Star Ltd.)  M/s Star Ltd. Dr.  To Equity Share Capital A/c (Being 70,000 shares issued as fully paid to Star Ltd. for payment of building purchased)		7,00,000
	(Being building purchased from M/s Star Ltd.)  M/s Star Ltd. Dr.  To Equity Share Capital A/c (Being 70,000 shares issued as fully paid to Star Ltd. for payment of building purchased)  Bank A/c Dr.		

To Equity Share Capital A/c			6,00,000	
(Being application money transferred to sha	re capital)			½ mar
Equity Share Allotment A/c	Dr.	4,00,000		
To Equity Share Capital A/c			4,00,000	
(Being Allotment money due on 2,00,000 sh	nares)			½ maı
Bank A/c	Dr.	3,80,000		
To Equity Share Allotment A/c			3,80,000	
(Being allotment money received)				
or				½ ma
Bank A/c	Dr.	3,80,000		
Calls in arrears A/c	Dr.	20,000		
To Equity Share Allotment A/c			4,00,000	
(Being allotment money received)				
Equity Share First call A/c	Dr.	4,00,000		
To Equity Share Capital A/c			4,00,000	½ ma
(Being First call money due on 2,00,000 sha	res)			
Bank A/c	Dr.	3,20,000		
To Equity Share First call A/c			3,20,000	
(Being first call money received)				
or				1 mai
Bank A/c	Dr.	3,20,000		
Calls in arrears A/c	Dr.	80,000		
To Equity Share First call A/c			4,00,000	
(Being first call money received				
	Dr.	6,00,000		
Equity Share Second and Final call A/c	D1.	0,00,000		

(Being First call money due on 2,00,000 share	es)			mark
Bank A/c	Dr.	3,00,000		
To Equity Share Second and Final call A/c			3,00,000	
(Being first call money received)				
or				
				1 mark
Bank A/c	Dr.	3,00,000		
Calls in arrears A/c	Dr.	3,00,000		
To Equity Share Second and Final call A/c			6,00,000	
(Being first call money received				
Equity Share Capital A/c	Dr.	1,00,000		
To Share Forfeiture A/c			30,000	
To Equity Share Allotment A/c			20,000	
To Equity Share first call A/c			20,000	
To Equity Share Second and Final call A/c			30,000	
(Being shares forfeited)				
				1 mark
or				1 mark
Equity Share Capital A/c	Dr.	1,00,000		
To Share Forfeiture A/c			30,000	
To Calls in Arrears A/c			70,000	
(Being shares forfeited)				
Bank A/c	D <sub>r</sub>	1 20 000		
	Dr.	1,20,000	1 00 000	
To Equity Share Capital A/c To Securities Premium Reserve A/c			1,00,000	
	(poid)		20,000	½ mark
(Being shares reissued for ₹12 per share fully	paiu)			/2 mark
Share Forfeiture A/c	Dr.	30,000		
'				

## Downloaded from: www.commerceschool.in

			To Capital Reserve A/c		30,000		
			(Being balance in Share forfeiture account trans	nsferred	½ marl		
			to capital reserve)				
					=		
			•		8 marks		
			PART B				
			OPTION 1				
			Analysis of Financial State	ments			
	18	Q. Wha	at is meant by Cash Flow Statement?				
		Ans. Ca	ash Flow Statement is a statement showing inflo	ows and outflows of c	eash and 1 mark		
		cash eq	uivalents during a particular period.				
	19		hier of Y Ltd withdrew 2,00,000 from the ba				
			nto inflow, outflow or no flow of cash? Give	reason in support of	your		
		answer	•				
		Ans N	o flow of cash as there is no change in cash and	Loogh oguiyalanta	1 mark		
		Alls. IN	o now of cash as there is no change in cash and	i casii equivalents.	1 mark		
	20	O. Und	er which sub-headings will the following iter	ms be presented in th	1e		
		_	e Sheet of a company as per Schedule-III, Pa	-			
		2013?					
		Ans.					
			Item S	Sub Head			
		(i)	General Reserve	Reserves and Surplus			
		(ii)	Bank drafts in hand	Cash and Cash Equiva	alents		
1 1							
			9% loan from a financial institution I	Long Term borrowing	ra		
		(iii)					
		(iii)		Fixed assets- Tangible			

re Redemption Reserve	Reserves and Surplus	
arks	Fixed assets- Intangible	
Creditors	Trade Payables	
ceivables	Trade Receivables	
	Creditors	Creditors Trade Payables

# Q. Prepare a Common-Size Statement of Profit and Loss of 'Hari Darshan Ltd.' from the following information:

Ans. In the books of 'Hari Darshan Ltd.'

**Common Size Statement of Profit and Loss** 

for the years ended 31st March 2018 and 31st March 2019

Particulars	Absolute	e amount	Percer	ntage of	
			Reven oper		
	2017-18	2018-19	2017-18	2017-18	
	(₹)	(₹)	(%)	(%)	
Revenue from operations	10,00,000	20,00,000	100	100	1/2
Add Other income	50,000	60,000	5	3	1/2
Total Revenue	10,50,000	20,60,000	105	103	
Less Expenses: Purchase of stock in trade	4,20,000	7,70,000	42	38.5	1/2
Changes in inventories	80,000	1,20,000	8	6	1/2
Other expenses	30,000	52,000	3	2.6	1/2
					1/2

Total Expenses	5,30,000	9,42,000	53	47.1	
Profit before Tax	5,20,000	11,18,000	52	55.9	1/2
Tronc before Tax	3,20,000	11,10,000	32	33.7	1/2
Less Tax @50%	2,60,000	5,59,000	26	27.95	
					=
Profit after Tax	2,60,000	5,59,000	26	27.95	½ x 8
<u> </u>					

4marks OR

OR

Q. Following information is extracted from the Statement of Profit and Loss of Delko Ltd. for the year ended 31<sup>st</sup> March, 2019:

In the books of Delko Ltd.

Comparative Statement of Profit and Loss

for the years ended 31<sup>st</sup> March 2018 and 31<sup>st</sup> March 2019

Particulars	2017-18 (₹)	2018-19 (₹)	Absolute Increase/ Decrease (₹)	Percentage Increase/ Decrease (%)
Revenue from operations	45,00,000	60,00,000	15,00,000	33.33
Less				
Employee benefit expenses	22,50,000	30,00,000	7,50,000	33.33
Depreciation	6,00,000	7,50,000	1,50,000	25
Other expenses	10,00,000	15,50,000	5,50,000	55
Total Expenses	38,50,000	53,00,000	14,50,000	37.66

					1/2			
Profit before Tax	6,50,000	7,00,000	50,000	7.69	1/2			
Less Tax @50%	3,25,000	3,50,000	25,000	7.69	1/2			
Profit after Tax	3,25,000	3,50,000	25,000	7.69	=			
					½ x 8 =			
Q. From the given inform (i) Operating Ratio		e following ra	atios:		4 marks			
(ii) Inventory Turnover I Ans.	Xauo							
(i) Operating ratio = $\underline{\text{Cost}}$	(i) Operating ratio = $\underline{\text{Cost of Revenue from operations}} + \underline{\text{Operating expenses}} \times 100$ Net Revenue from operations							
Cash Revenue from operations = ₹10,00,000								
Credit Revenue from oper								
Therefore, Total Revenue								
Operating expenses = 10%	of ₹22,00,000 = ₹2	2,20,000						
Gross profit = $40\%$ of $₹22$	Gross profit = $40\%$ of $322,00,000$							
= ₹8,80,000	= ₹8,80,000							
So, Cost of Revenue from	operations = ₹13,20	),000						

Operating ratio = $\sqrt[3]{13,20,000} + \sqrt[3]{2,20,000} \times 100$	2 mark
₹22,00,000	+
	2 mark
= 70%	=
	4mark
(ii) Inventory Turnover ratio = <u>Cost of Revenue from operations</u>	
Average Inventory	
= ₹13,20,000/₹1,60,000	
=8.25 times	
OR	
<b>Q. (A)</b> Net profit after interest and tax of M Ltd. was ₹1,00,000. Its Current Assets	
were ₹4,00,000 and Current Liabilities were ₹2,00,000. Tax rate was 50%. Its Total	
Assets were ₹10,00,000 and 10% Long term debt was ₹4,00,000. Calculate Return on Investment.	
(D) D-4	
(B) Rate of Gross profit on Revenue from operations of a company is 25%. Its Gross	
profit is ₹5,00,000. Its Shareholders' Funds are ₹25,00,000; Non-current Liabilities	

(A) Return on Investment =  $\underline{\text{Profit before interest and tax}} \times 100$ Capital employed

Profit before interest and tax =₹1,00,000 + ₹1,00,000 + ₹40,000

= ₹2,40,000

	Ans. Cash Flow Statement of X Ltd. for the year ended 31st March 2018	
	Cash Flow Statement.	
2	Q. Following is the Balance Sheet of X Ltd. as at 31 <sup>st</sup> March, 2018 Prepare a	
	Working Capital Turnover ratio = ₹20,00,000/ ₹10,00,000 = 2 times	
	=₹10,00,000	
	= ₹25,00,000 + ₹8,00,000 - ₹23,00,000	
	Working Capital = Shareholders Funds + Non Current Liabilities – Non Current Assets	
	So, Revenue from operations = ₹20,00,000	
	Gross Profit = ₹5,00,000	
	(B) Working Capital Turnover ratio = Revenue from operations/ Working Capital	
	= 30%	
	Therefore, Return on Investment = ₹2,40,000/₹8,00,000 x 100	
	Capital employed = ₹8,00,000	

Particulars	Amount (₹)	Amount (₹)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit before Tax	5,00,000	
Add depreciation on Machinery	1,40,000	
Interest on 12% Debentures	60,000	
Goodwill written off	1,00,000	
Less Profit on sale of machinery	(10,000)	
Operating profit before Working Capital changes	7,90,000	
Less Increase in Inventories	(1,30,000)	
Cash generated from operations	6,60,000	
Less Tax paid	(1,65,000)	
Cash Inflows from Operating activities		4,95,000
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of Machinery	50,000	
Purchase of Machinery	(6,80,000)	
Purchase of Investments	(1,00,000)	
Cash used in Investing activities		(7,30,000)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of Shares	2,00,000	
Issue of 12% Debentures	1,00,000	
Bank overdraft repaid	(5,000)	
Interest paid on 12% Debentures	(60,000)	
<b>Cash Inflows from Financing activities</b>		2,35,000

Net increase in Cash	ı and Cash equ	uivalents		
Add Opening balance	e of Cash and C	Cash equivalents		
Current Invest	tments		1,70,000	
Cash and Casl	h equivalents		40,000	2,10,000
Closing balance of Co	ash and Cash e	equivalents		
Current Invest	ments		1,40,000	
Cash and Cash	equivalents		70,000	<u>2,10,000</u>
Working Notes:				1
Calculation of Net Pro	fit before Tax:			
		(₹)		
Net profit		3,00,000		
Add Provision for Tax		2,00,000		
		<u>5,00,000</u>		
Dr.	]	Machinery A/c		Cr.
Particulars	Amount (₹)	Particulars		Amount (₹)
To balance b/d	20,00,000	By Cash (sale)		50,000
To Profit on sale	10,000	By Accumulated de	epreciation	40,000
To Bank (purchase)	6,80,000	By balance c/d		26,00,000
	26,90,000			26,90,000
Dr.	Accumulate	ed depreciation A/c		Cr.

	Particulars	Amount (₹)	Particulars	Amount (₹)			
	To Machinery A/c	40,000	By balance b/d	1,00,000			
	To balance c/d	2,00,000	2,00,000 By depreciation	1,40,000	½ mark		
		2,40,000		2,40,000			
					=		
					6 marks		
			PART B				
		OPTION II  Computerised Accounting					
18	Q. Name the data ele	_					
	Ans. A data element is the smallest named unit of data in the information system. In accounting, a transaction consists of four data elements, such as name of the account, accounting code, date of transaction and amount.						
19	Q. What is meant by	'Primary Key	??				
		possible one or	ional database that is uni more than one attributes		1 mark		
20	Q. State the features	of a good acco	unting software.				
	Ans. Following are th	e features of acc	counting software: (Any	four)			
	(i) Does all basic acco	ounting function	S.				

	(v) Get many MIS (Management Information System)	4 marks
	(vi) Filing of tax returns.	1 22342 225
	(vii) Maintaining budgets.	
	(viii) Calculation of pending amount of interest.	
	(ix) Manages and synchronises data over different locations.	
	OR	OR
	Q. State the steps involved in installation of a computerised accounting system.	
	Q. State the steps involved in instanation of a computer ised accounting system.	
	Ans. For installation of computerised accounting system the following steps are required:	
	Ans. For installation of computerised accounting system the following steps are	
	Ans. For installation of computerised accounting system the following steps are required:  (i) Insert CD in the system.  (ii) After inserting CD select the option in following steps;	
	Ans. For installation of computerised accounting system the following steps are required:  (i) Insert CD in the system.  (ii) After inserting CD select the option in following steps;  a) Select any (C:or E:or D: )from My computer icon on the desktop double	4 marks
	Ans. For installation of computerised accounting system the following steps are required:  (i) Insert CD in the system.  (ii) After inserting CD select the option in following steps;  a) Select any (C:or E:or D: )from My computer icon on the desktop double click on install.exe.	4 marks
	Ans. For installation of computerised accounting system the following steps are required:  (i) Insert CD in the system.  (ii) After inserting CD select the option in following steps;  a) Select any (C:or E:or D: )from My computer icon on the desktop double	4 marks
21	Ans. For installation of computerised accounting system the following steps are required:  (i) Insert CD in the system.  (ii) After inserting CD select the option in following steps;  a) Select any (C:or E:or D: )from My computer icon on the desktop double click on install.exe.  OR	4 marks
21	Ans. For installation of computerised accounting system the following steps are required:  (i) Insert CD in the system.  (ii) After inserting CD select the option in following steps;  a) Select any (C:or E:or D:) from My computer icon on the desktop double click on install.exe.  OR  a) Select start>run>type the file name E:\install.exe  Q. Explain the terms 'Password Security' and 'Data Vault'.	4 marks
21	Ans. For installation of computerised accounting system the following steps are required:  (i) Insert CD in the system.  (ii) After inserting CD select the option in following steps;  a) Select any (C:or E:or D:) from My computer icon on the desktop double click on install.exe.  OR  a) Select start>run>type the file name E:\install.exe  Q. Explain the terms 'Password Security' and 'Data Vault'.  Ans.	4 marks
21	Ans. For installation of computerised accounting system the following steps are required:  (i) Insert CD in the system.  (ii) After inserting CD select the option in following steps;  a) Select any (C:or E:or D:) from My computer icon on the desktop double click on install.exe.  OR  a) Select start>run>type the file name E:\install.exe  Q. Explain the terms 'Password Security' and 'Data Vault'.	4 marks

## Download Android App:- Commerce School

		1
	It is a widely accepted security control to access the data Only an	
	authorized person can access the data. Any user who does not know the	2 marks
	password cannot retrieve information from the system. It ensures data	
	integrity. It uses a binary encoding format of storage and offers access to	
	the database.	
	<u>Data vault</u>	
	Software provides additional security for the imputed data and this feature	
	is referred to as data vault. Data vault ensures that original information is	2 marks
	presented and is not tempered. Data vault password cannot be broken. Some	=
	software uses data encryption method.	
		2+2
		=
		4 marks
22	Q. Explain 'Sequential' and 'Mnemonic' codes.	
	Ans.	
	Sequential codes	
	<u>Sequential codes</u>	
	These are added in which adde numbers and/or letters are assigned in a consecutive	
	These are codes in which code numbers and/or letters are assigned in a consecutive	
	order. These codes are applied primarily to source documents such as cheques,	
	invoices etc. This facilitates document searches. This process enables either	2 marks
	identification of missing codes (numbers) relating to a particular document or a	
	relevant document can be traced.	
	Mnemonic codes	
	These codes consist of alphabets or abbreviations as symbols to codify a piece of	2 marks
	information. SJ for sales journal, HQ for Headquarters are examples of mnemonic	=
	codes.	2+2
1		=

		4 marks
	OR	OR
	Q. State the element which is considered while calculating 'earning' for current payroll period.	
	<b>Ans.</b> Elements which is considered while calculating 'Earning' for the current payroll period are:	
	(i) Basic Pay (BP): It is the pay in the pay scale plus grade pay but does not include special pay.	
	(ii) Grade pay (GP): It is the pay to be added to the basic pay according to the designation of the employee and applicable pay band of pay.	4 marks
	(iii) Dearness pay (DP): It is that portion of dearness allowance which has been	4 marks
	declared and deemed to have been merged with basic pay.  (iv) Dearness allowance (DA): It is a compensation for erosion in the purchasing	
	power of wage earner due to price rise. It is granted by the government periodically as a percentage of (basic pay+ dearness pay, if applicable).	
	(v) House rent allowance (HRA): It is an amount paid to facilitate employee in acquiring on lease of residential accommodation.	
	(vi) Transport allowance (TRA): It is an amount paid to facilitate commuting to the place of work i.e. Delhi, Bhopal, Haridwar etc.	
	(vii) Any other earning: It may include any other allowance not included in the above but declared from time to time such as education allowance, medical allowance,	
	washing allowance etc.	
23	Q. Identify the error that appears when there are invalid numeric values in a	
	formula or function. How can this error be rectified? Explain.	
	Ans. The error is #NUM! Error.	
	The steps to correct it:  1. Optionally, click the cell that displays the error, click the button that appears and	
	then click Show calculation steps.	
	2.Review the following causes and solutions:	

Using an unacceptable argument in the function that requires a numeric	
argument.	6 marks
• Make sure that the arguments used in the function are numbers.	
• Using a worksheet function that iterates, such as IRR or RATE, and the	
function cannot find the result.	
• Use a different starting value for the worksheet function.	
3. Then click the Microsoft button >Excel option and then click the formulas	
category.	