

-Strictly Confidential : (For Internal and Restricted Use Only)
Senior School Certificate Examination
March -2016-17
Marking Scheme - Accountancy (Outside Delhi) 67/1, 67/2, 67/3

General Instructions:-

1. 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.
2. The Head-Examiner has to go through the first five answer scripts evaluated by each evaluator to ensure that evaluation has been carried out as per the instructions given in the Marking Scheme. The remaining answer scripts meant for evaluation shall be given only after ensuring that there is no significant variation in the marking of individual evaluators.
3. If a question has parts, please award marks on the right hand side for each part. Marks awarded for different parts of the question should then be totalled up and written in the left hand margin and encircled.
4. If a question does not have any parts, marks must be awarded in the left hand margin and encircled.
5. If a student has attempted an extra question, answer of the question deserving more marks should be retained and other answer scored out.
6. No marks to be deducted for the cumulative effect of an error. It should be penalized only once.
7. Deductions up to 25% of the marks must be made if the student has not drawn formats of the Journal and Ledger and has not given the narrations.
8. A full scale of marks 1-80 has to be used. Please do not hesitate to award full marks if the answer deserves it.
9. No marks are to be deducted or awarded for writing / not writing 'TO and BY' while preparing Journal and Ledger accounts.
10. In theory questions, credit is to be given for the content and not for the format.
11. Every Examiner should stay up to sufficiently reasonable time normally 5-6 hours every day and evaluate 20-25 answer books.
12. Avoid the following common types of errors committed by the Examiners in the past-
 - Leaving answer or part thereof unassessed in an answer script
 - Giving more marks for an answer than assigned to it or deviation from the marking scheme.
 - Wrong transference of marks from the inside pages of the answer book to the title page.
 - Wrong question wise totaling on the title page.
 - Wrong totaling of marks of the two columns on the title page
 - Wrong grand total
 - Marks in words and figures not tallying
 - Wrong transference to marks from the answer book to award list
 - Answers marked as correct but marks not awarded.
 - Half or a part of answer marked correct and the rest as wrong but no marks awarded.
13. While evaluating the answer scripts if the answer is found to be totally incorrect, it should be marked as (X) and awarded zero(0) Marks.
14. 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.
15. The Examiners should acquaint themselves with the guidelines given in the Guidelines for Spot Evaluation before starting the actual evaluation.
16. 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.

Q. Set No.			Marking Scheme 2016-17 Accountancy (055) <u>Outside Delhi – 67/1</u> Expected Answers / Value points			Distribution of marks															
67/1	67/2	67/3																			
1	6	5	Q. Distinguish between.....credit balance. Ans. Fixed Capital Accounts always show a credit balance while fluctuating capital accounts may show credit or debit balance.			=1 Mark															
2	5	6	Q. A and B.....B's sacrifice. Ans. A's Old Share = 5/8 A's Sacrifice = 1/5 of 5/8 = 1/8 C's Share = 3/8 B's Sacrifice = C's share – A's sacrifice = 3/8 – 1/8 = 2/8 OR B's Old Share = 3/8 B's new share = 2/8 B's Sacrifice = 3/8 – 2/8 = 1/8			=1 Mark															
3	4	1	Q. P and Q were.....rectify the error. Ans. <p style="text-align: center;">Books of the firm Journal</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Date</th> <th style="width: 50%;">Particulars</th> <th style="width: 5%;">LF</th> <th style="width: 15%;">Dr (₹)</th> <th style="width: 15%;">Cr (₹)</th> </tr> </thead> <tbody> <tr> <td>2016 April 1</td> <td>P's Current A/c To Q's current A/c (Being the adjustment of interest on capital omitted in previous year)</td> <td style="text-align: right;">Dr.</td> <td style="text-align: right;">6,000</td> <td style="text-align: right;">6,000</td> </tr> </tbody> </table>			Date	Particulars	LF	Dr (₹)	Cr (₹)	2016 April 1	P's Current A/c To Q's current A/c (Being the adjustment of interest on capital omitted in previous year)	Dr.	6,000	6,000	=1 Mark					
Date	Particulars	LF	Dr (₹)	Cr (₹)																	
2016 April 1	P's Current A/c To Q's current A/c (Being the adjustment of interest on capital omitted in previous year)	Dr.	6,000	6,000																	
4	3	2	Q. X Ltd. invited.....with applicants. Ans. <p style="text-align: center;">Books of the firm Journal</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Date</th> <th style="width: 50%;">Particulars</th> <th style="width: 5%;">LF</th> <th style="width: 15%;">Dr (₹)</th> <th style="width: 15%;">Cr (₹)</th> </tr> </thead> <tbody> <tr> <td>2016 Jan 1</td> <td>Bank A/c To 12% Debenture Application & Allotment A/c (Being application money received for 600 debentures @ ₹ 95 each)</td> <td style="text-align: right;">Dr.</td> <td style="text-align: right;">57,000</td> <td style="text-align: right;">57,000</td> </tr> <tr> <td>2016 Jan 1</td> <td>12% Debenture Application & Allotment A/c Discount on Issue of Debentures A/c To 12 % Debentures A/c To Bank A/c (Being 500, 12% debentures allotted on pro-rata basis)</td> <td style="text-align: right;">Dr.</td> <td style="text-align: right;">57,000 2,500</td> <td style="text-align: right;">50,000 9,500</td> </tr> </tbody> </table>			Date	Particulars	LF	Dr (₹)	Cr (₹)	2016 Jan 1	Bank A/c To 12% Debenture Application & Allotment A/c (Being application money received for 600 debentures @ ₹ 95 each)	Dr.	57,000	57,000	2016 Jan 1	12% Debenture Application & Allotment A/c Discount on Issue of Debentures A/c To 12 % Debentures A/c To Bank A/c (Being 500, 12% debentures allotted on pro-rata basis)	Dr.	57,000 2,500	50,000 9,500	½ ½ =1 Mark
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5	2	3	Q. Z Ltd..... can be re-issued. Ans. The maximum amount of discount at which these shares can be re-issued is ₹ 5 per share or ₹ 5000.			=1 Mark															
6	1	4	Q. Durga and Naresh.....by them. Ans. Any two of the following: <ul style="list-style-type: none"> • Persons of unsound mind / Lunatics • Insolvent persons • Any other individual who have been disqualified by law 			½ x 2 =1 Mark															
7	10	10	Q. BPL Ltd..... equity shares. Ans.																		

			BPL Ltd. Journal																															
			<table border="1"> <thead> <tr> <th>Date</th> <th>Particulars</th> <th>LF</th> <th>Dr. Amt ()</th> <th>Cr. Amt ()</th> </tr> </thead> <tbody> <tr> <td></td> <td>9% Debentures A/c Dr. To Debenture holders A/c To Discount on issue of debentures A/c (Being amount payable to debenture holders on conversion)</td> <td></td> <td>50,000</td> <td>47,000 3,000</td> </tr> <tr> <td></td> <td>Debenture holders A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 9% debentures converted into equity shares)</td> <td></td> <td>47,000</td> <td>37,600 9,400</td> </tr> </tbody> </table> <p>Working Notes: Number of equity shares to be issued = $47000/125 = 376$ shares</p>	Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()		9% Debentures A/c Dr. To Debenture holders A/c To Discount on issue of debentures A/c (Being amount payable to debenture holders on conversion)		50,000	47,000 3,000		Debenture holders A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 9% debentures converted into equity shares)		47,000	37,600 9,400	1 1 1 = 3 Marks															
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8	9	7	<p>Q. Kavi, Ravi, Kumar Guru's retirement. Ans.</p> <p style="text-align: center;">Books of the firm Journal</p> <table border="1"> <thead> <tr> <th>Date</th> <th>Particulars</th> <th>LF</th> <th>Dr. Amt ()</th> <th>Cr. Amt ()</th> </tr> </thead> <tbody> <tr> <td>2017 Jan 31</td> <td>Kavi's Capital A/c Dr. To Ravi's Capital A/c To Kumar's Capital A/c To Guru's Capital A/c (Being adjustment of Goodwill on Guru's retirement)</td> <td></td> <td>81,000</td> <td>18,000 18,000 45,000</td> </tr> </tbody> </table> <p>Working Notes: 1. Calculation of Gaining Ratio:</p> <table border="1"> <thead> <tr> <th></th> <th>Kavi</th> <th>Ravi</th> <th>Kumar</th> <th>Guru</th> </tr> </thead> <tbody> <tr> <td>New Ratio</td> <td>3/5</td> <td>1/5</td> <td>1/5</td> <td>-</td> </tr> <tr> <td>Old Ratio</td> <td>3/8</td> <td>2/8</td> <td>2/8</td> <td>1/8</td> </tr> <tr> <td></td> <td>9/40 (Gain)</td> <td>2/40 (Sacrifice)</td> <td>2/40 (Sacrifice)</td> <td>1/8 (Sacrifice)</td> </tr> </tbody> </table>	Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()	2017 Jan 31	Kavi's Capital A/c Dr. To Ravi's Capital A/c To Kumar's Capital A/c To Guru's Capital A/c (Being adjustment of Goodwill on Guru's retirement)		81,000	18,000 18,000 45,000		Kavi	Ravi	Kumar	Guru	New Ratio	3/5	1/5	1/5	-	Old Ratio	3/8	2/8	2/8	1/8		9/40 (Gain)	2/40 (Sacrifice)	2/40 (Sacrifice)	1/8 (Sacrifice)	2 1 = 3 Marks
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9	8	8	<p>Q. Disha Ltd. Purchased.....Nisha Ltd. Ans.</p> <p style="text-align: center;">Disha Ltd. Journal</p> <table border="1"> <thead> <tr> <th>Date</th> <th>Particulars</th> <th>LF</th> <th>Dr. Amt ()</th> <th>Cr. Amt ()</th> </tr> </thead> <tbody> <tr> <td>(i)</td> <td>Machinery A/c Dr. To Nisha Ltd. (Being machinery purchased from Nisha Ltd.)</td> <td></td> <td>1,78,000</td> <td>1,78,000</td> </tr> <tr> <td>(ii)</td> <td>Nisha Ltd. Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 10,000 equity shares of ` 10 each issued at 10% premium)</td> <td></td> <td>1,10,000</td> <td>1,00,000 10,000</td> </tr> </tbody> </table>	Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()	(i)	Machinery A/c Dr. To Nisha Ltd. (Being machinery purchased from Nisha Ltd.)		1,78,000	1,78,000	(ii)	Nisha Ltd. Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 10,000 equity shares of ` 10 each issued at 10% premium)		1,10,000	1,00,000 10,000	1/2 1															
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(iii)	Nisha Ltd. Discount on Issue of Debentures A/c To 9% Debentures A/c (Being 200 9% debentures of ₹ 100 each issued at 10% discount)	Dr. Dr.	18,000 2,000	20,000	1
(iv)	Nisha Ltd. To Bills Payable A/c (Being balance payment made by accepting one month bill of exchange)	Dr.	50,000	50,000	½

OR
Disha Ltd.
Journal

Date	Particulars	LF	Dr. Amt (₹)	Cr. Amt (₹)	
(i)	Machinery A/c To Nisha Ltd. (Being machinery purchased from Nisha Ltd.)	Dr.	1,78,000	1,78,000	½
(ii)	Nisha Ltd. Discount on Issue of Debentures A/c To Equity Share Capital A/c To 9% Debentures A/c To Bills Payable A/c To Securities Premium Reserve A/c (Being payment made to Nisha Ltd.)	Dr. Dr.	1,78,000 2,000	1,00,000 20,000 50,000 10,000	2 ½

Working Notes:

Purchase Consideration = 1,10,000 + 18,000 + 50,000 = ₹ 1,78,000

= 3 Marks

10 7 9

Q. Ganesh Ltd. is..... to propagate.

Ans.

Balance Sheet of Ganesh Ltd.
As at(As per revised schedule VI)

Particulars	Note No.	Amount (₹) Current year	Amount (₹) Previous year	
EQUITY & LIABILITIES				
I Shareholder's funds :				
a) Share Capital	1	<u>6,09,96,000</u>		½

Notes to Accounts :

Particulars	(₹)	
(1) Share Capital		
Authorised Capital :		
1,00,00,000 equity shares of ₹ 10 each	<u>10,00,00,000</u>	½
Issued Capital		
61,00,000 equity shares of ₹ 10 each	<u>6,10,00,000</u>	½
Subscribed Capital		
Subscribed and fully paid		
60,98,000 shares of ₹ 10 each	6,09,80,000	
Subscribed but not fully paid		
2,000 equity shares of ₹ 10 each	20,000	
Less: Calls in arrears (2,000 X 2)	<u>4,000</u>	
	<u>16,000</u>	
	<u>6,09,96,000</u>	½

			<p>Values (Any two):</p> <ul style="list-style-type: none"> • Providing employment opportunities to the local youth. • Promotion of development in tribal areas. • Promotion of skill development in Arunachal Pradesh. • Paying attention towards regions of social unrest. <p>(Or any other suitable value)</p>	<p>$\frac{1}{2} + \frac{1}{2}$</p> <p>=3 Marks</p>																																																
11	12	11	<p>Q. Madhu and Neha..... premium in cash.</p> <p>Ans.</p> <p>(a) Calculation of Hidden Goodwill: Tina's share = $\frac{1}{4}$ Tina's Capital = ₹ 4,00,000 (a) Total capital of the new firm = 4,00,000 X 4 = 16,00,000 (b) Existing total capital of Madhu, Neha and Tina = ₹ 4,00,000 + ₹ 6,00,000 + ₹ 4,00,000 = ₹ 14,00,000</p> <p>Goodwill of the firm = 16,00,000-14,00,000 = 2,00,000 Thus, Tina's share of goodwill = $\frac{1}{4} \times 2,00,000 = 50,000$</p> <p>(b) Calculation of New Profit Sharing ratio : Madhu's new share = $\frac{3}{8}$ Neha's new share = $\frac{5}{8} - \frac{1}{4} = \frac{3}{8}$ Tina's share = $\frac{1}{4}$ i.e. $\frac{2}{8}$ New Ratio = 3:3:2</p> <p>(c)</p> <p style="text-align: center;">Books of the firm</p> <p style="text-align: center;">Dr. Journal Cr.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Date</th> <th style="width: 50%;">Particulars</th> <th style="width: 5%;">LF</th> <th style="width: 15%;">Dr (₹)</th> <th style="width: 15%;">Cr (₹)</th> </tr> </thead> <tbody> <tr> <td>2016 Apr 1</td> <td>Tina's Current A/c Dr. To Neha's Current A/c (Being credit given for goodwill to Neha on Tina's admission)</td> <td></td> <td style="text-align: right;">50,000</td> <td style="text-align: right;">50,000</td> </tr> </tbody> </table>	Date	Particulars	LF	Dr (₹)	Cr (₹)	2016 Apr 1	Tina's Current A/c Dr. To Neha's Current A/c (Being credit given for goodwill to Neha on Tina's admission)		50,000	50,000	<p style="text-align: center;">1</p> <p style="text-align: center;">1</p> <p style="text-align: center;">2 = 4 Marks</p>																																						
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12	11	12	<p>Q. Ashok, Babu and Chetan..... Capital Account.</p> <p>Ans.</p> <p style="text-align: center;">Ashok's Capital A/c</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="3" style="text-align: left;">Dr</th> <th colspan="3" style="text-align: right;">Cr</th> </tr> <tr> <th style="width: 10%;">Date</th> <th style="width: 30%;">Particulars</th> <th style="width: 10%;">Amt (₹)</th> <th style="width: 10%;">Date</th> <th style="width: 30%;">Particulars</th> <th style="width: 10%;">Amt (₹)</th> </tr> </thead> <tbody> <tr> <td>2016 Dec 31</td> <td><u>To Drawings A/c</u> $\frac{1}{2}$</td> <td style="text-align: right;">15,000</td> <td>2016 April 1</td> <td><u>By Balance b/d</u> $\frac{1}{2}$</td> <td style="text-align: right;">90,000</td> </tr> <tr> <td>Dec 31</td> <td><u>To Interest on Drawings A/c</u> $\frac{1}{2}$</td> <td style="text-align: right;"><u>1,500</u></td> <td>Dec 31</td> <td><u>By Interest on Capital A/c</u> $\frac{1}{2}$</td> <td style="text-align: right;">8,100</td> </tr> <tr> <td>Dec 31</td> <td><u>To Ashok's Executor's A/c</u> $\frac{1}{2}$</td> <td style="text-align: right;"><u>3,01,600</u></td> <td>Dec 31</td> <td><u>By P & L Suspense A/c</u> $\frac{1}{2}$</td> <td style="text-align: right;">40,000</td> </tr> <tr> <td></td> <td></td> <td></td> <td>Dec 31</td> <td><u>By Babu's Capital A/c</u> $\frac{1}{2}$</td> <td style="text-align: right;">90,000</td> </tr> <tr> <td></td> <td></td> <td></td> <td>Dec 31</td> <td><u>By Chetan's Capital A/c</u> $\frac{1}{2}$</td> <td style="text-align: right;">90,000</td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;"><u>3,18,100</u></td> <td></td> <td></td> <td style="text-align: right;"><u>3,18,100</u></td> </tr> </tbody> </table>	Dr			Cr			Date	Particulars	Amt (₹)	Date	Particulars	Amt (₹)	2016 Dec 31	<u>To Drawings A/c</u> $\frac{1}{2}$	15,000	2016 April 1	<u>By Balance b/d</u> $\frac{1}{2}$	90,000	Dec 31	<u>To Interest on Drawings A/c</u> $\frac{1}{2}$	<u>1,500</u>	Dec 31	<u>By Interest on Capital A/c</u> $\frac{1}{2}$	8,100	Dec 31	<u>To Ashok's Executor's A/c</u> $\frac{1}{2}$	<u>3,01,600</u>	Dec 31	<u>By P & L Suspense A/c</u> $\frac{1}{2}$	40,000				Dec 31	<u>By Babu's Capital A/c</u> $\frac{1}{2}$	90,000				Dec 31	<u>By Chetan's Capital A/c</u> $\frac{1}{2}$	90,000			<u>3,18,100</u>			<u>3,18,100</u>	<p style="text-align: center;">$\frac{1}{2} \times 8$</p> <p style="text-align: center;">=</p> <p style="text-align: center;">4 Marks</p>
Dr			Cr																																																	
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13	-	-	<p>Q. A, B, C and D..... reconstituted firm.</p> <p>Ans.</p>																																																	

		Revaluation A/c										
		Dr					Cr					
		Particulars		Amt (`)		Particulars		Amt (`)				
		To Claim for Workmen Compensation		5,000		By loss on revaluation transferred to Partners' Capital A/c						
		To Fixed assets A/c		25,000		A		9,000				
						B		6,000				
						C		9,000				
						D		<u>6,000</u>		30,000		
										<u>30,000</u>		
		Partners' Capital A/c										
		Dr					Cr					
		Particulars	A	B	C	D	Particulars	A	B	C	D	
		To Revaluation A/c	9,000	6,000	9,000	6,000	By Balance b/d	2,00,000	2,50,000	2,50,000	3,10,000	
		To C's Capital A/c	13,500	13,500	---	---	By A's Capital A/c	---	---	13,500	13,500	
		To D's Capital A/c	13,500	13,500	---	---	By B's Capital A/c	---	---	13,500	13,500	
		To Partners' Current A/c	---	---	72,000	2,33,000	By Partners' Current A/c	2,28,000	77,000	---	---	
		To Balance c/d	3,92,000	2,94,000	1,96,000	98,000						
			4,28,000	3,27,000	2,77,000	3,37,000		4,28,000	3,27,000	2,77,000	3,37,000	
		Balance Sheet of A, B, C and D as at 31st March 2016										
		Liabilities		Amt (`)		Assets		Amt (`)				
		Sundry Creditors		90,000		Fixed Assets		8,00,000				
		Partners' Capital A/c:				Current Assets		3,00,000				
		A	3,92,000			Partners' Current A/c:						
		B	2,94,000			A	2,28,000					
		C	1,96,000			B	<u>77,000</u>	3,05,000				
		D	<u>98,000</u>	9,80,000								
		Claim for Workmen Compensation		30,000								
		Partners' Current A/c:										
		C	72,000									
		D	<u>2,33,000</u>	3,05,000								
				<u>14,05,000</u>				<u>14,05,000</u>				
		Q. On 1-4-2015.....year ended 31.3.2016.										
		Ans.										
		J.K. Ltd.										
		Journal										
		Date	Particulars		LF	Dr (`)		Cr (`)				
		2015 Apr 1	Bank A/c	Dr.		75,20,000			75,20,000	1		
			To 9% Debenture Application & Allotment A/c (Being application money received)									
		2015 Apr 1	9% Debenture Application & Allotment A/c	Dr.		75,20,000				1		
			Discount on Issue of Debentures A/c	Dr.		4,80,000						
			Loss on Issue of Debentures A/c	Dr.		4,00,000						
			To 9 % Debentures A/c						80,00,000			
			To Premium on Redemption of Debentures A/c (Being transfer of application money to						4,00,000			

			debt account issued at discount of 6%, redeemable at premium of 5%) Or 9% Debenture Application & Allotment A/c Dr. 75,20,000 Loss on Issue of Debentures A/c Dr. 8,80,000 To 9 % Debentures A/c 80,00,000 To Premium on Redemption of Debentures A/c 4,00,000 (Being transfer of application money to debt account issued at discount of 6%, redeemable at premium of 5%)						
		2015 Sep 30	Debt Interest A/c Dr. 3,60,000 To Debt holders A/c To TDS Payable A/c (Being interest payable on 9% debentures and tax deducted at source @ 10%)				3,24,000 36,000	1	
		2015 Sep 30	Debt holders A/c Dr. 3,24,000 TDS Payable A/c Dr. 36,000 To Bank A/c (Being interest paid to debentures and TDS deposited)				3,60,000	$\frac{1}{2}$	
		2016 Mar 31	Debt Interest A/c Dr. 3,60,000 To Debt holders A/c To TDS Payable A/c (Being interest payable on 9% debentures and tax deducted at source @ 10%)				3,24,000 36,000	1	
		2016 Mar 31	Debt holders A/c Dr. 3,24,000 TDS Payable A/c Dr. 36,000 To Bank A/c (Being interest paid to debentures and TDS deposited)				3,60,000	$\frac{1}{2}$	
		2016 Mar 31	Statement of Profit & Loss Dr. 7,20,000 To Debt Interest A/c (Being interest on debentures transferred to statement to P & L)				7,20,000	1 = 6 Marks	
15	-	-	Q. Pass necessary..... of his debt. Ans. Books of the firm Journal						
			Date	Particulars	LF	Dr (₹)	Cr (₹)		
			(i)	Realisation A/c Dr. 800 To Cash/ Bank A/c (Being dissolution expenses paid)		800	800	1	
			(ii)	Realisation A/c Dr. 800 To Prabhu's Capital A/c (Being dissolution expenses paid by partner)		800	800	1	
			(iii)	Realisation A/c Dr. 10,000 To Geeta's Capital A/c (Being dissolution expenses paid by Geeta and compensated by firm)		10,000	10,000	1	
			(iv) a.	Realisation A/c Dr. 5,000 To Janki's Capital A/c (Being dissolution expenses paid by Janki and compensated by firm)		5,000	5,000	$\frac{1}{2}$	
			(iv) b.	Janki's Capital A/c Dr. 5,500 To Mohan's Capital A/c		5,500	5,500	$\frac{1}{2}$	

			(Being Mohan paid dissolution expenses on behalf of Janki) Note: If part a. Is correctly done, full credit is to be given.					
		(v) a.	Realisation A/c Dr. To Kavita's Capital A/c (Being remuneration given to Kavita)		9,000		9,000	
		(v) b.	Kavita's Capital A/c Dr. To Realisation A/c (Being furniture taken over by Kavita as remuneration)		9,000		9,000	½ + ½
		(v) (a. + b.)	OR No Entry					OR 1
		(vi)	No Entry		--		--	1 =
								6 Marks

16	17	16	Q. C and D areE's admission. Ans.																																										
			Books of the firm Journal																																										
			<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Date</th> <th style="width: 50%;">Particulars</th> <th style="width: 5%;">LF</th> <th style="width: 15%;">Dr (₹)</th> <th style="width: 15%;">Cr (₹)</th> </tr> </thead> <tbody> <tr> <td>(i)</td> <td>General Reserve A/c Dr. To C's Capital A/c To D's Capital A/c (Being General Reserve distributed among partners)</td> <td></td> <td>10,000</td> <td>8,000 2,000</td> </tr> <tr> <td>(ii)</td> <td>Cash A/c Dr. To E's Capital A/c To Premium for Goodwill A/c (Being cash received as E's capital and premium for goodwill)</td> <td></td> <td>1,20,000</td> <td>1,00,000 20,000</td> </tr> <tr> <td>(iii)</td> <td>Premium for Goodwill A/c Dr. To C's Capital A/c To D's Capital A/c (Being premium for Goodwill credited to old partner's capital account in sacrificing ratio)</td> <td></td> <td>20,000</td> <td>16,000 4,000</td> </tr> <tr> <td>(iv)</td> <td>C's Capital A/c Dr. D's Capital A/c Dr. To Cash A/c (Being half of goodwill amount withdrawn by C and D)</td> <td></td> <td>8,000 2,000</td> <td>10,000</td> </tr> <tr> <td>(v)</td> <td>Bad debts A/c Dr. To Debtors A/c (Being debtors ` 2,000 written off)</td> <td></td> <td>2,000</td> <td>2,000</td> </tr> <tr> <td>(vi)</td> <td>Provision for bad and doubtful debts A/c Dr. To Bad debts A/c (Being provision utilised for writing off bad debts)</td> <td></td> <td>2,000</td> <td>2,000</td> </tr> </tbody> </table>	Date	Particulars	LF	Dr (₹)	Cr (₹)	(i)	General Reserve A/c Dr. To C's Capital A/c To D's Capital A/c (Being General Reserve distributed among partners)		10,000	8,000 2,000	(ii)	Cash A/c Dr. To E's Capital A/c To Premium for Goodwill A/c (Being cash received as E's capital and premium for goodwill)		1,20,000	1,00,000 20,000	(iii)	Premium for Goodwill A/c Dr. To C's Capital A/c To D's Capital A/c (Being premium for Goodwill credited to old partner's capital account in sacrificing ratio)		20,000	16,000 4,000	(iv)	C's Capital A/c Dr. D's Capital A/c Dr. To Cash A/c (Being half of goodwill amount withdrawn by C and D)		8,000 2,000	10,000	(v)	Bad debts A/c Dr. To Debtors A/c (Being debtors ` 2,000 written off)		2,000	2,000	(vi)	Provision for bad and doubtful debts A/c Dr. To Bad debts A/c (Being provision utilised for writing off bad debts)		2,000	2,000							
Date	Particulars	LF	Dr (₹)	Cr (₹)																																									
(i)	General Reserve A/c Dr. To C's Capital A/c To D's Capital A/c (Being General Reserve distributed among partners)		10,000	8,000 2,000																																									
(ii)	Cash A/c Dr. To E's Capital A/c To Premium for Goodwill A/c (Being cash received as E's capital and premium for goodwill)		1,20,000	1,00,000 20,000																																									
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			(vii)	Provision for bad and doubtful debts A/c Dr. To Revaluation A/c (Being provision for bad debts decreased)		640	640	½
			(viii)	Revaluation A/c Dr. To Stock A/c To Furniture A/c To Plant & Machinery A/c (Being decrease in assets recorded)		14,000	2,000 4,000 8,000	1 ½
			(ix)	Investments A/c Dr. To Revaluation A/c (Being increase in investments recorded)		7,000	7,000	½
			(x)	Revaluation A/c Dr. To Outstanding Repairs A/c (Being increase in liabilities recorded)		2,300	2,300	½
			(xi)	C's Capital A/c Dr. D's Capital A/c Dr. To Revaluation A/c (Being loss on revaluation transferred to Partner's Capital A/c)		6,928 1,732	8,660	½ = 8 Marks
				Note: In case an examinee has combined entry number (viii) and (x) or (vii) and (ix), full credit may be given.				

16 OR	17 OR	16 OR	<p>Q. Sameer, Yasmin and Saloni were.....Sameer's retirement.</p> <p>Ans.</p> <p style="text-align: center;">Books of the firm Journal</p> <table border="1" style="width: 100%;"> <thead> <tr> <th>Date</th> <th>Particulars</th> <th>LF</th> <th>Dr ()</th> <th>Cr ()</th> <th></th> </tr> </thead> <tbody> <tr> <td>(i)</td> <td>General Reserve A/c Dr. To Sameer's Capital A/c To Yasmin's Capital A/c To Saloni's Capital A/c (Being General Reserve distributed among partners)</td> <td></td> <td>60,000</td> <td>24,000 18,000 18,000</td> <td>1</td> </tr> <tr> <td>(ii)</td> <td>Sameer's Capital A/c Dr. Yasmin's Capital A/c Dr. Saloni's Capital A/c Dr. To Profit and Loss A/c (Being accumulated losses divided among partners)</td> <td></td> <td>20,000 15,000 15,000</td> <td>50,000</td> <td>1</td> </tr> <tr> <td>(iii)</td> <td>Bad Debts A/c Dr. To Debtors A/c (Being debtors of ₹ 4000 written off)</td> <td></td> <td>4,000</td> <td>4,000</td> <td>½</td> </tr> <tr> <td>(iv)</td> <td>Provision for bad and doubtful debts A/c Dr. To Bad Debts A/c (Being provision utilised for writing off bad debts)</td> <td></td> <td>4,000</td> <td>4,000</td> <td>½</td> </tr> <tr> <td>(v)</td> <td>Provision for bad and doubtful debts A/c Dr. To Revaluation A/c (Being excess provision transferred to Revaluation A/c)</td> <td></td> <td>1,700</td> <td>1,700</td> <td>½</td> </tr> <tr> <td>(vi)</td> <td>Revaluation A/c Dr. To Creditors A/c (Being increase in creditors recorded)</td> <td></td> <td>20,000</td> <td>20,000</td> <td>½</td> </tr> </tbody> </table>					Date	Particulars	LF	Dr ()	Cr ()		(i)	General Reserve A/c Dr. To Sameer's Capital A/c To Yasmin's Capital A/c To Saloni's Capital A/c (Being General Reserve distributed among partners)		60,000	24,000 18,000 18,000	1	(ii)	Sameer's Capital A/c Dr. Yasmin's Capital A/c Dr. Saloni's Capital A/c Dr. To Profit and Loss A/c (Being accumulated losses divided among partners)		20,000 15,000 15,000	50,000	1	(iii)	Bad Debts A/c Dr. To Debtors A/c (Being debtors of ₹ 4000 written off)		4,000	4,000	½	(iv)	Provision for bad and doubtful debts A/c Dr. To Bad Debts A/c (Being provision utilised for writing off bad debts)		4,000	4,000	½	(v)	Provision for bad and doubtful debts A/c Dr. To Revaluation A/c (Being excess provision transferred to Revaluation A/c)		1,700	1,700	½	(vi)	Revaluation A/c Dr. To Creditors A/c (Being increase in creditors recorded)		20,000	20,000	½
Date	Particulars	LF	Dr ()	Cr ()																																													
(i)	General Reserve A/c Dr. To Sameer's Capital A/c To Yasmin's Capital A/c To Saloni's Capital A/c (Being General Reserve distributed among partners)		60,000	24,000 18,000 18,000	1																																												
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(iii)	Bad Debts A/c Dr. To Debtors A/c (Being debtors of ₹ 4000 written off)		4,000	4,000	½																																												
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(vi)	Revaluation A/c Dr. To Creditors A/c (Being increase in creditors recorded)		20,000	20,000	½																																												

			(vii)	Revaluation A/c To Patents A/c To Stock A/c To Machinery A/c To Building A/c (Being decrease in assets recorded)	Dr.		90,000	60,000 5,000 15,000 10,000	2
			(viii)	Sameer's Capital A/c Yasmin's Capital A/c Saloni's Capital A/c To Revaluation A/c (Being loss on revaluation transferred to Partners' Capital A/c)	Dr. Dr. Dr.		43,320 32,490 32,490	1,08,300	½
			(ix)	Yasmin's Capital A/c Saloni's Capital A/c To Sameer's Capital A/c (Being Goodwill adjusted on Sameer's retirement)	Dr. Dr.		1,62,000 54,000	2,16,000	1
			(x)	Sameer's Capital A/c To Sameer's Loan A/c (Being balance of Sameer's capital transferred to Sameer's Loan A/c)	Dr.		4,76,680	4,76,680	½ =
				Note: In case an examinee has combined entry number (vi) and (vii), full credit may be given. 2 ½ Revaluation A/c To Patents A/c To Stock A/c To Machinery A/c To Building A/c To Creditors A/c (Being assets and liabilities revalued)	Dr.		1,10,000	60,000 5,000 15,000 10,000 20,000	8 Marks

Working Notes:

Amount payable to Sameer = (43,320) + 24,000 – 20,000 + 2,16,000 + 3,00,000 = ₹ **4,76,680**

17	16	17	Q. VNX Ltd.books of the company. Ans. <div style="text-align: center;">VNX Ltd. Journal</div> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Date</th> <th style="width: 50%;">Particulars</th> <th style="width: 5%;">LF</th> <th style="width: 15%;">Dr. Amt (₹)</th> <th style="width: 15%;">Cr. Amt (₹)</th> <th style="width: 5%;"></th> </tr> </thead> <tbody> <tr> <td>(i)</td> <td>Bank A/c To Equity Share Application A/c (Being application money received)</td> <td>Dr.</td> <td>2,00,000</td> <td>2,00,000</td> <td>1</td> </tr> <tr> <td>(ii)</td> <td>Equity Share Application A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being application money transferred)</td> <td>Dr.</td> <td>2,00,000</td> <td>1,00,000 1,00,000</td> <td>1</td> </tr> <tr> <td>(iii)</td> <td>Equity Share Allotment A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being share allotment money due)</td> <td>Dr.</td> <td>3,00,000</td> <td>1,50,000 1,50,000</td> <td>1</td> </tr> <tr> <td>(iv)</td> <td>Bank A/c Calls in Arrears A/c To Equity Share Allotment A/c To Calls in Advance A/c</td> <td>Dr. Dr.</td> <td>3,02,000 1,200</td> <td>3,00,000 3,200</td> <td>½</td> </tr> </tbody> </table>					Date	Particulars	LF	Dr. Amt (₹)	Cr. Amt (₹)		(i)	Bank A/c To Equity Share Application A/c (Being application money received)	Dr.	2,00,000	2,00,000	1	(ii)	Equity Share Application A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being application money transferred)	Dr.	2,00,000	1,00,000 1,00,000	1	(iii)	Equity Share Allotment A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being share allotment money due)	Dr.	3,00,000	1,50,000 1,50,000	1	(iv)	Bank A/c Calls in Arrears A/c To Equity Share Allotment A/c To Calls in Advance A/c	Dr. Dr.	3,02,000 1,200	3,00,000 3,200	½
Date	Particulars	LF	Dr. Amt (₹)	Cr. Amt (₹)																																	
(i)	Bank A/c To Equity Share Application A/c (Being application money received)	Dr.	2,00,000	2,00,000	1																																
(ii)	Equity Share Application A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being application money transferred)	Dr.	2,00,000	1,00,000 1,00,000	1																																
(iii)	Equity Share Allotment A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being share allotment money due)	Dr.	3,00,000	1,50,000 1,50,000	1																																
(iv)	Bank A/c Calls in Arrears A/c To Equity Share Allotment A/c To Calls in Advance A/c	Dr. Dr.	3,02,000 1,200	3,00,000 3,200	½																																

			(Being allotment money received except on 200 shares and calls in advance received) OR Bank A/c Dr. 3,02,000 To Equity Share Allotment A/c 2,98,800 To Calls in Advance A/c 3,200 (Being allotment money received except on 200 shares and calls in advance received)			
		(v)	Equity Share Capital A/c Dr. 1,000 Securities Premium Reserve A/c Dr. 600 To Shares Forfeited A/c 400 To Equity Share Allotment A/c/ Calls in arrears A/c 1,200 (Being 200 shares forfeited)			½
		(vi)	Equity Share First call A/c Dr. 2,49,000 To Equity Share Capital A/c 1,99,200 To Securities Premium Reserve A/c 49,800 (Being first call money due on 49,800 shares)			½
		(vii)	Bank A/c Dr. 2,47,400 Calls in arrears A/c Dr. 500 Calls in advance A/c Dr. 2,000 To Equity Share First Call A/c 2,49,000 To Calls in advance A/c 900 (Being first call money and calls in advance received, advance received earlier adjusted) OR Bank A/c Dr. 2,47,400 Calls in advance A/c Dr. 2,000 To Equity Share First Call A/c 2,48,500 To Calls in advance A/c 900 (Being first call money and calls in advance received, advance received earlier adjusted) OR (a) Bank A/c Dr. 2,47,400 Calls in arrears A/c Dr. 500 To Equity Share First Call A/c 2,47,000 To Calls in advance A/c 900 (Being first call money and calls in advance received) (b) Calls in advance A/c Dr. 2,000 To Equity Share First Call A/c 2,000 (Being advance received earlier adjusted) OR Bank A/c Dr. 2,47,400 Calls in arrears A/c Dr. 500 Calls in advance A/c Dr. 1,100 To Equity Share First Call A/c 2,49,000 (Being first call money received, advance received earlier on 1,000 shares adjusted and second call in advance received on 600 shares)			½

			(viii)	Equity Share Capital A/c Securities Premium Reserve A/c To Shares Forfeited A/c To Calls in arrears A/c/ Equity Share First Call A/c (Being 100 shares forfeited)	Dr. Dr.		900 100		500 500	½	
			(ix)	Equity Share Second & Final call A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being second call due on 49,700 shares)	Dr.		1,49,100		49,700 99,400	½	
			(x)	Bank A/c Calls in advance A/c To Equity share second and final call A/c (Being second and final call received and advance received earlier adjusted)	Dr. Dr.		1,47,000 2,100		1,49,100	½	
			(xi)	Bank A/c Shares Forfeited A/c To Equity Share Capital A/c (Being forfeited shares reissued)	Dr. Dr.		2,700 300		3,000	1	
			(xii)	Shares Forfeited A/c To Capital Reserve A/c (Being gain on reissue on forfeited shares transferred to capital reserve account)	Dr.		600		600	½ =	
										8 Marks	

17 OR	16 OR	17 OR	Q. JJK Ltd..... books of the company.							
			Ans.							
			Books of JJK Ltd.							
			Journal							
			Date	Particulars	LF	Dr. Amt	Cr. Amt			
						()	()			
			(i)	Bank A/c To Equity Share Application A/c (Being application money received on 1,50,000 shares)	Dr.		3,00,000		3,00,000	1
			(ii)	Equity Share Application A/c To Equity Share Capital A/c To Bank A/c To Equity Share Allotment A/c (Being application money transferred)	Dr.		3,00,000		1,00,000 90,000 1,10,000	1
			(iii)	Equity Share Allotment A/c To Equity Share Capital A/c (Being share allotment money due)	Dr.		2,00,000		2,00,000	1
			(iv)	Bank A/c Calls in arrears A/c To Equity share allotment a/c (Being Balance amount received on allotment)	Dr. Dr.		88,900 1,100		90,000	1
				OR						
				Bank A/c To Equity share allotment a/c (Being Balance amount received on allotment)	Dr.		88,900		88,900	
			(v)	Equity Share capital A/c To Forfeited Shares A/c To Calls in arrears A/c (Being forfeited the shares on which allotment money was not received)	Dr.		3,600		2,500 1,100	1

			(vi)	Equity share first and final call A/c To Equity share Capital A/c (Being First and final call money due)	Dr.		1,97,600	1,97,600	$\frac{1}{2}$	
			(vii)	Bank A/c To Equity share first and final call A/c (Being first and final call money received)	Dr.		1,97,600	1,97,600	$\frac{1}{2}$	
			(viii)	Bank A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being forfeited shares reissued)	Dr.		6,600	6,000 600	1	
			(ix)	Shares Forfeited A/c To Capital Reserve A/c (Being gain on reissue on forfeited shares transferred to capital reserve account)	Dr.		2,500	2,500	1 =	
			PART B (Financial Statements Analysis)							
18	-	-	Q. Normally, what..... cash equivalents? Ans. Maximum maturity period is 90 days/ 3 months for a short term investment from the date of acquisition to be qualified as cash equivalents.						1 Mark	
19	-	-	Q. State the..... cash flow statement. Ans. To find out the inflows and outflows of cash and cash equivalents from Operating, Investing and Financing activities.						1 Mark	
20	-		Q. What is meant by.....an analysis. Ans. Analysis of Financial Statements is the process of critical evaluation of the financial information contained in the financial statements in order to understand and make decisions regarding the operations of the firm. (Or any other suitable meaning) <u>Objectives of 'Financial Statements Analysis': (Any two)</u> (i) <u>Assessing the earning capacity or profitability</u> of the firm as a whole as well as its different departments so as to judge the financial health of the firm. (ii) <u>Assessing the managerial efficiency</u> by using financial ratios to identify favourable and unfavourable variations in managerial performance. (iii) <u>Assessing the short term and the long term solvency</u> of the enterprise to assess the ability of the company to repay principal amount and interest. (iv) Assessing the performance of business in comparison to that of others through <u>inter firm comparison</u> . (v) Assessing developments in future by <u>forecasting and preparing budgets</u> . (vi) <u>To Ascertain the relative importance of different components of the financial position</u> of the firm.						2 + 1 X 2= 2 = 4 Marks	
21	22	21	Q. The proprietary ratio..... purchased for ` 4,00,000. Ans.						1 X 4 =4 Marks	
			Transaction	Effect on Quick Ratio	Reasons					
			(i)	Decrease	No change in Shareholders' funds but total assets will increase by ` 2,00,000					
			(ii)	No Change	No change in total assets and Shareholders' funds					
			(iii)	Decrease	Both Shareholders' funds and total assets are decreased by same amount					
			(iv)	Increase	Shareholders' funds and total assets both are increased					
22	21	22	Q. Financial Statements.....Bank Overdraft. Ans.							

Values (Any two):

- Transparency
- Consistency
- Following rules and regulations / Ethical code of conduct
- Honesty and loyalty towards owners
- Providing authentic information to users

(Or any other suitable value)

1 X 2

	Heads	Sub-heads
Capital Reserves	Shareholders' funds	Reserves and Surplus
Calls -in-advance	Current Liabilities	Other Current Liabilities
Loose Tools	Current assets	Inventories
Bank Overdraft	Current Liabilities	Short term borrowings

½ X 4
=

4 Marks

23 23 23

Q. From the following..... loss of ₹ 5,000.

Ans.

Cash flow statement of SRS Ltd.

For the year ended 31st March 2016 as per AS-3 (Revised)

Particulars	Details (₹)	Amount (₹)
A. Cash Flows from Operating Activities:		
Net Profit before tax & extraordinary items (note 1)	1,75,000	
Add: Non cash and non-operating charges		
Goodwill written off	25,000	
Depreciation on machinery	55,000	
Interest on debentures	21,000	
Loss on sale of machinery	5,000	
<i>Operating profit before working capital changes</i>	2,81,000	
Less: Increase in Current Assets		
Increase in inventories	(25,000)	
Net Cash generated from Operating Activities		2,56,000
B. Cash flows from Investing Activities :		
Purchase of machinery	(3,55,000)	
Sale of machinery	15,000	
Purchase of non current investments	(25,000)	
Net Cash used in investing activities		(3,65,000)
C. Cash flows from Financing Activities:		
Issue of share capital	1,00,000	
Issue of 12% debentures	50,000	
Interest on debentures paid	(21,000)	
Dividend paid	(62,500)	
Bank overdraft raised	37,500	
Net Cash flow from financing activities		1,04,000
Net decrease in cash & cash equivalents (A+B+C)		(5,000)
Add: Opening balance of cash & cash equivalents		
Current Investments	35,000	
Cash and Cash Equivalents	26,500	
Closing Balance of cash & cash equivalents		61,500
Current Investments	20,000	
Cash and Cash Equivalents	36,500	
		56,500

1 ½

+

1

+

1 ½

+

1

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Notes:

Calculation of Net Profit before tax:

Net profit as per statement of Profit & Loss	75,000
Add: Proposed Dividend	1,00,000
Net Profit before tax & extraordinary items	<u>1,75,000</u>

½

			Machinery A/c																									
			<table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 50%;">Particulars</th> <th style="width: 25%;"></th> <th style="width: 50%;">Particulars</th> <th style="width: 25%;"></th> </tr> </thead> <tbody> <tr> <td>To Balance b/d</td> <td style="text-align: right;">5,22,500</td> <td>By Cash A/c</td> <td style="text-align: right;">15,000</td> </tr> <tr> <td>To Cash A/c (Purchase)</td> <td style="text-align: right;">3,55,000</td> <td>By Statement of P/L (Bal fig.)</td> <td style="text-align: right;">5,000</td> </tr> <tr> <td></td> <td></td> <td>By Accumulated Depreciation A/c</td> <td style="text-align: right;">20,000</td> </tr> <tr> <td></td> <td></td> <td>By Balance c/d</td> <td style="text-align: right;">8,37,500</td> </tr> <tr> <td></td> <td style="text-align: right;"><u>8,77,500</u></td> <td></td> <td style="text-align: right;"><u>8,77,500</u></td> </tr> </tbody> </table>	Particulars		Particulars		To Balance b/d	5,22,500	By Cash A/c	15,000	To Cash A/c (Purchase)	3,55,000	By Statement of P/L (Bal fig.)	5,000			By Accumulated Depreciation A/c	20,000			By Balance c/d	8,37,500		<u>8,77,500</u>		<u>8,77,500</u>	+ $\frac{1}{2}$ = 6 Marks
Particulars		Particulars																										
To Balance b/d	5,22,500	By Cash A/c	15,000																									
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Particulars		Particulars																										
To Machinery A/c	20,000	By Balance b/d	70,000																									
To Balance c/d	1,05,000	By Statement of P/L	55,000																									
	<u>1,25,000</u>		<u>1,25,000</u>																									
			PART B																									
			(Computerized Accounting)																									
18	19	19	Q. What isDatabase Report'? Ans. A database report is the formatted result of database queries and contains useful data for decision-making and analysis.	1 Mark																								
19	18	18	Q. What is meant.....Query'? Ans. Queries provide the capability of combined data from multiple tables and placing specific condition for the retrieval of data. It is another tabular view of the data showing information from multiple tables, resulting in presentation of the information required, raised in the query.	1 Mark																								
20	21	22	Q. Explain 'Flexibility'.....accounting software. Ans. Flexibility: (It may include following points) <ul style="list-style-type: none"> • Related to data entry, availability and design of various reports. • Between users (Accountants) • Between systems. Cost of installation and maintainence: (It may include following points in explanation) <ul style="list-style-type: none"> • Ability to afford hardware and software • Cost benefit analysis and study of available options • Training of staff, cost of updating 	2 2 = 4 Marks																								
21	22	20	Q. Explain any.....'Profit and Loss'. Ans. Any four of the following: <ul style="list-style-type: none"> • Sales Account • Purchase Account • Direct Income • Indirect Income • Direct Expenses • Indirect Expenses (With appropriate explanation)	1 X 4 = 4 Marks																								
22	20	21	Q. Explain the steps.....software. Ans. Steps in installation of CPS: <ol style="list-style-type: none"> 1. Insert CD in the system 2. Select C:,E:, or D: drive from my computer OR Start>run>type the filename E:\install.exe <ol style="list-style-type: none"> 3. The default directories of application, data and configuration will open in a window. Change the setting if you wish by providing desired file name and drive name. 4. Click on install. The installation process will start and a message of successful installation will appear after its completion. The CD can be removed as the application is successfully installed.	= 4 Marks																								

23	-	-	<p>Q. What is meant.....benefits.</p> <p>Ans. Conditional formatting means a format change, such as background cell shading or font colour i.e. applied to a cell when a specified condition for the data in the cell is true. Conditional formatting is often applied to worksheets to find:</p> <ol style="list-style-type: none"> 1. Data that is above or below a certain value. 2. Duplicate data values. 3. Cells containing specific text. 4. Data that is above or below average 5. Data that falls in the top ten or bottom ten values <p>Benefits of using conditional formatting:</p> <ol style="list-style-type: none"> 1. Helps in answering questions which are important for taking decisions 2. Guides with help of using visuals 3. Helps in understanding distribution and variation of critical data. 	<p style="text-align: center;">3</p> <p style="text-align: center;">3</p> <p style="text-align: center;">=</p> <p style="text-align: center;">6 Marks</p>
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Q. Set No.			Marking Scheme 2016-17 Accountancy (055) Outside Delhi – 67/2 Expected Answers / Value points	Distribution of marks															
67/1	67/2	67/3																	
6	1	4	Q. Durga and Naresh.....by them. Ans. Any two of the following: <ul style="list-style-type: none"> • Persons of unsound mind / Lunatics • Insolvent persons • Any other individual who have been disqualified by law 	$\frac{1}{2} \times 2$ =1 Mark															
5	2	3	Q. Z Ltd..... can be re-issued. Ans. The maximum amount of discount at which these shares can be re-issued is ` 5 per share or ` 5000.	=1 Mark															
4	3	2	Q. X Ltd. invited.....with applicants. Ans. Books of the firm Journal <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Date</th> <th>Particulars</th> <th>LF</th> <th>Dr (`)</th> <th>Cr (`)</th> </tr> </thead> <tbody> <tr> <td>2016 Jan 1</td> <td>Bank A/c Dr. To 12% Debenture Application & Allotment A/c (Being application money received for 600 debentures @ ` 95 each)</td> <td></td> <td>57,000</td> <td>57,000</td> </tr> <tr> <td>2016 Jan 1</td> <td>12% Debenture Application & Allotment A/c Dr. Discount on Issue of Debentures A/c Dr. To 12 % Debentures A/c To Bank A/c (Being 500, 12% debentures allotted on pro-rata basis)</td> <td></td> <td>57,000 2,500</td> <td>50,000 9,500</td> </tr> </tbody> </table>	Date	Particulars	LF	Dr (`)	Cr (`)	2016 Jan 1	Bank A/c Dr. To 12% Debenture Application & Allotment A/c (Being application money received for 600 debentures @ ` 95 each)		57,000	57,000	2016 Jan 1	12% Debenture Application & Allotment A/c Dr. Discount on Issue of Debentures A/c Dr. To 12 % Debentures A/c To Bank A/c (Being 500, 12% debentures allotted on pro-rata basis)		57,000 2,500	50,000 9,500	$\frac{1}{2}$ $\frac{1}{2}$ =1 Mark
Date	Particulars	LF	Dr (`)	Cr (`)															
2016 Jan 1	Bank A/c Dr. To 12% Debenture Application & Allotment A/c (Being application money received for 600 debentures @ ` 95 each)		57,000	57,000															
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3	4	1	Q. P and Q were.....rectify the error. Ans. Books of the firm Journal <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Date</th> <th>Particulars</th> <th>LF</th> <th>Dr (`)</th> <th>Cr (`)</th> </tr> </thead> <tbody> <tr> <td>2016 April 1</td> <td>P's Current A/c Dr. To Q's current A/c (Being the adjustment of interest on capital omitted in previous year)</td> <td></td> <td>6,000</td> <td>6,000</td> </tr> </tbody> </table>	Date	Particulars	LF	Dr (`)	Cr (`)	2016 April 1	P's Current A/c Dr. To Q's current A/c (Being the adjustment of interest on capital omitted in previous year)		6,000	6,000	=1 Mark					
Date	Particulars	LF	Dr (`)	Cr (`)															
2016 April 1	P's Current A/c Dr. To Q's current A/c (Being the adjustment of interest on capital omitted in previous year)		6,000	6,000															
2	5	6	Q. A and B.....B's sacrifice. Ans. A's Old Share = $\frac{5}{8}$ A's Sacrifice = $\frac{1}{5}$ of $\frac{5}{8}$ = $\frac{1}{8}$ C's Share = $\frac{3}{8}$ B's Sacrifice = C's share – A's sacrifice = $\frac{3}{8}$ – $\frac{1}{8}$ = $\frac{2}{8}$ OR B's Old Share = $\frac{3}{8}$ B's new share = $\frac{2}{8}$ B's Sacrifice = $\frac{3}{8}$ – $\frac{2}{8}$ = $\frac{1}{8}$	=1 Mark															
1	6	5	Q. Distinguish between.....credit balance. Ans. Fixed Capital Accounts always show a credit balance while fluctuating capital accounts may show credit or debit balance.	=1 Mark															
10	7	9	Q. Ganesh Ltd. Is..... to propagate. Ans.																

			Balance Sheet of Ganesh Ltd.					
			As at(As per revised schedule VI)					
			Particulars	Note No.	Amount (₹) Current year	Amount (₹) Previous year		
			EQUITY & LIABILITIES					
			I Shareholder's funds :					
			b) Share Capital	1	<u>6,09,96,000</u>		½	
			Notes to Accounts :					
			Particulars			(₹)		
			(2) Share Capital					
			Authorised Capital :					
			1,00,00,000 equity shares of ₹ 10 each			<u>10,00,00,000</u>	½	
			Issued Capital					
			61,00,000 equity shares of ₹ 10 each			<u>6,10,00,000</u>	½	
			Subscribed Capital					
			Subscribed and fully paid					
			60,98,000 shares of ₹ 10 each			6,09,80,000		
			Subscribed but not fully paid					
			2,000 equity shares of ₹ 10 each			20,000		
			Less: Calls in arrears (2,000 X 2)			<u>4,000</u>		
					<u>16,000</u>	<u>6,09,96,000</u>	½	
			Values (Any two):					
			<ul style="list-style-type: none"> • Providing employment opportunities to the local youth. • Promotion of development in tribal areas. • Promotion of skill development in Arunachal Pradesh. • Paying attention towards regions of social unrest. 					½ + ½
			(Or any other suitable value)					=3 Marks
9	8	8	Q. Disha Ltd. Purchased.....Nisha Ltd.					
			Ans.					
			Disha Ltd.					
			Journal					
			Date	Particulars	LF	Dr. Amt (₹)	Cr. Amt (₹)	
			(i)	Machinery A/c To Nisha Ltd. (Being machinery purchased from Nisha Ltd.)	Dr.	1,78,000	1,78,000	½
			(ii)	Nisha Ltd. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 10,000 equity shares of ₹ 10 each issued at 10% premium)	Dr.	1,10,000	1,00,000 10,000	1
			(iii)	Nisha Ltd. Discount on Issue of Debentures A/c To 9% Debentures A/c (Being 200 9% debentures of ₹ 100 each issued at 10% discount)	Dr. Dr.	18,000 2,000	20,000	1
			(iv)	Nisha Ltd. To Bills Payable A/c (Being balance payment made by accepting one month bill of exchange)	Dr.	50,000	50,000	½

			OR Disha Ltd. Journal						
			Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()		
			(i)	Machinery A/c Dr. To Nisha Ltd. (Being machinery purchased from Nisha Ltd.)		1,78,000	1,78,000	½	
			(ii)	Nisha Ltd. Dr. Discount on Issue of Debentures A/c Dr. To Equity Share Capital A/c To 9% Debentures A/c To Bills Payable A/c To Securities Premium Reserve A/c (Being payment made to Nisha Ltd.)		1,78,000 2,000	1,00,000 20,000 50,000 10,000	2 ½	
			Working Notes: Purchase Consideration = 1,10,000 + 18,000 + 50,000 = ` 1,78,000					=	3 Marks
8	9	7	Q. Kavi, Ravi, Kumar Guru's retirement. Ans.						
			Books of the firm Journal						
			Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()		
			2017 Jan 31	Kavi's Capital A/c Dr. To Ravi's Capital A/c To Kumar's Capital A/c To Guru's Capital A/c (Being adjustment of Goodwill on Guru's retirement)		81,000	18,000 18,000 45,000	2	
			Working Notes: 1. Calculation of Gaining Ratio:						
				Kavi	Ravi	Kumar	Guru		
			New Ratio	3/5	1/5	1/5	-	1	
			Old Ratio	3/8	2/8	2/8	1/8	=	
				9/40 (Gain)	2/40 (Sacrifice)	2/40 (Sacrifice)	1/8 (Sacrifice)	3 Marks	
7	10	10	Q. BPL Ltd..... equity shares. Ans.						
			BPL Ltd. Journal						
			Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()		
				9% Debentures A/c Dr. To Debenture holders A/c To Discount on issue of debentures A/c (Being amount payable to debenture holders on conversion)		50,000	47,000 3,000	1	

			Debiture holders A/c Dr. 47,000 To Equity Share Capital A/c 37,600 To Securities Premium Reserve A/c 9,400 (Being 9% debentures converted into equity shares)			1																																																
			Working Notes: Number of equity shares to be issued = $47000/125 = 376$ shares			1 =																																																
12	11	12	Q. Ashok, Babu and Chetan..... Capital Account. Ans. <div style="text-align: center;">Ashok's Capital A/c</div> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="3" style="text-align: left;">Dr</th> <th colspan="3" style="text-align: right;">Cr</th> </tr> <tr> <th style="width: 10%;">Date</th> <th style="width: 40%;">Particulars</th> <th style="width: 15%;">Amt (₹)</th> <th style="width: 10%;">Date</th> <th style="width: 20%;">Particulars</th> <th style="width: 5%;">Amt (₹)</th> </tr> </thead> <tbody> <tr> <td>2016 Dec 31</td> <td>To Drawings A/c $\frac{1}{2}$</td> <td style="text-align: right;">15,000</td> <td>2016 April 1</td> <td>By Balance b/d $\frac{1}{2}$</td> <td style="text-align: right;">90,000</td> </tr> <tr> <td>Dec 31</td> <td>To Interest on Drawings A/c $\frac{1}{2}$</td> <td style="text-align: right;"><u>1,500</u></td> <td>Dec 31</td> <td>By Interest on Capital A/c $\frac{1}{2}$</td> <td style="text-align: right;">8,100</td> </tr> <tr> <td>Dec 31</td> <td>To Ashok's Executor's A/c $\frac{1}{2}$</td> <td style="text-align: right;"><u>3,01,600</u></td> <td>Dec 31</td> <td>By P & L Suspense A/c $\frac{1}{2}$</td> <td style="text-align: right;">40,000</td> </tr> <tr> <td></td> <td></td> <td></td> <td>Dec 31</td> <td>By Babu's Capital A/c $\frac{1}{2}$</td> <td style="text-align: right;">90,000</td> </tr> <tr> <td></td> <td></td> <td></td> <td>Dec 31</td> <td>By Chetan's Capital A/c $\frac{1}{2}$</td> <td style="text-align: right;">90,000</td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;"><u>3,18,100</u></td> <td></td> <td></td> <td style="text-align: right;"><u>3,18,100</u></td> </tr> </tbody> </table>	Dr			Cr			Date	Particulars	Amt (₹)	Date	Particulars	Amt (₹)	2016 Dec 31	To Drawings A/c $\frac{1}{2}$	15,000	2016 April 1	By Balance b/d $\frac{1}{2}$	90,000	Dec 31	To Interest on Drawings A/c $\frac{1}{2}$	<u>1,500</u>	Dec 31	By Interest on Capital A/c $\frac{1}{2}$	8,100	Dec 31	To Ashok's Executor's A/c $\frac{1}{2}$	<u>3,01,600</u>	Dec 31	By P & L Suspense A/c $\frac{1}{2}$	40,000				Dec 31	By Babu's Capital A/c $\frac{1}{2}$	90,000				Dec 31	By Chetan's Capital A/c $\frac{1}{2}$	90,000			<u>3,18,100</u>			<u>3,18,100</u>			$\frac{1}{2} \times 8$ =
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11	12	11	Q. Madhu and Neha..... premium in cash. Ans. (a) Calculation of Hidden Goodwill: Tina's share = $\frac{1}{4}$ Tina's Capital = ₹ 4,00,000 (a) Total capital of the new firm = $4,00,000 \times 4 = 16,00,000$ (b) Existing total capital of Madhu, Neha and Tina = ₹ 4,00,000 + ₹ 6,00,000 + ₹ 4,00,000 = ₹ 14,00,000 Goodwill of the firm = $16,00,000 - 14,00,000 = 2,00,000$ Thus, Tina's share of goodwill = $\frac{1}{4} \times 2,00,000 = 50,000$ (b) Calculation of New Profit Sharing ratio : Madhu's new share = $\frac{3}{8}$ Neha's new share = $\frac{5}{8} - \frac{1}{4} = \frac{3}{8}$ Tina's share = $\frac{1}{4}$ i.e. $\frac{2}{8}$ New Ratio = 3:3:2 (c) <div style="text-align: center;">Books of the firm</div> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: left;">Dr.</th> <th colspan="2" style="text-align: right;">Cr.</th> </tr> <tr> <th style="width: 10%;">Date</th> <th style="width: 40%;">Particulars</th> <th style="width: 10%;">LF</th> <th style="width: 40%;">Amt (₹)</th> </tr> </thead> <tbody> <tr> <td>2016 Apr 1</td> <td>Tina's Current A/c Dr. To Neha's Current A/c (Being credit given for goodwill to Neha on Tina's admission)</td> <td></td> <td style="text-align: right;">50,000</td> </tr> <tr> <td></td> <td></td> <td></td> <td style="text-align: right;">50,000</td> </tr> </tbody> </table>	Dr.		Cr.		Date	Particulars	LF	Amt (₹)	2016 Apr 1	Tina's Current A/c Dr. To Neha's Current A/c (Being credit given for goodwill to Neha on Tina's admission)		50,000				50,000			1 1																																
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-	13	-	Q. Suresh, Ramesh, Mahesh..... reconstituted firm. Ans.			2 =																																																
						4 Marks																																																

		Revaluation A/c																									
Dr										Cr																	
Particulars		Amt (`)		Particulars		Amt (`)																					
To Claim for Workmen Compensation		25,000		By loss on revaluation transferred to Partners' Capital A/c																							
To Fixed Assets A/c		60,000		Suresh		17,000		Ramesh		17,000																	
				Mahesh		25,500		Ganesh		25,500		85,000															
												<u>85,000</u>															
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Partners' Capital A/c																											
Dr										Cr																	
Particulars	Suresh	Ramesh	Mahesh	Ganesh	Particulars	Suresh	Ramesh	Mahesh	Ganesh																		
To Revaluation A/c	17,000	17,000	25,500	25,500	By Balance b/d	1,00,000	1,50,000	2,00,000	2,50,000																		
To Mahesh's Capital A/c	2,250	2,250	---	---	By Suresh's Capital A/c	---	---	2,250	2,250																		
To Ganesh's Capital A/c	2,250	2,250	---	---	By Ramesh's Capital A/c	---	---	2,250	2,250																		
To Cash A/c	---	---	25,250	75,250	By Cash A/c	75,250	25,250	---	---																		
To Balance c/d	1,53,750	1,53,750	1,53,750	1,53,750																							
	1,75,250	1,75,250	2,04,500	254,500		1,75,250	1,75,250	2,04,500	254,500																		
Balance Sheet of Suresh, Ramesh, Mahesh and Ganesh as at 31st March 2016																											
Liabilities				Amt (`)		Assets				Amt (`)																	
Partners' Capital A/c:						Fixed Assets				5,40,000																	
Suresh	1,53,750					Current Assets				3,45,000																	
Ramesh	1,53,750																										
Mahesh	1,53,750																										
Ganesh	<u>1,53,750</u>			6,15,000																							
Claim for Workmen Compensation				1,00,000																							
Sundry Creditors				1,70,000																							
				<u>8,85,000</u>						<u>8,85,000</u>																	
<p style="text-align: center;">Q. On 1-4-2015.....every year.</p> <p style="text-align: center;">Ans.</p> <p style="text-align: center;">KVK Ltd.</p> <p style="text-align: center;">Journal</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Date</th> <th>Particulars</th> <th>LF</th> <th>Dr (`)</th> <th>Cr (`)</th> </tr> </thead> <tbody> <tr> <td>2015 Apr 1</td> <td>Bank A/c Dr. To 9% Debenture Application & Allotment A/c (Being application money received)</td> <td></td> <td>13,95,000</td> <td>13,95,000</td> </tr> <tr> <td>2015 Apr 1</td> <td>9% Debenture Application & Allotment A/c Dr. Discount on Issue of Debentures A/c Dr. Loss on Issue of Debentures A/c Dr. To 9 % Debentures A/c To Premium on Redemption of Debentures A/c</td> <td></td> <td>13,95,000 1,05,000 1,50,000</td> <td>15,00,000 1,50,000</td> </tr> </tbody> </table>													Date	Particulars	LF	Dr (`)	Cr (`)	2015 Apr 1	Bank A/c Dr. To 9% Debenture Application & Allotment A/c (Being application money received)		13,95,000	13,95,000	2015 Apr 1	9% Debenture Application & Allotment A/c Dr. Discount on Issue of Debentures A/c Dr. Loss on Issue of Debentures A/c Dr. To 9 % Debentures A/c To Premium on Redemption of Debentures A/c		13,95,000 1,05,000 1,50,000	15,00,000 1,50,000
Date	Particulars	LF	Dr (`)	Cr (`)																							
2015 Apr 1	Bank A/c Dr. To 9% Debenture Application & Allotment A/c (Being application money received)		13,95,000	13,95,000																							
2015 Apr 1	9% Debenture Application & Allotment A/c Dr. Discount on Issue of Debentures A/c Dr. Loss on Issue of Debentures A/c Dr. To 9 % Debentures A/c To Premium on Redemption of Debentures A/c		13,95,000 1,05,000 1,50,000	15,00,000 1,50,000																							
-	14	-											1 1														

1 ½

2 ½

2

= 6 Marks

			(Being transfer of application money to debenture account issued at discount of 7%, but redeemable at premium of 10%) Or 9% Debenture Application & Allotment A/c Dr. 13,95,000 Loss on Issue of Debentures A/c Dr. 2,55,000 To 9 % Debentures A/c 15,00,000 To Premium on Redemption of Debentures A/c 1,50,000 (Being transfer of application money to debenture account issued at discount of 7%, but redeemable at premium of 10%)					
		2015 Sep 30	Debenture Interest A/c Dr. 67,500 To Debenture holders A/c To TDS Payable A/c (Being interest payable on 9% debentures and tax deducted at source @ 10%)			60,750 6,750	1	
		2015 Sep 30	Debenture holders A/c Dr. 60,750 TDS Payable A/c Dr. 6,750 To Bank A/c (Being interest paid to debentures and TDS deposited)			67,500	½	
		2016 Mar 31	Debenture Interest A/c Dr. 67,500 To Debenture holders A/c To TDS Payable A/c (Being interest payable on 9% debentures and tax deducted at source @ 10%)			60,750 6,750	1	
		2016 Mar 31	Debenture holders A/c Dr. 60,750 TDS Payable A/c Dr. 6,750 To Bank A/c (Being interest paid to debentures and TDS deposited)			67,500	½	
		2016 Mar 31	Statement of Profit & Loss Dr. 1,35,000 To Debenture Interest A/c (Being interest on debentures transferred to statement to P & L)			1,35,000	1 =	
							6 Marks	
-	15	-	Q. Pass necessary..... realisation account. Ans. Books of the firm Journal					
			Date	Particulars	LF	Dr ()	Cr ()	
			(i)	Realisation A/c Dr. 9,000 To Cash/ Bank A/c (Being dissolution expenses paid)			9,000	
			(ii)	Realisation A/c Dr. 3,400 To Vishal's Capital A/c (Being dissolution expenses paid by Vishal)			3,400	
			(iii) a.	Realisation A/c Dr. 4,500 To Shiv's Capital A/c (Being remuneration given to Shiv)			4,500	
			(iii) b.	Shiv's Capital A/c Dr. 3,900 To Bank A/c (Being dissolution expenses paid by firm on behalf of the partner)			3,900	
			(iv)	Realisation A/c Dr. 3,000 To Naveen's Capital A/c			3,000	
							1 1 ½ ½ 1	

			(Being dissolution expenses paid by Naveen and compensated by firm)					
		(v) a.	Realisation A/c To Vivek's Capital A/c (Being partner Vivek remunerated for dissolution expenses)	Dr.		7,000	7,000	½
		(v) b.	Vivek's Capital A/c To Rishi's Capital A/c (Being dissolution expenses paid by Rishi on behalf of Vivek) Note: If part a. Is correctly done, full credit is to be given.	Dr.		6,500	6,500	½
		(vi) a.	Realisation A/c To Gaurav's Capital A/c (Being remuneration given to Gaurav)	Dr.		12,500	12,500	½
		(vi) b.	Gaurav's Capital A/c To Realisation A/c (Being furniture taken over by Gaurav as remuneration)	Dr.		12,500	12,500	½
			OR					
		(vi) a.+b.	No Entry					OR 1 = 6 Marks

17	16	17	Q. VXN Ltd.books of the company.					
			Ans.					
			VXN Ltd.					
			Journal					
			Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()	
		(i)	Bank A/c To Equity Share Application A/c (Being application money received)	Dr.		2,00,000	2,00,000	1
		(ii)	Equity Share Application A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being application money transferred)	Dr.		2,00,000	1,00,000 1,00,000	1
		(iii)	Equity Share Allotment A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being share allotment money due)	Dr.		3,00,000	1,50,000 1,50,000	1
		(iv)	Bank A/c Calls in Arrears A/c To Equity Share Allotment A/c To Calls in Advance A/c (Being allotment money received except on 200 shares and calls in advance received)	Dr. Dr.		3,02,000 1,200	3,00,000 3,200	½
			OR					
			Bank A/c To Equity Share Allotment A/c To Calls in Advance A/c (Being allotment money received except on 200 shares and calls in advance received)	Dr.		3,02,000	2,98,800 3,200	

	(v)	Equity Share Capital A/c Securities Premium Reserve A/c To Shares Forfeited A/c To Equity Share Allotment A/c/ Calls in arrears A/c (Being 200 shares forfeited)	Dr. Dr.	1,000 600	400 1,200	½
	(vi)	Equity Share First call A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being first call money due on 49,800 shares)	Dr.	2,49,000	1,99,200 49,800	½
	(vii)	Bank A/c Calls in arrears A/c Calls in advance A/c To Equity Share First Call A/c To Calls in advance A/c (Being first call money and calls in advance received, advance received earlier adjusted) OR Bank A/c Calls in advance A/c To Equity Share First Call A/c To Calls in advance A/c (Being first call money and calls in advance received, advance received earlier adjusted) OR (a) Bank A/c Calls in arrears A/c To Equity Share First Call A/c To Calls in advance A/c (Being first call money and calls in advance received) (b) Calls in advance A/c To Equity Share First Call A/c (Being advance received earlier adjusted) OR Bank A/c Calls in arrears A/c Calls in advance A/c To Equity Share First Call A/c (Being first call money received, advance received earlier on 1,000 shares adjusted and second call in advance received on 600 shares)	Dr. Dr. Dr.	2,47,400 500 2,000	2,49,000 900	½
	(viii)	Equity Share Capital A/c Securities Premium Reserve A/c To Shares Forfeited A/c To Calls in arrears A/c/ Equity Share First Call A/c (Being 100 shares forfeited)	Dr. Dr.	900 100	500 500	½
	(ix)	Equity Share Second & Final call A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being second call due on 49,700 shares)	Dr.	1,49,100	49,700 99,400	½

			(x)	Bank A/c Calls in advance A/c To Equity share second and final call A/c (Being second and final call received and advance received earlier adjusted)	Dr. Dr.		1,47,000 2,100		1,49,100	$\frac{1}{2}$	
			(xi)	Bank A/c Shares Forfeited A/c To Equity Share Capital A/c (Being forfeited shares reissued)	Dr. Dr.		2,700 300		3,000	1	
			(xii)	Shares Forfeited A/c To Capital Reserve A/c (Being gain on reissue on forfeited shares transferred to capital reserve account)	Dr.		600		600	$\frac{1}{2}$ =	
										8 Marks	

17 OR	16 OR	17 OR	Q. JJK Ltd..... books of the company.								
			Ans.								
			Books of JJK Ltd.								
			Journal								
			Date	Particulars	LF	Dr. Amt	Cr. Amt				
						()	()				
			(i)	Bank A/c To Equity Share Application A/c (Being application money received on 1,50,000 shares)	Dr.		3,00,000		3,00,000	1	
			(ii)	Equity Share Application A/c To Equity Share Capital A/c To Bank A/c To Equity Share Allotment A/c (Being application money transferred)	Dr.		3,00,000		1,00,000 90,000 1,10,000	1	
			(iii)	Equity Share Allotment A/c To Equity Share Capital A/c (Being share allotment money due)	Dr.		2,00,000		2,00,000	1	
			(iv)	Bank A/c Calls in arrears A/c To Equity share allotment a/c (Being Balance amount received on allotment)	Dr. Dr.		88,900 1,100		90,000	1	
				OR							
				Bank A/c To Equity share allotment a/c (Being Balance amount received on allotment)	Dr.		88,900		88,900		
			(v)	Equity Share capital A/c To Forfeited Shares A/c To Calls in arrears A/c (Being forfeited the shares on which allotment money was not received)	Dr.		3,600		2,500 1,100	1	
			(vi)	Equity share first and final call A/c To Equity share Capital A/c (Being First and final call money due)	Dr.		1,97,600		1,97,600	$\frac{1}{2}$	
			(vii)	Bank A/c To Equity share first and final call A/c (Being first and final call money received)	Dr.		1,97,600		1,97,600	$\frac{1}{2}$	
			(viii)	Bank A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being forfeited shares reissued)	Dr.		6,600		6,000 600	1	

			(ix)	Shares Forfeited A/c To Capital Reserve A/c (Being gain on reissue on forfeited shares transferred to capital reserve account)	Dr.		2,500	2,500		1 = 8 Marks	
16	17	16	Q. C and D areE's admission.								
Ans.											
Books of the firm Journal											
			Date	Particulars	LF	Dr ()	Cr ()				
			(i)	General Reserve A/c To C's Capital A/c To D's Capital A/c (Being General Reserve distributed among partners)	Dr.	10,000	8,000 2,000			1	
			(ii)	Cash A/c To E's Capital A/c To Premium for Goodwill A/c (Being cash received as E's capital and premium for goodwill)	Dr.	1,20,000	1,00,000 20,000			1	
			(iii)	Premium for Goodwill A/c To C's Capital A/c To D's Capital A/c (Being premium for Goodwill credited to old partner's capital account in sacrificing ratio)	Dr.	20,000	16,000 4,000			1	
			(iv)	C's Capital A/c D's Capital A/c To Cash A/c (Being half of goodwill amount withdrawn by C and D)	Dr. Dr.	8,000 2,000	10,000			½	
			(v)	Bad debts A/c To Debtors A/c (Being debtors ` 2,000 written off)	Dr.	2,000	2,000			½	
			(vi)	Provision for bad and doubtful debts A/c To Bad debts A/c (Being provision utilised for writing off bad debts)	Dr.	2,000	2,000			½	
			(vii)	Provision for bad and doubtful debts A/c To Revaluation A/c (Being provision for bad debts decreased)	Dr.	640	640			½	
			(viii)	Revaluation A/c To Stock A/c To Furniture A/c To Plant & Machinery A/c (Being decrease in assets recorded)	Dr.	14,000	2,000 4,000 8,000			1 ½	
			(ix)	Investments A/c To Revaluation A/c (Being increase in investments recorded)	Dr.	7,000	7,000			½	
			(x)	Revaluation A/c To Outstanding Repairs A/c (Being increase in liabilities recorded)	Dr.	2,300	2,300			½	
			(xi)	C's Capital A/c D's Capital A/c To Revaluation A/c (Being loss on revaluation transferred to Partner's Capital A/c)	Dr. Dr.	6,928 1,732	8,660			½ = 8 Marks	

Note: In case an examinee has combined entry number (viii) and (x) or (vii) and (ix), full credit may be given.

16 OR
17 OR
16 OR

**Q. Sameer, Yasmin and Saloni were.....Sameer's retirement.
Ans.**

**Books of the firm
Journal**

Date	Particulars	LF	Dr ()	Cr ()
(i)	General Reserve A/c Dr. To Sameer's Capital A/c To Yasmin's Capital A/c To Saloni's Capital A/c (Being General Reserve distributed among partners)		60,000	24,000 18,000 18,000
(ii)	Sameer's Capital A/c Dr. Yasmin's Capital A/c Dr. Saloni's Capital A/c Dr. To Profit and Loss A/c (Being accumulated losses divided among partners)		20,000 15,000 15,000	50,000
(iii)	Bad Debts A/c Dr. To Debtors A/c (Being debtors of ` 4000 written off)		4,000	4,000
(iv)	Provision for bad and doubtful debts A/c Dr. To Bad Debts A/c (Being provision utilised for writing off bad debts)		4,000	4,000
(v)	Provision for bad and doubtful debts A/c Dr. To Revaluation A/c (Being excess provision transferred to Revaluation A/c)		1,700	1,700
(vi)	Revaluation A/c Dr. To Creditors A/c (Being increase in creditors recorded)		20,000	20,000
(vii)	Revaluation A/c Dr. To Patents A/c To Stock A/c To Machinery A/c To Building A/c (Being decrease in assets recorded)		90,000	60,000 5,000 15,000 10,000
(viii)	Sameer's Capital A/c Dr. Yasmin's Capital A/c Dr. Saloni's Capital A/c Dr. To Revaluation A/c (Being loss on revaluation transferred to Partners' Capital A/c)		43,320 32,490 32,490	1,08,300
(ix)	Yasmin's Capital A/c Dr. Saloni's Capital A/c Dr. To Sameer's Capital A/c (Being Goodwill adjusted on Sameer's retirement)		1,62,000 54,000	2,16,000
(x)	Sameer's Capital A/c Dr. To Sameer's Loan A/c (Being balance of Sameer's capital		4,76,680	4,76,680

1

1

½

½

½

½

2

½

1

½

			transferred to Sameer's Loan A/c)				=	
			Note: In case an examinee has combined entry number (vi) and (vii), full credit may be given. 2 ½				8 Marks	
			Revaluation A/c To Patents A/c To Stock A/c To Machinery A/c To Building A/c To Creditors A/c (Being assets and liabilities revalued)	Dr.	1,10,000	60,000 5,000 15,000 10,000 20,000		
			Working Notes: Amount payable to Sameer = (43,320) + 24,000 – 20,000 + 2,16,000 + 3,00,000 = ` 4,76,680					
			PART B (Financial Statements Analysis)					
-	18	-	Q. State whether.....by ` 2,000. Ans. (i) Decrease (ii) Decrease					½ ½ =1 Mark
-	19	-	Q. Will 'acquisition.....your answer. Ans. No Reason: It is a non- cash transaction which doesn't result in any inflow or outflow of cash.					½ ½ =1 Mark
-	20	-	Q. State the objectives.....statements. Ans. Objectives of 'Financial Statements Analysis': (Any four) (i) <u>To Assess the earning capacity or profitability</u> of the firm as a whole as well as its different departments so as to judge the financial health of the firm. (ii) <u>To Assess the managerial efficiency</u> by using financial ratios. (iii) <u>To Assess the short term and the long term solvency</u> of the enterprise. (iv) <u>To Assess their own performance as well as of others through inter firm comparison.</u> (v) <u>To Assess developments in future by forecasting and preparing budgets.</u> (vi) <u>To ascertain the relative importance of different components of the financial position</u> of the firm.					1 X 4 = 4 Marks
22	21	22	Q. Financial Statements.....Bank Overdraft. Ans. Values (Any two): <ul style="list-style-type: none"> • Transparency • Consistency • Following rules and regulations / Ethical code of conduct • Honesty and loyalty towards owners • Providing authentic information to users (Or any other suitable value)					1 X 2
				Heads	Sub-heads			
			Capital Reserves	Shareholders' funds	Reserves and Surplus			
			Calls -in-advance	Current Liabilities	Other Current Liabilities		½ X 4	
			Loose Tools	Current assets	Inventories		=	
			Bank Overdraft	Current Liabilities	Short term borrowings		4 Marks	
21	22	21	Q. The proprietary ratio..... purchased for ` 4,00,000. Ans.					

Transaction	Effect on Quick Ratio	Reasons																																																																																																																																					
(i)	Decrease	No change in Shareholders' funds but total assets will increase by ₹ 2,00,000	1 X 4 =4 Marks																																																																																																																																				
(ii)	No Change	No change in total assets and Shareholders' funds																																																																																																																																					
(iii)	Decrease	Both Shareholders' funds and total assets are decreased by same amount																																																																																																																																					
(iv)	Increase	Shareholders' funds and total assets both are increased																																																																																																																																					
23	23	23	<p>Q. From the following..... loss of ₹ 5,000. Ans.</p> <p style="text-align: center;">Cash flow statement of SRS Ltd. For the year ended 31st March 2016 as per AS-3 (Revised)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;">Particulars</th> <th style="width: 20%;">Details (₹)</th> <th style="width: 20%;">Amount (₹)</th> <th></th> </tr> </thead> <tbody> <tr> <td colspan="4">A. Cash Flows from Operating Activities:</td> </tr> <tr> <td>Net Profit before tax & extraordinary items (note 1)</td> <td style="text-align: right;">1,75,000</td> <td></td> <td rowspan="6" style="text-align: center; vertical-align: middle;">} 1 ½</td> </tr> <tr> <td colspan="3">Add: Non cash and non-operating charges</td> </tr> <tr> <td>Goodwill written off</td> <td style="text-align: right;">25,000</td> <td></td> </tr> <tr> <td>Depreciation on machinery</td> <td style="text-align: right;">55,000</td> <td></td> </tr> <tr> <td>Interest on debentures</td> <td style="text-align: right;">21,000</td> <td></td> </tr> <tr> <td>Loss on sale of machinery</td> <td style="text-align: right;">5,000</td> <td></td> </tr> <tr> <td><i>Operating profit before working capital changes</i></td> <td style="text-align: right;">2,81,000</td> <td></td> <td></td> </tr> <tr> <td colspan="3">Less: Increase in Current Assets</td> <td style="text-align: center;">+</td> </tr> <tr> <td>Increase in inventories</td> <td style="text-align: right;">(25,000)</td> <td></td> <td></td> </tr> <tr> <td>Net Cash generated from Operating Activities</td> <td></td> <td style="text-align: right;">2,56,000</td> <td rowspan="4" style="text-align: center; vertical-align: middle;">} 1</td> </tr> <tr> <td colspan="4">B. Cash flows from Investing Activities :</td> </tr> <tr> <td>Purchase of machinery</td> <td style="text-align: right;">(3,55,000)</td> <td></td> </tr> <tr> <td>Sale of machinery</td> <td style="text-align: right;">15,000</td> <td></td> </tr> <tr> <td>Purchase of non current investments</td> <td style="text-align: right;">(25,000)</td> <td></td> <td></td> </tr> <tr> <td>Net Cash used in investing activities</td> <td></td> <td style="text-align: right;">(3,65,000)</td> <td style="text-align: center;">+</td> </tr> <tr> <td colspan="4">C. Cash flows from Financing Activities:</td> </tr> <tr> <td>Issue of share capital</td> <td style="text-align: right;">1,00,000</td> <td></td> <td rowspan="6" style="text-align: center; vertical-align: middle;">} 1 ½</td> </tr> <tr> <td>Issue of 12% debentures</td> <td style="text-align: right;">50,000</td> <td></td> </tr> <tr> <td>Interest on debentures paid</td> <td style="text-align: right;">(21,000)</td> <td></td> </tr> <tr> <td>Dividend paid</td> <td style="text-align: right;">(62,500)</td> <td></td> </tr> <tr> <td>Bank overdraft raised</td> <td style="text-align: right;">37,500</td> <td></td> </tr> <tr> <td>Net Cash flow from financing activities</td> <td></td> <td style="text-align: right;">1,04,000</td> </tr> <tr> <td>Net decrease in cash & cash equivalents (A+B+C)</td> <td></td> <td style="text-align: right;">(5,000)</td> <td rowspan="4" style="text-align: center; vertical-align: middle;">} +</td> </tr> <tr> <td colspan="3">Add: Opening balance of cash & cash equivalents</td> </tr> <tr> <td>Current Investments</td> <td style="text-align: right;">35,000</td> <td></td> </tr> <tr> <td>Cash and Cash Equivalents</td> <td style="text-align: right;">26,500</td> <td style="text-align: right;">61,500</td> </tr> <tr> <td>Closing Balance of cash & cash equivalents</td> <td></td> <td></td> <td rowspan="4" style="text-align: center; vertical-align: middle;">} 1</td> </tr> <tr> <td>Current Investments</td> <td style="text-align: right;">20,000</td> <td></td> </tr> <tr> <td>Cash and Cash Equivalents</td> <td style="text-align: right;">36,500</td> <td style="text-align: right;">56,500</td> </tr> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td colspan="4" style="text-align: center;">+ }</td> </tr> <tr> <td colspan="4">Notes:</td> </tr> <tr> <td colspan="4">Calculation of Net Profit before tax:</td> </tr> <tr> <td>Net profit as per statement of Profit & Loss</td> <td style="text-align: right;">75,000</td> <td></td> <td rowspan="3" style="text-align: center; vertical-align: middle;">} ½</td> </tr> <tr> <td>Add: Proposed Dividend</td> <td style="text-align: right;">1,00,000</td> <td></td> </tr> <tr> <td>Net Profit before tax & extraordinary items</td> <td style="text-align: right;">1,75,000</td> <td></td> </tr> </tbody> </table>	Particulars	Details (₹)	Amount (₹)		A. Cash Flows from Operating Activities:				Net Profit before tax & extraordinary items (note 1)	1,75,000		} 1 ½	Add: Non cash and non-operating charges			Goodwill written off	25,000		Depreciation on machinery	55,000		Interest on debentures	21,000		Loss on sale of machinery	5,000		<i>Operating profit before working capital changes</i>	2,81,000			Less: Increase in Current Assets			+	Increase in inventories	(25,000)			Net Cash generated from Operating Activities		2,56,000	} 1	B. Cash flows from Investing Activities :				Purchase of machinery	(3,55,000)		Sale of machinery	15,000		Purchase of non current investments	(25,000)			Net Cash used in investing activities		(3,65,000)	+	C. Cash flows from Financing Activities:				Issue of share capital	1,00,000		} 1 ½	Issue of 12% debentures	50,000		Interest on debentures paid	(21,000)		Dividend paid	(62,500)		Bank overdraft raised	37,500		Net Cash flow from financing activities		1,04,000	Net decrease in cash & cash equivalents (A+B+C)		(5,000)	} +	Add: Opening balance of cash & cash equivalents			Current Investments	35,000		Cash and Cash Equivalents	26,500	61,500	Closing Balance of cash & cash equivalents			} 1	Current Investments	20,000		Cash and Cash Equivalents	36,500	56,500				+ }				Notes:				Calculation of Net Profit before tax:				Net profit as per statement of Profit & Loss	75,000		} ½	Add: Proposed Dividend	1,00,000		Net Profit before tax & extraordinary items	1,75,000	
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Closing Balance of cash & cash equivalents			} 1																																																																																																																																				
Current Investments	20,000																																																																																																																																						
Cash and Cash Equivalents	36,500	56,500																																																																																																																																					
+ }																																																																																																																																							
Notes:																																																																																																																																							
Calculation of Net Profit before tax:																																																																																																																																							
Net profit as per statement of Profit & Loss	75,000		} ½																																																																																																																																				
Add: Proposed Dividend	1,00,000																																																																																																																																						
Net Profit before tax & extraordinary items	1,75,000																																																																																																																																						

				Machinery A/c					
				Particulars		Particulars			
				To Balance b/d	5,22,500	By Cash A/c	15,000	+ ½ = 6 Marks	
				To Cash A/c (Purchase)	3,55,000	By Statement of P/L (Bal fig.)	5,000		
						By Accumulated Depreciation A/c	20,000		
						By Balance c/d	8,37,500		
					<u>8,77,500</u>		<u>8,77,500</u>		
				Accumulated Depreciation A/c					
				Particulars		Particulars			
				To Machinery A/c	20,000	By Balance b/d	70,000		
				To Balance c/d	1,05,000	By Statement of P/L	55,000		
					<u>1,25,000</u>		<u>1,25,000</u>		
				PART B					
				(Computerized Accounting)					
19	18	18	Q. What is meant.....Query'? Ans. Queries provide the capability of combined data from multiple tables and placing specific condition for the retrieval of data. It is another tabular view of the data showing information from multiple tables, resulting in presentation of the information required, raised in the query.					1 Mark	
18	19	19	Q. What isDatabase Report'? Ans. A database report is the formatted result of database queries and contains useful data for decision-making and analysis.					1 Mark	
22	20	21	Q. Explain the steps.....software. Ans. Steps in installation of CPS: 1. Insert CD in the system 2. Select C:,E:, or D: drive from my computer OR Start>run>type the filename E:\install.exe 3. The default directories of application, data and configuration will open in a window. Change the setting if you wish by providing desired file name and drive name. 4. Click on install. The installation process will start and a message of successful installation will appear after its completion. The CD can be removed as the application is successfully installed.					= 4 Marks	
20	21	22	Q. Explain 'Flexibility'.....accounting software. Ans. Flexibility: (It may include following points) <ul style="list-style-type: none"> • Related to data entry, availability and design of various reports. • Between users (Accountants) • Between systems. Cost of installation and maintainence: (It may include following points in explanation) <ul style="list-style-type: none"> • Ability to afford hardware and software • Cost benefit analysis and study of available options • Training of staff, cost of updating 					2 2 = 4 Marks	
21	22	20	Q. Explain any.....'Profit and Loss'. Ans. Any four of the following: <ul style="list-style-type: none"> • Sales Account • Purchase Account • Direct Income • Indirect Income • Direct Expenses • Indirect Expenses (With appropriate explanation)					1 X 4 = 4 Marks	

-	23	-	<p>Q. Explain the various.....Graphs.</p> <p>Ans. Different elements of Chart/ Graph are (with explanation):</p> <ol style="list-style-type: none"> 1. The chart area 2. The plot area 3. The data points 4. The horizontal (Category) and Vertical (Value) axis. 5. The Legend 6. A Chart and axis title. 7. A data label 	<p style="text-align: center;">=</p> <p style="text-align: center;">6 Marks</p>	
---	----	---	---	--	--

Q. Set No.			Marking Scheme 2016-17 Accountancy (055) Outside Delhi – 67/3 Expected Answers / Value points				Distribution of marks															
67/1	67/2	67/3																				
3	4	1	Q. P and Q were.....rectify the error. Ans. <p style="text-align: center;">Books of the firm Journal</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Date</th> <th style="width: 50%;">Particulars</th> <th style="width: 5%;">LF</th> <th style="width: 15%;">Dr (₹)</th> <th style="width: 15%;">Cr (₹)</th> </tr> </thead> <tbody> <tr> <td>2016 April 1</td> <td>P's Current A/c Dr. To Q's current A/c (Being the adjustment of interest on capital omitted in previous year)</td> <td></td> <td style="text-align: right;">6,000</td> <td style="text-align: right;">6,000</td> </tr> </tbody> </table>				Date	Particulars	LF	Dr (₹)	Cr (₹)	2016 April 1	P's Current A/c Dr. To Q's current A/c (Being the adjustment of interest on capital omitted in previous year)		6,000	6,000	=1 Mark					
Date	Particulars	LF	Dr (₹)	Cr (₹)																		
2016 April 1	P's Current A/c Dr. To Q's current A/c (Being the adjustment of interest on capital omitted in previous year)		6,000	6,000																		
4	3	2	Q. X Ltd. invited.....with applicants. Ans. <p style="text-align: center;">Books of the firm Journal</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Date</th> <th style="width: 50%;">Particulars</th> <th style="width: 5%;">LF</th> <th style="width: 15%;">Dr (₹)</th> <th style="width: 15%;">Cr (₹)</th> </tr> </thead> <tbody> <tr> <td>2016 Jan 1</td> <td>Bank A/c Dr. To 12% Debenture Application & Allotment A/c (Being application money received for 600 debentures @ ₹ 95 each)</td> <td></td> <td style="text-align: right;">57,000</td> <td style="text-align: right;">57,000</td> </tr> <tr> <td>2016 Jan 1</td> <td>12% Debenture Application & Allotment A/c Dr. Discount on Issue of Debentures A/c Dr. To 12 % Debentures A/c To Bank A/c (Being 500, 12% debentures allotted on pro-rata basis)</td> <td></td> <td style="text-align: right;">57,000 2,500</td> <td style="text-align: right;">50,000 9,500</td> </tr> </tbody> </table>				Date	Particulars	LF	Dr (₹)	Cr (₹)	2016 Jan 1	Bank A/c Dr. To 12% Debenture Application & Allotment A/c (Being application money received for 600 debentures @ ₹ 95 each)		57,000	57,000	2016 Jan 1	12% Debenture Application & Allotment A/c Dr. Discount on Issue of Debentures A/c Dr. To 12 % Debentures A/c To Bank A/c (Being 500, 12% debentures allotted on pro-rata basis)		57,000 2,500	50,000 9,500	½ ½ =1 Mark
Date	Particulars	LF	Dr (₹)	Cr (₹)																		
2016 Jan 1	Bank A/c Dr. To 12% Debenture Application & Allotment A/c (Being application money received for 600 debentures @ ₹ 95 each)		57,000	57,000																		
2016 Jan 1	12% Debenture Application & Allotment A/c Dr. Discount on Issue of Debentures A/c Dr. To 12 % Debentures A/c To Bank A/c (Being 500, 12% debentures allotted on pro-rata basis)		57,000 2,500	50,000 9,500																		
5	2	3	Q. Z Ltd..... can be re-issued. Ans. The maximum amount of discount at which these shares can be re-issued is ₹ 5 per share or ₹ 5000.				=1 Mark															
6	1	4	Q. Durga and Naresh.....by them. Ans. Any two of the following: <ul style="list-style-type: none"> • Persons of unsound mind / Lunatics • Insolvent persons • Any other individual who have been disqualified by law 				½ x 2 =1 Mark															
1	6	5	Q. Distinguish between.....credit balance. Ans. Fixed Capital Accounts always show a credit balance while fluctuating capital accounts may show credit or debit balance.				=1 Mark															
2	5	6	Q. A and B.....B's sacrifice. Ans. A's Old Share = 5/8 A's Sacrifice = 1/5 of 5/8 = 1/8 C's Share = 3/8 B's Sacrifice = C's share – A's sacrifice = 3/8 – 1/8 = 2/8 <p style="text-align: center;">OR</p> B's Old Share = 3/8 B's new share = 2/8 B's Sacrifice = 3/8 – 2/8 = 1/8				=1 Mark															
8	9	7	Q. Kavi, Ravi, Kumar Guru's retirement. Ans.																			

Books of the firm Journal					2
Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()	
2017 Jan 31	Kavi's Capital A/c Dr. To Ravi's Capital A/c To Kumar's Capital A/c To Guru's Capital A/c (Being adjustment of Goodwill on Guru's retirement)		81,000	18,000 18,000 45,000	
Working Notes:					
1. Calculation of Gaining Ratio:					
	Kavi	Ravi	Kumar	Guru	1 = 3 Marks
New Ratio	3/5	1/5	1/5	-	
Old Ratio	3/8	2/8	2/8	1/8	
	9/40 (Gain)	2/40 (Sacrifice)	2/40 (Sacrifice)	1/8 (Sacrifice)	
9	8	8	Q. Disha Ltd. Purchased.....Nisha Ltd. Ans.		½ 1 1 ½
Disha Ltd. Journal					
Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()	
(i)	Machinery A/c Dr. To Nisha Ltd. (Being machinery purchased from Nisha Ltd.)		1,78,000	1,78,000	
(ii)	Nisha Ltd. Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 10,000 equity shares of ₹ 10 each issued at 10% premium)		1,10,000	1,00,000 10,000	
(iii)	Nisha Ltd. Dr. Discount on Issue of Debentures A/c Dr. To 9% Debentures A/c (Being 200 9% debentures of ₹ 100 each issued at 10% discount)		18,000 2,000	20,000	
(iv)	Nisha Ltd. Dr. To Bills Payable A/c (Being balance payment made by accepting one month bill of exchange)		50,000	50,000	
OR Disha Ltd. Journal					
Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()	
(i)	Machinery A/c Dr. To Nisha Ltd. (Being machinery purchased from Nisha Ltd.)		1,78,000	1,78,000	

			(ii)	Nisha Ltd. Discount on Issue of Debentures A/c To Equity Share Capital A/c To 9% Debentures A/c To Bills Payable A/c To Securities Premium Reserve A/c (Being payment made to Nisha Ltd.)	Dr. Dr.		1,78,000 2,000		1,00,000 20,000 50,000 10,000	2 ½ = 3 Marks																													
			Working Notes: Purchase Consideration = 1,10,000 + 18,000 + 50,000 = ₹ 1,78,000																																				
10	7	9	Q. Ganesh Ltd. Is..... to propagate. Ans. <p style="text-align: center;">Balance Sheet of Ganesh Ltd. As at(As per revised schedule VI)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Particulars</th> <th style="width: 10%;">Note No.</th> <th style="width: 20%;">Amount (₹) Current year</th> <th style="width: 20%;">Amount (₹) Previous year</th> </tr> </thead> <tbody> <tr> <td colspan="4">EQUITY & LIABILITIES</td> </tr> <tr> <td colspan="4">I Shareholder's funds :</td> </tr> <tr> <td> c) Share Capital</td> <td style="text-align: center;">1</td> <td style="text-align: right;">6,09,96,000</td> <td></td> </tr> </tbody> </table>							Particulars	Note No.	Amount (₹) Current year	Amount (₹) Previous year	EQUITY & LIABILITIES				I Shareholder's funds :				c) Share Capital	1	6,09,96,000			½												
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			Values (Any two): <ul style="list-style-type: none"> • Providing employment opportunities to the local youth. • Promotion of development in tribal areas. • Promotion of skill development in Arunachal Pradesh. • Paying attention towards regions of social unrest. 								½ + ½																												
			(Or any other suitable value)								=3 Marks																												
7	10	10	Q. BPL Ltd..... equity shares. Ans. <p style="text-align: center;">BPL Ltd. Journal</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Date</th> <th style="width: 50%;">Particulars</th> <th style="width: 5%;">LF</th> <th style="width: 15%;">Dr. Amt (₹)</th> <th style="width: 15%;">Cr. Amt (₹)</th> </tr> </thead> <tbody> <tr> <td></td> <td>9% Debentures A/c To Debenture holders A/c To Discount on issue of debentures A/c (Being amount payable to debenture holders on conversion)</td> <td style="text-align: center;">Dr.</td> <td style="text-align: right;">50,000</td> <td style="text-align: right;">47,000 3,000</td> </tr> <tr> <td></td> <td>Debenture holders A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 9% debentures converted into equity shares)</td> <td style="text-align: center;">Dr.</td> <td style="text-align: right;">47,000</td> <td style="text-align: right;">37,600 9,400</td> </tr> </tbody> </table>							Date	Particulars	LF	Dr. Amt (₹)	Cr. Amt (₹)		9% Debentures A/c To Debenture holders A/c To Discount on issue of debentures A/c (Being amount payable to debenture holders on conversion)	Dr.	50,000	47,000 3,000		Debenture holders A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 9% debentures converted into equity shares)	Dr.	47,000	37,600 9,400		1 1													
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			<p>Working Notes: Number of equity shares to be issued = $47000/125 = 376$ shares</p>	<p>1 =</p> <p>3 Marks</p>																																										
11	12	11	<p>Q. Madhu and Neha..... premium in cash. Ans. <u>(a) Calculation of Hidden Goodwill:</u> Tina's share = $\frac{1}{4}$ Tina's Capital = ₹ 4,00,000 (a) Total capital of the new firm = $4,00,000 \times 4 = 16,00,000$ (b) Existing total capital of Madhu, Neha and Tina = ₹ 4,00,000 + ₹ 6,00,000 + ₹ 4,00,000 = ₹ 14,00,000 Goodwill of the firm = $16,00,000 - 14,00,000 = 2,00,000$ Thus, Tina's share of goodwill = $\frac{1}{4} \times 2,00,000 = 50,000$</p> <p><u>(b) Calculation of New Profit Sharing ratio :</u> Madhu's new share = $\frac{3}{8}$ Neha's new share = $\frac{5}{8} - \frac{1}{4} = \frac{3}{8}$ Tina's share = $\frac{1}{4}$ i.e. $\frac{2}{8}$ New Ratio = 3:3:2</p> <p>(c)</p> <p style="text-align: center;">Books of the firm</p> <p style="text-align: center;">Journal</p> <p style="text-align: center;">Dr. Cr.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Date</th> <th style="width: 45%;">Particulars</th> <th style="width: 5%;">LF</th> <th style="width: 15%;">Dr (₹)</th> <th style="width: 25%;">Cr (₹)</th> </tr> </thead> <tbody> <tr> <td>2016 Apr 1</td> <td>Tina's Current A/c Dr. To Neha's Current A/c (Being credit given for goodwill to Neha on Tina's admission)</td> <td></td> <td style="text-align: right;">50,000</td> <td style="text-align: right;">50,000</td> </tr> </tbody> </table>	Date	Particulars	LF	Dr (₹)	Cr (₹)	2016 Apr 1	Tina's Current A/c Dr. To Neha's Current A/c (Being credit given for goodwill to Neha on Tina's admission)		50,000	50,000	<p>1</p> <p>1</p> <p>2 =</p> <p>4 Marks</p>																																
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12	11	12	<p>Q. Ashok, Babu and Chetan..... Capital Account. Ans.</p> <p style="text-align: center;">Ashok's Capital A/c</p> <p style="text-align: center;">Dr Cr</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Date</th> <th style="width: 30%;">Particulars</th> <th style="width: 10%;">Amt (₹)</th> <th style="width: 10%;">Date</th> <th style="width: 30%;">Particulars</th> <th style="width: 10%;">Amt (₹)</th> </tr> </thead> <tbody> <tr> <td>2016 Dec 31</td> <td>To Drawings A/c $\frac{1}{2}$</td> <td style="text-align: right;">15,000</td> <td>2016 April 1</td> <td>By Balance b/d $\frac{1}{2}$</td> <td style="text-align: right;">90,000</td> </tr> <tr> <td>Dec 31</td> <td>To Interest on Drawings A/c $\frac{1}{2}$</td> <td style="text-align: right;"><u>1,500</u></td> <td>Dec 31</td> <td>By Interest on Capital A/c $\frac{1}{2}$</td> <td style="text-align: right;">8,100</td> </tr> <tr> <td>Dec 31</td> <td>To Ashok's Executor's A/c $\frac{1}{2}$</td> <td style="text-align: right;"><u>3,01,600</u></td> <td>Dec 31</td> <td>By P & L Suspense A/c $\frac{1}{2}$</td> <td style="text-align: right;">40,000</td> </tr> <tr> <td></td> <td></td> <td></td> <td>Dec 31</td> <td>By Babu's Capital A/c $\frac{1}{2}$</td> <td style="text-align: right;">90,000</td> </tr> <tr> <td></td> <td></td> <td></td> <td>Dec 31</td> <td>By Chetan's Capital A/c $\frac{1}{2}$</td> <td style="text-align: right;">90,000</td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;"><u>3,18,100</u></td> <td></td> <td></td> <td style="text-align: right;"><u>3,18,100</u></td> </tr> </tbody> </table>	Date	Particulars	Amt (₹)	Date	Particulars	Amt (₹)	2016 Dec 31	To Drawings A/c $\frac{1}{2}$	15,000	2016 April 1	By Balance b/d $\frac{1}{2}$	90,000	Dec 31	To Interest on Drawings A/c $\frac{1}{2}$	<u>1,500</u>	Dec 31	By Interest on Capital A/c $\frac{1}{2}$	8,100	Dec 31	To Ashok's Executor's A/c $\frac{1}{2}$	<u>3,01,600</u>	Dec 31	By P & L Suspense A/c $\frac{1}{2}$	40,000				Dec 31	By Babu's Capital A/c $\frac{1}{2}$	90,000				Dec 31	By Chetan's Capital A/c $\frac{1}{2}$	90,000			<u>3,18,100</u>			<u>3,18,100</u>	<p>$\frac{1}{2} \times 8$</p> <p>=</p> <p>4 Marks</p>
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		<u>3,18,100</u>			<u>3,18,100</u>																																									
-	-	13	<p>Q. Kapil, Mohit, Roshan and Rakesh..... reconstituted firm. Ans.</p>																																											

		Revaluation A/c												
		Dr					Cr							
		Particulars		Amt (`)		Particulars		Amt (`)						
		To Claim for Workmen Compensation		20,000		By loss on revaluation transferred to Partners' Capital A/c						1 ½		
		To fixed assets A/c		80,000		Kapil		50,000						
						Mohit		20,000						
						Roshan		20,000						
						Rakesh		<u>10,000</u>		1,00,000				
				<u>1,00,000</u>				<u>1,00,000</u>						
		Partners' Capital A/c												
		Dr					Cr							
		Particulars	Kapil	Mohit	Roshan	Rakesh	Particulars	Kapil	Mohit	Roshan	Rakesh			
		To Revaluation A/c	50,000	20,000	20,000	10,000	By Balance b/d	3,50,000	3,00,000	2,50,000	2,00,000	2 ½		
		To Kapil's Capital A/c	---	3,600	3,600	10,800	By Mohit's Capital A/c	3,600	---	---	---			
		To Partners' Current A/c	68,000	26,400	---	---	By Roshan's Capital A/c	3,600	---	---	---			
		To Balance c/d	2,50,000	2,50,000	2,50,000	2,50,000	By Rakesh's Capital A/c	10,800	---	---	---			
							By Partners' Current A/c	---	---	23,600	70,800			
			3,68,000	3,00,000	2,73,600	2,70,800		3,68,000	3,00,000	2,73,600	2,70,800			
		Balance Sheet of P, Q, R and S as at 31st March 2016												
		Liabilities				Amt (`)		Assets				Amt (`)		
		Partners' Capital A/c:						Fixed Assets				7,20,000		2 = 6 Marks
		Kapil		2,50,000				Current Assets				4,00,000		
		Mohit		2,50,000				Partners' Current A/c:						
		Roshan		2,50,000				Roshan		23,600				
		Rakesh		<u>2,50,000</u>		10,00,000		Rakesh		<u>70,800</u>		94,400		
		Claim for Workmen Compensation				70,000								
		Sundry Creditors				50,000								
		Partners' Current A/c:												
		Kapil		68,000										
		Mohit		<u>26,400</u>		94,400								
						<u>12,14,400</u>						<u>12,14,400</u>		
-	-	14	Q. On 1-4-2015.....ended 31.3.2016. Ans.											
		MKM Ltd. Journal												
		Date	Particulars				LF	Dr (`)		Cr (`)				
		2015 Apr 1	Bank A/c Dr. To 11% Debenture Application & Allotment A/c (Being application money received)					11,04,000		11,04,000		1		

			2015 Apr 1	11% Debenture Application & Allotment A/c Dr. Discount on Issue of Debentures A/c Dr. Loss on Issue of Debentures A/c Dr. To 11 % Debentures A/c To Premium on Redemption of Debentures A/c (Being transfer of application money to debenture account issued at discount of 8%, but redeemable at premium of 10%) Or 11% Debenture Application & Allotment A/c Dr. Loss on Issue of Debentures A/c Dr. To 11 % Debentures A/c To Premium on Redemption of Debentures A/c (Being transfer of application money to debenture account issued at discount of 8%, but redeemable at premium of 10%)		11,04,000 96,000 1,20,000	12,00,000 1,20,000	1	
			2015 Sep 30	Debenture Interest A/c Dr. To Debenture holders A/c To TDS Payable A/c (Being interest payable on 11% debentures and tax deducted at source @ 10%)		66,000	59,400 6,600	1	
			2015 Sep 30	Debenture holders A/c Dr. TDS Payable A/c Dr. To Bank A/c (Being interest paid to debentures and TDS deposited)		59,400 6,600	66,000	$\frac{1}{2}$	
			2016 Mar 31	Debenture Interest A/c Dr. To Debenture holders A/c To TDS Payable A/c (Being interest payable on 11% debentures and tax deducted at source @ 10%)		66,000	59,400 6,600	1	
			2016 Mar 31	Debenture holders A/c Dr. TDS Payable A/c Dr. To Bank A/c (Being interest paid to debentures and TDS deposited)		59,400 6,600	66,000	$\frac{1}{2}$	
			2016 Mar 31	Statement of Profit & Loss Dr. To Debenture Interest A/c (Being interest on debentures transferred to statement to P & L)		1,32,000	1,32,000	1 = 6 Marks	
-	-	15	Q. Pass necessary..... R 5,000. Ans. Books of the firm Journal						
			Date	Particulars	LF	Dr ()	Cr ()		
			(i)	Realisation A/c Dr. To John's Capital A/c (Being remuneration given to John)		500	500	1	
			(ii)	Realisation A/c Dr. To Joney's Capital A/c (Being dissolution expenses paid by partner)		750	750	1	
			(iii) a.	Realisation A/c Dr. To Bony's Capital A/c (Being remuneration given to Bony)		3,700	3,700	$\frac{1}{2}$	

			(iii) b.	Bony's Capital A/c To Bank/ Cash A/c (Being the dissolution expenses paid by the firm on behalf of partner)	Dr.		4,200	4,200	$\frac{1}{2}$	
			(iv)a.	Realisation A/c To Sony's Capital A/c (Being remuneration given to Sony)	Dr.		10,000	10,000	$\frac{1}{2}$	
			(iv) b.	Sony's Capital A/c To Realisation A/c (Being stock taken over by Sony as remuneration)	Dr.		10,000	10,000	$\frac{1}{2}$	
			(iv) a.+b.	OR No Entry						
			(v) a.	Realisation A/c To Vikky's Capital A/c (Being partner Vikky remunerated for dissolution expenses)	Dr.		12,000	12,000	$\frac{1}{2}$	
			(v) b.	Vikky's Capital A/c To Clive's Capital A/c (Being the dissolution expenses paid by the Clive on behalf of the partner debited to his capital A/c) Note: If part a. Is correctly done, full credit is to be given.	Dr.		12,500	12,500	$\frac{1}{2}$	
			(vi)	Realisation A/c To Bank/ Cash A/c (Being dissolution expenses paid)	Dr.		5,000	5,000	1 = 6 Marks	
16	17	16	Q. C and D areE's admission. Ans. Books of the firm Journal							
			Date	Particulars	LF	Dr ()	Cr ()			
			(i)	General Reserve A/c To C's Capital A/c To D's Capital A/c (Being General Reserve distributed among partners)	Dr.	10,000	8,000 2,000		1	
			(ii)	Cash A/c To E's Capital A/c To Premium for Goodwill A/c (Being cash received as E's capital and premium for goodwill)	Dr.	1,20,000	1,00,000 20,000		1	
			(iii)	Premium for Goodwill A/c To C's Capital A/c To D's Capital A/c (Being premium for Goodwill credited to old partner's capital account in sacrificing ratio)	Dr.	20,000	16,000 4,000		1	

			(iv)	C's Capital A/c D's Capital A/c To Cash A/c (Being half of goodwill amount withdrawn by C and D)	Dr. Dr.		8,000 2,000	10,000	½
			(v)	Bad debts A/c To Debtors A/c (Being debtors ` 2,000 written off)	Dr.		2,000	2,000	½
			(vi)	Provision for bad and doubtful debts A/c To Bad debts A/c (Being provision utilised for writing off bad debts)	Dr.		2,000	2,000	½
			(vii)	Provision for bad and doubtful debts A/c To Revaluation A/c (Being provision for bad debts decreased)	Dr.		640	640	½
			(viii)	Revaluation A/c To Stock A/c To Furniture A/c To Plant & Machinery A/c (Being decrease in assets recorded)	Dr.		14,000	2,000 4,000 8,000	1 ½
			(ix)	Investments A/c To Revaluation A/c (Being increase in investments recorded)	Dr.		7,000	7,000	½
			(x)	Revaluation A/c To Outstanding Repairs A/c (Being increase in liabilities recorded)	Dr.		2,300	2,300	½
			(xi)	C's Capital A/c D's Capital A/c To Revaluation A/c (Being loss on revaluation transferred to Partner's Capital A/c)	Dr. Dr.		6,928 1,732	8,660	½ = 8 Marks
				Note: In case an examinee has combined entry number (viii) and (x) or (vii) and (ix), full credit may be given.					

16 OR	17 OR	16 OR	Q. Sameer, Yasmin and Saloni were.....Sameer's retirement. Ans.						
			Books of the firm Journal						
			Date	Particulars	LF	Dr ()	Cr ()		
			(i)	General Reserve A/c To Sameer's Capital A/c To Yasmin's Capital A/c To Saloni's Capital A/c (Being General Reserve distributed among partners)	Dr.	60,000	24,000 18,000 18,000	1	
			(ii)	Sameer's Capital A/c Yasmin's Capital A/c Saloni's Capital A/c To Profit and Loss A/c (Being accumulated losses divided among partners)	Dr. Dr. Dr.	20,000 15,000 15,000	50,000	1	
			(iii)	Bad Debts A/c To Debtors A/c (Being debtors of ` 4000 written off)	Dr.	4,000	4,000	½	

			(iv)	Provision for bad and doubtful debts A/c To Bad Debts A/c (Being provision utilised for writing off bad debts)	Dr.		4,000	4,000	½	
			(v)	Provision for bad and doubtful debts A/c To Revaluation A/c (Being excess provision transferred to Revaluation A/c)	Dr.		1,700	1,700	½	
			(vi)	Revaluation A/c To Creditors A/c (Being increase in creditors recorded)	Dr.		20,000	20,000	½	
			(vii)	Revaluation A/c To Patents A/c To Stock A/c To Machinery A/c To Building A/c (Being decrease in assets recorded)	Dr.		90,000	60,000 5,000 15,000 10,000	2	
			(viii)	Sameer's Capital A/c Yasmin's Capital A/c Saloni's Capital A/c To Revaluation A/c (Being loss on revaluation transferred to Partners' Capital A/c)	Dr. Dr. Dr.		43,320 32,490 32,490	1,08,300	½	
			(ix)	Yasmin's Capital A/c Saloni's Capital A/c To Sameer's Capital A/c (Being Goodwill adjusted on Sameer's retirement)	Dr. Dr.		1,62,000 54,000	2,16,000	1	
			(x)	Sameer's Capital A/c To Sameer's Loan A/c (Being balance of Sameer's capital transferred to Sameer's Loan A/c)	Dr.		4,76,680	4,76,680	½ =	
				Note: In case an examinee has combined entry number (vi) and (vii), full credit may be given. 2 ½					8 Marks	
				Revaluation A/c To Patents A/c To Stock A/c To Machinery A/c To Building A/c To Creditors A/c (Being assets and liabilities revalued)	Dr.		1,10,000	60,000 5,000 15,000 10,000 20,000		
			Working Notes: Amount payable to Sameer = (43,320) + 24,000 – 20,000 + 2,16,000 + 3,00,000 = ` 4,76,680							
17	16	17	Q. VNX Ltd.books of the company. Ans.							
			VNX Ltd. Journal							
			Date	Particulars	LF	Dr. Amt	Cr. Amt			
						(`)	(`)			
			(i)	Bank A/c To Equity Share Application A/c (Being application money received)	Dr.		2,00,000	2,00,000	1	

	(ii)	Equity Share Application A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being application money transferred)	Dr.		2,00,000	1,00,000 1,00,000		1
	(iii)	Equity Share Allotment A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being share allotment money due)	Dr.		3,00,000	1,50,000 1,50,000		1
	(iv)	Bank A/c Calls in Arrears A/c To Equity Share Allotment A/c To Calls in Advance A/c (Being allotment money received except on 200 shares and calls in advance received) OR Bank A/c To Equity Share Allotment A/c To Calls in Advance A/c (Being allotment money received except on 200 shares and calls in advance received)	Dr. Dr.		3,02,000 1,200	3,00,000 3,200		½
	(v)	Equity Share Capital A/c Securities Premium Reserve A/c To Shares Forfeited A/c To Equity Share Allotment A/c/ Calls in arrears A/c (Being 200 shares forfeited)	Dr. Dr.		1,000 600	400 1,200		½
	(vi)	Equity Share First call A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being first call money due on 49,800 shares)	Dr.		2,49,000	1,99,200 49,800		½
	(vii)	Bank A/c Calls in arrears A/c Calls in advance A/c To Equity Share First Call A/c To Calls in advance A/c (Being first call money and calls in advance received, advance received earlier adjusted) OR Bank A/c Calls in advance A/c To Equity Share First Call A/c To Calls in advance A/c (Being first call money and calls in advance received, advance received earlier adjusted) OR (a) Bank A/c Calls in arrears A/c To Equity Share First Call A/c To Calls in advance A/c (Being first call money and calls in advance received) (b) Calls in advance A/c To Equity Share First Call A/c (Being advance received earlier adjusted)	Dr. Dr. Dr.		2,47,400 500 2,000	2,49,000 900		½
			Dr.		2,47,400	2,48,500 900		
			Dr.		2,000	2,000		

			OR						
			Bank A/c	Dr.		2,47,400			
			Calls in arrears A/c	Dr.		500			
			Calls in advance A/c	Dr.		1,100			
			To Equity Share First Call A/c					2,49,000	
			(Being first call money received, advance received earlier on 1,000 shares adjusted and second call in advance received on 600 shares)						
		(viii)	Equity Share Capital A/c	Dr.		900			
			Securities Premium Reserve A/c	Dr.		100			
			To Shares Forfeited A/c					500	
			To Calls in arrears A/c/ Equity Share First Call A/c					500	
			(Being 100 shares forfeited)						$\frac{1}{2}$
		(ix)	Equity Share Second & Final call A/c	Dr.		1,49,100			
			To Equity Share Capital A/c					49,700	
			To Securities Premium Reserve A/c					99,400	
			(Being second call due on 49,700 shares)						$\frac{1}{2}$
		(x)	Bank A/c	Dr.		1,47,000			
			Calls in advance A/c	Dr.		2,100			
			To Equity share second and final call A/c					1,49,100	
			(Being second and final call received and advance received earlier adjusted)						$\frac{1}{2}$
		(xi)	Bank A/c	Dr.		2,700			
			Shares Forfeited A/c	Dr.		300			
			To Equity Share Capital A/c					3,000	
			(Being forfeited shares reissued)						1
		(xii)	Shares Forfeited A/c	Dr.		600			
			To Capital Reserve A/c					600	
			(Being gain on reissue on forfeited shares transferred to capital reserve account)						$\frac{1}{2}$ = 8 Marks

17 OR	16 OR	17 OR	Q. JJK Ltd..... books of the company.					
			Ans.					
			Books of JJK Ltd.					
			Journal					
			Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()	
		(i)	Bank A/c	Dr.		3,00,000		
			To Equity Share Application A/c				3,00,000	
			(Being application money received on 1,50,000 shares)					1
		(ii)	Equity Share Application A/c	Dr.		3,00,000		
			To Equity Share Capital A/c				1,00,000	
			To Bank A/c				90,000	
			To Equity Share Allotment A/c				1,10,000	
			(Being application money transferred)					1
		(iii)	Equity Share Allotment A/c	Dr.		2,00,000		
			To Equity Share Capital A/c				2,00,000	
			(Being share allotment money due)					1
		(iv)	Bank A/c	Dr.		88,900		
			Calls in arrears A/c	Dr.		1,100		
			To Equity share allotment a/c				90,000	
			(Being Balance amount received on allotment)					1

			OR							
			Bank A/c To Equity share allotment a/c (Being Balance amount received on allotment)	Dr.		88,900		88,900		
		(v)	Equity Share capital A/c To Forfeited Shares A/c To Calls in arrears A/c (Being forfeited the shares on which allotment money was not received)	Dr.		3,600		2,500 1,100	1	
		(vi)	Equity share first and final call A/c To Equity share Capital A/c (Being First and final call money due)	Dr.		1,97,600		1,97,600	½	
		(vii)	Bank A/c To Equity share first and final call A/c (Being first and final call money received)	Dr.		1,97,600		1,97,600	½	
		(viii)	Bank A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being forfeited shares reissued)	Dr.		6,600		6,000 600	1	
		(ix)	Shares Forfeited A/c To Capital Reserve A/c (Being gain on reissue on forfeited shares transferred to capital reserve account)	Dr.		2,500		2,500	1 = 8 Marks	
			PART B (Financial Statements Analysis)							
-	-	18	Q. What is meant by..... statement? Ans. A cash flow statement shows inflows and outflows of cash and cash equivalents from various activities of a company during a specified period.						1 Mark	
-	-	19	Q. Will 'Net decrease.....your answer. Ans. Increase Reason: Net decrease in working capital implies inflow of cash and cash equivalents.						½ ½ = 1 Mark	
-	-	20	Q. State any four.....statements. Ans. <u>Limitations of 'Financial Statements Analysis': (Any four)</u> (i) It is a <u>historical Analysis</u> as it analyses what has happened till date. It doesn't reflect the future. (ii) It <u>ignores price level changes</u> as a change in price level makes analysis of financial statements of different accounting years invalid. (iii) It <u>ignores qualitative aspect</u> as the quality of management, quality of staff etc. are ignored while carrying out the analysis of financial statements. (iv) It <u>suffers from the limitations of financial statements</u> as the analysis is based on the information given in the financial statements. (v) It is <u>not free from bias</u> of accountants such as method of inventory valuation , method of depreciation etc. (vi) It <u>may lead to window dressing</u> i.e. showing a better financial position than what actually is by manipulating the books of accounts. (vii) It <u>may be misleading</u> without the knowledge of the changes in accounting procedure by a firm.						1 X 4 4 Marks	

21	22	21	<p>Q. The proprietary ratio..... purchased for ₹ 4,00,000. Ans.</p> <table border="1" data-bbox="295 145 1396 470"> <thead> <tr> <th>Transaction</th> <th>Effect on Quick Ratio</th> <th>Reasons</th> </tr> </thead> <tbody> <tr> <td>(i)</td> <td>Decrease</td> <td>No change in Shareholders' funds but total assets will increase by ₹ 2,00,000</td> </tr> <tr> <td>(ii)</td> <td>No Change</td> <td>No change in total assets and Shareholders' funds</td> </tr> <tr> <td>(iii)</td> <td>Decrease</td> <td>Both Shareholders' funds and total assets are decreased by same amount</td> </tr> <tr> <td>(iv)</td> <td>Increase</td> <td>Shareholders' funds and total assets both are increased</td> </tr> </tbody> </table>	Transaction	Effect on Quick Ratio	Reasons	(i)	Decrease	No change in Shareholders' funds but total assets will increase by ₹ 2,00,000	(ii)	No Change	No change in total assets and Shareholders' funds	(iii)	Decrease	Both Shareholders' funds and total assets are decreased by same amount	(iv)	Increase	Shareholders' funds and total assets both are increased	1 X 4 =4 Marks
Transaction	Effect on Quick Ratio	Reasons																	
(i)	Decrease	No change in Shareholders' funds but total assets will increase by ₹ 2,00,000																	
(ii)	No Change	No change in total assets and Shareholders' funds																	
(iii)	Decrease	Both Shareholders' funds and total assets are decreased by same amount																	
(iv)	Increase	Shareholders' funds and total assets both are increased																	
22	21	22	<p>Q. Financial Statements.....Bank Overdraft. Ans. Values (Any two):</p> <ul style="list-style-type: none"> • Transparency • Consistency • Following rules and regulations / Ethical code of conduct • Honesty and loyalty towards owners • Providing authentic information to users <p style="text-align: center;">(Or any other suitable value)</p> <table border="1" data-bbox="295 840 1396 1019"> <thead> <tr> <th></th> <th>Heads</th> <th>Sub-heads</th> </tr> </thead> <tbody> <tr> <td>Capital Reserves</td> <td>Shareholders' funds</td> <td>Reserves and Surplus</td> </tr> <tr> <td>Calls -in-advance</td> <td>Current Liabilities</td> <td>Other Current Liabilities</td> </tr> <tr> <td>Loose Tools</td> <td>Current assets</td> <td>Inventories</td> </tr> <tr> <td>Bank Overdraft</td> <td>Current Liabilities</td> <td>Short term borrowings</td> </tr> </tbody> </table>		Heads	Sub-heads	Capital Reserves	Shareholders' funds	Reserves and Surplus	Calls -in-advance	Current Liabilities	Other Current Liabilities	Loose Tools	Current assets	Inventories	Bank Overdraft	Current Liabilities	Short term borrowings	1 X 2 ½ X 4 = 4 Marks
	Heads	Sub-heads																	
Capital Reserves	Shareholders' funds	Reserves and Surplus																	
Calls -in-advance	Current Liabilities	Other Current Liabilities																	
Loose Tools	Current assets	Inventories																	
Bank Overdraft	Current Liabilities	Short term borrowings																	
23	23	23	<p>Q. From the following..... loss of ₹ 5,000. Ans.</p>																

Cash flow statement of SRS Ltd.
For the year ended 31st March 2016 as per AS-3 (Revised)

Particulars	Details (₹)	Amount (₹)
<u>A. Cash Flows from Operating Activities:</u>		
Net Profit before tax & extraordinary items (note 1)	1,75,000	
<u>Add: Non cash and non-operating charges</u>		
Goodwill written off	25,000	
Depreciation on machinery	55,000	
Interest on debentures	21,000	
Loss on sale of machinery	5,000	
<i>Operating profit before working capital changes</i>	2,81,000	
<u>Less: Increase in Current Assets</u>		
Increase in inventories	(25,000)	
Net Cash generated from Operating Activities		2,56,000
<u>B. Cash flows from Investing Activities :</u>		
Purchase of machinery	(3,55,000)	
Sale of machinery	15,000	
Purchase of non current investments	(25,000)	
Net Cash used in investing activities		(3,65,000)
<u>C. Cash flows from Financing Activities:</u>		
Issue of share capital	1,00,000	
Issue of 12% debentures	50,000	
Interest on debentures paid	(21,000)	
Dividend paid	(62,500)	
Bank overdraft raised	37,500	
Net Cash flow from financing activities		1,04,000
Net decrease in cash & cash equivalents (A+B+C)		(5,000)
<u>Add: Opening balance of cash & cash equivalents</u>		
Current Investments	35,000	
Cash and Cash Equivalents	26,500	
Closing Balance of cash & cash equivalents		61,500
Current Investments	20,000	
Cash and Cash Equivalents	36,500	
		56,500

Notes:

Calculation of Net Profit before tax:

Net profit as per statement of Profit & Loss	75,000
Add: Proposed Dividend	<u>1,00,000</u>
Net Profit before tax & extraordinary items	<u>1,75,000</u>

Machinery A/c

Particulars	₹	Particulars	₹
To Balance b/d	5,22,500	By Cash A/c	15,000
To Cash A/c (Purchase)	3,55,000	By Statement of P/L (Bal fig.)	5,000
		By Accumulated Depreciation A/c	20,000
		By Balance c/d	8,37,500
	<u>8,77,500</u>		<u>8,77,500</u>

Accumulated Depreciation A/c

Particulars	₹	Particulars	₹
To Machinery A/c	20,000	By Balance b/d	70,000
To Balance c/d	1,05,000	By Statement of P/L	55,000
	<u>1,25,000</u>		<u>1,25,000</u>

1 ½

+

1

+

1 ½

+

+

1

+

½

½

=

6 Marks

PART B				
(Computerized Accounting)				
19	18	18	<p>Q. What is meant.....Query'? Ans. Queries provide the capability of combined data from multiple tables and placing specific condition for the retrieval of data. It is another tabular view of the data showing information from multiple tables, resulting in presentation of the information required, raised in the query.</p>	1 Mark
18	19	19	<p>Q. What isDatabase Report'? Ans. A database report is the formatted result of database queries and contains useful data for decision-making and analysis.</p>	1 Mark
21	22	20	<p>Q. Explain any.....'Profit and Loss'. Ans. Any four of the following:</p> <ul style="list-style-type: none"> • Sales Account • Purchase Account • Direct Income • Indirect Income • Direct Expenses • Indirect Expenses <p>(With appropriate explanation)</p>	1 X 4 = 4 Marks
22	20	21	<p>Q. Explain the steps.....software. Ans. Steps in installation of CPS: 1. Insert CD in the system 2. Select C:,E:, or D: drive from my computer OR Start>run>type the filename E:\install.exe 3. The default directories of application, data and configuration will open in a window. Change the setting if you wish by providing desired file name and drive name. 4. Click on install. The installation process will start and a message of successful installation will appear after its completion. The CD can be removed as the application is successfully installed.</p>	= 4 Marks
20	21	22	<p>Q. Explain 'Flexibility'.....accounting software. Ans. Flexibility: (It may include following points)</p> <ul style="list-style-type: none"> • Related to data entry, availability and design of various reports. • Between users (Accountants) • Between systems. <p>Cost of installation and maintenance: (It may include following points in explanation)</p> <ul style="list-style-type: none"> • Ability to afford hardware and software • Cost benefit analysis and study of available options • Training of staff, cost of updating 	2 2 = 4 Marks
-	-	23	<p>Q. Identify the error.....be removed? Explain. Ans. The error is #NUM!Error. Following steps can be taken to correct the error:</p> <ol style="list-style-type: none"> 1. Optionally, click a cell that displays the error, click the button that appears, and then click show calculation steps if it appears. 2. Review the following possible causes and solutions. 3. Using an unacceptable argument in a function that requires a numeric argument. 4. Make sure that arguments used in the function are numbers 5. Use a different starting value for worksheet function. 	1 5 = 6 Marks