

Senior School Certificate Examination

March -2016-17

Marking Scheme - Accountancy (Delhi) 67/1/1, 67/1/2, 67/1/3

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) Delhi – 67/1/1 Expected Answers / Value points	Distribution of marks															
67/1/1	67/1/2	67/1/3																	
1	6	6	Q. Does partnership..... your answer. Ans. No Reason: As per law the partners and partnership firm have no separate legal entities.	$\frac{1}{2}$ $\frac{1}{2}$ =1 Mark															
2	3	4	Q. A and B.....B's sacrifice. Ans. A's Old Share = $\frac{4}{7}$ A's Sacrifice = $\frac{1}{4}$ of $\frac{4}{7}$ = $\frac{1}{7}$ C's Share = $\frac{2}{7}$ B's Sacrifice = C's share – A's sacrifice = $\frac{2}{7} - \frac{1}{7} = \frac{1}{7}$ OR B's Sacrifice = B's Old Share – B's New Share = $\frac{3}{7} - \frac{2}{7} = \frac{1}{7}$	=1 Mark															
3	4	3	Q. P and Q were.....rectify the error. Ans. Books of the firm Journal <table border="1"> <thead> <tr> <th>Date</th><th>Particulars</th><th>LF</th><th>Dr (₹)</th><th>Cr (₹)</th></tr> </thead> <tbody> <tr> <td>2016 April 1</td><td>Q's Current A/c Dr. To P's current A/c (Being the adjustment of interest on capital omitted in previous year)</td><td></td><td>2,500</td><td>2,500</td></tr> </tbody> </table>	Date	Particulars	LF	Dr (₹)	Cr (₹)	2016 April 1	Q's Current A/c Dr. To P's current A/c (Being the adjustment of interest on capital omitted in previous year)		2,500	2,500	=1 Mark					
Date	Particulars	LF	Dr (₹)	Cr (₹)															
2016 April 1	Q's Current A/c Dr. To P's current A/c (Being the adjustment of interest on capital omitted in previous year)		2,500	2,500															
4	5	2	Q. X Ltd. invited.....with applicants. Ans. Books of the firm Journal <table border="1"> <thead> <tr> <th>Date</th><th>Particulars</th><th>LF</th><th>Dr (₹)</th><th>Cr (₹)</th></tr> </thead> <tbody> <tr> <td>2016 Jan 1</td><td>Bank A/c Dr. To 9% Debenture Application & Allotment A/c (Being application money received for 1,200 debentures @ ₹ 94 each)</td><td></td><td>1,12,800</td><td>1,12,800</td></tr> <tr> <td></td><td>9% Debenture Application & Allotment A/c Dr. Discount on Issue of Debentures A/c Dr. To 9 % Debentures A/c To Bank A/c (Being 1000 9% debentures allotted on pro-rata basis)</td><td></td><td>1,12,800 6,000</td><td>1,00,000 18,800</td></tr> </tbody> </table>	Date	Particulars	LF	Dr (₹)	Cr (₹)	2016 Jan 1	Bank A/c Dr. To 9% Debenture Application & Allotment A/c (Being application money received for 1,200 debentures @ ₹ 94 each)		1,12,800	1,12,800		9% Debenture Application & Allotment A/c Dr. Discount on Issue of Debentures A/c Dr. To 9 % Debentures A/c To Bank A/c (Being 1000 9% debentures allotted on pro-rata basis)		1,12,800 6,000	1,00,000 18,800	$\frac{1}{2}$ $\frac{1}{2}$ =1 Mark
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5	2	1	Q. Y Ltd..... can be re-issued. Ans. The maximum amount of discount at which these shares can be re-issued is ₹ 6 per share or ₹ 600.	=1 Mark															
6	1	5	Q. Gupta and Sharma.....by them. Ans. Any two of the following: <ul style="list-style-type: none"> Persons of unsound mind/ Lunatic person Insolvent persons Any other person who has been disqualified by law 	$\frac{1}{2} \times 2$ =1 Mark															
7	-	10	Q. Jain motors..... equity shares. Ans.																

			<p style="text-align: center;">Jain Motors Ltd.</p> <p style="text-align: center;">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></td><td>8% 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>20,000</td><td>18,800 1,200</td></tr> <tr> <td></td><td>Debenture holders' A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 8 % debentures converted into equity shares)</td><td></td><td>18,800</td><td>15,040 3,760</td></tr> </tbody> </table> <p>Working Notes: Number of equity shares to be issued = $18800/12.5 = 1504$</p>	Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()		8% 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)		20,000	18,800 1,200		Debenture holders' A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 8 % debentures converted into equity shares)		18,800	15,040 3,760	<p style="text-align: center;">1</p> <p style="text-align: center;">1</p> <p style="text-align: center;">1 = 3 Marks</p>															
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8	-	9	<p>Q. Amar, Ram, Mohan..... Sohan's retirement.</p> <p>Ans.</p> <p style="text-align: center;">Books of the firm</p> <p style="text-align: center;">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>Amar's Capital A/c Dr. To Ram's Capital A/c To Mohan's Capital A/c To Sohan's Capital A/c (Being adjustment of Goodwill on Sohan's retirement)</td><td></td><td>30,000</td><td>10,000 10,000 10,000</td></tr> </tbody> </table> <p>Working Notes: 1. Calculation of Gaining Ratio:</p> <table border="1"> <thead> <tr> <th></th><th>Amar</th><th>Ram</th><th>Mohan</th><th>Sohan</th></tr> </thead> <tbody> <tr> <td>New Ratio</td><td>5/7</td><td>1/7</td><td>1/7</td><td>-</td></tr> <tr> <td>Old Ratio</td><td>2/7</td><td>2/7</td><td>2/7</td><td>1/7</td></tr> <tr> <td></td><td>3/7 (Gain)</td><td>1/7 (Sacrifice)</td><td>1/7 (Sacrifice)</td><td>1/7 (Sacrifice)</td></tr> </tbody> </table>	Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()	2017 Jan 31	Amar's Capital A/c Dr. To Ram's Capital A/c To Mohan's Capital A/c To Sohan's Capital A/c (Being adjustment of Goodwill on Sohan's retirement)		30,000	10,000 10,000 10,000		Amar	Ram	Mohan	Sohan	New Ratio	5/7	1/7	1/7	-	Old Ratio	2/7	2/7	2/7	1/7		3/7 (Gain)	1/7 (Sacrifice)	1/7 (Sacrifice)	1/7 (Sacrifice)	<p style="text-align: center;">2</p> <p style="text-align: center;">1 = 3 Marks</p>
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9	10	8	<p>Q. Z Ltd. Purchased.....Z Ltd.</p> <p>Ans.</p> <p style="text-align: center;">Z Ltd.</p> <p style="text-align: center;">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 K Ltd. (Being machinery purchased from K Ltd.)</td><td></td><td>2,03,000</td><td>2,03,000</td></tr> <tr> <td>(ii)</td><td>K Ltd. Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 5,000 equity shares of ` 10 each issued at 30% premium)</td><td></td><td>65,000</td><td>50,000 15,000</td></tr> </tbody> </table>	Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()	(i)	Machinery A/c Dr. To K Ltd. (Being machinery purchased from K Ltd.)		2,03,000	2,03,000	(ii)	K Ltd. Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 5,000 equity shares of ` 10 each issued at 30% premium)		65,000	50,000 15,000	<p style="text-align: center;">½</p> <p style="text-align: center;">1</p>															
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(iii)	K Ltd. Discount on Issue of Debentures A/c To 8% Debentures A/c (Being 1,000 8% debentures of ₹ 100 each issued at 10% discount)	Dr. Dr.	90,000 10,000	1,00,000
(iv)	K Ltd. To Bills Payable A/c (Being balance payment made by giving two months' promissory note)	Dr.	48,000	48,000

1

½

OR
Z Ltd.
Journal

Date	Particulars	LF	Dr. Amt (₹)	Cr. Amt (₹)
(i)	Machinery A/c To K Ltd. (Being machinery purchased from K Ltd.)	Dr.	2,03,000	2,03,000
(ii)	K Ltd. Discount on Issue of Debentures A/c To Equity Share Capital A/c To 8% Debentures A/c To Bills Payable A/c To Securities Premium Reserve A/c (Being payment made to K Ltd.)	Dr. Dr.	2,03,000 10,000	50,000 1,00,000 48,000 15,000

½

2 ½

=

3 Marks

Working Notes:

Purchase Consideration = 65,000 + 90,000 + 48,000 = ₹ 2,03,000

10 9 7

Q. Akash Ltd. is..... to propagate.
Ans.

Balance Sheet of Akash 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>4,09,98,000</u>	

½

Notes to Accounts :

Particulars	₹
(1) Share Capital	
Authorised Capital :	
80,00,000 equity shares of ₹ 10 each	<u>8,00,00,000</u>
Issued Capital	
41,00,000 equity shares of ₹ 10 each	<u>4,10,00,000</u>
Subscribed Capital	
Subscribed and fully paid Capital	
40,99,000 shares of ₹ 10 each	4,09,90,000
Subscribed but not fully paid Capital	
1,000 equity shares of 10 each	10,000
Less: Calls in arrears (1,000 X 2)	<u>2,000</u>
	<u>8,000</u>
	<u>4,09,98,000</u>

½

½

½

			<p>Values (Any two):</p> <ul style="list-style-type: none">• Providing employment opportunities to the local youth.• Promotion of rural development.• Promotion of skill development in militant affected areas.• 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. Karan and Varun..... premium in cash.</p> <p>Ans.</p> <p><u>(a) Calculation of Hidden Goodwill:</u></p> <p>Kishore's share = $\frac{1}{4}$</p> <p>Kishore's Capital = ₹ 2,00,000</p> <p>(a) Total capital of the new firm = 2,00,000 X 4 = 8,00,000</p> <p>(b) Existing total capital of Karan, Varun and Kishore = ₹ 2,00,000 + ₹ 3,00,000 + ₹ 2,00,000 = ₹ 7,00,000</p> <p>Goodwill of the firm = 8,00,000-7,00,000 = 1,00,000</p> <p>Thus, Kishore's share of goodwill = $\frac{1}{4}$ X 1,00,000 = 25,000</p> <p><u>(b) Calculation of New Profit Sharing ratio :</u></p> <p>Karan's new share = $\frac{1}{3}$ i.e. $\frac{4}{12}$</p> <p>Varun's new share = $\frac{2}{3} - \frac{1}{4} = \frac{5}{12}$</p> <p>Kishore's share = $\frac{1}{4}$ X $\frac{3}{3} = \frac{3}{12}$</p> <p>New Ratio = 4:5:3</p> <p>(c)</p> <p style="text-align: center;">Books of the firm</p> <table><tr><th colspan="2">Dr.</th><th colspan="2">Journal</th><th colspan="2">Cr.</th></tr><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr (₹)</th><th>Cr (₹)</th><th></th></tr><tr><td>2016 Apr 1</td><td>Kishore's Current A/c Dr. To Varun's Current A/c (Being credit given for goodwill to Varun on Kishore's admission)</td><td></td><td>25,000</td><td>25,000</td><td></td></tr></table>	Dr.		Journal		Cr.		Date	Particulars	LF	Dr (₹)	Cr (₹)		2016 Apr 1	Kishore's Current A/c Dr. To Varun's Current A/c (Being credit given for goodwill to Varun on Kishore's admission)		25,000	25,000		<p>1</p> <p>1</p> <p>2 = 4 Marks</p>																														
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12	11	12	<p>Q. Sandeep, Mandeep and Amandeep..... Capital Account.</p> <p>Ans.</p> <p style="text-align: center;">Mandeep's Capital A/c</p> <table><tr><th colspan="3">Dr</th><th colspan="3">Cr</th></tr><tr><th>Date</th><th>Particulars</th><th>Amt (₹)</th><th>Date</th><th>Particulars</th><th>Amt (₹)</th></tr><tr><td>2016 Sep 30</td><td>To Drawings A/c $\frac{1}{2}$</td><td>4,000</td><td>2016 April 1</td><td>By Balance b/d $\frac{1}{2}$</td><td>1,00,000</td></tr><tr><td>Sep 30</td><td>To Interest on Drawings A/c $\frac{1}{2}$</td><td>120</td><td>Sep 30</td><td>By Interest on Capital A/c $\frac{1}{2}$</td><td>6,000</td></tr><tr><td>Sep 30</td><td>To Mandeep's Executor's A/c $\frac{1}{2}$</td><td>2,51,880</td><td>Sep 30</td><td>By P & L Suspense A/c $\frac{1}{2}$</td><td>90,000</td></tr><tr><td></td><td></td><td></td><td>Sep 30</td><td>By Sandeep's Capital A/c $\frac{1}{2}$</td><td>40,000</td></tr><tr><td></td><td></td><td></td><td>Sep 30</td><td>By Amandeep's Capital A/c $\frac{1}{2}$</td><td>20,000</td></tr><tr><td></td><td></td><td>2,56,000</td><td></td><td></td><td>2,56,000</td></tr></table>	Dr			Cr			Date	Particulars	Amt (₹)	Date	Particulars	Amt (₹)	2016 Sep 30	To Drawings A/c $\frac{1}{2}$	4,000	2016 April 1	By Balance b/d $\frac{1}{2}$	1,00,000	Sep 30	To Interest on Drawings A/c $\frac{1}{2}$	120	Sep 30	By Interest on Capital A/c $\frac{1}{2}$	6,000	Sep 30	To Mandeep's Executor's A/c $\frac{1}{2}$	2,51,880	Sep 30	By P & L Suspense A/c $\frac{1}{2}$	90,000				Sep 30	By Sandeep's Capital A/c $\frac{1}{2}$	40,000				Sep 30	By Amandeep's Capital A/c $\frac{1}{2}$	20,000			2,56,000			2,56,000	<p>$\frac{1}{2} \times 8$</p> <p>= 4 Marks</p>
Dr			Cr																																																	
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13	-	-	<p>Q. S, T, U and V..... reconstituted firm.</p> <p>Ans.</p>																																																	

Revaluation A/c			
Dr		Cr	
Particulars	Amt ()	Particulars	Amt ()
To Claim for Workmen Compensation	10,000	By loss on revaluation transferred to Partners' Capital A/cs	
		S	4,000
		T	3,000
		U	2,000
		V	<u>1,000</u>
			10,000
	<u>10,000</u>		<u>10,000</u>

1 ½

Partner's Capital A/c									
Dr					Cr				
Particulars	S	T	U	V	Particulars	S	T	U	V
To Revaluation A/c	4,000	3,000	2,000	1,000	By Balance b/d	2,00,000	1,50,000	1,00,000	50,000
To S's Capital A/c	---	---	---	9,000	By V's Capital A/c	9,000	18,000	---	---
To T's Capital A/c	---	---	---	18,000	By V's Current A/c	---	---	---	1,74,000
To Partner's Current A/c	58,000	1,16,000	---	---					
To Balance c/d	1,47,000	49,000	98,000	1,96,000					
	2,09,000	1,68,000	1,00,000	2,24,000		2,09,000	1,68,000	1,00,000	2,24,000

2 ½

**Balance Sheet of S, T, U and V
as at 31st March 2016**

Liabilities		Amt ()	Assets		Amt ()
Sundry Creditors		80,000	Fixed Assets		4,40,000
Partners' Capital A/c:			Current Assets		2,00,000
S	1,47,000		V's Current A/c		1,74,000
T	49,000				
U	98,000				
V	<u>1,96,000</u>	4,90,000			
Claim for Workmen Compensation		70,000			
Partners' Current A/c:					
S	58,000				
T	<u>1,16,000</u>	1,74,000			
		<u>8,14,000</u>			<u>8,14,000</u>

2

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6 Marks

14 - - Q. On 1-4-2015.....March every year.
Ans.

**KK Ltd.
Journal**

Date	Particulars	LF	Dr ()	Cr ()
2015 Apr 1	Bank A/c Dr. To 9% Debenture Application & Allotment A/c (Being application money received)		2,40,000	2,40,000
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 (Being transfer of application money to debenture account issued at discount of 4%, redeemable at premium of 5%)		2,40,000 10,000 12,500	2,50,000 12,500

1

1

7

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			(v) a.	Realisation A/c To N's Capital A/c (Being remuneration given to N)	Dr.		9,000	9,000	$\frac{1}{2}$																																				
			(v) b.	N's Capital A/c To Bank/ Cash A/c (Being the dissolution expenses paid by the firm on behalf of the partner)	Dr.		4,000	4,000	$\frac{1}{2}$																																				
			(vi) a.	Realisation A/c To Q's Capital A/c (Being remuneration given to Q)	Dr.		18,000	18,000	$\frac{1}{2}+\frac{1}{2}$																																				
			(vi) b.	Q's Capital A/c To Realisation A/c (Being stock taken over by Q as remuneration)	Dr.		18,000	18,000	OR																																				
			(vi)	OR						1 = 6 Marks																																			
			(a. + b.)	No Entry																																									
16	17	16	Q. W and R areC's admission. Ans. <div>Books of the firm Journal</div> <table><thead><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr (`)</th><th>Cr (`)</th></tr></thead><tbody><tr><td>(i)</td><td>General Reserve A/c To W's Capital A/c To R's Capital A/c (Being General Reserve distributed among partners)</td><td>Dr.</td><td>5,000</td><td>3,000 2,000</td></tr><tr><td>(ii)</td><td>Cash A/c To C's Capital A/c To Premium for Goodwill A/c (Being cash received as C's capital and premium for goodwill)</td><td>Dr.</td><td>40,000</td><td>30,000 10,000</td></tr><tr><td>(iii)</td><td>Premium for Goodwill A/c To W's Capital A/c To R's Capital A/c (Being premium for Goodwill credited to old partners' capital account in sacrificing ratio)</td><td>Dr.</td><td>10,000</td><td>6,000 4,000</td></tr><tr><td>(iv)</td><td>W's Capital A/c R's Capital A/c To Cash A/c (Being half of goodwill amount withdrawn by W and R)</td><td>Dr. Dr.</td><td>3,000 2,000</td><td>5,000</td></tr><tr><td>(v)</td><td>Bad debts A/c To Debtors A/c (Being debtors ` 1,500 written off)</td><td>Dr.</td><td>1,500</td><td>1,500</td></tr><tr><td>(vi)</td><td>Provision for bad and doubtful debts A/c To Bad debts A/c (Being provision utilised for writing off bad debts)</td><td>Dr.</td><td>1,500</td><td>1,500</td></tr></tbody></table>							Date	Particulars	LF	Dr (`)	Cr (`)	(i)	General Reserve A/c To W's Capital A/c To R's Capital A/c (Being General Reserve distributed among partners)	Dr.	5,000	3,000 2,000	(ii)	Cash A/c To C's Capital A/c To Premium for Goodwill A/c (Being cash received as C's capital and premium for goodwill)	Dr.	40,000	30,000 10,000	(iii)	Premium for Goodwill A/c To W's Capital A/c To R's Capital A/c (Being premium for Goodwill credited to old partners' capital account in sacrificing ratio)	Dr.	10,000	6,000 4,000	(iv)	W's Capital A/c R's Capital A/c To Cash A/c (Being half of goodwill amount withdrawn by W and R)	Dr. Dr.	3,000 2,000	5,000	(v)	Bad debts A/c To Debtors A/c (Being debtors ` 1,500 written off)	Dr.	1,500	1,500	(vi)	Provision for bad and doubtful debts A/c To Bad debts A/c (Being provision utilised for writing off bad debts)	Dr.	1,500	1,500	$\frac{1}{2}$ 1 1 $\frac{1}{2}$ $\frac{1}{2}$ $\frac{1}{2}$
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(iv)	W's Capital A/c R's Capital A/c To Cash A/c (Being half of goodwill amount withdrawn by W and R)	Dr. Dr.	3,000 2,000	5,000																																									
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Downloaded From: http://cbseportal.com/										
			(vii)	Revaluation A/c To Provision for bad and doubtful debts A/c (Being provision for bad debts created)	Dr.		325	325	½	
			(viii)	Outstanding Salary A/c To Cash A/c (Being outstanding salary paid)	Dr.		3,000	3,000	½	
			(ix)	Revaluation A/c To Stock A/c To Furniture A/c To Plant & Machinery A/c (Being decrease in assets recorded)	Dr.		5,700	2,000 500 3,200	1 ½	
			(x)	Investments A/c To Revaluation A/c (Being increase in investments recorded)	Dr.		2,500	2,500	½	
			(xi)	Revaluation A/c To Creditor A/c (Being increase in creditors recorded)	Dr.		2,100	2,100	½	
			(xii)	W's Capital A/c R's Capital A/c To Revaluation A/c (Being loss on revaluation transferred to Partners' Capital A/c)	Dr. Dr.		3,375 2,250	5,625	½ = 8 Marks	
				Note: In case an examinee has combined entry number (vii), (ix) and (xi), full credit may be given. 2 ½ Revaluation A/c To Provision for bad debts A/c To Stock A/c To Furniture A/c To Plant & Machinery A/c To Creditor A/c (Being assets and liabilities revalued)	Dr.		8,125	325 2,000 500 3,200 2,100		
16 OR	17 OR	16 OR	Q. M, N and G were.....M's retirement. Ans. Books of the firm Journal							
			Date	Particulars	LF	Dr (₹)	Cr (₹)			
			(i)	General Reserve A/c To M's Capital A/c To N's Capital A/c To G's Capital A/c (Being General Reserve distributed among partners)	Dr.	30,000	15,000 9,000 6,000	1		
			(ii)	M's Capital A/c N's Capital A/c G's Capital A/c To Profit and Loss A/c (Being accumulated losses divided among partners)	Dr. Dr. Dr.	12,500 7,500 5,000	25,000	1		

Downloaded From : http://cbseportal.com/									
			(iii)	Bad Debts A/c To Debtors A/c (Being debtors of ₹ 2,000 written off)	Dr.		2,000	2,000	½
			(iv)	Provision for bad and doubtful debts A/c To Bad Debts A/c (Being provision utilized for writing off bad debts)	Dr.		2,000	2,000	½
			(v)	Provision for bad and doubtful debts A/c To Revaluation A/c (Being excess provision transferred to Revaluation A/c)	Dr.		850	850	½
			(vi)	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.		45,000	30,000 2,500 7,500 5,000	2
			(vii)	Revaluation A/c To Creditors A/c (Being increase in creditors recorded)	Dr.		10,000	10,000	½
			(viii)	M's Capital A/c N's Capital A/c G's Capital A/c To Revaluation A/c (Being loss on revaluation transferred to Partners' Capital A/c)	Dr. Dr. Dr.		27,075 16,245 10,830	54,150	½
			(ix)	N's Capital A/c G's Capital A/c To M's Capital A/c (Being Goodwill adjusted on M's retirement)	Dr. Dr.		30,000 1,20,000	1,50,000	1
			(x)	M's Capital A/c To M's Loan A/c (Being balance of M's Capital transferred to M's Loan A/c)	Dr.		2,75,425	2,75,425	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.		55,000 30,000 2,500 7,500 5,000 10,000	8 Marks	
Working Notes: Amount payable to M = 1,50,000 + 15,000 – 12,500 – 27,075 + 1,50,000 = ₹ 2,75,425									
17	16	17	Q. AXN Ltd.books of the company. Ans.						

AXN Ltd.

Journal

Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()
(i)	Bank A/c Dr. To Equity Share Application A/c (Being application money received)		4,00,000	4,00,000
(ii)	Equity Share Application A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being application money transferred)		4,00,000	2,00,000 2,00,000
(iii)	Equity Share Allotment A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being share allotment money due)		5,00,000	3,00,000 2,00,000
(iv)	Bank A/c Dr. Calls in Arrears A/c Dr. To Equity Share Allotment A/c To Calls in Advance A/c (Being allotment money received except on 400 shares and calls in advance received) OR Bank A/c Dr. To Equity Share Allotment A/c To Calls in Advance A/c (Being allotment money received except on 400 shares and calls in advance received)		5,05,000 2,000 5,05,000	5,00,000 7,000 4,98,000 7,000
(v)	Equity Share Capital A/c Dr. Securities Premium Reserve A/c Dr. To Shares Forfeited A/c To Calls in arrears A/c/ Equity Share Allotment A/c (Being 400 shares forfeited)		2,000 800	800 2,000
(vi)	Equity Share First call A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being first call money due on 99,600 shares)		3,98,400	1,99,200 1,99,200
(vii)	Bank A/c Dr. Calls in arrears A/c Dr. Calls in advance A/c Dr. 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 Dr. Calls in advance A/c Dr. 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 Dr. Calls in arrears A/c Dr. To Equity Share First Call A/c To Calls in advance A/c		3,95,000 1,200 4,000 3,95,000 4,000 3,95,000 1,200	3,98,400 1,800 3,97,200 1,800 3,94,400 1,800

1

1

1

 $\frac{1}{2}$ $\frac{1}{2}$ $\frac{1}{2}$ $\frac{1}{2}$

12

			(iii)	Equity Share Allotment A/c To Equity Share Capital A/c (Being share allotment money due)	Dr.		4,00,000	4,00,000		
			(iv)	Bank A/c To Equity share allotment a/c (Being Balance amount received on allotment)	Dr.		80,000	80,000	1	
			(v)	Equity share first and final call A/c To Equity share Capital A/c (Being First and final call money due)	Dr.		3,00,000	3,00,000	1	
			(vi)	Bank A/c Calls in arrears A/c Calls in advance A/c To Equity Share first and final call A/c (Being money received on first and final call and advance received earlier adjusted)	Dr. Dr. Dr.		2,39,520 480 60,000	3,00,000	1	
			(vii)	Equity Share capital A/c To Shares Forfeited A/c To Calls in arrears A/c (Being 160 shares forfeited)	Dr.		1,600	1,120 480	1	
			(viii)	Bank A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being forfeited shares reissued)	Dr.		2,400	1,600 800	1	
			(ix)	Shares Forfeited A/c To Capital Reserve A/c (Being gain on reissue of forfeited shares transferred to capital reserve account)	Dr.		1,120	1,120	1 = 8 Marks	
			PART B (Financial Statements Analysis)							
18	-	-	Q. Short term..... statement. Why? Ans. Short term investments are not considered while preparing cash flow statement as they, being Cash & Cash Equivalents, are part of Cash management of the enterprise. OR Short term investments are not considered while preparing cash flow statement as they are part of Cash & Cash Equivalents.							1 Mark
19	-	-	Q. Net increase in..... of your answer. Ans. Decrease Reason: Net increase in working capital implies the outflow of cash from operating activities.							1 Mark
20	-	-	Q. State the.....Statements. Ans. Objectives of 'Financial Statements Analysis': (Any four) (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.							1 X 4 = 4 Marks

14

Cash flow statement of RS 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)	3,50,000	
Add: Non cash and non-operating charges		
Goodwill written off	50,000	
Depreciation on machinery	1,10,000	
Interest on debentures	42,000	
Loss on sale of machinery	10,000	
<i>Operating profit before working capital changes</i>	5,62,000	
Less: Increase in Current Assets		
Increase in inventories	(50,000)	
Net Cash generated from Operating Activities		5,12,000
B. Cash flows from Investing Activities :		
Purchase of machinery	(7,00,000)	
Sale of machinery	30,000	
Purchase of non current investments	(50,000)	
Net Cash used in investing activities		(7,20,000)
C. Cash flows from Financing Activities:		
Issue of share capital	2,00,000	
Issue of 12% debentures	1,00,000	
Interest on debentures paid	(42,000)	
Dividend paid	(1,25,000)	
Bank overdraft raised	75,000	
Net Cash flow from financing activities		2,08,000
Net increase/ decrease in cash & cash equivalents (A+B+C)		Nil
Add: Opening balance of cash & cash equivalents		
Current Investments	70,000	
Cash and Cash Equivalents	43,000	1,13,000
Closing Balance of cash & cash equivalents		
Current Investments	40,000	
Cash and Cash Equivalents	73,000	1,13,000

Notes:**Calculation of Net Profit before tax:**

Net profit as per statement of Profit & Loss	1,50,000
Add: Proposed Dividend	2,00,000
Net Profit before tax & extraordinary items	3,50,000

Machinery A/c

Particulars	₹	Particulars	₹
To Balance b/d	10,55,000	By Cash A/c	30,000
To Cash A/c (Bal figure) (Purchase)	7,00,000	By Statement of P/L	10,000
		By Accumulated Depreciation A/c	40,000
		By Balance c/d	16,75,000
	<u>17,55,000</u>		<u>17,55,000</u>

Accumulated Depreciation A/c

Particulars	₹	Particulars	₹
To Machinery A/c	40,000	By Balance b/d	1,40,000
To Balance c/d	2,10,000	By Statement of P/L (Bal figure)	1,10,000
	<u>2,50,000</u>		<u>2,50,000</u>

			PART B (Computerized Accounting)	
18	19	19	Q. Name any.....flexible manner. Ans. Database tools are: (Any two) <ul style="list-style-type: none"> • Access • Oracle • SQL server 	$\frac{1}{2} \times 2$ =1 Mark
19	18	18	Q. What is a 'Database'? Ans. A database is a shared collection of interrelated data tables, files or structures which are designed to meet the varied informational needs of an organisation. It has the property of being integrated and being shared. (OR any other suitable meaning)	=1 Mark
20	21	22	Q. What is meant.....'Simple Form'? Ans. Form: Access provides a user friendly interface, which allows users to enter information in a graphical way. It is known as 'Form'. This information transparently passes to the underlying database. Split Form: This presentation shows underlying database in one half of the section and form in other half for entering information in the record selected in the datasheet. The two views in the form are synchronized so that scrolling in one view causes scrolling of the other view to same location of the record.	= 4 Marks
21	22	20	Q. Name and explain.....scattered locations. Ans. Name of the software is " Tailored Accounting Software " As they are designed to meet the requirements of large business organisations with multi users who are scattered on different geographical locations. They require special training to run and use. They are important part of the organisational MIS. The secrecy and authenticity checks are robust in such software and they provide high flexibility in terms of number of users as well.	1 3 =4 Marks
22	20	21	Q. Explain any four.....software. Ans. Following are the advantages of computerised accounting software : (Any four) <ul style="list-style-type: none"> • Timely generation of reports and information in desired format. • Efficient record keeping. • Ensures effective control over the system. • Economy in the processing of accounting data. • Conditionality of data is maintained. 	1 X 4 =4 Marks
23	-	-	Q. Explain.....with example. Ans. <ol style="list-style-type: none"> Number Formatting: This feature allows you to format a cell or range based on certain criteria. It changes the appearance of data and makes it easier to read and understand important numeric information. Currency: Excel is equipped to incorporate various currency signs in pictorial form for dollar it uses \$ similarly for other currencies also. If the user instructs the use of the format it will assign a currency format along with entry. (Suitable example) Percentage: If we enter a value representing a percentage as a whole number followed by the percentage sign without any decimal places, Excel assigns to the cell the percentage format that follows the pattern along with the entry. (Suitable example) Dates: If we enter a date (dates are values, too) that follows one of the built in excel formats, such as 16-04-2017 or 16-Apr-2017 the program assigns a date format that follows the pattern of the date. (Suitable example) 	1 $\frac{1}{2}$ X 4 = 6 Marks

Q. Set No.			Marking Scheme 2016-17 Accountancy (055) Delhi – 67/1/2 Expected Answers / Value points	Or marks															
67/ 1/1	67/ 1/2	67/ 1/3																	
6	1	5	Q. Gupta and Sharma.....by them. Ans. Any two of the following: <ul style="list-style-type: none"> Persons of unsound mind/ Lunatic person Insolvent persons Any other person who has been disqualified by law 	$\frac{1}{2} \times 2$ =1 Mark															
5	2	1	Q. Y Ltd..... can be re-issued. Ans. The maximum amount of discount at which these shares can be re-issued is ` 6 per share or ` 600.	=1 Mark															
2	3	4	Q. A and B.....B's sacrifice. Ans. A's Old Share = $\frac{4}{7}$ A's Sacrifice = $\frac{1}{4}$ of $\frac{4}{7} = \frac{1}{7}$ C's Share = $\frac{2}{7}$ B's Sacrifice = C's share – A's sacrifice = $\frac{2}{7} - \frac{1}{7} = \frac{1}{7}$ OR B's Sacrifice = B's Old Share – B's New Share = $\frac{3}{7} - \frac{2}{7} = \frac{1}{7}$	=1 Mark															
3	4	3	Q. P and Q were.....rectify the error. Ans. <div style="text-align: center;">Books of the firm Journal</div> <table border="1"> <thead> <tr> <th>Date</th><th>Particulars</th><th>LF</th><th>Dr (`)</th><th>Cr (`)</th></tr> </thead> <tbody> <tr> <td>2016 April 1</td><td>Q's Current A/c Dr. To P's current A/c (Being the adjustment of interest on capital omitted in previous year)</td><td></td><td>2,500</td><td>2,500</td></tr> </tbody> </table>	Date	Particulars	LF	Dr (`)	Cr (`)	2016 April 1	Q's Current A/c Dr. To P's current A/c (Being the adjustment of interest on capital omitted in previous year)		2,500	2,500	=1 Mark					
Date	Particulars	LF	Dr (`)	Cr (`)															
2016 April 1	Q's Current A/c Dr. To P's current A/c (Being the adjustment of interest on capital omitted in previous year)		2,500	2,500															
4	5	2	Q. X Ltd. invited.....with applicants. Ans. <div style="text-align: center;">Books of the firm Journal</div> <table border="1"> <thead> <tr> <th>Date</th><th>Particulars</th><th>LF</th><th>Dr (`)</th><th>Cr (`)</th></tr> </thead> <tbody> <tr> <td>2016 Jan 1</td><td>Bank A/c Dr. To 9% Debenture Application & Allotment A/c (Being application money received for 1,200 debentures @ ` 94 each)</td><td></td><td>1,12,800</td><td>1,12,800</td></tr> <tr> <td></td><td>9% Debenture Application & Allotment A/c Dr. Discount on Issue of Debentures A/c Dr. To 9 % Debentures A/c To Bank A/c (Being 1000 9% debentures allotted on pro-rata basis)</td><td></td><td>1,12,800 6,000</td><td>1,00,000 18,800</td></tr> </tbody> </table>	Date	Particulars	LF	Dr (`)	Cr (`)	2016 Jan 1	Bank A/c Dr. To 9% Debenture Application & Allotment A/c (Being application money received for 1,200 debentures @ ` 94 each)		1,12,800	1,12,800		9% Debenture Application & Allotment A/c Dr. Discount on Issue of Debentures A/c Dr. To 9 % Debentures A/c To Bank A/c (Being 1000 9% debentures allotted on pro-rata basis)		1,12,800 6,000	1,00,000 18,800	$\frac{1}{2}$ $\frac{1}{2}$ =1 Mark
Date	Particulars	LF	Dr (`)	Cr (`)															
2016 Jan 1	Bank A/c Dr. To 9% Debenture Application & Allotment A/c (Being application money received for 1,200 debentures @ ` 94 each)		1,12,800	1,12,800															
	9% Debenture Application & Allotment A/c Dr. Discount on Issue of Debentures A/c Dr. To 9 % Debentures A/c To Bank A/c (Being 1000 9% debentures allotted on pro-rata basis)		1,12,800 6,000	1,00,000 18,800															
1	6	6	Q. Does partnership..... your answer. Ans. No Reason: As per law the partners and partnership firm have no separate legal entities.	$\frac{1}{2}$ $\frac{1}{2}$ =1 Mark															
-	7	-	Q. XXL Ltd.....equity shares. Ans. <div style="text-align: center;">XXL Ltd. Journal</div> <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</td><td></td><td>50,000</td><td>46,000 4,000</td></tr> </tbody> </table>	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		50,000	46,000 4,000	1					
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		50,000	46,000 4,000															

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			<div>(Being amount payable to debenture holders on conversion)</div> <table><tr><td>9% Debenture holders A/c</td><td>Dr.</td><td>46,000</td><td>36,800</td></tr><tr><td>To Equity Share Capital A/c</td><td></td><td></td><td>9,200</td></tr><tr><td>To Securities Premium Reserve A/c</td><td></td><td></td><td></td></tr></table> <div>(Being debentures converted into equity shares)</div>	9% Debenture holders A/c	Dr.	46,000	36,800	To Equity Share Capital A/c			9,200	To Securities Premium Reserve A/c				1
9% Debenture holders A/c	Dr.	46,000	36,800													
To Equity Share Capital A/c			9,200													
To Securities Premium Reserve A/c																
			<div>Working Notes:</div> <div>Number of equity shares to be issued = 46,000/12.5 = 3,680</div>	1 = 3 Marks												

-	8	-	<div>Q. A,B,C and D.....retirement.</div> <div>Ans.</div> <div>Books of the firm</div> <div>Journal</div> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr. Amt (`)</th><th>Cr. Amt (`)</th></tr><tr><td></td><td>A's Capital A/c</td><td>Dr.</td><td>2,03,000</td><td></td></tr><tr><td></td><td>To B's Capital A/c</td><td></td><td></td><td>77,000</td></tr><tr><td></td><td>To C's Capital A/c</td><td></td><td></td><td>77,000</td></tr><tr><td></td><td>To D's Capital A/c</td><td></td><td></td><td>49,000</td></tr><tr><td></td><td>(Being adjustment for goodwill on D's retirement)</td><td></td><td></td><td></td></tr></table> <div>Working Notes:</div> <div>1. Calculation of Gaining Ratio:</div> <table><tr><td></td><td>A</td><td>B</td><td>C</td><td>D</td></tr><tr><td>New Ratio</td><td>5/7</td><td>1/7</td><td>1/7</td><td>-</td></tr><tr><td>Old Ratio</td><td>3/10</td><td>3/10</td><td>3/10</td><td>1/10</td></tr><tr><td></td><td>29/70 (Gain)</td><td>11/70 (Sacrifice)</td><td>11/70 (Sacrifice)</td><td>7/70 (Sacrifice)</td></tr></table>	Date	Particulars	LF	Dr. Amt (`)	Cr. Amt (`)		A's Capital A/c	Dr.	2,03,000			To B's Capital A/c			77,000		To C's Capital A/c			77,000		To D's Capital A/c			49,000		(Being adjustment for goodwill on D's retirement)					A	B	C	D	New Ratio	5/7	1/7	1/7	-	Old Ratio	3/10	3/10	3/10	1/10		29/70 (Gain)	11/70 (Sacrifice)	11/70 (Sacrifice)	7/70 (Sacrifice)	2 1 = 3 Marks
Date	Particulars	LF	Dr. Amt (`)	Cr. Amt (`)																																																		
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New Ratio	5/7	1/7	1/7	-																																																		
Old Ratio	3/10	3/10	3/10	1/10																																																		
	29/70 (Gain)	11/70 (Sacrifice)	11/70 (Sacrifice)	7/70 (Sacrifice)																																																		

10	9	7	<div>Q. Akash Ltd. Is..... to propagate.</div> <div>Ans.</div> <div>Balance Sheet of Akash Ltd.</div> <div>As at(As per revised schedule VI)</div> <table><tr><th>Particulars</th><th>Note No.</th><th>Amount ` Current year</th><th>Amount ` Previous year</th></tr><tr><td>EQUITY & LIABILITIES</td><td></td><td></td><td></td></tr><tr><td>I Shareholder's funds :</td><td></td><td></td><td></td></tr><tr><td>a) Share Capital</td><td>1</td><td>4,09,98,000</td><td></td></tr></table> <div>Notes to Accounts :</div> <table><tr><th>Particulars</th><th></th></tr><tr><td>(1) Share Capital</td><td></td></tr><tr><td>Authorised Capital :</td><td></td></tr><tr><td>80,00,000 equity shares of ` 10 each</td><td>8,00,00,000</td></tr><tr><td>Issued Capital</td><td></td></tr><tr><td>41,00,000 equity shares of ` 10 each</td><td>4,10,00,000</td></tr><tr><td>Subscribed Capital</td><td></td></tr><tr><td>Subscribed and fully paid Capital</td><td></td></tr><tr><td>40,99,000 shares of ` 10 each</td><td>4,09,90,000</td></tr><tr><td>Subscribed but not fully paid Capital</td><td></td></tr><tr><td>1,000 equity shares of 10 each</td><td>10,000</td></tr><tr><td>Less: Calls in arrears (1,000 X 2)</td><td>2,000</td></tr><tr><td></td><td>8,000</td></tr><tr><td></td><td>4,09,98,000</td></tr></table>	Particulars	Note No.	Amount ` Current year	Amount ` Previous year	EQUITY & LIABILITIES				I Shareholder's funds :				a) Share Capital	1	4,09,98,000		Particulars		(1) Share Capital		Authorised Capital :		80,00,000 equity shares of ` 10 each	8,00,00,000	Issued Capital		41,00,000 equity shares of ` 10 each	4,10,00,000	Subscribed Capital		Subscribed and fully paid Capital		40,99,000 shares of ` 10 each	4,09,90,000	Subscribed but not fully paid Capital		1,000 equity shares of 10 each	10,000	Less: Calls in arrears (1,000 X 2)	2,000		8,000		4,09,98,000	1/2 1/2 1/2
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			<ul style="list-style-type: none"> • Providing employment opportunities to the local youth. • Promotion of rural development. • Promotion of skill development in militant affected areas. • Paying attention towards regions of social unrest. <p>(Or any other suitable value)</p>	$\frac{1}{2} + \frac{1}{2}$ =3 Marks																																								
9	10	8	<p>Q. Z Ltd. Purchased.....Z Ltd. Ans.</p> <p style="text-align: center;">Z 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 K Ltd. (Being machinery purchased from K Ltd.)</td><td></td><td>2,03,000</td><td>2,03,000</td></tr> <tr> <td>(ii)</td><td>K Ltd. Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 5,000 equity shares of ` 10 each issued at 30% premium)</td><td></td><td>65,000</td><td>50,000 15,000</td></tr> <tr> <td>(iii)</td><td>K Ltd. Dr. Discount on Issue of Debentures A/c Dr. To 8% Debentures A/c (Being 1,000 8% debentures of ` 100 each issued at 10% discount)</td><td></td><td>90,000 10,000</td><td>1,00,000</td></tr> <tr> <td>(iv)</td><td>K Ltd. Dr. To Bills Payable A/c (Being balance payment made by giving two months' promissory note)</td><td></td><td>48,000</td><td>48,000</td></tr> </tbody> </table> <p style="text-align: center;">OR Z 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 K Ltd. (Being machinery purchased from K Ltd.)</td><td></td><td>2,03,000</td><td>2,03,000</td></tr> <tr> <td>(ii)</td><td>K Ltd. Dr. Discount on Issue of Debentures A/c Dr. To Equity Share Capital A/c To 8% Debentures A/c To Bills Payable A/c To Securities Premium Reserve A/c (Being payment made to K Ltd.)</td><td></td><td>2,03,000 10,000</td><td>50,000 1,00,000 48,000 15,000</td></tr> </tbody> </table> <p>Working Notes: Purchase Consideration = 65,000 + 90,000 + 48,000 = ` 2,03,000</p>	Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()	(i)	Machinery A/c Dr. To K Ltd. (Being machinery purchased from K Ltd.)		2,03,000	2,03,000	(ii)	K Ltd. Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 5,000 equity shares of ` 10 each issued at 30% premium)		65,000	50,000 15,000	(iii)	K Ltd. Dr. Discount on Issue of Debentures A/c Dr. To 8% Debentures A/c (Being 1,000 8% debentures of ` 100 each issued at 10% discount)		90,000 10,000	1,00,000	(iv)	K Ltd. Dr. To Bills Payable A/c (Being balance payment made by giving two months' promissory note)		48,000	48,000	Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()	(i)	Machinery A/c Dr. To K Ltd. (Being machinery purchased from K Ltd.)		2,03,000	2,03,000	(ii)	K Ltd. Dr. Discount on Issue of Debentures A/c Dr. To Equity Share Capital A/c To 8% Debentures A/c To Bills Payable A/c To Securities Premium Reserve A/c (Being payment made to K Ltd.)		2,03,000 10,000	50,000 1,00,000 48,000 15,000	$\frac{1}{2}$ 1 1 $\frac{1}{2}$ $\frac{1}{2}$ 2 $\frac{1}{2}$ = 3 Marks
Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()																																								
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12	11	12	<p>Q. Sandeep, Mandeep and Amandeep..... Capital Account. Ans.</p>																																									

1/2 X 8

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4 Marks

1

1

2
=
4 Marks

1 ½

Dr					Cr				
Particulars	Ram	Mohan	Sohan	Hari	Particulars	Ram	Mohan	Sohan	Hari
To Revaluation A/c	12,000	9,000	6,000	3,000	By Balance b/d	4,00,000	4,50,000	2,50,000	2,00,000
To Ram's Capital A/c	---	---	13,500	40,500	By Sohan's Capital A/c	13,500	4,500	---	---
To Mohan's Capital A/c	---	---	4,500	13,500	By Hari's Capital A/c	40,500	13,500	---	---
To Partners' Current A/c	3,15,000	2,05,000	---	---	By Partners' Current A/c	---	---	1,55,000	3,65,000
To Balance c/d	1,27,000	2,54,000	3,81,000	5,08,000					
	4,54,000	4,68,000	4,05,000	5,65,000		4,54,000	4,68,000	4,05,000	5,65,000

**Balance Sheet of Ram, Mohan, Sohan & Hari
as at 31st March 2016**

Liabilities		Amt (₹)	Assets		Amt (₹)
Partners' Capital A/c:			Fixed Assets		9,00,000
Ram	1,27,000		Current Assets		5,20,000
Mohan	2,54,000		Partners' Current A/c:		
Sohan	3,81,000		Sohan	1,55,000	
Hari	5,08,000	12,70,000	Hari	3,65,000	5,20,000
Claim for Workmen Compensation		1,50,000			
Partners' Current A/c:					
Ram	3,15,000				
Mohan	2,05,000	5,20,000			
		<u>19,40,000</u>			<u>19,40,000</u>

2 ½

2

= 6 Marks

Q. On 1-4-2015.....every year.

Ans.

V.V.L Ltd.

Journal

Date	Particulars	LF	Dr (₹)	Cr (₹)
2015 Apr 1	Bank A/c Dr. To 9% Debenture Application & Allotment A/c (Being application money received)		94,000	94,000
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 (Being transfer of application money to debenture account issued at discount of 6%, redeemable at premium of 10%)		94,000 6,000 10,000	1,00,000 10,000
	OR			
	9% Debenture Application & Allotment A/c Dr. Loss on Issue of Debentures A/c Dr. To 9 % Debentures A/c To Premium on Redemption of Debentures A/c (Being transfer of application money to debenture account issued at discount of 6%, redeemable at premium of 10%)		94,000 16,000	1,00,000 10,000
2015 Sep 30	Debenture Interest A/c Dr. To Debenture holders A/c To TDS Payable A/c (Being interest payable on 9% debentures and tax deducted at source @ 10%)		4,500	4,050 450

1

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Downloaded From : http://cbseportal.com/																																																																						
			(xii)	Shares Forfeited A/c To Capital Reserve A/c (Being gain on reissue on forfeited shares transferred to capital reserve account)	Dr.		1,600	1,600	<div>www.cbseportal.com</div> <div>=</div> <div>8 Marks</div>																																																													
17 OR	16 OR	17 OR	Q. XL Ltd..... whenever required. Ans. <div>XL Ltd. Journal</div> <table><thead><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr. Amt ()</th><th>Cr. Amt ()</th><th></th></tr></thead><tbody><tr><td>(i)</td><td>Bank A/c To Equity Share Application A/c (Being application money received on 3,00,000 shares)</td><td>Dr.</td><td>9,00,000</td><td>9,00,000</td><td>½</td></tr><tr><td>(ii)</td><td>Equity Share Application A/c To Equity Share Capital A/c To Bank A/c To Equity Share Allotment A/c To Calls in Advance A/c (Being application money transferred)</td><td>Dr.</td><td>9,00,000</td><td>3,00,000 2,20,000 3,20,000 60,000</td><td>½</td></tr><tr><td>(iii)</td><td>Equity Share Allotment A/c To Equity Share Capital A/c (Being share allotment money due)</td><td>Dr.</td><td>4,00,000</td><td>4,00,000</td><td>1</td></tr><tr><td>(iv)</td><td>Bank A/c To Equity share allotment a/c (Being Balance amount received on allotment)</td><td>Dr.</td><td>80,000</td><td>80,000</td><td>1</td></tr><tr><td>(v)</td><td>Equity share first and final call A/c To Equity share Capital A/c (Being First and final call money due)</td><td>Dr.</td><td>3,00,000</td><td>3,00,000</td><td>1</td></tr><tr><td>(vi)</td><td>Bank A/c Calls in arrears A/c Calls in advance A/c To Equity Share first and final call A/c (Being money received on first and final call and advance received earlier adjusted)</td><td>Dr. Dr. Dr.</td><td>2,39,520 480 60,000</td><td>3,00,000</td><td>1</td></tr><tr><td>(vii)</td><td>Equity Share capital A/c To Shares Forfeited A/c To Calls in arrears A/c (Being 160 shares forfeited)</td><td>Dr.</td><td>1,600</td><td>1,120 480</td><td>1</td></tr><tr><td>(viii)</td><td>Bank A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being forfeited shares reissued)</td><td>Dr.</td><td>2,400</td><td>1,600 800</td><td>1</td></tr><tr><td>(ix)</td><td>Shares Forfeited A/c To Capital Reserve A/c (Being gain on reissue of forfeited shares transferred to capital reserve account)</td><td>Dr.</td><td>1,120</td><td>1,120</td><td>1 =</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 on 3,00,000 shares)	Dr.	9,00,000	9,00,000	½	(ii)	Equity Share Application A/c To Equity Share Capital A/c To Bank A/c To Equity Share Allotment A/c To Calls in Advance A/c (Being application money transferred)	Dr.	9,00,000	3,00,000 2,20,000 3,20,000 60,000	½	(iii)	Equity Share Allotment A/c To Equity Share Capital A/c (Being share allotment money due)	Dr.	4,00,000	4,00,000	1	(iv)	Bank A/c To Equity share allotment a/c (Being Balance amount received on allotment)	Dr.	80,000	80,000	1	(v)	Equity share first and final call A/c To Equity share Capital A/c (Being First and final call money due)	Dr.	3,00,000	3,00,000	1	(vi)	Bank A/c Calls in arrears A/c Calls in advance A/c To Equity Share first and final call A/c (Being money received on first and final call and advance received earlier adjusted)	Dr. Dr. Dr.	2,39,520 480 60,000	3,00,000	1	(vii)	Equity Share capital A/c To Shares Forfeited A/c To Calls in arrears A/c (Being 160 shares forfeited)	Dr.	1,600	1,120 480	1	(viii)	Bank A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being forfeited shares reissued)	Dr.	2,400	1,600 800	1	(ix)	Shares Forfeited A/c To Capital Reserve A/c (Being gain on reissue of forfeited shares transferred to capital reserve account)	Dr.	1,120	1,120	1 =	<div>8 Marks</div>
Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()																																																																		
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16	17	16	Q. W and R areC's admission. Ans.																																																																			

Books of the firm

Journal

Date	Particulars	LF	Dr ()	Cr ()
(i)	General Reserve A/c Dr. To W's Capital A/c To R's Capital A/c (Being General Reserve distributed among partners)		5,000	3,000 2,000
(ii)	Cash A/c Dr. To C's Capital A/c To Premium for Goodwill A/c (Being cash received as C's capital and premium for goodwill)		40,000	30,000 10,000
(iii)	Premium for Goodwill A/c Dr. To W's Capital A/c To R's Capital A/c (Being premium for Goodwill credited to old partners' capital account in sacrificing ratio)		10,000	6,000 4,000
(iv)	W's Capital A/c Dr. R's Capital A/c Dr. To Cash A/c (Being half of goodwill amount withdrawn by W and R)		3,000 2,000	5,000
(v)	Bad debts A/c Dr. To Debtors A/c (Being debtors ` 1,500 written off)		1,500	1,500
(vi)	Provision for bad and doubtful debts A/c Dr. To Bad debts A/c (Being provision utilised for writing off bad debts)		1,500	1,500
(vii)	Revaluation A/c Dr. To Provision for bad and doubtful debts A/c (Being provision for bad debts created)		325	325
(viii)	Outstanding Salary A/c Dr. To Cash A/c (Being outstanding salary paid)		3,000	3,000
(ix)	Revaluation A/c Dr. To Stock A/c To Furniture A/c To Plant & Machinery A/c (Being decrease in assets recorded)		5,700	2,000 500 3,200
(x)	Investments A/c Dr. To Revaluation A/c (Being increase in investments recorded)		2,500	2,500
(xi)	Revaluation A/c Dr. To Creditor A/c (Being increase in creditors recorded)		2,100	2,100
(xii)	W's Capital A/c Dr. R's Capital A/c Dr. To Revaluation A/c (Being loss on revaluation transferred to Partners' Capital A/c)		3,375 2,250	5,625

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 $\frac{1}{2}$
= 8 Marks

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

2 ½

Revaluation A/c	Dr.	8,125	
To Provision for bad debts A/c			325
To Stock A/c			2,000
To Furniture A/c			500
To Plant & Machinery A/c			3,200
To Creditor A/c			2,100
(Being assets and liabilities revalued)			

16 OR
17 OR
16 OR

Q. M, N and G were.....M's retirement.

Ans.

**Books of the firm
Journal**

Date	Particulars	LF	Dr (₹)	Cr (₹)
(i)	General Reserve A/c Dr. To M's Capital A/c To N's Capital A/c To G's Capital A/c (Being General Reserve distributed among partners)		30,000	15,000 9,000 6,000
(ii)	M's Capital A/c Dr. N's Capital A/c Dr. G's Capital A/c Dr. To Profit and Loss A/c (Being accumulated losses divided among partners)		12,500 7,500 5,000	25,000
(iii)	Bad Debts A/c Dr. To Debtors A/c (Being debtors of ₹ 2,000 written)		2,000	2,000
(iv)	Provision for bad and doubtful debts A/c Dr. To Bad Debts A/c (Being provision of 5% on debtors for bad and doubtful debts maintained)		2,000	2,000
(v)	Provision for bad and doubtful debts A/c Dr. To Revaluation A/c (Being excess provision transferred to Revaluation A/c)		850	850
(vi)	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)		45,000	30,000 2,500 7,500 5,000
(vii)	Revaluation A/c Dr. To Creditors A/c (Being increase in creditors recorded)		10,000	10,000
(viii)	M's Capital A/c Dr. N's Capital A/c Dr. G's Capital A/c Dr. To Revaluation A/c (Being loss on revaluation transferred to Partners' Capital A/c)		27,075 16,245 10,830	54,150

1

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28

			Heads	Sub-heads	
			General Reserves	Shareholders' funds	Reserves and Surplus
			Short term loans and advances	Current assets	-
			Capital work in progress	Non current assets	Fixed assets
			Design	Non current assets	Fixed assets/ Intangible assets
21	22	21	Q. The quick ratio..... on maturity.		
			Ans.		
			Transaction	Effect on Quick Ratio	Reasons
			(i)	Decrease	Quick assets have decreased but current liabilities have not changed
			(ii)	Decrease	Quick assets have decreased but current liabilities have not changed
			(iii)	Increase	Quick assets have increased but current liabilities have not changed
			(iv)	Decrease	Both Quick assets and Current Liabilities have decreased by the same amount
23	23	23	Q. Following is the..... Cash Flow Statement.		
			Ans.		
			Cash flow statement of RS Ltd.		
			For the year ended 31 st March 2016 as per AS-3 (Revised)		
			Particulars	Details (`)	Amount (R)
			A. Cash Flows from Operating Activities:		
			Net Profit before tax & extraordinary items (note 1)	3,50,000	
			Add: Non cash and non-operating charges		
			Goodwill written off	50,000	
			Depreciation on machinery	1,10,000	
			Interest on debentures	42,000	
			Loss on sale of machinery	10,000	
			<i>Operating profit before working capital changes</i>	5,62,000	
			Less: Increase in Current Assets		
			Increase in inventories	(50,000)	
			Net Cash generated from Operating Activities		5,12,000
			B. Cash flows from Investing Activities :		
			Purchase of machinery	(7,00,000)	
			Sale of machinery	30,000	
			Purchase of non current investments	(50,000)	
			Net Cash used in investing activities		(7,20,000)
			C. Cash flows from Financing Activities:		
			Issue of share capital	2,00,000	
			Issue of 12% debentures	1,00,000	
			Interest on debentures paid	(42,000)	
			Dividend paid	(1,25,000)	
			Bank overdraft raised	75,000	
			Net Cash flow from financing activities		2,08,000
			Net increase/ decrease in cash & cash equivalents (A+B+C)		Nil
			Add: Opening balance of cash & cash equivalents		
			Current Investments	70,000	
			Cash and Cash Equivalents	43,000	
			Closing Balance of cash & cash equivalents		
			Current Investments	40,000	
			Cash and Cash Equivalents	73,000	

Notes:

Calculation of Net Profit before tax:

Net profit as per statement of Profit & Loss	1,50,000
Add: Proposed Dividend	<u>2,00,000</u>
Net Profit before tax & extraordinary items	<u>3,50,000</u>

Machinery A/c

Particulars		Particulars	
To Balance b/d	10,55,000	By Cash A/c	30,000
To Cash A/c (Bal figure) (Purchase)	7,00,000	By Statement of P/L	10,000
		By Accumulated Depreciation A/c	40,000
		By Balance c/d	16,75,000
	<u>17,55,000</u>		<u>17,55,000</u>

Accumulated Depreciation A/c

Particulars		Particulars	
To Machinery A/c	40,000	By Balance b/d	1,40,000
To Balance c/d	2,10,000	By Statement of P/L (Bal fig)	1,10,000
	<u>2,50,000</u>		<u>2,50,000</u>

½

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6 Marks**PART B****(Computerized Accounting)**

19	18	18	Q. What is a 'Database'? Ans. A database is a shared collection of interrelated data tables, files or structures which are designed to meet the varied informational needs of an organisation. It has the property of being integrated and being shared. (OR any other suitable meaning)	=1 Mark
18	19	19	Q. Name any.....flexible manner. Ans. Database tools are: (Any two) <ul style="list-style-type: none"> • Access • Oracle • SQL server 	½ X 2 =1 Mark
22	20	21	Q. Explain any four.....software. Ans. Following are the advantages of computerised accounting software : (Any four) <ul style="list-style-type: none"> • Timely generation of reports and information in desired format. • Efficient record keeping. • Ensures effective control over the system. • Economy in the processing of accounting data. • Conditionality of data is maintained. 	1 X 4 =4 Marks
20	21	22	Q. What is meant.....'Simple Form'? Ans. Form: Access provides a user friendly interface, which allows users to enter information in a graphical way. It is known as 'Form'. This information transparently passes to the underlying database. Split Form: This presentation shows underlying database in one half of the section and form in other half for entering information in the record selected in the datasheet. The two views in the form are synchronized so that scrolling in one view causes scrolling of the other view to same location of the record.	= 4 Marks
21	22	20	Q. Name and explain.....scattered locations. Ans. Name of the software is "Tailored Accounting Software" As they are designed to meet the requirements of large business organisations with multi users who are scattered on different geographical locations. They require special training to run and use. They are important part of the organisational MIS. The secrecy and authenticity checks are robust in such software and they provide high flexibility in terms of number of users as well.	1 3 =4 Marks

23	Q. State the steps..... Formatting.	<p>Ans. Following steps should be taken to change conditional formatting:</p> <ol style="list-style-type: none"> 1. Make sure appropriate worksheet, table is selected in the show formatting rules for list box. 2. Optionally change the range of cells by clicking collapse dialog in the applies to box to temporarily hide, and then select Expand dialog. 3. Select the rule, and then click Edit Rule. The Edit formatting rule dialog box is displayed. 4. Under select a rule type, click Format all cells based on their values 5. Under Edit the Rule Description in Format style list box, select 3-colour scale. 6. To select Minimum and Maximum type (any one of the following): <ul style="list-style-type: none"> ▪ Format highest and lowest value select lowest and highest value. In this case, we do not enter maximum or minimum value. ▪ Format a number, date or time value select number and then enter minimum and maximum value. 	<p>1 X 6 =6 Marks</p>
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Q. Set No.			Marking Scheme 2016-17 Accountancy (055) <u>Delhi – 67/1/3</u> Expected Answers / Value points					www.cbseportal.com																		
67/ 1/1	67/ 1/2	67/ 1/3								or marks																
5	2	1	Q. Y Ltd..... can be re-issued. Ans. The maximum amount of discount at which these shares can be re-issued is ` 6 per share or ` 600.							=1 Mark																
4	5	2	Q. X Ltd. invited.....with applicants. Ans. <div>Books of the firm Journal</div> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr (`)</th><th>Cr (`)</th></tr><tr><td>2016 Jan 1</td><td>Bank A/c Dr. To 9% Debenture Application & Allotment A/c (Being application money received for 1,200 debentures @ ` 94 each)</td><td></td><td>1,12,800</td><td>1,12,800</td></tr><tr><td></td><td>9% Debenture Application & Allotment A/c Dr. Discount on Issue of Debentures A/c Dr. To 9 % Debentures A/c To Bank A/c (Being 1000 9% debentures allotted on pro-rata basis)</td><td></td><td>1,12,800 6,000</td><td>1,00,000 18,800</td></tr></table>							Date	Particulars	LF	Dr (`)	Cr (`)	2016 Jan 1	Bank A/c Dr. To 9% Debenture Application & Allotment A/c (Being application money received for 1,200 debentures @ ` 94 each)		1,12,800	1,12,800		9% Debenture Application & Allotment A/c Dr. Discount on Issue of Debentures A/c Dr. To 9 % Debentures A/c To Bank A/c (Being 1000 9% debentures allotted on pro-rata basis)		1,12,800 6,000	1,00,000 18,800	<div>½</div> <div>½</div> <div>=1 Mark</div>	
Date	Particulars	LF	Dr (`)	Cr (`)																						
2016 Jan 1	Bank A/c Dr. To 9% Debenture Application & Allotment A/c (Being application money received for 1,200 debentures @ ` 94 each)		1,12,800	1,12,800																						
	9% Debenture Application & Allotment A/c Dr. Discount on Issue of Debentures A/c Dr. To 9 % Debentures A/c To Bank A/c (Being 1000 9% debentures allotted on pro-rata basis)		1,12,800 6,000	1,00,000 18,800																						
3	4	3	Q. P and Q were.....rectify the error. Ans. <div>Books of the firm Journal</div> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr (`)</th><th>Cr (`)</th></tr><tr><td>2016 April 1</td><td>Q's Current A/c Dr. To P's current A/c (Being the adjustment of interest on capital omitted in previous year)</td><td></td><td>2,500</td><td>2,500</td></tr></table>							Date	Particulars	LF	Dr (`)	Cr (`)	2016 April 1	Q's Current A/c Dr. To P's current A/c (Being the adjustment of interest on capital omitted in previous year)		2,500	2,500	=1 Mark						
Date	Particulars	LF	Dr (`)	Cr (`)																						
2016 April 1	Q's Current A/c Dr. To P's current A/c (Being the adjustment of interest on capital omitted in previous year)		2,500	2,500																						
2	3	4	Q. A and B.....B's sacrifice. Ans. A's Old Share = 4/7 A's Sacrifice = ¼ of 4/7 = 1/7 C's Share = 2/7 B's Sacrifice = C's share – A's sacrifice = 2/7 – 1/7 = 1/7 OR B's Sacrifice = B's Old Share – B's New Share = 3/7 – 2/7 = 1/7							=1 Mark																
6	1	5	Q. Gupta and Sharma.....by them. Ans. Any two of the following: <ul style="list-style-type: none">Persons of unsound mind/ Lunatic personInsolvent personsAny other person who has been disqualified by law							<div>½ x 2</div> <div>=1 Mark</div>																
1	6	6	Q. Does partnership..... your answer. Ans. No Reason: As per law the partners and partnership firm have no separate legal entities.							<div>½</div> <div>½</div> <div>=1 Mark</div>																
10	9	7	Q. Akash Ltd. Is..... to propagate. Ans. <div>Balance Sheet of Akash Ltd. As at(As per revised schedule VI)</div> <table><tr><th>Particulars</th><th>Note No.</th><th>Amount ` Current year</th><th>Amount ` Previous year</th></tr><tr><td>EQUITY & LIABILITIES</td><td></td><td></td><td></td></tr><tr><td>I Shareholder's funds :</td><td></td><td></td><td></td></tr><tr><td>a) Share Capital</td><td>1</td><td>4,09,98,000</td><td></td></tr></table>							Particulars	Note No.	Amount ` Current year	Amount ` Previous year	EQUITY & LIABILITIES				I Shareholder's funds :				a) Share Capital	1	4,09,98,000		<div>½</div>
Particulars	Note No.	Amount ` Current year	Amount ` Previous year																							
EQUITY & LIABILITIES																										
I Shareholder's funds :																										
a) Share Capital	1	4,09,98,000																								

Notes to Accounts :

Particulars		
(1) Share Capital		
Authorised Capital :		
80,00,000 equity shares of ₹ 10 each		8,00,00,000
Issued Capital		
41,00,000 equity shares of ₹ 10 each		4,10,00,000
Subscribed Capital		
Subscribed and fully paid Capital		
40,99,000 shares of ₹ 10 each	4,09,90,000	
Subscribed but not fully paid Capital		
1,000 equity shares of ₹ 10 each	10,000	
Less: Calls in arrears (1,000 X 2)	2,000	8,000
		4,09,98,000

Values (Any two):

- Providing employment opportunities to the local youth.
- Promotion of rural development.
- Promotion of skill development in militant affected areas.
- Paying attention towards regions of social unrest.

(Or any other suitable value)

½

½

½

½ + ½

=3 Marks**9 10 8 Q. Z Ltd. Purchased.....Z Ltd.****Ans.****Z Ltd.
Journal**

Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()
(i)	Machinery A/c Dr. To K Ltd. (Being machinery purchased from K Ltd.)		2,03,000	2,03,000
(ii)	K Ltd. Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 5,000 equity shares of ₹ 10 each issued at 30% premium)		65,000	50,000 15,000
(iii)	K Ltd. Dr. Discount on Issue of Debentures A/c Dr. To 8% Debentures A/c (Being 1,000 8% debentures of ₹ 100 each issued at 10% discount)		90,000 10,000	1,00,000
(iv)	K Ltd. Dr. To Bills Payable A/c (Being balance payment made by giving two months' promissory note)		48,000	48,000

½

1

1

½

**OR
Z Ltd.
Journal**

Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()
(i)	Machinery A/c Dr. To K Ltd. (Being machinery purchased from K Ltd.)		2,03,000	2,03,000

½

			<p>(ii) K Ltd.</p> <p>Discount on Issue of Debentures A/c Dr. 2,03,000</p> <p>To Equity Share Capital A/c Dr. 10,000</p> <p>To 8% Debentures A/c 50,000</p> <p>To Bills Payable A/c 1,00,000</p> <p>To Securities Premium Reserve A/c 48,000</p> <p>(Being payment made to K Ltd.) 15,000</p>	<p>2 ½</p> <p>=</p> <p>3 Marks</p>																																																		
			<p>Working Notes:</p> <p>Purchase Consideration = 65,000 + 90,000 + 48,000 = ` 2,03,000</p>																																																			
8	-	9	<p>Q. Amar, Ram, Mohan..... Sohan's retirement.</p> <p>Ans.</p> <p style="text-align: center;">Books of the firm</p> <p style="text-align: center;">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</td><td>Amar's Capital A/c Dr.</td><td></td><td>30,000</td><td></td></tr> <tr> <td>Jan 31</td><td>To Ram's Capital A/c</td><td></td><td></td><td>10,000</td></tr> <tr> <td></td><td>To Mohan's Capital A/c</td><td></td><td></td><td>10,000</td></tr> <tr> <td></td><td>To Sohan's Capital A/c</td><td></td><td></td><td>10,000</td></tr> <tr> <td></td><td>(Being adjustment of Goodwill on Sohan's retirement)</td><td></td><td></td><td></td></tr> </tbody> </table> <p>Working Notes:</p> <p>1. Calculation of Gaining Ratio:</p> <table border="1"> <thead> <tr> <th></th><th>Amar</th><th>Ram</th><th>Mohan</th><th>Sohan</th></tr> </thead> <tbody> <tr> <td>New Ratio</td><td>5/7</td><td>1/7</td><td>1/7</td><td>-</td></tr> <tr> <td>Old Ratio</td><td>2/7</td><td>2/7</td><td>2/7</td><td>1/7</td></tr> <tr> <td></td><td>3/7 (Gain)</td><td>1/7 (Sacrifice)</td><td>1/7 (Sacrifice)</td><td>1/7 (Sacrifice)</td></tr> </tbody> </table>	Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()	2017	Amar's Capital A/c Dr.		30,000		Jan 31	To Ram's Capital A/c			10,000		To Mohan's Capital A/c			10,000		To Sohan's Capital A/c			10,000		(Being adjustment of Goodwill on Sohan's retirement)					Amar	Ram	Mohan	Sohan	New Ratio	5/7	1/7	1/7	-	Old Ratio	2/7	2/7	2/7	1/7		3/7 (Gain)	1/7 (Sacrifice)	1/7 (Sacrifice)	1/7 (Sacrifice)	<p>2</p> <p>1</p> <p>=</p> <p>3 Marks</p>
Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()																																																		
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	3/7 (Gain)	1/7 (Sacrifice)	1/7 (Sacrifice)	1/7 (Sacrifice)																																																		
7	-	10	<p>Q. Jain motors..... equity shares.</p> <p>Ans.</p> <p style="text-align: center;">Jain Motors Ltd.</p> <p style="text-align: center;">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></td><td>8% Debentures A/c Dr.</td><td></td><td>20,000</td><td></td></tr> <tr> <td></td><td>To Debenture holders' A/c</td><td></td><td></td><td>18,800</td></tr> <tr> <td></td><td>To Discount on issue of debentures A/c</td><td></td><td></td><td>1,200</td></tr> <tr> <td></td><td>(Being amount payable to debenture holders on conversion)</td><td></td><td></td><td></td></tr> <tr> <td></td><td>Debenture holders' A/c Dr.</td><td></td><td>18,800</td><td></td></tr> <tr> <td></td><td>To Equity Share Capital A/c</td><td></td><td></td><td>15,040</td></tr> <tr> <td></td><td>To Securities Premium Reserve A/c</td><td></td><td></td><td>3,760</td></tr> <tr> <td></td><td>(Being 8 % debentures converted into equity shares)</td><td></td><td></td><td></td></tr> </tbody> </table> <p>Working Notes:</p> <p>Number of equity shares to be issued = 18800/12.5 = 1504</p>	Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()		8% Debentures A/c Dr.		20,000			To Debenture holders' A/c			18,800		To Discount on issue of debentures A/c			1,200		(Being amount payable to debenture holders on conversion)					Debenture holders' A/c Dr.		18,800			To Equity Share Capital A/c			15,040		To Securities Premium Reserve A/c			3,760		(Being 8 % debentures converted into equity shares)				<p>1</p> <p>1</p> <p>1</p> <p>=</p> <p>3 Marks</p>					
Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()																																																		
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11	12	11	<p>Q. Karan and Varun..... premium in cash.</p> <p>Ans.</p>																																																			

(a) Calculation of Hidden Goodwill:

Kishore's share = $\frac{1}{4}$

Kishore's Capital = ₹ 2,00,000

(a) Total capital of the new firm = ₹ 2,00,000 X 4 = ₹ 8,00,000

 (b) Existing total capital of Karan, Varun and Kishore = ₹ 2,00,000 + ₹ 3,00,000 + ₹ 2,00,000
= ₹ 7,00,000

Goodwill of the firm = ₹ 8,00,000 - ₹ 7,00,000 = ₹ 1,00,000

Thus, Kishore's share of goodwill = $\frac{1}{4}$ X ₹ 1,00,000 = ₹ 25,000

(b) Calculation of New Profit Sharing ratio :

Karan's new share = $\frac{1}{3}$ i.e. $\frac{4}{12}$ Varun's new share = $\frac{2}{3} - \frac{1}{4} = \frac{5}{12}$ Kishore's share = $\frac{1}{4} \times \frac{3}{3} = \frac{3}{12}$

New Ratio = 4:5:3

(c)

Books of the firm

Dr.

Journal

Cr.

Date	Particulars	LF	Dr (₹)	Cr (₹)
2016 Apr 1	Kishore's Current A/c Dr. To Varun's Current A/c (Being credit given for goodwill to Varun on Kishore's admission)		25,000	25,000

1

1

2

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4 Marks

12 11 12

Q. Sandeep, Mandeep and Amandeep..... Capital Account.

Ans.

Mandeep's Capital A/c

Dr

Cr

Date	Particulars	Amt (₹)	Date	Particulars	Amt (₹)
2016 Sep 30	To Drawings A/c $\frac{1}{2}$	4,000	2016 April 1	By Balance b/d $\frac{1}{2}$	1,00,000
Sep 30	To Interest on Drawings A/c $\frac{1}{2}$	120	Sep 30	By Interest on Capital A/c $\frac{1}{2}$	6,000
Sep 30	To Mandeep's Executor's A/c $\frac{1}{2}$	2,51,880	Sep 30	By P & L Suspense A/c $\frac{1}{2}$	90,000
			Sep 30	By Sandeep's Capital A/c $\frac{1}{2}$	40,000
			Sep 30	By Amandeep's Capital A/c $\frac{1}{2}$	20,000
		2,56,000			2,56,000

 $\frac{1}{2} \times 8$

=

4 Marks

- - 13

Q. P,Q,R and S..... reconstituted firm.

Ans.

Revaluation A/c

Dr

Cr

Particulars	Amt (₹)	Particulars	Amt (₹)
To Claim for Workmen Compensation	30,000	By loss on revaluation transferred to Partners' Capital A/c	
		P	3,000
		Q	12,000
		R	6,000
		S	9,000
	30,000		30,000

1 $\frac{1}{2}$

Dr					Cr				
Particulars	P	Q	R	S	Particulars	P	Q	R	S
To Revaluation A/c	3,000	12,000	6,000	9,000	By Balance b/d	2,00,000	3,00,000	4,00,000	5,00,000
To Q's Capital A/c	30,375	---	10,125	---	By P's Capital A/c	---	30,375	---	10,125
To S's Capital A/c	10,125	---	3,375	---	By R's Capital A/c	---	10,125	---	3,375
To Cash A/c	---	---	38,000	1,62,000	By Cash A/c	1,86,000	14,000	---	---
To Balance c/d	3,42,500	3,42,500	3,42,500	3,42,500					
	3,86,000	3,54,500	4,00,000	5,13,500		3,86,000	3,54,500	4,00,000	5,13,500

**Balance Sheet of P, Q, R and S
as at 31st March 2016**

Liabilities	Amt (₹)	Assets	Amt (₹)
Partners' Capital A/c:		Fixed Assets	12,70,000
P 3,42,500	13,70,000	Current Assets	5,30,000
Q 3,42,500			
R 3,42,500			
S 3,42,500			
Claim for Workmen Compensation	2,00,000		
Sundry Creditors	2,30,000		
	18,00,000		18,00,000

2 ½

2

= 6 Marks

14 Q. On 1-4-2015.....March 2016.
Ans.

**PVR 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)		7,12,500	7,12,500
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 5%, redeemable at premium of 10%)		7,12,500 37,500 75,000	7,50,000 75,000
	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 5%, redeemable at premium of 10%)		7,12,500 1,12,500	7,50,000 75,000
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%)		41,250	37,125 4,125

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a.+b.	No Entry			
(v) a.	Realisation A/c Dr. To Jeev's Capital A/c (Being remuneration given to Jeev)		10,000	10,000
(v) b.	Jeev's Capital A/c Dr. To Cash A/c (Being the dissolution expenses paid by the firm on behalf of Jeev)		12,000	12,000
(vi)	No Entry			

1
=6 Marks

16 17 16

Q. W and R areC's admission.
Ans.

**Books of the firm
Journal**

Date	Particulars	LF	Dr ()	Cr ()
(i)	General Reserve A/c Dr. To W's Capital A/c To R's Capital A/c (Being General Reserve distributed among partners)		5,000	3,000 2,000
(ii)	Cash A/c Dr. To C's Capital A/c To Premium for Goodwill A/c (Being cash received as C's capital and premium for goodwill)		40,000	30,000 10,000
(iii)	Premium for Goodwill A/c Dr. To W's Capital A/c To R's Capital A/c (Being premium for Goodwill credited to old partners' capital account in sacrificing ratio)		10,000	6,000 4,000
(iv)	W's Capital A/c Dr. R's Capital A/c Dr. To Cash A/c (Being half of goodwill amount withdrawn by W and R)		3,000 2,000	5,000
(v)	Bad debts A/c Dr. To Debtors A/c (Being debtors ` 1,500 written off)		1,500	1,500
(vi)	Provision for bad and doubtful debts A/c Dr. To Bad debts A/c (Being provision utilised for writing off bad debts)		1,500	1,500
(vii)	Revaluation A/c Dr. To Provision for bad and doubtful debts A/c (Being provision for bad debts created)		325	325
(viii)	Outstanding Salary A/c Dr. To Cash A/c (Being outstanding salary paid)		3,000	3,000
(ix)	Revaluation A/c Dr. To Stock A/c To Furniture A/c To Plant & Machinery A/c (Being decrease in assets recorded)		5,700	2,000 500 3,200

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			(x)	Investments A/c To Revaluation A/c (Being increase in investments recorded)	Dr. 	2,500 	2,500	1/2																															
			(xi)	Revaluation A/c To Creditor A/c (Being increase in creditors recorded)	Dr. 	2,100 	2,100	1/2																															
			(xii)	W's Capital A/c R's Capital A/c To Revaluation A/c (Being loss on revaluation transferred to Partners' Capital A/c)	Dr. Dr. 	3,375 2,250 	5,625	1/2 = 8 Marks																															
				Note: In case an examinee has combined entry number (vii), (ix) and (xi), full credit may be given. 2 1/2 Revaluation A/c To Provision for bad and doubtful debts A/c To Stock A/c To Furniture A/c To Plant & Machinery A/c To Creditor A/c (Being assets and liabilities revalued)	Dr. 	8,125 	325 2,000 500 3,200 2,100																																
16 OR	17 OR	16 OR	Q. M, N and G were.....M's retirement. Ans. Books of the firm Journal <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr (₹)</th><th>Cr (₹)</th></tr><tr><td>(i)</td><td>General Reserve A/c To M's Capital A/c To N's Capital A/c To G's Capital A/c (Being General Reserve distributed among partners)</td><td>Dr. </td><td>30,000</td><td>15,000 9,000 6,000</td></tr><tr><td>(ii)</td><td>M's Capital A/c N's Capital A/c G's Capital A/c To Profit and Loss A/c (Being accumulated losses divided among partners)</td><td>Dr. Dr. Dr. </td><td>12,500 7,500 5,000</td><td>25,000</td></tr><tr><td>(iii)</td><td>Bad Debts A/c To Debtors A/c (Being debtors of ₹ 2,000 written off)</td><td>Dr. </td><td>2,000</td><td>2,000</td></tr><tr><td>(iv)</td><td>Provision for bad and doubtful debts A/c To Bad Debts A/c (Being provision of 5% on debtors for bad and doubtful debts maintained)</td><td>Dr. </td><td>2,000</td><td>2,000</td></tr><tr><td>(v)</td><td>Provision for bad and doubtful debts A/c To Revaluation A/c (Being excess provision transferred to Revaluation A/c)</td><td>Dr. </td><td>850</td><td>850</td></tr></table>						Date	Particulars	LF	Dr (₹)	Cr (₹)	(i)	General Reserve A/c To M's Capital A/c To N's Capital A/c To G's Capital A/c (Being General Reserve distributed among partners)	Dr. 	30,000	15,000 9,000 6,000	(ii)	M's Capital A/c N's Capital A/c G's Capital A/c To Profit and Loss A/c (Being accumulated losses divided among partners)	Dr. Dr. Dr. 	12,500 7,500 5,000	25,000	(iii)	Bad Debts A/c To Debtors A/c (Being debtors of ₹ 2,000 written off)	Dr. 	2,000	2,000	(iv)	Provision for bad and doubtful debts A/c To Bad Debts A/c (Being provision of 5% on debtors for bad and doubtful debts maintained)	Dr. 	2,000	2,000	(v)	Provision for bad and doubtful debts A/c To Revaluation A/c (Being excess provision transferred to Revaluation A/c)	Dr. 	850	850	1 <
Date	Particulars	LF	Dr (₹)	Cr (₹)																																			
(i)	General Reserve A/c To M's Capital A/c To N's Capital A/c To G's Capital A/c (Being General Reserve distributed among partners)	Dr. 	30,000	15,000 9,000 6,000																																			
(ii)	M's Capital A/c N's Capital A/c G's Capital A/c To Profit and Loss A/c (Being accumulated losses divided among partners)	Dr. Dr. Dr. 	12,500 7,500 5,000	25,000																																			
(iii)	Bad Debts A/c To Debtors A/c (Being debtors of ₹ 2,000 written off)	Dr. 	2,000	2,000																																			
(iv)	Provision for bad and doubtful debts A/c To Bad Debts A/c (Being provision of 5% on debtors for bad and doubtful debts maintained)	Dr. 	2,000	2,000																																			
(v)	Provision for bad and doubtful debts A/c To Revaluation A/c (Being excess provision transferred to Revaluation A/c)	Dr. 	850	850																																			

(vi)	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.	45,000	30,000 2,500 7,500 5,000	
(vii)	Revaluation A/c To Creditors A/c (Being increase in creditors recorded)	Dr.	10,000	10,000	$\frac{1}{2}$
(viii)	M's Capital A/c N's Capital A/c G's Capital A/c To Revaluation A/c (Being loss on revaluation transferred to Partners' Capital A/c)	Dr. Dr. Dr.	27,075 16,245 10,830	54,150	$\frac{1}{2}$
(ix)	N's Capital A/c G's Capital A/c To M's Capital A/c (Being Goodwill adjusted on M's retirement)	Dr. Dr.	30,000 1,20,000	1,50,000	1
(x)	M's Capital A/c To M's Loan A/c (Being balance of M's Capital transferred to M's Loan A/c)	Dr.	2,75,425	2,75,425	$\frac{1}{2}$ =
	Note: In case an examinee has combined entry number (vi) and (vii), full credit may be given. 2 $\frac{1}{2}$ 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.	55,000	30,000 2,500 7,500 5,000 10,000	8 Marks

Working Notes:

Amount payable to M = 1,50,000 + 15,000 – 12,500 – 27,075 + 1,50,000 = ` **2,75,425**

17 16 17

Q. AXN Ltd.books of the company.

Ans.

**AXN Ltd.
Journal**

Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()
(i)	Bank A/c To Equity Share Application A/c (Being application money received)	Dr.	4,00,000	4,00,000
(ii)	Equity Share Application A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being application money transferred)	Dr.	4,00,000	2,00,000 2,00,000
(iii)	Equity Share Allotment A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being share allotment money due)	Dr.	5,00,000	3,00,000 2,00,000

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			(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 400 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 400 shares and calls in advance received)	Dr. Dr.	5,05,000 2,000	5,00,000 7,000	$\frac{1}{2}$
			(v)	Equity Share Capital A/c Securities Premium Reserve A/c To Shares Forfeited A/c To Calls in arrears A/c/ Equity Share Allotment A/c (Being 400 shares forfeited)	Dr. Dr.	2,000 800	800 2,000	
			(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 99,600 shares)	Dr.	3,98,400	1,99,200 1,99,200	
			(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 (a) 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. Dr. Dr. Dr. Dr. Dr.	3,95,000 1,200 4,000 3,95,000 4,000 3,95,000 1,200 4,000 3,95,000 1,200 2,200	3,98,400 1,800 3,97,200 1,800 3,94,400 1,800 4,000 3,98,400	

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			(viii)	Equity Share Capital A/c Securities Premium Reserve A/c To Shares Forfeited A/c To Calls in arrears A/c/ Share first call A/c (Being 300 shares forfeited)	Dr. Dr.		2,100 600		1,500 1,200	$\frac{1}{2}$																																									
			(ix)	Equity Share Second & Final call A/c To Equity Share Capital A/c (Being second call due on 99,300 shares)	Dr.		2,97,900		2,97,900	$\frac{1}{2}$																																									
			(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.		2,93,100 4,800		2,97,900	$\frac{1}{2}$																																									
			(xi)	Bank A/c Shares Forfeited A/c To Equity Share Capital A/c (Being forfeited shares reissued)	Dr. Dr.		6,300 700		7,000	1																																									
			(xii)	Shares Forfeited A/c To Capital Reserve A/c (Being gain on reissue on forfeited shares transferred to capital reserve account)	Dr.		1,600		1,600	$\frac{1}{2}$ = 8 Marks																																									
17 OR	16 OR	17 OR	Q. XL Ltd..... whenever required. Ans. <div>XL Ltd. Journal</div> <table><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>Bank A/c To Equity Share Application A/c (Being application money received on 3,00,000 shares)</td><td>Dr.</td><td>9,00,000</td><td>9,00,000</td></tr><tr><td>(ii)</td><td>Equity Share Application A/c To Equity Share Capital A/c To Bank A/c To Equity Share Allotment A/c To Calls in Advance A/c (Being application money transferred)</td><td>Dr.</td><td>9,00,000</td><td>3,00,000 2,20,000 3,20,000 60,000</td></tr><tr><td>(iii)</td><td>Equity Share Allotment A/c To Equity Share Capital A/c (Being share allotment money due)</td><td>Dr.</td><td>4,00,000</td><td>4,00,000</td></tr><tr><td>(iv)</td><td>Bank A/c To Equity share allotment a/c (Being Balance amount received on allotment)</td><td>Dr.</td><td>80,000</td><td>80,000</td></tr><tr><td>(v)</td><td>Equity share first and final call A/c To Equity share Capital A/c (Being First and final call money due)</td><td>Dr.</td><td>3,00,000</td><td>3,00,000</td></tr><tr><td>(vi)</td><td>Bank A/c Calls in arrears A/c Calls in advance A/c To Equity Share first and final call A/c (Being money received on first and final call and advance received earlier adjusted)</td><td>Dr. Dr. Dr.</td><td>2,39,520 480 60,000</td><td>3,00,000</td></tr><tr><td>(vii)</td><td>Equity Share capital A/c To Shares Forfeited A/c To Calls in arrears A/c (Being 160 shares forfeited)</td><td>Dr.</td><td>1,600</td><td>1,120 480</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 on 3,00,000 shares)	Dr.	9,00,000	9,00,000	(ii)	Equity Share Application A/c To Equity Share Capital A/c To Bank A/c To Equity Share Allotment A/c To Calls in Advance A/c (Being application money transferred)	Dr.	9,00,000	3,00,000 2,20,000 3,20,000 60,000	(iii)	Equity Share Allotment A/c To Equity Share Capital A/c (Being share allotment money due)	Dr.	4,00,000	4,00,000	(iv)	Bank A/c To Equity share allotment a/c (Being Balance amount received on allotment)	Dr.	80,000	80,000	(v)	Equity share first and final call A/c To Equity share Capital A/c (Being First and final call money due)	Dr.	3,00,000	3,00,000	(vi)	Bank A/c Calls in arrears A/c Calls in advance A/c To Equity Share first and final call A/c (Being money received on first and final call and advance received earlier adjusted)	Dr. Dr. Dr.	2,39,520 480 60,000	3,00,000	(vii)	Equity Share capital A/c To Shares Forfeited A/c To Calls in arrears A/c (Being 160 shares forfeited)	Dr.	1,600	1,120 480	$\frac{1}{2}$ $\frac{1}{2}$ 1 1 1 1 1
Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()																																															
(i)	Bank A/c To Equity Share Application A/c (Being application money received on 3,00,000 shares)	Dr.	9,00,000	9,00,000																																															
(ii)	Equity Share Application A/c To Equity Share Capital A/c To Bank A/c To Equity Share Allotment A/c To Calls in Advance A/c (Being application money transferred)	Dr.	9,00,000	3,00,000 2,20,000 3,20,000 60,000																																															
(iii)	Equity Share Allotment A/c To Equity Share Capital A/c (Being share allotment money due)	Dr.	4,00,000	4,00,000																																															
(iv)	Bank A/c To Equity share allotment a/c (Being Balance amount received on allotment)	Dr.	80,000	80,000																																															
(v)	Equity share first and final call A/c To Equity share Capital A/c (Being First and final call money due)	Dr.	3,00,000	3,00,000																																															
(vi)	Bank A/c Calls in arrears A/c Calls in advance A/c To Equity Share first and final call A/c (Being money received on first and final call and advance received earlier adjusted)	Dr. Dr. Dr.	2,39,520 480 60,000	3,00,000																																															
(vii)	Equity Share capital A/c To Shares Forfeited A/c To Calls in arrears A/c (Being 160 shares forfeited)	Dr.	1,600	1,120 480																																															

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			<p>unfavourable variations in managerial performance.</p> <p>(iii) Assessing the short term and the long term solvency of the enterprise to assess the ability of the company to repay principal amount and interest.</p> <p>(iv) Assessing the performance of business in comparison to that of others through <u>inter firm comparison</u>.</p> <p>(v) Assessing developments in future by <u>forecasting and preparing budgets</u>.</p> <p>(vi) <u>To Ascertain the relative importance of different components of the financial position of the firm.</u></p>	4 Marks															
21	22	21	<p>Q. The quick ratio..... on maturity.</p> <p>Ans.</p> <table><tr><th>Transaction</th><th>Effect on Quick Ratio</th><th>Reasons</th></tr><tr><td>(i)</td><td>Decrease</td><td>Quick assets have decreased but current liabilities have not changed</td></tr><tr><td>(ii)</td><td>Decrease</td><td>Quick assets have decreased but current liabilities have not changed</td></tr><tr><td>(iii)</td><td>Increase</td><td>Quick assets have increased but current liabilities have not changed</td></tr><tr><td>(iv)</td><td>Decrease</td><td>Both Quick assets and Current Liabilities have decreased by the same amount</td></tr></table>	Transaction	Effect on Quick Ratio	Reasons	(i)	Decrease	Quick assets have decreased but current liabilities have not changed	(ii)	Decrease	Quick assets have decreased but current liabilities have not changed	(iii)	Increase	Quick assets have increased but current liabilities have not changed	(iv)	Decrease	Both Quick assets and Current Liabilities have decreased by the same amount	1 X 4 =4 Marks
Transaction	Effect on Quick Ratio	Reasons																	
(i)	Decrease	Quick assets have decreased but current liabilities have not changed																	
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(iii)	Increase	Quick assets have increased but current liabilities have not changed																	
(iv)	Decrease	Both Quick assets and Current Liabilities have decreased by the same amount																	
22	21	22	<p>Q. Financial Statements.....and design.</p> <p>Ans. <u>Values (Any two):</u></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>(Or any other suitable value)</p> <table><tr><th></th><th>Heads</th><th>Sub-heads</th></tr><tr><td>General Reserves</td><td>Shareholders' funds</td><td>Reserves and Surplus</td></tr><tr><td>Short term loans and advances</td><td>Current assets</td><td>-</td></tr><tr><td>Capital work in progress</td><td>Non current assets</td><td>Fixed assets</td></tr><tr><td>Design</td><td>Non current assets</td><td>Fixed assets/ Intangible assets</td></tr></table>		Heads	Sub-heads	General Reserves	Shareholders' funds	Reserves and Surplus	Short term loans and advances	Current assets	-	Capital work in progress	Non current assets	Fixed assets	Design	Non current assets	Fixed assets/ Intangible assets	1 X 2 ½ X 4 = 4 Marks
	Heads	Sub-heads																	
General Reserves	Shareholders' funds	Reserves and Surplus																	
Short term loans and advances	Current assets	-																	
Capital work in progress	Non current assets	Fixed assets																	
Design	Non current assets	Fixed assets/ Intangible assets																	
23	23	23	<p>Q. Following is the..... Cash Flow Statement.</p> <p>Ans.</p>																

Cash flow statement of RS 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)	3,50,000	
Add: Non cash and non-operating charges		
Goodwill written off	50,000	
Depreciation on machinery	1,10,000	
Interest on debentures	42,000	
Loss on sale of machinery	10,000	
<i>Operating profit before working capital changes</i>	5,62,000	
Less: Increase in Current Assets		
Increase in inventories	(50,000)	
Net Cash generated from Operating Activities		5,12,000
B. Cash flows from Investing Activities :		
Purchase of machinery	(7,00,000)	
Sale of machinery	30,000	
Purchase of non current investments	(50,000)	
Net Cash used in investing activities		(7,20,000)
C. Cash flows from Financing Activities:		
Issue of share capital	2,00,000	
Issue of 12% debentures	1,00,000	
Interest on debentures paid	(42,000)	
Dividend paid	(1,25,000)	
Bank overdraft raised	75,000	
Net Cash flow from financing activities		2,08,000
Net increase/ decrease in cash & cash equivalents (A+B+C)		Nil
Add: Opening balance of cash & cash equivalents		
Current Investments	70,000	
Cash and Cash Equivalents	43,000	1,13,000
Closing Balance of cash & cash equivalents		
Current Investments	40,000	
Cash and Cash Equivalents	73,000	1,13,000

Notes:**Calculation of Net Profit before tax:**

Net profit as per statement of Profit & Loss	1,50,000
Add: Proposed Dividend	2,00,000
Net Profit before tax & extraordinary items	3,50,000

Machinery A/c

Particulars	₹	Particulars	₹
To Balance b/d	10,55,000	By Cash A/c	30,000
To Cash A/c (Bal figure) (Purchase)	7,00,000	By Statement of P/L	10,000
		By Accumulated Depreciation A/c	40,000
		By Balance c/d	16,75,000
	<u>17,55,000</u>		<u>17,55,000</u>

Accumulated Depreciation A/c

Particulars	₹	Particulars	₹
To Machinery A/c	40,000	By Balance b/d	1,40,000
To Balance c/d	2,10,000	By Statement of P/L (Bal figure)	1,10,000
	<u>2,50,000</u>		<u>2,50,000</u>

			PART B (Computerized Accounting)	
19	18	18	Q. What is a 'Database'? Ans. A database is a shared collection of interrelated data tables, files or structures which are designed to meet the varied informational needs of an organisation. It has the property of being integrated and being shared. (OR any other suitable meaning)	=1 Mark
18	19	19	Q. Name any.....flexible manner. Ans. Database tools are: (Any two) <ul style="list-style-type: none"> • Access • Oracle • SQL server 	$\frac{1}{2} \times 2$ =1 Mark
21	22	20	Q. Name and explain.....scattered locations. Ans. Name of the software is " Tailored Accounting Software " As they are designed to meet the requirements of large business organisations with multi users who are scattered on different geographical locations. They require special training to run and use. They are important part of the organisational MIS. The secrecy and authenticity checks are robust in such software and they provide high flexibility in terms of number of users as well.	1 3 =4 Marks
22	20	21	Q. Explain any four.....software. Ans. Following are the advantages of computerised accounting software : (Any four) <ul style="list-style-type: none"> • Timely generation of reports and information in desired format. • Efficient record keeping. • Ensures effective control over the system. • Economy in the processing of accounting data. • Conditionality of data is maintained. 	1 X 4 =4 Marks
20	21	22	Q. What is meant.....'Simple Form'? Ans. Form: Access provides a user friendly interface, which allows users to enter information in a graphical way. It is known as 'Form'. This information transparently passes to the underlying database. Split Form: This presentation shows underlying database in one half of the section and form in other half for entering information in the record selected in the datasheet. The two views in the form are synchronized so that scrolling in one view causes scrolling of the other view to same location of the record.	= 4 Marks
23	-	-	Q. Name the.....five advantages. Ans. Pivot Table. Advantages of Pivot Table are: <ul style="list-style-type: none"> • User friendly • Focus on results • Multiple summarisation of data • Filtering, sorting, grouping etc. Makes it possible to focus on information. • Presenting concise, attractive and annotated online or printed reports. • Analysis of related tables is facilitated(with suitable explanation) 	1 1 X 5=5 = 6 Marks