

-Strictly Confidential : (For Internal and Restricted Use Only)**Senior School Certificate Examination****March -2016-17****Marking Scheme - Accountancy (Foreign) 67/2/1, 67/2/2, 67/2/3****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) Foreign – 67/2/1 Expected Answers / Value points	Distribution of marks															
67/2/1	67/2/2	67/2/3																	
1	6	3	Q. State the two.....provided. Ans. (a) When partners contribute unequal amounts of Capital and Share Profits equally. (b) When the capital contribution is same but profit sharing is unequal.	$\frac{1}{2}$ $\frac{1}{2}$ =1 Mark															
2	5	5	Q. Reena and Raman.....Reena's Sacrifice. Ans. Raman's Old Share = $\frac{3}{7}$ Raman's Sacrifice = $\frac{1}{3}$ of $\frac{3}{7}$ = $\frac{1}{7}$ Roma's Share = $\frac{2}{7}$ Reena's Sacrifice = Roma's share – Raman's sacrifice = $\frac{2}{7} - \frac{1}{7} = \frac{1}{7}$ OR Reena's Old Share = $\frac{4}{7}$ Reena's new share = $\frac{3}{7}$ Reena's Sacrifice = $\frac{4}{7} - \frac{3}{7} = \frac{1}{7}$	=1 Mark															
3	4	1	Q. Suman and Sudha.....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>Sudha's Current A/c Dr. To Suman's Current A/c (Being the adjustment of interest on capital omitted in previous year now rectified)</td><td></td><td>1,500</td><td>1,500</td></tr> </tbody> </table>	Date	Particulars	LF	Dr (₹)	Cr (₹)	2016 April 1	Sudha's Current A/c Dr. To Suman's Current A/c (Being the adjustment of interest on capital omitted in previous year now rectified)		1,500	1,500	=1 Mark					
Date	Particulars	LF	Dr (₹)	Cr (₹)															
2016 April 1	Sudha's Current A/c Dr. To Suman's Current A/c (Being the adjustment of interest on capital omitted in previous year now rectified)		1,500	1,500															
4	3	6	Q. Y Ltd. invited.....issue of debentures. 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 2,400 debentures @ ₹ 90 each)</td><td></td><td>2,16,000</td><td>2,16,000</td></tr> <tr> <td>2016 Jan 1</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 2000, 9% debentures allotted on pro-rata basis)</td><td></td><td>2,16,000 20,000</td><td>2,00,000 36,000</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 2,400 debentures @ ₹ 90 each)		2,16,000	2,16,000	2016 Jan 1	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 2000, 9% debentures allotted on pro-rata basis)		2,16,000 20,000	2,00,000 36,000	$\frac{1}{2}$ $\frac{1}{2}$ =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 2,400 debentures @ ₹ 90 each)		2,16,000	2,16,000															
2016 Jan 1	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 2000, 9% debentures allotted on pro-rata basis)		2,16,000 20,000	2,00,000 36,000															
5	2	2	Q. Z Ltd..... can be re-issued. Ans. The maximum amount of discount at which these shares can be re-issued is ₹ 8 per share or ₹ 8,000.	=1 Mark															
6	1	4	Q. List the categories.....partnership firm. Ans. Any two of the following: <ul style="list-style-type: none"> • Persons of unsound mind / Lunatics • Insolvent persons • Any other individual who has been disqualified by law 	$\frac{1}{2} \times 2$ =1 Mark															
7	10	8	Q. Raj Motors Ltd..... books of Raj Motors Ltd. Ans.																

			<p style="text-align: center;">Raj Motors 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></td><td>12% 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>40,000</td><td>37,600 2,400</td></tr> <tr> <td></td><td>Debenture holders A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 12% debentures converted into equity shares)</td><td></td><td>37,600</td><td>30,080 7,520</td></tr> </tbody> </table> <p>Working Notes: Number of equity shares to be issued = 37,600/12.50 = 3008 shares</p>	Date	Particulars	LF	Dr. Amt (₹)	Cr. Amt (₹)		12% 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)		40,000	37,600 2,400		Debenture holders A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 12% debentures converted into equity shares)		37,600	30,080 7,520	<p style="text-align: center;">1 1 1 = 3 Marks</p>															
Date	Particulars	LF	Dr. Amt (₹)	Cr. Amt (₹)																														
	12% 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)		40,000	37,600 2,400																														
	Debenture holders A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 12% debentures converted into equity shares)		37,600	30,080 7,520																														
8	9	10	<p>Q. P,Q,R, AND S S's retirement. Ans.</p> <p style="text-align: center;">Books of the firm Journal</p> <table border="1"> <thead> <tr> <th>Date</th><th>Particulars</th><th>LF</th><th>Dr. Amt (₹)</th><th>Cr. Amt (₹)</th></tr> </thead> <tbody> <tr> <td>2017 Jan 31</td><td>R's Capital A/c Dr. To P's Capital A/c To S's Capital A/c (Being adjustment of Goodwill on S's retirement)</td><td></td><td>84,000</td><td>42,000 42,000</td></tr> </tbody> </table> <p>Working Notes: 1. Calculation of Gaining Ratio:</p> <table border="1"> <thead> <tr> <th></th><th>P</th><th>Q</th><th>R</th><th>S</th></tr> </thead> <tbody> <tr> <td>New Ratio</td><td>4/10</td><td>3/10</td><td>3/10</td><td>-</td></tr> <tr> <td>Old Ratio</td><td>5/10</td><td>3/10</td><td>1/10</td><td>1/10</td></tr> <tr> <td></td><td>1/10 (Sacrifice)</td><td>Nil</td><td>-2/10 (Gain)</td><td>1/10 (Sacrifice)</td></tr> </tbody> </table>	Date	Particulars	LF	Dr. Amt (₹)	Cr. Amt (₹)	2017 Jan 31	R's Capital A/c Dr. To P's Capital A/c To S's Capital A/c (Being adjustment of Goodwill on S's retirement)		84,000	42,000 42,000		P	Q	R	S	New Ratio	4/10	3/10	3/10	-	Old Ratio	5/10	3/10	1/10	1/10		1/10 (Sacrifice)	Nil	-2/10 (Gain)	1/10 (Sacrifice)	<p style="text-align: center;">2 1 = 3 Marks</p>
Date	Particulars	LF	Dr. Amt (₹)	Cr. Amt (₹)																														
2017 Jan 31	R's Capital A/c Dr. To P's Capital A/c To S's Capital A/c (Being adjustment of Goodwill on S's retirement)		84,000	42,000 42,000																														
	P	Q	R	S																														
New Ratio	4/10	3/10	3/10	-																														
Old Ratio	5/10	3/10	1/10	1/10																														
	1/10 (Sacrifice)	Nil	-2/10 (Gain)	1/10 (Sacrifice)																														
9	8	7	<p>Q. C India Ltd. Purchased..... B India Ltd. Ans.</p> <p style="text-align: center;">C India 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 B India Ltd. (Being machinery purchased from B India Ltd.)</td><td></td><td>2,52,000</td><td>2,52,000</td></tr> <tr> <td>(ii)</td><td>B India Ltd. Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 10,000 equity shares of ₹ 10 each issued at 20% premium)</td><td></td><td>1,20,000</td><td>1,00,000 20,000</td></tr> </tbody> </table>	Date	Particulars	LF	Dr. Amt (₹)	Cr. Amt (₹)	(i)	Machinery A/c Dr. To B India Ltd. (Being machinery purchased from B India Ltd.)		2,52,000	2,52,000	(ii)	B India Ltd. Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 10,000 equity shares of ₹ 10 each issued at 20% premium)		1,20,000	1,00,000 20,000	<p style="text-align: center;">½ 1</p>															
Date	Particulars	LF	Dr. Amt (₹)	Cr. Amt (₹)																														
(i)	Machinery A/c Dr. To B India Ltd. (Being machinery purchased from B India Ltd.)		2,52,000	2,52,000																														
(ii)	B India Ltd. Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 10,000 equity shares of ₹ 10 each issued at 20% premium)		1,20,000	1,00,000 20,000																														

			<table><tr><td>(iii)</td><td>B India Ltd. Discount on Issue of Debentures A/c To 9% Debentures A/c (Being 1000 9% debentures of ₹ 100 each issued at 5% discount)</td><td>Dr. Dr.</td><td>95,000 5,000</td><td>1,00,000</td></tr><tr><td>(iv)</td><td>B India Ltd. To Bank A/c (Being balance payment made by giving a bank draft)</td><td>Dr.</td><td>37,000</td><td>37,000</td></tr></table> <p style="text-align: center;">OR C India Ltd. Journal</p> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr. Amt (₹)</th><th>Cr. Amt (₹)</th></tr><tr><td>(i)</td><td>Machinery A/c To B India Ltd. (Being machinery purchased from B India Ltd.)</td><td>Dr.</td><td>2,52,000</td><td>2,52,000</td></tr><tr><td>(ii)</td><td>B India Ltd. Discount on Issue of Debentures A/c To Equity Share Capital A/c To 9% Debentures A/c To Bank A/c To Securities Premium Reserve A/c (Being payment made to B India Ltd.)</td><td>Dr. Dr.</td><td>2,52,000 5,000</td><td>1,00,000 1,00,000 37,000 20,000</td></tr></table> <p>Working Notes: Purchase Consideration = 1,20,000 + 95,000 + 37,000 = ₹ 2,52,000</p>	(iii)	B India Ltd. Discount on Issue of Debentures A/c To 9% Debentures A/c (Being 1000 9% debentures of ₹ 100 each issued at 5% discount)	Dr. Dr.	95,000 5,000	1,00,000	(iv)	B India Ltd. To Bank A/c (Being balance payment made by giving a bank draft)	Dr.	37,000	37,000	Date	Particulars	LF	Dr. Amt (₹)	Cr. Amt (₹)	(i)	Machinery A/c To B India Ltd. (Being machinery purchased from B India Ltd.)	Dr.	2,52,000	2,52,000	(ii)	B India Ltd. Discount on Issue of Debentures A/c To Equity Share Capital A/c To 9% Debentures A/c To Bank A/c To Securities Premium Reserve A/c (Being payment made to B India Ltd.)	Dr. Dr.	2,52,000 5,000	1,00,000 1,00,000 37,000 20,000	<p>1</p> <p>½</p> <p>½</p> <p>2 ½</p> <p>=</p> <p>3 Marks</p>									
(iii)	B India Ltd. Discount on Issue of Debentures A/c To 9% Debentures A/c (Being 1000 9% debentures of ₹ 100 each issued at 5% discount)	Dr. Dr.	95,000 5,000	1,00,000																																		
(iv)	B India Ltd. To Bank A/c (Being balance payment made by giving a bank draft)	Dr.	37,000	37,000																																		
Date	Particulars	LF	Dr. Amt (₹)	Cr. Amt (₹)																																		
(i)	Machinery A/c To B India Ltd. (Being machinery purchased from B India Ltd.)	Dr.	2,52,000	2,52,000																																		
(ii)	B India Ltd. Discount on Issue of Debentures A/c To Equity Share Capital A/c To 9% Debentures A/c To Bank A/c To Securities Premium Reserve A/c (Being payment made to B India Ltd.)	Dr. Dr.	2,52,000 5,000	1,00,000 1,00,000 37,000 20,000																																		
10	7	9	<p>Q. Gagan Ltd. is..... to propagate. Ans.</p> <p style="text-align: center;">Balance Sheet of Gagan Ltd. As at(As per revised schedule VI)</p> <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><u>5,19,98,500</u></td><td></td></tr></table> <p>Notes to Accounts :</p> <table><tr><th>Particulars</th><th>(₹)</th></tr><tr><td>(1) Share Capital</td><td></td></tr><tr><td>Authorised Capital : 1,50,00,000 equity shares of ₹ 10 each</td><td><u>15,00,00,000</u></td></tr><tr><td>Issued Capital 52,00,000 equity shares of ₹ 10 each</td><td><u>5,20,00,000</u></td></tr><tr><td>Subscribed and fully paid Capital 51,99,500 shares of ₹ 10 each</td><td>5,19,95,000</td></tr><tr><td>Subscribed but not fully paid Capital 500 equity shares of 10 each</td><td>5,000</td></tr><tr><td>Less: Calls in arrears (500 X 3)</td><td><u>1,500</u></td></tr><tr><td></td><td><u>3,500</u></td></tr><tr><td></td><td><u>5,19,98,500</u></td></tr></table>	Particulars	Note No.	Amount (₹) Current year	Amount (₹) Previous year	EQUITY & LIABILITIES				I Shareholder's funds :				a) Share Capital	1	<u>5,19,98,500</u>		Particulars	(₹)	(1) Share Capital		Authorised Capital : 1,50,00,000 equity shares of ₹ 10 each	<u>15,00,00,000</u>	Issued Capital 52,00,000 equity shares of ₹ 10 each	<u>5,20,00,000</u>	Subscribed and fully paid Capital 51,99,500 shares of ₹ 10 each	5,19,95,000	Subscribed but not fully paid Capital 500 equity shares of 10 each	5,000	Less: Calls in arrears (500 X 3)	<u>1,500</u>		<u>3,500</u>		<u>5,19,98,500</u>	<p>½</p> <p>½</p> <p>½</p>
Particulars	Note No.	Amount (₹) Current year	Amount (₹) Previous year																																			
EQUITY & LIABILITIES																																						
I Shareholder's funds :																																						
a) Share Capital	1	<u>5,19,98,500</u>																																				
Particulars	(₹)																																					
(1) Share Capital																																						
Authorised Capital : 1,50,00,000 equity shares of ₹ 10 each	<u>15,00,00,000</u>																																					
Issued Capital 52,00,000 equity shares of ₹ 10 each	<u>5,20,00,000</u>																																					
Subscribed and fully paid Capital 51,99,500 shares of ₹ 10 each	5,19,95,000																																					
Subscribed but not fully paid Capital 500 equity shares of 10 each	5,000																																					
Less: Calls in arrears (500 X 3)	<u>1,500</u>																																					
	<u>3,500</u>																																					
	<u>5,19,98,500</u>																																					

www.cseportal.com

			Values (Any two): <ul style="list-style-type: none">• Providing employment opportunities to the local youth.• Promotion of rural development.• Promotion of skill development in the state of Jharkhand.• Paying attention towards regions of social unrest. (Or any other suitable value)	$\frac{1}{2} + \frac{1}{2}$ =3 Marks																																														
11	12	11	Q. Pankaj and Naresh..... treatment of Goodwill. Ans. <u>(a)Calculation of Hidden Goodwill:</u> Saurabh's share = $\frac{1}{5}$ Saurabh's Capital = ₹ 3,00,000 (a) Total capital of the new firm = 3,00,000 X 5 = 15,00,000 (b) Existing total capital of Pankaj, Naresh and Saurabh = ₹ 5,00,000 + ₹ 3,00,000 + ₹ 3,00,000 = ₹ 11,00,000 Goodwill of the firm = 15,00,000 - 11,00,000 = 4,00,000 Thus, Saurabh's share of goodwill = $\frac{1}{5} \times 4,00,000 = 80,000$ <u>(b)Calculation of New Profit Sharing ratio :</u> Pankaj's new share = $\frac{3}{5} - \frac{1}{5} = \frac{2}{5}$ Naresh's new share = $\frac{2}{5}$ Saurabh's share = $\frac{1}{5}$ New Ratio = 2:2:1 (c) Books of the firm Journal <table><tr><th>Dr.</th><th></th><th></th><th>Cr.</th></tr><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr (₹) Cr (₹)</th></tr><tr><td>2016 Apr 1</td><td>Saurabh's Current A/c Dr. To Pankaj's Current A/c (Being credit given for goodwill to Pankaj on Saurabh's admission)</td><td></td><td>80,000 80,000</td></tr></table>	Dr.			Cr.	Date	Particulars	LF	Dr (₹) Cr (₹)	2016 Apr 1	Saurabh's Current A/c Dr. To Pankaj's Current A/c (Being credit given for goodwill to Pankaj on Saurabh's admission)		80,000 80,000	1 1 2 = 4 Marks																																		
Dr.			Cr.																																															
Date	Particulars	LF	Dr (₹) Cr (₹)																																															
2016 Apr 1	Saurabh's Current A/c Dr. To Pankaj's Current A/c (Being credit given for goodwill to Pankaj on Saurabh's admission)		80,000 80,000																																															
12	11	12	Q. X, Y and Z..... Capital Account. Ans. Z's Capital A/c <table><tr><th>Dr</th><th></th><th></th><th>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 $\left(\frac{1}{2}\right)$</td><td>30,000</td><td>2016 April 1</td><td>By Balance b/d $\left(\frac{1}{2}\right)$</td><td>80,000</td></tr><tr><td>Sep 30</td><td>To Interest on Drawings A/c $\left(\frac{1}{2}\right)$</td><td>2,000</td><td>Sep 30</td><td>By Interest on Capital A/c $\left(\frac{1}{2}\right)$</td><td>4,800</td></tr><tr><td>Sep 30</td><td>To Z's Executor's A/c $\left(\frac{1}{2}\right)$</td><td>1,32,800</td><td>Sep 30</td><td>By P & L Suspense A/c $\left(\frac{1}{2}\right)$</td><td>20,000</td></tr><tr><td></td><td></td><td></td><td>Sep 30</td><td>By X's Capital A/c $\left(\frac{1}{2}\right)$</td><td>37,500</td></tr><tr><td></td><td></td><td></td><td>Sep 30</td><td>By Y's Capital A/c $\left(\frac{1}{2}\right)$</td><td>22,500</td></tr><tr><td></td><td></td><td>1,64,800</td><td></td><td></td><td>1,64,800</td></tr></table>	Dr			Cr	Date	Particulars	Amt (₹)	Date	Particulars	Amt (₹)	2016 Sep 30	To Drawings A/c $\left(\frac{1}{2}\right)$	30,000	2016 April 1	By Balance b/d $\left(\frac{1}{2}\right)$	80,000	Sep 30	To Interest on Drawings A/c $\left(\frac{1}{2}\right)$	2,000	Sep 30	By Interest on Capital A/c $\left(\frac{1}{2}\right)$	4,800	Sep 30	To Z's Executor's A/c $\left(\frac{1}{2}\right)$	1,32,800	Sep 30	By P & L Suspense A/c $\left(\frac{1}{2}\right)$	20,000				Sep 30	By X's Capital A/c $\left(\frac{1}{2}\right)$	37,500				Sep 30	By Y's Capital A/c $\left(\frac{1}{2}\right)$	22,500			1,64,800			1,64,800	$\frac{1}{2} \times 8$ 4 Marks
Dr			Cr																																															
Date	Particulars	Amt (₹)	Date	Particulars	Amt (₹)																																													
2016 Sep 30	To Drawings A/c $\left(\frac{1}{2}\right)$	30,000	2016 April 1	By Balance b/d $\left(\frac{1}{2}\right)$	80,000																																													
Sep 30	To Interest on Drawings A/c $\left(\frac{1}{2}\right)$	2,000	Sep 30	By Interest on Capital A/c $\left(\frac{1}{2}\right)$	4,800																																													
Sep 30	To Z's Executor's A/c $\left(\frac{1}{2}\right)$	1,32,800	Sep 30	By P & L Suspense A/c $\left(\frac{1}{2}\right)$	20,000																																													
			Sep 30	By X's Capital A/c $\left(\frac{1}{2}\right)$	37,500																																													
			Sep 30	By Y's Capital A/c $\left(\frac{1}{2}\right)$	22,500																																													
		1,64,800			1,64,800																																													
13	-	-	Q. Manu, Hari, Ali and Reshma..... reconstituted firm. Ans.																																															

			Revaluation A/c										
			Dr					Cr					
			Particulars		Amt (`)		Particulars		Amt (`)				
			To Claim for Workmen Compensation		5,000		By loss on revaluation transferred to Partners' Capital A/c						
			To Fixed assets A/c		80,000		Manu		17,000				
							Hary		17,000				
							Ali		8,500				
							Reshma		<u>42,500</u>		85,000		
					<u>85,000</u>						<u>85,000</u>		
			Partner's Capital A/c										
			Dr					Cr					
			Particulars	Manu	Hari	Ali	Reshma	Particulars	Manu	Hari	Ali	Reshma	
			To Revaluation A/c	17,000	17,000	8,500	42,500	By Balance b/d	2,00,000	2,50,000	1,50,000	3,50,000	
			To Reshma's Capital A/c	2,000	2,000	6,000	---	By Manu's Capital A/c	---	---	---	2,000	
			To Cash A/c	---	14,750	---	1,01,250	By Hary's Capital A/c	---	---	---	2,000	
			To Balance c/d	2,16,250	2,16,250	2,16,250	2,16,250	By Ali's Capital A/c	---	---	---	6,000	
								By Cash A/c	35,250	---	80,750	---	
				2,35,250	2,50,000	2,30,750	3,60,000		2,35,250	2,50,000	2,30,750	3,60,000	
			Balance Sheet of Manu, Hary, Ali and Reshma as at 31 st March 2016										
			Liabilities		Amt (`)		Assets		Amt (`)				
			Sundry Creditors		45,000		Fixed Assets		7,20,000				
			Partners' Capital A/c:				Current Assets		2,40,000				
			Manu		2,16,250								
			Hary		2,16,250								
			Ali		2,16,250								
			Reshma		<u>2,16,250</u>				8,65,000				
			Claim for Workmen Compensation		50,000								
					<u>9,60,000</u>				<u>9,60,000</u>				
14	-	-	Q. On 1-4-2015.....year ended 31.3.2016.										
			Ans. J.K. Ltd.										
			Journal										
			Date	Particulars			LF	Dr (`)		Cr (`)			
			2015 Apr 1	Bank A/c Dr. To 10% Debenture Application & Allotment A/c (Being application money received)				1,45,500		1,45,500		1	
			2015 Apr 1	10% Debenture Application & Allotment A/c Dr. Discount on Issue of Debentures A/c Dr. Loss on Issue of Debentures A/c Dr. To 10 % Debentures A/c To Premium on Redemption of Debentures A/c (Being transfer of application money to debenture account issued at discount of 3%, redeemable at premium of 8%)				1,45,500 4,500 12,000		1,50,000 12,000		1	

7

8

9

			(iii)	Bad Debts A/c To Debtors A/c (Being debtors of ₹ 6000 written off)	Dr.		6,000	6,000	72
			(iv)	Provision for bad and doubtful debts A/c To Bad Debts A/c (Being provision utilised for writing off bad and doubtful debts)	Dr.		6,000	6,000	½
			(v)	Provision for bad and doubtful debts A/c To Revaluation A/c (Being excess provision transferred to Revaluation A/c)	Dr.		2,550	2,550	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.		1,35,000	90,000 7,500 22,500 15,000	2
			(vii)	Revaluation A/c To Creditors A/c (Being increase in creditors recorded)	Dr.		30,000	30,000	½
			(viii)	N's Capital A/c S'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.		32,490 48,735 81,225	1,62,450	½
			(ix)	N's Capital A/c S's Capital A/c To G's Capital A/c (Being Goodwill adjusted on G's retirement)	Dr. Dr.		18,000 27,000	45,000	1
			(x)	G's Capital A/c To G's Loan A/c (Being balance of G's Capital transferred to G's Loan A/c)	Dr.		4,21,275	4,21,275	½ =
				Note: In case an examinee has combined entry number (vi) and (vii), full credit may be given.					8 Marks
				Revaluation A/c To Patents A/c To Stock A/c To Machinery A/c To Building A/c To Creditors A/c (Being assets and liabilities revalued)	Dr.		1,65,000	90,000 7,500 22,500 15,000 30,000	2 ½
			Working Notes: Amount payable to G = 4,50,000 - 81,225 + 45,000 + 45,000 - 37,500 = ₹ 4,21,275						
17	17	16	Q. BBG Ltd.books of the company. Ans.						

BBG Ltd. Journal						
Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()		
(i)	Bank A/c Dr. To Equity Share Application A/c (Being application money received on shares)		8,00,000	8,00,000		1
(ii)	Equity Share Application A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being application money transferred)		8,00,000	4,00,000 4,00,000		1
(iii)	Equity Share Allotment A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being share allotment money due)		10,00,000	6,00,000 4,00,000		1
(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 1,000 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 1,000 shares and calls in advance received)		10,11,500 5,000 10,11,500	10,00,000 16,500 9,95,000 16,500		1
(v)	Equity Share Capital A/c Dr. Securities Premium Reserve A/c Dr. To Shares Forfeited A/c To Equity Share Allotment A/c/ Calls in arrears A/c (Being 1,000 shares forfeited after allotment)		5,000 2,000	2,000 5,000		1
(vi)	Equity Share First call A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being first call made due on 1,99,000 shares)		9,95,000	3,98,000 5,97,000		½
(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)		9,88,600 2,500 7,500 9,88,600 7,500	9,95,000 3,600 9,92,500 3,600		½
(viii)	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 First Call A/c (Being 500 shares forfeited)		3,500 1,500	2,500 2,500		½

			(ix)	Equity Share Second & Final call A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being second call due on 1,98,500 shares)	Dr.		11,91,000	5,95,500 5,95,500		½																																													
			(x)	Bank A/c Calls in advance A/c To Equity share second and final call A/c (Being second and final call received)	Dr. Dr.		11,78,400 12,600	11,91,000		1 = 8 Marks																																													
17 OR	17 OR	16 OR	Q. Joy Ltd..... books of the company. Ans. <div style="text-align: center;">Joy Ltd. Journal</div> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr. Amt ()</th><th>Cr. Amt ()</th></tr><tr><td>(i)</td><td>Bank A/c To Equity Share Application A/c (Being application money received on 60,000 shares)</td><td>Dr.</td><td>1,80,000</td><td>1,80,000</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>1,80,000</td><td>60,000 40,000 65,000 15,000</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>80,000</td><td>80,000</td></tr><tr><td>(iv)</td><td>Bank A/c Calls in arrears A/c To Equity share allotment a/c (Being amount received on allotment) OR Bank A/c To Equity share allotment a/c (Being amount received on allotment)</td><td>Dr. Dr.</td><td>14,700 300</td><td>15,000</td></tr><tr><td>(v)</td><td>Equity Share capital A/c To Shares Forfeited A/c To Calls in arrears A/c (Being 300 shares forfeited on which allotment money was not received)</td><td>Dr.</td><td>2,100</td><td>1,800 300</td></tr><tr><td>(vi)</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>59,100</td><td>59,100</td></tr><tr><td>(vii)</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 first and final call money received except on 200 shares) OR Bank A/c Calls in advance A/c To Equity share first and final call A/c (Being first and final call money received except on 200 shares)</td><td>Dr. Dr. Dr.</td><td>43,500 600 15,000</td><td>59,100</td></tr><tr><td></td><td></td><td>Dr. Dr.</td><td>43,500 15,000</td><td>58,500</td></tr></table>							Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()	(i)	Bank A/c To Equity Share Application A/c (Being application money received on 60,000 shares)	Dr.	1,80,000	1,80,000	(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.	1,80,000	60,000 40,000 65,000 15,000	(iii)	Equity Share Allotment A/c To Equity Share Capital A/c (Being share allotment money due)	Dr.	80,000	80,000	(iv)	Bank A/c Calls in arrears A/c To Equity share allotment a/c (Being amount received on allotment) OR Bank A/c To Equity share allotment a/c (Being amount received on allotment)	Dr. Dr.	14,700 300	15,000	(v)	Equity Share capital A/c To Shares Forfeited A/c To Calls in arrears A/c (Being 300 shares forfeited on which allotment money was not received)	Dr.	2,100	1,800 300	(vi)	Equity share first and final call A/c To Equity share Capital A/c (Being First and final call money due)	Dr.	59,100	59,100	(vii)	Bank A/c Calls in arrears A/c Calls in advance A/c To Equity share first and final call A/c (Being first and final call money received except on 200 shares) OR Bank A/c Calls in advance A/c To Equity share first and final call A/c (Being first and final call money received except on 200 shares)	Dr. Dr. Dr.	43,500 600 15,000	59,100			Dr. Dr.	43,500 15,000	58,500	½ ½ ½ 1 ½ 1
Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()																																																			
(i)	Bank A/c To Equity Share Application A/c (Being application money received on 60,000 shares)	Dr.	1,80,000	1,80,000																																																			
(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.	1,80,000	60,000 40,000 65,000 15,000																																																			
(iii)	Equity Share Allotment A/c To Equity Share Capital A/c (Being share allotment money due)	Dr.	80,000	80,000																																																			
(iv)	Bank A/c Calls in arrears A/c To Equity share allotment a/c (Being amount received on allotment) OR Bank A/c To Equity share allotment a/c (Being amount received on allotment)	Dr. Dr.	14,700 300	15,000																																																			
(v)	Equity Share capital A/c To Shares Forfeited A/c To Calls in arrears A/c (Being 300 shares forfeited on which allotment money was not received)	Dr.	2,100	1,800 300																																																			
(vi)	Equity share first and final call A/c To Equity share Capital A/c (Being First and final call money due)	Dr.	59,100	59,100																																																			
(vii)	Bank A/c Calls in arrears A/c Calls in advance A/c To Equity share first and final call A/c (Being first and final call money received except on 200 shares) OR Bank A/c Calls in advance A/c To Equity share first and final call A/c (Being first and final call money received except on 200 shares)	Dr. Dr. Dr.	43,500 600 15,000	59,100																																																			
		Dr. Dr.	43,500 15,000	58,500																																																			

			(viii) Equity Share capital A/c To Shares Forfeited A/c To Calls in arrears A/c/ Equity share first and final call A/c (Being 200 shares forfeited on which first and final call money was not received)	Dr.		2,000	1,400 600		1																
			(ix) Bank A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being forfeited shares reissued)	Dr.		6,000	5,000 1,000		1																
			(x) Shares Forfeited A/c To Capital Reserve A/c (Being gain on reissue on forfeited shares transferred to capital reserve account)	Dr.		3,200	3,200		1 = 8 Marks																
			PART B (Financial Statements Analysis)																						
18	-	-	Q. What is meant by.....Investing Activities? Ans. Cash flow from Investing activities implies Inflows and outflows of cash and cash equivalents from sale or acquisition of fixed assets and non-current investments.							1 Mark															
19	-	-	Q. J.K. Ltd. purchased.....in each activity. Ans. Cash outflows from Investing Activities = ` 3,60,000 Cash outflows from Financing Activities = ` 40,000							1 Mark															
20	-	-	Q. What is meant by.....an analysis. Ans. Analysis of Financial Statements is the process of critical evaluation of the financial information contained in the financial statements in order to understand and make decisions regarding the operations of the firm. (Or any other suitable meaning) Objectives of 'Financial Statements Analysis': (Any two) (i) Assessing the earning capacity or profitability of the firm as a whole as well as its different departments so as to judge the financial health of the firm. (ii) Assessing the managerial efficiency by using financial ratios to identify favourable and unfavourable variations in managerial performance. (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. (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 of the firm.</u>							2 + 1 X 2 = 2 = 4 Marks															
21	21	21	Q. State with reason.....equity shares. Ans. <table><tr><th>Transaction</th><th>Effect on Return on Investment</th><th>Reasons</th></tr><tr><td>(i)</td><td>Decrease</td><td>No change in Net Profit before Interest and Tax and increase in capital employed</td></tr><tr><td>(ii)</td><td>Decrease</td><td>Decrease in Net Profit before Interest and Tax and in capital employed</td></tr><tr><td>(iii)</td><td>Increase</td><td>No change in Net Profit before Interest and Tax but decrease in capital employed</td></tr><tr><td>(iv)</td><td>No change</td><td>No change in Net Profit before Interest and Tax and capital employed</td></tr></table>							Transaction	Effect on Return on Investment	Reasons	(i)	Decrease	No change in Net Profit before Interest and Tax and increase in capital employed	(ii)	Decrease	Decrease in Net Profit before Interest and Tax and in capital employed	(iii)	Increase	No change in Net Profit before Interest and Tax but decrease in capital employed	(iv)	No change	No change in Net Profit before Interest and Tax and capital employed	1 X 4 =4 Marks
Transaction	Effect on Return on Investment	Reasons																							
(i)	Decrease	No change in Net Profit before Interest and Tax and increase in capital employed																							
(ii)	Decrease	Decrease in Net Profit before Interest and Tax and in capital employed																							
(iii)	Increase	No change in Net Profit before Interest and Tax but decrease in capital employed																							
(iv)	No change	No change in Net Profit before Interest and Tax and capital employed																							
22	22	22	Q. Financial Statements.....Balance Sheet. Ans. Values (Any two): <ul style="list-style-type: none">Authentic up to date financial statements																						

			Notes: Calculation of Net Profit before tax: Net profit as per statement of Profit & Loss 37,500 Add: Proposed Dividend 50,000 Net Profit before tax & extraordinary items 87,500	+ ½																																								
			Machinery A/c <table><tr><th>Particulars</th><th></th><th>Particulars</th><th></th></tr><tr><td>To Balance b/d</td><td>2,63,750</td><td>By Cash A/c</td><td>7,500</td></tr><tr><td>To Cash A/c (Purchase)</td><td>1,75,000</td><td>By Statement of P/L (Bal fig.)</td><td>2,500</td></tr><tr><td></td><td></td><td>By Accumulated Depreciation A/c</td><td>10,000</td></tr><tr><td></td><td></td><td>By Balance c/d</td><td>4,18,750</td></tr><tr><td></td><td>4,38,750</td><td></td><td>4,38,750</td></tr></table> Accumulated Depreciation A/c <table><tr><th>Particulars</th><th></th><th>Particulars</th><th></th></tr><tr><td>To Machinery A/c</td><td>10,000</td><td>By Balance b/d</td><td>35,000</td></tr><tr><td>To Balance c/d</td><td>52,500</td><td>By Statement of P/L</td><td>27,500</td></tr><tr><td></td><td>62,500</td><td></td><td>62,500</td></tr></table>	Particulars		Particulars		To Balance b/d	2,63,750	By Cash A/c	7,500	To Cash A/c (Purchase)	1,75,000	By Statement of P/L (Bal fig.)	2,500			By Accumulated Depreciation A/c	10,000			By Balance c/d	4,18,750		4,38,750		4,38,750	Particulars		Particulars		To Machinery A/c	10,000	By Balance b/d	35,000	To Balance c/d	52,500	By Statement of P/L	27,500		62,500		62,500	+ ½ = 6 Marks
Particulars		Particulars																																										
To Balance b/d	2,63,750	By Cash A/c	7,500																																									
To Cash A/c (Purchase)	1,75,000	By Statement of P/L (Bal fig.)	2,500																																									
		By Accumulated Depreciation A/c	10,000																																									
		By Balance c/d	4,18,750																																									
	4,38,750		4,38,750																																									
Particulars		Particulars																																										
To Machinery A/c	10,000	By Balance b/d	35,000																																									
To Balance c/d	52,500	By Statement of P/L	27,500																																									
	62,500		62,500																																									
			PART B (Computerized Accounting)																																									
18	19	19	Q. Why is it.....database? Ans. They are merely computational outcomes from other attributes and keep on changing with the change in affecting attributes.	1 Mark																																								
19	18	18	Q. What is meantSQL? Ans. The process of matching rows in two tables based on their primary and foreign keys is called a 'JOIN'. Joins along with Structured Query Language serve as a valuable tool for manipulating tables.	1 Mark																																								
20	21	22	Q. Explain 'Size of Organisation'.....software. Ans. Size of Organisation: (Explanation may include following points) <ul style="list-style-type: none">• Volume of business transactions affects the choice of software.• Small organisations or non profit organisations can opt for single user operated software.• Large organisations will require sophisticated software Ease of adapting and training needs: <ul style="list-style-type: none">• User friendly software require simple and short training• Complex software require intense and continuous training• If it is simple it should be able to motivate people to use it	2 2 =4 Marks																																								
21	22	20	Q. State any four.....Tables'. Ans. Advantages of Pivot Table are: (Any four) 1. User friendly 2. Focus on results 3. Multiple summarisation of data 4. Filtering, sorting, grouping etc. Makes it possible to focus on information. 5. Presenting concise, attractive and annotated online or printed reports. 6. Analysis of related tables is facilitated	=4 Marks																																								
22	20	21	Q. What information.....bill? Explain. Ans. The preparation of salary bill should provide for the following: <ul style="list-style-type: none">• Maintaining payroll related data such as employee number, Name, Attendance, Basic Pay and other allowances and deductions to be made.• Periodic payroll computations which includes the calculations of earning and deduction heads, which are to be divided from basic values as per the formulae• Preparation of salary slip of an employee• Generation of advice to bank as it contains net salary to be transferred to individual	=4 Marks																																								

			bank account of employees and other salary related statutory payments such as provident fund tax etc.	
23	-	-	Q. Explain the various.....Graphs. Ans. Different elements of Chart/ Graph are (with explanation): 1. The chart area 2. The plot area 3. The data points 4. The horizontal (Category) and Vertical (Value) axis. 5. The Legend 6. A Chart and axis title. 7. A data label	=6 Marks

Q. Set No.			Marking Scheme 2016-17 Accountancy (055) Foreign – 67/2/2 Expected Answers / Value points	Distribution of marks															
67/2/1	67/2/2	67/2/3																	
6	1	4	Q. List the categories.....partnership firm. Ans. Any two of the following: <ul style="list-style-type: none"> • Persons of unsound mind / Lunatics • Insolvent persons • Any other individual who has been disqualified by law 	$\frac{1}{2} \times 2$ =1 Mark															
5	2	2	Q. Z Ltd..... can be re-issued. Ans. The maximum amount of discount at which these shares can be re-issued is ` 8 per share or ` 8,000.	=1 Mark															
4	3	6	Q. Y Ltd. invited.....issue of debentures. 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 2,400 debentures @ ` 90 each)</td><td></td><td>2,16,000</td><td>2,16,000</td></tr> <tr> <td>2016 Jan 1</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 2000, 9% debentures allotted on pro-rata basis)</td><td></td><td>2,16,000 20,000</td><td>2,00,000 36,000</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 2,400 debentures @ ` 90 each)		2,16,000	2,16,000	2016 Jan 1	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 2000, 9% debentures allotted on pro-rata basis)		2,16,000 20,000	2,00,000 36,000	$\frac{1}{2}$ $\frac{1}{2}$ =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 2,400 debentures @ ` 90 each)		2,16,000	2,16,000															
2016 Jan 1	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 2000, 9% debentures allotted on pro-rata basis)		2,16,000 20,000	2,00,000 36,000															
3	4	1	Q. Suman and Sudha.....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>Sudha's Current A/c Dr. To Suman's Current A/c (Being the adjustment of interest on capital omitted in previous year now rectified)</td><td></td><td>1,500</td><td>1,500</td></tr> </tbody> </table>	Date	Particulars	LF	Dr (`)	Cr (`)	2016 April 1	Sudha's Current A/c Dr. To Suman's Current A/c (Being the adjustment of interest on capital omitted in previous year now rectified)		1,500	1,500	=1 Mark					
Date	Particulars	LF	Dr (`)	Cr (`)															
2016 April 1	Sudha's Current A/c Dr. To Suman's Current A/c (Being the adjustment of interest on capital omitted in previous year now rectified)		1,500	1,500															
2	5	5	Q. Reena and Raman.....Reena's Sacrifice. Ans. Raman's Old Share = $\frac{3}{7}$ Raman's Sacrifice = $\frac{1}{3}$ of $\frac{3}{7}$ = $\frac{1}{7}$ Roma's Share = $\frac{2}{7}$ Reena's Sacrifice = Roma's share – Raman's sacrifice = $\frac{2}{7} - \frac{1}{7} = \frac{1}{7}$ OR Reena's Old Share = $\frac{4}{7}$ Reena's new share = $\frac{3}{7}$ Reena's Sacrifice = $\frac{4}{7} - \frac{3}{7} = \frac{1}{7}$	=1 Mark															
1	6	3	Q. State the two.....provided. Ans. (a) When partners contribute unequal amounts of Capital and Share Profits equally. (b) When the capital contribution is same but profit sharing is unequal.	$\frac{1}{2}$ $\frac{1}{2}$ =1 Mark															
10	7	9	Q. Gagan Ltd. Is..... to propagate. Ans.																

			<div>Balance Sheet of Gagan 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>5,19,98,500</td><td></td></tr></table>				Particulars	Note No.	Amount (₹) Current year	Amount (₹) Previous year	EQUITY & LIABILITIES				I Shareholder's funds :				a) Share Capital	1	5,19,98,500		<div>½</div>								
Particulars	Note No.	Amount (₹) Current year	Amount (₹) Previous year																												
EQUITY & LIABILITIES																															
I Shareholder's funds :																															
a) Share Capital	1	5,19,98,500																													
			<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> 1,50,00,000 equity shares of ₹ 10 each</td><td>15,00,00,000</td></tr><tr><td> Issued Capital</td><td></td></tr><tr><td> 52,00,000 equity shares of ₹ 10 each</td><td>5,20,00,000</td></tr><tr><td> Subscribed and fully paid Capital</td><td></td></tr><tr><td> 51,99,500 shares of ₹ 10 each</td><td>5,19,95,000</td></tr><tr><td> Subscribed but not fully paid Capital</td><td></td></tr><tr><td> 500 equity shares of ₹ 10 each</td><td>5,000</td></tr><tr><td> Less: Calls in arrears (500 X 3)</td><td>1,500</td></tr><tr><td></td><td>3,500</td></tr><tr><td></td><td>5,19,98,500</td></tr></table>		Particulars	(₹)	(1) Share Capital		Authorised Capital :		1,50,00,000 equity shares of ₹ 10 each	15,00,00,000	Issued Capital		52,00,000 equity shares of ₹ 10 each	5,20,00,000	Subscribed and fully paid Capital		51,99,500 shares of ₹ 10 each	5,19,95,000	Subscribed but not fully paid Capital		500 equity shares of ₹ 10 each	5,000	Less: Calls in arrears (500 X 3)	1,500		3,500		5,19,98,500	<div>½</div> <div>½</div> <div>½</div>
Particulars	(₹)																														
(1) Share Capital																															
Authorised Capital :																															
1,50,00,000 equity shares of ₹ 10 each	15,00,00,000																														
Issued Capital																															
52,00,000 equity shares of ₹ 10 each	5,20,00,000																														
Subscribed and fully paid Capital																															
51,99,500 shares of ₹ 10 each	5,19,95,000																														
Subscribed but not fully paid Capital																															
500 equity shares of ₹ 10 each	5,000																														
Less: Calls in arrears (500 X 3)	1,500																														
	3,500																														
	5,19,98,500																														
			<div>Values (Any two):</div> <ul style="list-style-type: none">• Providing employment opportunities to the local youth.• Promotion of rural development.• Promotion of skill development in the state of Jharkhand.• Paying attention towards regions of social unrest. <div>(Or any other suitable value)</div>		<div>½ + ½</div> <div>=3 Marks</div>																										
9	8	7	<div>Q. C India Ltd. Purchased..... B India Ltd.</div> <div>Ans.</div> <div>C India Ltd.</div> <div>Journal</div> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr. Amt (₹)</th><th>Cr. Amt (₹)</th></tr><tr><td>(i)</td><td>Machinery A/c Dr. To B India Ltd. (Being machinery purchased from B India Ltd.)</td><td></td><td>2,52,000</td><td>2,52,000</td></tr><tr><td>(ii)</td><td>B India Ltd. Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 10,000 equity shares of ₹ 10 each issued at 20% premium)</td><td></td><td>1,20,000</td><td>1,00,000 20,000</td></tr><tr><td>(iii)</td><td>B India Ltd. Dr. Discount on Issue of Debentures A/c Dr. To 9% Debentures A/c (Being 1000 9% debentures of ₹ 100 each issued at 5% discount)</td><td></td><td>95,000 5,000</td><td>1,00,000</td></tr><tr><td>(iv)</td><td>B India Ltd. Dr. To Bank A/c (Being balance payment made by giving a bank draft)</td><td></td><td>37,000</td><td>37,000</td></tr></table>		Date	Particulars	LF	Dr. Amt (₹)	Cr. Amt (₹)	(i)	Machinery A/c Dr. To B India Ltd. (Being machinery purchased from B India Ltd.)		2,52,000	2,52,000	(ii)	B India Ltd. Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 10,000 equity shares of ₹ 10 each issued at 20% premium)		1,20,000	1,00,000 20,000	(iii)	B India Ltd. Dr. Discount on Issue of Debentures A/c Dr. To 9% Debentures A/c (Being 1000 9% debentures of ₹ 100 each issued at 5% discount)		95,000 5,000	1,00,000	(iv)	B India Ltd. Dr. To Bank A/c (Being balance payment made by giving a bank draft)		37,000	37,000	<div>½</div> <div>1</div> <div>1</div> <div>½</div>	
Date	Particulars	LF	Dr. Amt (₹)	Cr. Amt (₹)																											
(i)	Machinery A/c Dr. To B India Ltd. (Being machinery purchased from B India Ltd.)		2,52,000	2,52,000																											
(ii)	B India Ltd. Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 10,000 equity shares of ₹ 10 each issued at 20% premium)		1,20,000	1,00,000 20,000																											
(iii)	B India Ltd. Dr. Discount on Issue of Debentures A/c Dr. To 9% Debentures A/c (Being 1000 9% debentures of ₹ 100 each issued at 5% discount)		95,000 5,000	1,00,000																											
(iv)	B India Ltd. Dr. To Bank A/c (Being balance payment made by giving a bank draft)		37,000	37,000																											

			<p style="text-align: center;">OR C India 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 B India Ltd. (Being machinery purchased from B India Ltd.)</td><td></td><td>2,52,000</td><td>2,52,000</td></tr> <tr> <td>(ii)</td><td>B India Ltd. Dr. Discount on Issue of Debentures A/c Dr. To Equity Share Capital A/c To 9% Debentures A/c To Bank A/c To Securities Premium Reserve A/c (Being payment made to B India Ltd.)</td><td></td><td>2,52,000 5,000</td><td>1,00,000 1,00,000 37,000 20,000</td></tr> </tbody> </table> <p>Working Notes: Purchase Consideration = 1,20,000 + 95,000 + 37,000 = ₹ 2,52,000</p>	Date	Particulars	LF	Dr. Amt (₹)	Cr. Amt (₹)	(i)	Machinery A/c Dr. To B India Ltd. (Being machinery purchased from B India Ltd.)		2,52,000	2,52,000	(ii)	B India Ltd. Dr. Discount on Issue of Debentures A/c Dr. To Equity Share Capital A/c To 9% Debentures A/c To Bank A/c To Securities Premium Reserve A/c (Being payment made to B India Ltd.)		2,52,000 5,000	1,00,000 1,00,000 37,000 20,000	<p>½</p> <p>2 ½</p> <p>=</p> <p>3 Marks</p>															
Date	Particulars	LF	Dr. Amt (₹)	Cr. Amt (₹)																														
(i)	Machinery A/c Dr. To B India Ltd. (Being machinery purchased from B India Ltd.)		2,52,000	2,52,000																														
(ii)	B India Ltd. Dr. Discount on Issue of Debentures A/c Dr. To Equity Share Capital A/c To 9% Debentures A/c To Bank A/c To Securities Premium Reserve A/c (Being payment made to B India Ltd.)		2,52,000 5,000	1,00,000 1,00,000 37,000 20,000																														
8	9	10	<p>Q. P,Q,R, AND S S's retirement. Ans.</p> <p style="text-align: center;">Books of the firm Journal</p> <table border="1"> <thead> <tr> <th>Date</th><th>Particulars</th><th>LF</th><th>Dr. Amt (₹)</th><th>Cr. Amt (₹)</th></tr> </thead> <tbody> <tr> <td>2017 Jan 31</td><td>R's Capital A/c Dr. To P's Capital A/c To S's Capital A/c (Being adjustment of Goodwill on S's retirement)</td><td></td><td>84,000</td><td>42,000 42,000</td></tr> </tbody> </table> <p>Working Notes: 1. Calculation of Gaining Ratio:</p> <table border="1"> <thead> <tr> <th></th><th>P</th><th>Q</th><th>R</th><th>S</th></tr> </thead> <tbody> <tr> <td>New Ratio</td><td>4/10</td><td>3/10</td><td>3/10</td><td>-</td></tr> <tr> <td>Old Ratio</td><td>5/10</td><td>3/10</td><td>1/10</td><td>1/10</td></tr> <tr> <td></td><td>1/10 (Sacrifice)</td><td>Nil</td><td>-2/10 (Gain)</td><td>1/10 (Sacrifice)</td></tr> </tbody> </table>	Date	Particulars	LF	Dr. Amt (₹)	Cr. Amt (₹)	2017 Jan 31	R's Capital A/c Dr. To P's Capital A/c To S's Capital A/c (Being adjustment of Goodwill on S's retirement)		84,000	42,000 42,000		P	Q	R	S	New Ratio	4/10	3/10	3/10	-	Old Ratio	5/10	3/10	1/10	1/10		1/10 (Sacrifice)	Nil	-2/10 (Gain)	1/10 (Sacrifice)	<p>2</p> <p>1 =</p> <p>3 Marks</p>
Date	Particulars	LF	Dr. Amt (₹)	Cr. Amt (₹)																														
2017 Jan 31	R's Capital A/c Dr. To P's Capital A/c To S's Capital A/c (Being adjustment of Goodwill on S's retirement)		84,000	42,000 42,000																														
	P	Q	R	S																														
New Ratio	4/10	3/10	3/10	-																														
Old Ratio	5/10	3/10	1/10	1/10																														
	1/10 (Sacrifice)	Nil	-2/10 (Gain)	1/10 (Sacrifice)																														
7	10	8	<p>Q. Raj Motors Ltd..... books of Raj Motors Ltd. Ans.</p> <p style="text-align: center;">Raj Motors 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></td><td>12% 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>40,000</td><td>37,600 2,400</td></tr> <tr> <td></td><td>Debenture holders A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 12% debentures converted into equity shares)</td><td></td><td>37,600</td><td>30,080 7,520</td></tr> </tbody> </table>	Date	Particulars	LF	Dr. Amt (₹)	Cr. Amt (₹)		12% 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)		40,000	37,600 2,400		Debenture holders A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 12% debentures converted into equity shares)		37,600	30,080 7,520	<p>1</p> <p>1</p>															
Date	Particulars	LF	Dr. Amt (₹)	Cr. Amt (₹)																														
	12% 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)		40,000	37,600 2,400																														
	Debenture holders A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 12% debentures converted into equity shares)		37,600	30,080 7,520																														

20

			Partners' Capital A/c												
			Dr					Cr							
			Particulars	Mahadev	Sukesh	Menon	Thomas	Particulars	Mahadev	Sukesh	Menon	Thomas			
			To Revaluation A/c	50,000	20,000	20,000	10,000	By Balance b/d	7,00,000	6,00,000	5,00,000	4,50,000	2 ½		
			To Mahadev's Capital A/c	---	12,000	---	---	By Sukesh's Capital A/c	12,000	---	---	---			
			To Cash A/c	---	---	50,000	2,25,000	By Cash A/c	1,98,000	77,000	---	---			
			To Balance c/d	8,60,000	6,45,000	4,30,000	2,15,000								
				9,10,000	6,77,000	5,00,000	4,50,000		9,10,000	6,77,000	5,00,000	4,50,000			
			Balance Sheet of Mahadev, Sukesh, Menon and Thomas as at 31 st March 2016												
			Liabilities		Amt (`)		Assets		Amt (`)				2 = 6 Marks		
			Partners' Capital A/c:				Fixed Assets		17,25,000						
			Mahadev		8,60,000		Current Assets		6,75,000						
			Sukesh		6,45,000										
			Menon		4,30,000										
			Thomas		2,15,000										
			Claim for Workmen Compensation		1,00,000										
			Sundry Creditors		1,50,000										
					24,00,000				24,00,000						
-	14	-	Q. On 1-4-2015.....ended 31 st March, 2016.												
			Ans.												
			GGY 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)					2,82,000		2,82,000		1		
			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%, but redeemable at premium of 10%) 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%, but redeemable at premium of 10%)					2,82,000 18,000 30,000 3,00,000 30,000 2,82,000 48,000 3,00,000 30,000				1		

			2015 Sep 30	Debenture Interest A/c To Debenture holders A/c To TDS Payable A/c (Being interest payable on 9% debentures and tax deducted at source @ 10%)	Dr.		13,500	12,150 1,350	1
			2015 Sep 30	Debenture holders A/c TDS Payable A/c To Bank A/c (Being interest paid to debentures and TDS deposited in government account)	Dr. Dr.		12,150 1,350	13,500	½
			2016 Mar 31	Debenture Interest A/c To Debenture holders A/c To TDS Payable A/c (Being interest payable on 9% debentures and tax deducted at source @ 10%)	Dr.		13,500	12,150 1,350	1
			2016 Mar 31	Debenture holders A/c TDS Payable A/c To Bank A/c (Being interest paid to debentures and TDS deposited in government account)	Dr. Dr.		12,150 1,350	13,500	½
			2016 Mar 31	Statement of Profit & Loss To Debenture Interest A/c (Being interest on debentures transferred to statement to P & L)	Dr.		27,000	27,000	1 =
									6 Marks
-	15	-	Q. Pass necessary..... realisation account. Ans.						
			Books of the firm Journal						
			Date	Particulars	LF	Dr ()	Cr ()		
			(i)	Realisation A/c To Cash/ Bank A/c (Being dissolution expenses paid)	Dr.	4,500	4,500	1	
			(ii)	Realisation A/c To Sudhir's Capital A/c (Being dissolution expenses paid by partner)	Dr.	5,000	5,000	1	
			(iii)	Realisation A/c To Sudha's Capital A/c (Being commission paid to Sudha for dissolution work)	Dr.	7,300	7,300	1	
			(iv)a.	Realisation A/c To Somesh's Capital A/c (Being dissolution expenses paid by Somesh and compensated by firm)	Dr.	5,000	5,000	½	
			(iv) b.	Somesh's Capital A/c To Bank A/c (Being dissolution expenses paid by firm)	Dr.	4,750	4,750	½	

			(v) a.	Realisation A/c To Sheetal's Capital A/c (Being partner Sheetal remunerated for dissolution expenses)	Dr.		8,000	8,000	½																															
			(v) b.	Sheetal's Capital A/c To Smita's Capital A/c (Being dissolution expenses paid by Smita on behalf of Sheetal) Note: In case, an examinee has not passed the second entry, full credit may be given for the first entry only	Dr.		7,500	7,500	½																															
			(vi) a.	Realisation A/c To Somaya's Capital A/c (Being partner Somaya remunerated for dissolution expenses)	Dr.		11,000	11,000	½ + ½																															
			(vi) b.	Somaya's Capital A/c To Realisation A/c (Being stock taken over by Somaya as remuneration which had been transferred to realisation A/c)	Dr.		11,000	11,000																																
			(vi) a.+b.	OR No Entry					OR 1 = 6 Marks																															
16	16	17	Q. A and Z areB's admission. 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 A's Capital A/c To Z's Capital A/c (Being General Reserve distributed among partners)</td><td>Dr.</td><td>15,000</td><td>10,500 4,500</td></tr><tr><td>(ii)</td><td>Cash A/c To B's Capital A/c To Premium for Goodwill A/c (Being cash received as B's capital and premium for goodwill)</td><td>Dr.</td><td>1,20,000</td><td>90,000 30,000</td></tr><tr><td>(iii)</td><td>Premium for Goodwill A/c To A's Capital A/c To Z's Capital A/c (Being premium for Goodwill credited to old partner's capital account in sacrificing ratio)</td><td>Dr.</td><td>30,000</td><td>21,000 9,000</td></tr><tr><td>(iv)</td><td>A's Capital A/c Z's Capital A/c To Cash A/c (Being half of goodwill amount withdrawn by A and Z)</td><td>Dr. Dr.</td><td>10,500 4,500</td><td>15,000</td></tr><tr><td>(v)</td><td>Bad debts A/c To Debtors A/c (Being debtors ` 4,500 written off)</td><td>Dr.</td><td>4,500</td><td>4,500</td></tr></table>							Date	Particulars	LF	Dr (`)	Cr (`)	(i)	General Reserve A/c To A's Capital A/c To Z's Capital A/c (Being General Reserve distributed among partners)	Dr.	15,000	10,500 4,500	(ii)	Cash A/c To B's Capital A/c To Premium for Goodwill A/c (Being cash received as B's capital and premium for goodwill)	Dr.	1,20,000	90,000 30,000	(iii)	Premium for Goodwill A/c To A's Capital A/c To Z's Capital A/c (Being premium for Goodwill credited to old partner's capital account in sacrificing ratio)	Dr.	30,000	21,000 9,000	(iv)	A's Capital A/c Z's Capital A/c To Cash A/c (Being half of goodwill amount withdrawn by A and Z)	Dr. Dr.	10,500 4,500	15,000	(v)	Bad debts A/c To Debtors A/c (Being debtors ` 4,500 written off)	Dr.	4,500	4,500	½ 1 1 ½ ½
Date	Particulars	LF	Dr (`)	Cr (`)																																				
(i)	General Reserve A/c To A's Capital A/c To Z's Capital A/c (Being General Reserve distributed among partners)	Dr.	15,000	10,500 4,500																																				
(ii)	Cash A/c To B's Capital A/c To Premium for Goodwill A/c (Being cash received as B's capital and premium for goodwill)	Dr.	1,20,000	90,000 30,000																																				
(iii)	Premium for Goodwill A/c To A's Capital A/c To Z's Capital A/c (Being premium for Goodwill credited to old partner's capital account in sacrificing ratio)	Dr.	30,000	21,000 9,000																																				
(iv)	A's Capital A/c Z's Capital A/c To Cash A/c (Being half of goodwill amount withdrawn by A and Z)	Dr. Dr.	10,500 4,500	15,000																																				
(v)	Bad debts A/c To Debtors A/c (Being debtors ` 4,500 written off)	Dr.	4,500	4,500																																				

			<table><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>4,500</td><td>4,500</td><td>½</td></tr><tr><td>(vii)</td><td>Revaluation A/c To Provision for bad and doubtful debts A/c (Being provision for bad debts created)</td><td>Dr.</td><td>975</td><td>975</td><td>½</td></tr><tr><td>(viii)</td><td>Outstanding Wages A/c To Cash A/c (Being outstanding wages paid)</td><td>Dr.</td><td>9,000</td><td>9,000</td><td>½</td></tr><tr><td>(ix)</td><td>Revaluation A/c To Stock A/c To Furniture A/c To Plant & Machinery A/c (Being decrease in assets recorded)</td><td>Dr.</td><td>17,100</td><td>6,000 1,500 9,600</td><td>1 ½</td></tr><tr><td>(x)</td><td>Investments A/c To Revaluation A/c (Being increase in investments recorded)</td><td>Dr.</td><td>7,500</td><td>7,500</td><td>½</td></tr><tr><td>(xi)</td><td>Revaluation A/c To Creditors A/c (Being increase in creditors recorded)</td><td>Dr.</td><td>6,300</td><td>6,300</td><td>½</td></tr><tr><td>(xii)</td><td>A's Capital A/c Z's Capital A/c To Revaluation A/c (Being loss on revaluation transferred to Partner's Capital A/c)</td><td>Dr. Dr.</td><td>11,812.50 5062.50</td><td>16875</td><td>½ = 8 Marks</td></tr><tr><td></td><td>Note: In case an examinee has combined entry number (vii), (ix) and (xi), full credit may be given. <div>2 ½</div> 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)</td><td>Dr.</td><td>24,375</td><td>975 6,000 1,500 9,600 6,300</td><td></td></tr></table>	(vi)	Provision for bad and doubtful debts A/c To Bad debts A/c (Being provision utilised for writing off bad debts)	Dr.	4,500	4,500	½	(vii)	Revaluation A/c To Provision for bad and doubtful debts A/c (Being provision for bad debts created)	Dr.	975	975	½	(viii)	Outstanding Wages A/c To Cash A/c (Being outstanding wages paid)	Dr.	9,000	9,000	½	(ix)	Revaluation A/c To Stock A/c To Furniture A/c To Plant & Machinery A/c (Being decrease in assets recorded)	Dr.	17,100	6,000 1,500 9,600	1 ½	(x)	Investments A/c To Revaluation A/c (Being increase in investments recorded)	Dr.	7,500	7,500	½	(xi)	Revaluation A/c To Creditors A/c (Being increase in creditors recorded)	Dr.	6,300	6,300	½	(xii)	A's Capital A/c Z's Capital A/c To Revaluation A/c (Being loss on revaluation transferred to Partner's Capital A/c)	Dr. Dr.	11,812.50 5062.50	16875	½ = 8 Marks		Note: In case an examinee has combined entry number (vii), (ix) and (xi), full credit may be given. <div>2 ½</div> 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.	24,375	975 6,000 1,500 9,600 6,300		
(vi)	Provision for bad and doubtful debts A/c To Bad debts A/c (Being provision utilised for writing off bad debts)	Dr.	4,500	4,500	½																																															
(vii)	Revaluation A/c To Provision for bad and doubtful debts A/c (Being provision for bad debts created)	Dr.	975	975	½																																															
(viii)	Outstanding Wages A/c To Cash A/c (Being outstanding wages paid)	Dr.	9,000	9,000	½																																															
(ix)	Revaluation A/c To Stock A/c To Furniture A/c To Plant & Machinery A/c (Being decrease in assets recorded)	Dr.	17,100	6,000 1,500 9,600	1 ½																																															
(x)	Investments A/c To Revaluation A/c (Being increase in investments recorded)	Dr.	7,500	7,500	½																																															
(xi)	Revaluation A/c To Creditors A/c (Being increase in creditors recorded)	Dr.	6,300	6,300	½																																															
(xii)	A's Capital A/c Z's Capital A/c To Revaluation A/c (Being loss on revaluation transferred to Partner's Capital A/c)	Dr. Dr.	11,812.50 5062.50	16875	½ = 8 Marks																																															
	Note: In case an examinee has combined entry number (vii), (ix) and (xi), full credit may be given. <div>2 ½</div> 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.	24,375	975 6,000 1,500 9,600 6,300																																																
16 OR	16 OR	17 OR	<p>Q. N, S and G were.....G's retirement.</p> <p>Ans.</p> <p style="text-align: center;">Books of the firm Journal</p> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr ()</th><th>Cr ()</th><th></th></tr><tr><td>(i)</td><td>General Reserve A/c To N's Capital A/c To S's Capital A/c To G's Capital A/c (Being General Reserve distributed among partners)</td><td>Dr.</td><td>90,000</td><td>18,000 27,000 45,000</td><td>1</td></tr><tr><td>(ii)</td><td>N's Capital A/c S'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>15,000 22,500 37,500</td><td>75,000</td><td>1</td></tr></table>				Date	Particulars	LF	Dr ()	Cr ()		(i)	General Reserve A/c To N's Capital A/c To S's Capital A/c To G's Capital A/c (Being General Reserve distributed among partners)	Dr.	90,000	18,000 27,000 45,000	1	(ii)	N's Capital A/c S's Capital A/c G's Capital A/c To Profit and Loss A/c (Being accumulated losses divided among partners)	Dr. Dr. Dr.	15,000 22,500 37,500	75,000	1																												
Date	Particulars	LF	Dr ()	Cr ()																																																
(i)	General Reserve A/c To N's Capital A/c To S's Capital A/c To G's Capital A/c (Being General Reserve distributed among partners)	Dr.	90,000	18,000 27,000 45,000	1																																															
(ii)	N's Capital A/c S's Capital A/c G's Capital A/c To Profit and Loss A/c (Being accumulated losses divided among partners)	Dr. Dr. Dr.	15,000 22,500 37,500	75,000	1																																															

			(iii)	Bad Debts A/c To Debtors A/c (Being debtors of ₹ 6000 written off)	Dr.		6,000	6,000	½
			(iv)	Provision for bad and doubtful debts A/c To Bad Debts A/c (Being provision utilised for writing off bad and doubtful debts)	Dr.		6,000	6,000	½
			(v)	Provision for bad and doubtful debts A/c To Revaluation A/c (Being excess provision transferred to Revaluation A/c)	Dr.		2,550	2,550	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.		1,35,000	90,000 7,500 22,500 15,000	2
			(vii)	Revaluation A/c To Creditors A/c (Being increase in creditors recorded)	Dr.		30,000	30,000	½
			(viii)	N's Capital A/c S'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.		32,490 48,735 81,225	1,62,450	½
			(ix)	N's Capital A/c S's Capital A/c To G's Capital A/c (Being Goodwill adjusted on G's retirement)	Dr. Dr.		18,000 27,000	45,000	1
			(x)	G's Capital A/c To G's Loan A/c (Being balance of G's Capital transferred to G's Loan A/c)	Dr.		4,21,275	4,21,275	½ =
				Note: In case an examinee has combined entry number (vi) and (vii), full credit may be given. Revaluation A/c To Patents A/c To Stock A/c To Machinery A/c To Building A/c To Creditors A/c (Being assets and liabilities revalued)	Dr.		1,65,000	90,000 7,500 22,500 15,000 30,000	8 Marks
				Working Notes: Amount payable to G = 4,50,000 - 81,225 + 45,000 + 45,000 - 37,500 = ₹ 4,21,275					
17	17	16	Q. BBG Ltd.books of the company. Ans.						

BBG Ltd. Journal						
Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()		
(i)	Bank A/c Dr. To Equity Share Application A/c (Being application money received on shares)		8,00,000	8,00,000		1
(ii)	Equity Share Application A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being application money transferred)		8,00,000	4,00,000 4,00,000		1
(iii)	Equity Share Allotment A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being share allotment money due)		10,00,000	6,00,000 4,00,000		1
(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 1,000 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 1,000 shares and calls in advance received)		10,11,500 5,000 10,11,500	10,00,000 16,500 9,95,000 16,500		1
(v)	Equity Share Capital A/c Dr. Securities Premium Reserve A/c Dr. To Shares Forfeited A/c To Equity Share Allotment A/c/ Calls in arrears A/c (Being 1,000 shares forfeited after allotment)		5,000 2,000	2,000 5,000		1
(vi)	Equity Share First call A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being first call made due on 1,99,000 shares)		9,95,000	3,98,000 5,97,000		½
(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)		9,88,600 2,500 7,500 9,88,600 7,500	9,95,000 3,600 9,92,500 3,600		½

			(viii)	Equity Share Capital A/c Securities Premium Reserve A/c To Shares Forfeited A/c To Calls in arrears A/c/ Equity Share First Call A/c (Being 500 shares forfeited)	Dr. Dr.		3,500 1,500		2,500 2,500	$\frac{1}{2}$	
			(ix)	Equity Share Second & Final call A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being second call due on 1,98,500 shares)	Dr.		11,91,000		5,95,500 5,95,500	$\frac{1}{2}$	
			(x)	Bank A/c Calls in advance A/c To Equity share second and final call A/c (Being second and final call received)	Dr. Dr.		11,78,400 12,600		11,91,000	1 = 8 Marks	
17 OR	17 OR	16 OR	Q. Joy Ltd..... books of the company. Ans. Joy Ltd. Journal								
			Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()				
			(i)	Bank A/c To Equity Share Application A/c (Being application money received on 60,000 shares)	Dr.	1,80,000	1,80,000	$\frac{1}{2}$			
			(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.	1,80,000	60,000 40,000 65,000 15,000	$\frac{1}{2}$			
			(iii)	Equity Share Allotment A/c To Equity Share Capital A/c (Being share allotment money due)	Dr.	80,000	80,000	$\frac{1}{2}$			
			(iv)	Bank A/c Calls in arrears A/c To Equity share allotment a/c (Being amount received on allotment) OR Bank A/c To Equity share allotment a/c (Being amount received on allotment)	Dr. Dr.	14,700 300	15,000	1			
			(v)	Equity Share capital A/c To Shares Forfeited A/c To Calls in arrears A/c (Being 300 shares forfeited on which allotment money was not received)	Dr.	2,100	1,800 300	1			
			(vi)	Equity share first and final call A/c To Equity share Capital A/c (Being First and final call money due)	Dr.	59,100	59,100	$\frac{1}{2}$			
			(vii)	Bank A/c Calls in arrears A/c Calls in advance A/c To Equity share first and final call A/c (Being first and final call money received except on 200 shares) OR	Dr. Dr. Dr.	43,500 600 15,000	59,100	1			

			Bank A/c Calls in advance A/c To Equity share first and final call A/c (Being first and final call money received except on 200 shares)	Dr. Dr.	43,500 15,000	58,500	1 1 1 = 8 Marks																
		(viii)	Equity Share capital A/c To Shares Forfeited A/c To Calls in arrears A/c/ Equity share first and final call A/c (Being 200 shares forfeited on which first and final call money was not received)	Dr.	2,000	1,400 600																	
		(ix)	Bank A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being forfeited shares reissued)	Dr.	6,000	5,000 1,000																	
		(x)	Shares Forfeited A/c To Capital Reserve A/c (Being gain on reissue on forfeited shares transferred to capital reserve account)	Dr.	3,200	3,200																	
			PART B (Financial Statements Analysis)																				
-	18	-	Q. Cash advances and loans.....answer. Ans. Operating Activity Reason: Advances and Loans made by financial enterprises is their main operating activity.					$\frac{1}{2}$ $\frac{1}{2}$ =1 Mark															
-	19	-	Q. State any two.....statement'. Ans. Benefits of Cash Flow Statement (Any two): <ul style="list-style-type: none">Useful for short term financial planningUseful in preparing the cash budgetComparison with the cash budgetStudy of the trend of cash receipts and paymentsHelpful in ascertaining cash flow from various activitiesHelpful in making dividend decisions.					$\frac{1}{2}$ $\frac{1}{2}$ =1 Mark															
-	20	-	Q. Briefly explain.....Trade Payables. Ans. (a) Significance to the Finance Manager: Finance Manager can make policies and decisions keeping in mind the liquidity, solvency, efficiency and profitability of the firm. (b) Significance to Trade Payables: Trade payables can check whether the firm is able to pay their debts on time or not.					2 2 =4 Marks															
21	21	21	Q. State with reason.....equity shares. Ans. <table><tr><th>Transaction</th><th>Effect on Return on Investment</th><th>Reasons</th></tr><tr><td>(i)</td><td>Decrease</td><td>No change in Net Profit before Interest and Tax and increase in capital employed</td></tr><tr><td>(ii)</td><td>Decrease</td><td>Decrease in Net Profit before Interest and Tax and in capital employed</td></tr><tr><td>(iii)</td><td>Increase</td><td>No change in Net Profit before Interest and Tax but decrease in capital employed</td></tr><tr><td>(iv)</td><td>No change</td><td>No change in Net Profit before Interest and Tax and capital employed</td></tr></table>					Transaction	Effect on Return on Investment	Reasons	(i)	Decrease	No change in Net Profit before Interest and Tax and increase in capital employed	(ii)	Decrease	Decrease in Net Profit before Interest and Tax and in capital employed	(iii)	Increase	No change in Net Profit before Interest and Tax but decrease in capital employed	(iv)	No change	No change in Net Profit before Interest and Tax and capital employed	1 X 4 =4 Marks
Transaction	Effect on Return on Investment	Reasons																					
(i)	Decrease	No change in Net Profit before Interest and Tax and increase in capital employed																					
(ii)	Decrease	Decrease in Net Profit before Interest and Tax and in capital employed																					
(iii)	Increase	No change in Net Profit before Interest and Tax but decrease in capital employed																					
(iv)	No change	No change in Net Profit before Interest and Tax and capital employed																					
22	22	22	Q. Financial Statements.....Balance Sheet. Ans. Values (Any two): <ul style="list-style-type: none">Authentic up to date financial statementsFlexibility and dynamic financial statements					1 X 2															

- Concern towards users of financial statements
 - Seriousness towards meaningful decision making
- (Or any other suitable value)

	Heads	Sub-heads
Calls-in-arrears	Shareholders' funds	Share Capital
Calls -in-advance	Current Liabilities	Other Current Liabilities
Gain on reissue of forfeited equity shares	Shareholders' funds	Reserves and Surplus
Trade payables to be settled beyond 12 months from the date of Balance Sheet	Non-Current Liabilities	Other Long Term Liabilities

½ X 4
=
4 Marks

23 23 23 Q. From the following..... Cash Flow Statement.
Ans.

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

Particulars	Details (₹)	Amount (₹)
<u>A. Cash Flows from Operating Activities:</u>		
Net Profit before tax & extraordinary items (note 1)	87,500	
<u>Add:</u> Non cash and non-operating charges		
Goodwill written off	12,500	
Depreciation on machinery	27,500	
Interest on debentures	10,500	
Loss on sale of machinery	<u>2,500</u>	
<i>Operating profit before working capital changes</i>	1,40,500	
<u>Less:</u> Increase in Current Assets		
Increase in inventories	<u>(12,500)</u>	
Net Cash generated from Operating Activities		1,28,000
<u>B. Cash flows from Investing Activities :</u>		
Purchase of machinery	(1,75,000)	
Sale of machinery	7,500	
Purchase of non current investments	<u>(12,500)</u>	
Net Cash used in investing activities		(1,80,000)
<u>C. Cash flows from Financing Activities:</u>		
Issue of share capital	50,000	
Issue of 12% debentures	25,000	
Interest on debentures paid	(10,500)	
Dividend paid	(31,250)	
Bank overdraft raised	18,750	
Net Cash flow from financing activities		<u>52,000</u>
Net change in cash & cash equivalents (A+B+C)		Nil
<u>Add:</u> Opening balance of cash & cash equivalents		
Current Investments	17,500	
Cash and Cash Equivalents	10,750	<u>28,250</u>
Closing Balance of cash & cash equivalents		
Current Investments	10,000	
Cash and Cash Equivalents	18,250	<u>28,250</u>

1 ½

+

1

+

1 ½

+

1

30

			<p>5. Presenting concise, attractive and annotated online or printed reports.</p> <p>6. Analysis of related tables is facilitated</p>	
23	-	-	<p>Q. What is meant by.....its benefits.</p> <p>Ans. Conditional formatting means a format change, such as background cell shading or font colour i.e. applied to a cell when a specified condition for the data in the cell is true. Conditional formatting is often applied to worksheets to find:</p> <ol style="list-style-type: none"> 1. Data that is above or below a certain value. 2. Duplicate data values. 3. Cells containing specific text. 4. Data that is above or below average 5. Data that falls in the top ten or bottom ten values <p>Benefits of using conditional formatting:</p> <ol style="list-style-type: none"> 1. Helps in answering questions which are important for taking decisions 2. Guides with help of using visuals <p>Helps in understanding distribution and variation of critical data.</p>	<p>3</p> <p>3</p> <p>=6 Marks</p>

Q. Set No.			Marking Scheme 2016-17 Accountancy (055) Foreign – 67//2/3 Expected Answers / Value points					of marks															
67/ 2/1	67/ 2/2	67/ 2/3																					
3	4	1	Q. Suman and Sudha.....rectify the error. Ans. <div style="text-align: center;">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>Sudha's Current A/c Dr. To Suman's Current A/c (Being the adjustment of interest on capital omitted in previous year now rectified)</td><td></td><td>1,500</td><td>1,500</td></tr></table>					Date	Particulars	LF	Dr ()	Cr ()	2016 April 1	Sudha's Current A/c Dr. To Suman's Current A/c (Being the adjustment of interest on capital omitted in previous year now rectified)		1,500	1,500	=1 Mark					
Date	Particulars	LF	Dr ()	Cr ()																			
2016 April 1	Sudha's Current A/c Dr. To Suman's Current A/c (Being the adjustment of interest on capital omitted in previous year now rectified)		1,500	1,500																			
5	2	2	Q. Z Ltd..... can be re-issued. Ans. The maximum amount of discount at which these shares can be re-issued is ` 8 per share or ` 8,000.					=1 Mark															
1	6	3	Q. State the two.....provided. Ans. (a) When partners contribute unequal amounts of Capital and Share Profits equally. (b) When the capital contribution is same but profit sharing is unequal.					$\frac{1}{2}$ $\frac{1}{2}$ =1 Mark															
6	1	4	Q. List the categories.....partnership firm. Ans. Any two of the following: <ul style="list-style-type: none">• Persons of unsound mind / Lunatics• Insolvent persons• Any other individual who has been disqualified by law					$\frac{1}{2} \times 2$ =1 Mark															
2	5	5	Q. Reena and Raman.....Reena's Sacrifice. Ans. Raman's Old Share = $\frac{3}{7}$ Raman's Sacrifice = $\frac{1}{3}$ of $\frac{3}{7}$ = $\frac{1}{7}$ Roma's Share = $\frac{2}{7}$ Reena's Sacrifice = Roma's share – Raman's sacrifice = $\frac{2}{7} - \frac{1}{7} = \frac{1}{7}$ <div style="text-align: center;">OR</div> Reena's Old Share = $\frac{4}{7}$ Reena's new share = $\frac{3}{7}$ Reena's Sacrifice = $\frac{4}{7} - \frac{3}{7} = \frac{1}{7}$					=1 Mark															
4	3	6	Q. Y Ltd. invited.....issue of debentures. Ans. <div style="text-align: center;">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 2,400 debentures @ ` 90 each)</td><td></td><td>2,16,000</td><td>2,16,000</td></tr><tr><td>2016 Jan 1</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 2000, 9% debentures allotted on pro-rata basis)</td><td></td><td>2,16,000 20,000</td><td>2,00,000 36,000</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 2,400 debentures @ ` 90 each)		2,16,000	2,16,000	2016 Jan 1	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 2000, 9% debentures allotted on pro-rata basis)		2,16,000 20,000	2,00,000 36,000	$\frac{1}{2}$ $\frac{1}{2}$ =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 2,400 debentures @ ` 90 each)		2,16,000	2,16,000																			
2016 Jan 1	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 2000, 9% debentures allotted on pro-rata basis)		2,16,000 20,000	2,00,000 36,000																			
9	8	7	Q. C India Ltd. Purchased..... B India Ltd. Ans.																				

			<div>C India Ltd. Journal</div> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr. Amt (₹)</th><th>Cr. Amt (₹)</th></tr><tr><td>(i)</td><td>Machinery A/c Dr. To B India Ltd. (Being machinery purchased from B India Ltd.)</td><td></td><td>2,52,000</td><td>2,52,000</td></tr><tr><td>(ii)</td><td>B India Ltd. Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 10,000 equity shares of ` 10 each issued at 20% premium)</td><td></td><td>1,20,000</td><td>1,00,000 20,000</td></tr><tr><td>(iii)</td><td>B India Ltd. Dr. Discount on Issue of Debentures A/c Dr. To 9% Debentures A/c (Being 1000 9% debentures of ` 100 each issued at 5% discount)</td><td></td><td>95,000 5,000</td><td>1,00,000</td></tr><tr><td>(iv)</td><td>B India Ltd. Dr. To Bank A/c (Being balance payment made by giving a bank draft)</td><td></td><td>37,000</td><td>37,000</td></tr></table> <div>OR C India Ltd. Journal</div> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr. Amt (₹)</th><th>Cr. Amt (₹)</th></tr><tr><td>(i)</td><td>Machinery A/c Dr. To B India Ltd. (Being machinery purchased from B India Ltd.)</td><td></td><td>2,52,000</td><td>2,52,000</td></tr><tr><td>(ii)</td><td>B India Ltd. Dr. Discount on Issue of Debentures A/c Dr. To Equity Share Capital A/c To 9% Debentures A/c To Bank A/c To Securities Premium Reserve A/c (Being payment made to B India Ltd.)</td><td></td><td>2,52,000 5,000</td><td>1,00,000 1,00,000 37,000 20,000</td></tr></table> <div>Working Notes: Purchase Consideration = 1,20,000 + 95,000 + 37,000 = ` 2,52,000</div>					Date	Particulars	LF	Dr. Amt (₹)	Cr. Amt (₹)	(i)	Machinery A/c Dr. To B India Ltd. (Being machinery purchased from B India Ltd.)		2,52,000	2,52,000	(ii)	B India Ltd. Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 10,000 equity shares of ` 10 each issued at 20% premium)		1,20,000	1,00,000 20,000	(iii)	B India Ltd. Dr. Discount on Issue of Debentures A/c Dr. To 9% Debentures A/c (Being 1000 9% debentures of ` 100 each issued at 5% discount)		95,000 5,000	1,00,000	(iv)	B India Ltd. Dr. To Bank A/c (Being balance payment made by giving a bank draft)		37,000	37,000	Date	Particulars	LF	Dr. Amt (₹)	Cr. Amt (₹)	(i)	Machinery A/c Dr. To B India Ltd. (Being machinery purchased from B India Ltd.)		2,52,000	2,52,000	(ii)	B India Ltd. Dr. Discount on Issue of Debentures A/c Dr. To Equity Share Capital A/c To 9% Debentures A/c To Bank A/c To Securities Premium Reserve A/c (Being payment made to B India Ltd.)		2,52,000 5,000	1,00,000 1,00,000 37,000 20,000		<div>½ 1 1 ½ ½ 2 ½ = 3 Marks</div>
Date	Particulars	LF	Dr. Amt (₹)	Cr. Amt (₹)																																													
(i)	Machinery A/c Dr. To B India Ltd. (Being machinery purchased from B India Ltd.)		2,52,000	2,52,000																																													
(ii)	B India Ltd. Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 10,000 equity shares of ` 10 each issued at 20% premium)		1,20,000	1,00,000 20,000																																													
(iii)	B India Ltd. Dr. Discount on Issue of Debentures A/c Dr. To 9% Debentures A/c (Being 1000 9% debentures of ` 100 each issued at 5% discount)		95,000 5,000	1,00,000																																													
(iv)	B India Ltd. Dr. To Bank A/c (Being balance payment made by giving a bank draft)		37,000	37,000																																													
Date	Particulars	LF	Dr. Amt (₹)	Cr. Amt (₹)																																													
(i)	Machinery A/c Dr. To B India Ltd. (Being machinery purchased from B India Ltd.)		2,52,000	2,52,000																																													
(ii)	B India Ltd. Dr. Discount on Issue of Debentures A/c Dr. To Equity Share Capital A/c To 9% Debentures A/c To Bank A/c To Securities Premium Reserve A/c (Being payment made to B India Ltd.)		2,52,000 5,000	1,00,000 1,00,000 37,000 20,000																																													
7	10	8	<div>Q. Raj Motors Ltd..... books of Raj Motors Ltd. Ans. Raj Motors Ltd. 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>12% 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>40,000</td><td>37,600 2,400</td></tr></table>					Date	Particulars	LF	Dr. Amt (₹)	Cr. Amt (₹)		12% 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)		40,000	37,600 2,400		<div>1</div>																														
Date	Particulars	LF	Dr. Amt (₹)	Cr. Amt (₹)																																													
	12% 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)		40,000	37,600 2,400																																													

34

35

www.cseportal.com

Revaluation A/c			
Dr		Cr	
Particulars	Amt (`)	Particulars	Amt (`)
To Claim for Workmen Compensation	5,000	By loss on revaluation transferred to Partners' Capital A/c	
To fixed assets A/c	15,000	Singh	8,000
		Jain	6,000
		Sharma	4,000
		Gupta	<u>2,000</u>
			20,000
	<u>20,000</u>		<u>20,000</u>

1 ½

Partners' Capital A/c									
Dr					Cr				
Particulars	Singh	Jain	Sharma	Gupta	Particulars	Singh	Jain	Sharma	Gupta
To Revaluation A/c	8,000	6,000	4,000	2,000	By Balance b/d	50,000	40,000	40,000	40,000
To Singh's Capital A/c	---	---	2,250	6,750	By Sharma's Capital A/c	2,250	750	---	---
To Jain's Capital A/c	---	---	750	2,250	By Gupta's Capital A/c	6,750	2,250	---	---
To Partners' Current A/c	13,500	---	---	---	By Partners' Current A/c	---	500	4,500	8,500
To Balance c/d	37,500	37,500	37,500	37,500					
	59,000	43,500	44,500	48,500		59,000	43,500	44,500	48,500

2 ½

**Balance Sheet of Singh, Jain, Sharma and Gupta
as at 31st March 2016**

Liabilities		Amt (`)	Assets		Amt (`)
Partners' Capital A/c:			Fixed Assets		1,45,000
Singh	37,500		Current Assets		90,000
Jain	37,500		Partners' Current A/c:		
Sharma	37,500		Jain	500	
Gupta	<u>37,500</u>	1,50,000	Sharma	4,500	
Claim for Workmen Compensation		40,000	Gupta	<u>8,500</u>	13,500
Sundry Creditors		45,000			
Singh's Current A/c		13,500			
		<u>2,48,500</u>			<u>2,48,500</u>

2

= 6 Marks

14 Q. On 1-4-2015.....ended 31.3.2016.

Ans.

Neena 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)		76,000	76,000
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		76,000 4,000 6,400	80,000 6,400

1

1

37

38

			<table><tr><td>(iv)</td><td>A's Capital A/c Z's Capital A/c To Cash A/c (Being half of goodwill amount withdrawn by A and Z)</td><td>Dr. Dr.</td><td>10,500 4,500</td><td>15,000</td><td>½</td></tr><tr><td>(v)</td><td>Bad debts A/c To Debtors A/c (Being debtors ` 4,500 written off)</td><td>Dr.</td><td>4,500</td><td>4,500</td><td>½</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>4,500</td><td>4,500</td><td>½</td></tr><tr><td>(vii)</td><td>Revaluation A/c To Provision for bad and doubtful debts A/c (Being provision for bad debts created)</td><td>Dr.</td><td>975</td><td>975</td><td>½</td></tr><tr><td>(viii)</td><td>Outstanding Wages A/c To Cash A/c (Being outstanding wages paid)</td><td>Dr.</td><td>9,000</td><td>9,000</td><td>½</td></tr><tr><td>(ix)</td><td>Revaluation A/c To Stock A/c To Furniture A/c To Plant & Machinery A/c (Being decrease in assets recorded)</td><td>Dr.</td><td>17,100</td><td>6,000 1,500 9,600</td><td>1 ½</td></tr><tr><td>(x)</td><td>Investments A/c To Revaluation A/c (Being increase in investments recorded)</td><td>Dr.</td><td>7,500</td><td>7,500</td><td>½</td></tr><tr><td>(xi)</td><td>Revaluation A/c To Creditors A/c (Being increase in creditors recorded)</td><td>Dr.</td><td>6,300</td><td>6,300</td><td>½</td></tr><tr><td>(xii)</td><td>A's Capital A/c Z's Capital A/c To Revaluation A/c (Being loss on revaluation transferred to Partner's Capital A/c)</td><td>Dr. Dr.</td><td>11,812.50 5062.50</td><td>16875</td><td>½ = 8 Marks</td></tr><tr><td></td><td>Note: In case an examinee has combined entry number (vii), (ix) and (xi), full credit may be given. <div>2 ½</div> 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)</td><td>Dr.</td><td>24,375</td><td>975 6,000 1,500 9,600 6,300</td><td></td></tr></table>	(iv)	A's Capital A/c Z's Capital A/c To Cash A/c (Being half of goodwill amount withdrawn by A and Z)	Dr. Dr.	10,500 4,500	15,000	½	(v)	Bad debts A/c To Debtors A/c (Being debtors ` 4,500 written off)	Dr.	4,500	4,500	½	(vi)	Provision for bad and doubtful debts A/c To Bad debts A/c (Being provision utilised for writing off bad debts)	Dr.	4,500	4,500	½	(vii)	Revaluation A/c To Provision for bad and doubtful debts A/c (Being provision for bad debts created)	Dr.	975	975	½	(viii)	Outstanding Wages A/c To Cash A/c (Being outstanding wages paid)	Dr.	9,000	9,000	½	(ix)	Revaluation A/c To Stock A/c To Furniture A/c To Plant & Machinery A/c (Being decrease in assets recorded)	Dr.	17,100	6,000 1,500 9,600	1 ½	(x)	Investments A/c To Revaluation A/c (Being increase in investments recorded)	Dr.	7,500	7,500	½	(xi)	Revaluation A/c To Creditors A/c (Being increase in creditors recorded)	Dr.	6,300	6,300	½	(xii)	A's Capital A/c Z's Capital A/c To Revaluation A/c (Being loss on revaluation transferred to Partner's Capital A/c)	Dr. Dr.	11,812.50 5062.50	16875	½ = 8 Marks		Note: In case an examinee has combined entry number (vii), (ix) and (xi), full credit may be given. <div>2 ½</div> 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.	24,375	975 6,000 1,500 9,600 6,300	
(iv)	A's Capital A/c Z's Capital A/c To Cash A/c (Being half of goodwill amount withdrawn by A and Z)	Dr. Dr.	10,500 4,500	15,000	½																																																										
(v)	Bad debts A/c To Debtors A/c (Being debtors ` 4,500 written off)	Dr.	4,500	4,500	½																																																										
(vi)	Provision for bad and doubtful debts A/c To Bad debts A/c (Being provision utilised for writing off bad debts)	Dr.	4,500	4,500	½																																																										
(vii)	Revaluation A/c To Provision for bad and doubtful debts A/c (Being provision for bad debts created)	Dr.	975	975	½																																																										
(viii)	Outstanding Wages A/c To Cash A/c (Being outstanding wages paid)	Dr.	9,000	9,000	½																																																										
(ix)	Revaluation A/c To Stock A/c To Furniture A/c To Plant & Machinery A/c (Being decrease in assets recorded)	Dr.	17,100	6,000 1,500 9,600	1 ½																																																										
(x)	Investments A/c To Revaluation A/c (Being increase in investments recorded)	Dr.	7,500	7,500	½																																																										
(xi)	Revaluation A/c To Creditors A/c (Being increase in creditors recorded)	Dr.	6,300	6,300	½																																																										
(xii)	A's Capital A/c Z's Capital A/c To Revaluation A/c (Being loss on revaluation transferred to Partner's Capital A/c)	Dr. Dr.	11,812.50 5062.50	16875	½ = 8 Marks																																																										
	Note: In case an examinee has combined entry number (vii), (ix) and (xi), full credit may be given. <div>2 ½</div> 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.	24,375	975 6,000 1,500 9,600 6,300																																																											
16 OR	16 OR	17 OR	Q. N, S and G were.....G's retirement. 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>(i)</td><td>General Reserve A/c To N's Capital A/c To S's Capital A/c To G's Capital A/c (Being General Reserve distributed among partners)</td><td>Dr.</td><td>90,000</td><td>18,000 27,000 45,000</td></tr></table>			Date	Particulars	LF	Dr ()	Cr ()	(i)	General Reserve A/c To N's Capital A/c To S's Capital A/c To G's Capital A/c (Being General Reserve distributed among partners)	Dr.	90,000	18,000 27,000 45,000																																																
Date	Particulars	LF	Dr ()	Cr ()																																																											
(i)	General Reserve A/c To N's Capital A/c To S's Capital A/c To G's Capital A/c (Being General Reserve distributed among partners)	Dr.	90,000	18,000 27,000 45,000																																																											
			1																																																												

			(ii)	N's Capital A/c S's Capital A/c G's Capital A/c To Profit and Loss A/c (Being accumulated losses divided among partners)	Dr. Dr. Dr.	15,000 22,500 37,500	75,000	1
			(iii)	Bad Debts A/c To Debtors A/c (Being debtors of ₹ 6000 written off)	Dr.	6,000	6,000	½
			(iv)	Provision for bad and doubtful debts A/c To Bad Debts A/c (Being provision utilised for writing off bad and doubtful debts)	Dr.	6,000	6,000	½
			(v)	Provision for bad and doubtful debts A/c To Revaluation A/c (Being excess provision transferred to Revaluation A/c)	Dr.	2,550	2,550	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.	1,35,000	90,000 7,500 22,500 15,000	2
			(vii)	Revaluation A/c To Creditors A/c (Being increase in creditors recorded)	Dr.	30,000	30,000	½
			(viii)	N's Capital A/c S'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.	32,490 48,735 81,225	1,62,450	½
			(ix)	N's Capital A/c S's Capital A/c To G's Capital A/c (Being Goodwill adjusted on G's retirement)	Dr. Dr.	18,000 27,000	45,000	1
			(x)	G's Capital A/c To G's Loan A/c (Being balance of G's Capital transferred to G's Loan A/c)	Dr.	4,21,275	4,21,275	½ =
				Note: In case an examinee has combined entry number (vi) and (vii), full credit may be given. <div style="border: 1px solid black; border-radius: 50%; width: 40px; height: 20px; display: flex; align-items: center; justify-content: center; margin: 10px auto;">2 ½</div> Revaluation A/c To Patents A/c To Stock A/c To Machinery A/c To Building A/c To Creditors A/c (Being assets and liabilities revalued)	Dr.	1,65,000	90,000 7,500 22,500 15,000 30,000	8 Marks
			Working Notes: Amount payable to G = (81,225) + 45,000 + 45,000 - 37,500 = ₹ (28,725)					

17	17	16	Q. BBG Ltd.books of the company. Ans.																																									
			BBG Ltd. Journal																																									
			<table border="1"> <thead> <tr> <th>Date</th><th>Particulars</th><th>LF</th><th>Dr. Amt ()</th><th>Cr. Amt ()</th></tr> </thead> <tbody> <tr> <td>(i)</td><td>Bank A/c Dr. To Equity Share Application A/c (Being application money received on shares)</td><td></td><td>8,00,000</td><td>8,00,000</td></tr> <tr> <td>(ii)</td><td>Equity Share Application A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being application money transferred)</td><td></td><td>8,00,000</td><td>4,00,000 4,00,000</td></tr> <tr> <td>(iii)</td><td>Equity Share Allotment A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being share allotment money due)</td><td></td><td>10,00,000</td><td>6,00,000 4,00,000</td></tr> <tr> <td>(iv)</td><td>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 1,000 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 1,000 shares and calls in advance received)</td><td></td><td>10,11,500 5,000 10,11,500</td><td>10,00,000 16,500 9,95,000 16,500</td></tr> <tr> <td>(v)</td><td>Equity Share Capital A/c Dr. Securities Premium Reserve A/c Dr. To Shares Forfeited A/c To Equity Share Allotment A/c/ Calls in arrears A/c (Being 1,000 shares forfeited after allotment)</td><td></td><td>5,000 2,000</td><td>2,000 5,000</td></tr> <tr> <td>(vi)</td><td>Equity Share First call A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being first call made due on 1,99,000 shares)</td><td></td><td>9,95,000</td><td>3,98,000 5,97,000</td></tr> <tr> <td>(vii)</td><td>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)</td><td></td><td>9,88,600 2,500 7,500 9,88,600 7,500</td><td>9,95,000 3,600 9,92,500 3,600</td></tr> </tbody> </table>	Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()	(i)	Bank A/c Dr. To Equity Share Application A/c (Being application money received on shares)		8,00,000	8,00,000	(ii)	Equity Share Application A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being application money transferred)		8,00,000	4,00,000 4,00,000	(iii)	Equity Share Allotment A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being share allotment money due)		10,00,000	6,00,000 4,00,000	(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 1,000 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 1,000 shares and calls in advance received)		10,11,500 5,000 10,11,500	10,00,000 16,500 9,95,000 16,500	(v)	Equity Share Capital A/c Dr. Securities Premium Reserve A/c Dr. To Shares Forfeited A/c To Equity Share Allotment A/c/ Calls in arrears A/c (Being 1,000 shares forfeited after allotment)		5,000 2,000	2,000 5,000	(vi)	Equity Share First call A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being first call made due on 1,99,000 shares)		9,95,000	3,98,000 5,97,000	(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)		9,88,600 2,500 7,500 9,88,600 7,500	9,95,000 3,600 9,92,500 3,600	<div>1</div> <div>1</div> <div>1</div> <div>1</div> <div>1</div> <div>½</div> <div>½</div>
Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()																																								
(i)	Bank A/c Dr. To Equity Share Application A/c (Being application money received on shares)		8,00,000	8,00,000																																								
(ii)	Equity Share Application A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being application money transferred)		8,00,000	4,00,000 4,00,000																																								
(iii)	Equity Share Allotment A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being share allotment money due)		10,00,000	6,00,000 4,00,000																																								
(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 1,000 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 1,000 shares and calls in advance received)		10,11,500 5,000 10,11,500	10,00,000 16,500 9,95,000 16,500																																								
(v)	Equity Share Capital A/c Dr. Securities Premium Reserve A/c Dr. To Shares Forfeited A/c To Equity Share Allotment A/c/ Calls in arrears A/c (Being 1,000 shares forfeited after allotment)		5,000 2,000	2,000 5,000																																								
(vi)	Equity Share First call A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being first call made due on 1,99,000 shares)		9,95,000	3,98,000 5,97,000																																								
(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)		9,88,600 2,500 7,500 9,88,600 7,500	9,95,000 3,600 9,92,500 3,600																																								

			(viii)	Equity Share Capital A/c Securities Premium Reserve A/c To Shares Forfeited A/c To Calls in arrears A/c/ Equity Share First Call A/c (Being 500 shares forfeited)	Dr. Dr.		3,500 1,500		2,500 2,500	$\frac{1}{2}$																																									
			(ix)	Equity Share Second & Final call A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being second call due on 1,98,500 shares)	Dr.		11,91,000		5,95,500 5,95,500	$\frac{1}{2}$																																									
			(x)	Bank A/c Calls in advance A/c To Equity share second and final call A/c (Being second and final call received)	Dr. Dr.		11,78,400 12,600		11,91,000	$1 =$																																									
										8 Marks																																									
17 OR	17 OR	16 OR	Q. Joy Ltd..... books of the company. Ans. <div style="text-align: center;">Joy 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 60,000 shares)</td><td>Dr.</td><td>1,80,000</td><td>1,80,000</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>1,80,000</td><td>60,000 40,000 65,000 15,000</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>80,000</td><td>80,000</td></tr><tr><td>(iv)</td><td>Bank A/c Calls in arrears A/c To Equity share allotment a/c (Being amount received on allotment) OR Bank A/c To Equity share allotment a/c (Being amount received on allotment)</td><td>Dr. Dr.</td><td>14,700 300</td><td>15,000 14,700</td></tr><tr><td>(v)</td><td>Equity Share capital A/c To Shares Forfeited A/c To Calls in arrears A/c (Being 300 shares forfeited on which allotment money was not received)</td><td>Dr.</td><td>2,100</td><td>1,800 300</td></tr><tr><td>(vi)</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>59,100</td><td>59,100</td></tr><tr><td>(vii)</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 first and final call money received except on 200 shares) OR</td><td>Dr. Dr. Dr.</td><td>43,500 600 15,000</td><td>59,100</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 60,000 shares)	Dr.	1,80,000	1,80,000	(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.	1,80,000	60,000 40,000 65,000 15,000	(iii)	Equity Share Allotment A/c To Equity Share Capital A/c (Being share allotment money due)	Dr.	80,000	80,000	(iv)	Bank A/c Calls in arrears A/c To Equity share allotment a/c (Being amount received on allotment) OR Bank A/c To Equity share allotment a/c (Being amount received on allotment)	Dr. Dr.	14,700 300	15,000 14,700	(v)	Equity Share capital A/c To Shares Forfeited A/c To Calls in arrears A/c (Being 300 shares forfeited on which allotment money was not received)	Dr.	2,100	1,800 300	(vi)	Equity share first and final call A/c To Equity share Capital A/c (Being First and final call money due)	Dr.	59,100	59,100	(vii)	Bank A/c Calls in arrears A/c Calls in advance A/c To Equity share first and final call A/c (Being first and final call money received except on 200 shares) OR	Dr. Dr. Dr.	43,500 600 15,000	59,100	$\frac{1}{2}$ $\frac{1}{2}$ $\frac{1}{2}$ 1 1 $\frac{1}{2}$ 1
Date	Particulars	LF	Dr. Amt ()	Cr. Amt ()																																															
(i)	Bank A/c To Equity Share Application A/c (Being application money received on 60,000 shares)	Dr.	1,80,000	1,80,000																																															
(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.	1,80,000	60,000 40,000 65,000 15,000																																															
(iii)	Equity Share Allotment A/c To Equity Share Capital A/c (Being share allotment money due)	Dr.	80,000	80,000																																															
(iv)	Bank A/c Calls in arrears A/c To Equity share allotment a/c (Being amount received on allotment) OR Bank A/c To Equity share allotment a/c (Being amount received on allotment)	Dr. Dr.	14,700 300	15,000 14,700																																															
(v)	Equity Share capital A/c To Shares Forfeited A/c To Calls in arrears A/c (Being 300 shares forfeited on which allotment money was not received)	Dr.	2,100	1,800 300																																															
(vi)	Equity share first and final call A/c To Equity share Capital A/c (Being First and final call money due)	Dr.	59,100	59,100																																															
(vii)	Bank A/c Calls in arrears A/c Calls in advance A/c To Equity share first and final call A/c (Being first and final call money received except on 200 shares) OR	Dr. Dr. Dr.	43,500 600 15,000	59,100																																															

43

44

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

Particulars	Details (₹)	Amount (₹)
<u>A. Cash Flows from Operating Activities:</u>		
Net Profit before tax & extraordinary items (note 1)	87,500	
<u>Add: Non cash and non-operating charges</u>		
Goodwill written off	12,500	
Depreciation on machinery	27,500	
Interest on debentures	10,500	
Loss on sale of machinery	<u>2,500</u>	
<i>Operating profit before working capital changes</i>	1,40,500	
<u>Less: Increase in Current Assets</u>		
Increase in inventories	<u>(12,500)</u>	
Net Cash generated from Operating Activities		1,28,000
<u>B. Cash flows from Investing Activities :</u>		
Purchase of machinery	(1,75,000)	
Sale of machinery	7,500	
Purchase of non current investments	<u>(12,500)</u>	
Net Cash used in investing activities		(1,80,000)
<u>C. Cash flows from Financing Activities:</u>		
Issue of share capital	50,000	
Issue of 12% debentures	25,000	
Interest on debentures paid	(10,500)	
Dividend paid	(31,250)	
Bank overdraft raised	18,750	
Net Cash flow from financing activities		<u>52,000</u>
Net change in cash & cash equivalents (A+B+C)		Nil
<u>Add: Opening balance of cash & cash equivalents</u>		
Current Investments	17,500	
Cash and Cash Equivalents	10,750	<u>28,250</u>
Closing Balance of cash & cash equivalents		
Current Investments	10,000	
Cash and Cash Equivalents	18,250	<u>28,250</u>

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

Net profit as per statement of Profit & Loss	37,500
Add: Proposed Dividend	<u>50,000</u>
Net Profit before tax & extraordinary items	<u><u>87,500</u></u>

Machinery A/c

Particulars	₹	Particulars	₹
To Balance b/d	2,63,750	By Cash A/c	7,500
To Cash A/c (Purchase)	1,75,000	By Statement of P/L (Bal fig.)	2,500
		By Accumulated Depreciation A/c	10,000
		By Balance c/d	4,18,750
	<u>4,38,750</u>		<u>4,38,750</u>

Accumulated Depreciation A/c

Particulars	₹	Particulars	₹
To Machinery A/c	10,000	By Balance b/d	35,000
To Balance c/d	52,500	By Statement of P/L	27,500
	<u>62,500</u>		<u>62,500</u>

			PART B (Computerized Accounting)	
19	18	18	Q. What is meantSQL? Ans. The process of matching rows in two tables based on their primary and foreign keys is called a 'JOIN'. Joins along with Structured Query Language serve as a valuable tool for manipulating tables.	1 Mark
18	19	19	Q. Why is it.....database? Ans. They are merely computational outcomes from other attributes and keep on changing with the change in affecting attributes.	1 Mark
21	22	20	Q. State any four.....Tables'. Ans. Advantages of Pivot Table are: (Any four) 1. User friendly 2. Focus on results 3. Multiple summarisation of data 4. Filtering, sorting, grouping etc. Makes it possible to focus on information. 5. Presenting concise, attractive and annotated online or printed reports. 6. Analysis of related tables is facilitated	=4 Marks
22	20	21	Q. What information.....bill? Explain. Ans. The preparation of salary bill should provide for the following: • Maintaining payroll related data such as employee number, Name, Attendance, Basic Pay and other allowances and deductions to be made. • Periodic payroll computations which includes the calculations of earning and deduction heads, which are to be divided from basic values as per the formulae • Preparation of salary slip of an employee • Generation of advice to bank as it contains net salary to be transferred to individual bank account of employees and other salary related statutory payments such as provident fund tax etc.	=4 Marks
20	21	22	Q. Explain 'Size of Organisation'software. Ans. Size of Organisation: (Explanation may include following points) • Volume of business transactions affects the choice of software. • Small organisations or non profit organisations can opt for single user operated software. • Large organisations will require sophisticated software Ease of adapting and training needs: • User friendly software require simple and short training • Complex software require intense and continuous training • If it is simple it should be able to motivate people to use it	2 2 =4 Marks
-	-	23	Q. State the steps.....text file. Ans. Following are the steps: 1. Create data file using note pad program of MS Windows 2. A comma separated data values in one line of this text file is a row in a spreadsheet and each entry, separated by comma is a column entry for that row. 3. First line provides names for the columns 4. Next line onwards start entering data separated by commas as per the names given in the first line. 5. Data may vary in length but it should be separated by comma. 6. Pen a new excel worksheet from the office button. 7. Select a data tab from the ribbon. 8. Click to the option to get external data. 9. Click on from text. 10. Saved as .cvm into excel format copy to respective columns and rows. 11. Now the data can be saved.	=6 Marks