SAMPLE QUESTION PAPER **ACCOUNTANCY (055) CLASS-XII** 2016

Time allowed – Three hours

Max Marks 80

General Instructions:

This question paper contains two parts A and B.
 Part A is compulsory for all.

- 3) Part B has two options-Financial statements Analysis and Computerized Accounting.
- 4) Attempt only one option of Part B.
- 5) All parts of a question should be attempted at one place.

| | PART A: ACCOUNTING FOR PARTNERSHIP FIRMS AND COMPANIES | |
|-----|--|-----|
| Q1. | A, B and C are the partners sharing profits and losses in the ratio of 5:3:2. C retired and his capital balance after adjustments regarding Reserves, Accumulated profits/ losses and gain/loss on revaluation was ₹2,50,000. C was paid ₹ 3,00,000 in full settlement. Afterwards D was admitted for 1/4th share . Calculate the amount of goodwill premium brought by D. Sol: Goodwill share of C=₹ 3,00,000-₹ 2,50,000=₹ 50,000 | (1) |
| | Firm's Goodwill= $50,000 \times 10/2 = 2,50,000 = 10,000$ D's share in Goodwill= $2,50,000 \times 1/4 = 62,500$ | |
| Q2. | A and B were partners in a firm. They admitted C as a new partner for 20% share in the profits. After all adjustments regarding general reserve, goodwill, gain or loss on revaluation, the balances in capital accounts of A and B were $₹ 3,85,000$ and $₹ 4,15,000$ respectively. C brought proportionate capital so as to give him 20% share in the profits. Calculate the amount of capital to be brought by C. Sol: Combined capital of A and B = ₹ 3,85,000+₹ 4,15,000=₹ 8,00,000 C's Share= 1/5 th of total capital Remaining share= 1-1/5=4/5 4/5=₹8,00,000 C's capital= ₹8,00,000x5/4x1/5= ₹ 2,00,000 | (1) |
| Q3. | A and B are partners. The net divisible profit as per Profit and Loss Appropriation A/c is ₹ 2,50,000. The total interest on partner's drawing is ₹ 4,000. A's salary is ₹ 4,000 per quarter and B's salary is ₹ 40,000 per annum. Calculate the net profit/loss earned during the year. Sol. Net Profit during the year = Divisible profits + Salary to partners - Interest on Drawings = 2,50,000 + 16,000 + 40,000 - 4000 = ₹ 3,02,000 | (1) |
| Q4. | ABC Ltd. Purchased for cancellation its own 5,000, 9% Debentures of ₹ 100 each for ₹ 95 per debenture. The brokerage charges ₹ 15,000 were incurred. Calculate the amount to be transferred to capital reserve. Sol.Amount paid for 5,000 Debentures= 4,75,000+15,000=₹4,90,000 The nominal value of debentures to be redemption/cancelled= ₹5,00,000 Amount of profit on redemption to be transferred to capital reserve= ₹5,00,000-₹4,90,000=₹10,000 | (1) |

| | | feited a share of ₹100 issue final call of ₹10 per share. | | | | (1) |
|-----|---|---|--|--|----------------------|-----|
| | Sol. Mini | mum price at which shares | can be reissued = $\mathbf{\overline{\xi}}_{10}$ | 0 – ₹60 = ₹40 | | |
| Q6. | | of 60 persons want to form a fyour answer. | a partnership business | in India. Can they do s | so? Give reason in | (1) |
| | Sol. No, N | Maximum no. of partners as | per The Companies 1 | Misc. Rule, 2014 is 50 | persons | |
| Q7. | Explain v | vith an imaginary example neet of a company when it i | how issue of debent | ture as collateral secur | - | (3) |
| | | Ltd. obtained Loan of ₹1, as Collateral security. (or | | Bank and issued 1200, | 10% Debentures of | |
| | Treatmen | t: An extr | act of Balance sheet o | f Alfa Ltd. | | |
| | | | as at | | | |
| | | Particulars | Note No. | ₹ | | |
| | | Y AND LIABILITIES | | | | |
| | | urrent liabilities erm Borrowings | 1 | 1,00,000 | | |
| | | chil Donowings | | 1,00,000 | | |
| | Notes to A | Accounts: | | | | |
| | Note No | Particulars | | | ₹ | |
| | 1 | Long Term Borrowings | | | | |
| | | Loan from Indian Bank | | | 1,00,000 | |
| | | 1200, 10% Debentures of | ₹100 each issued as C | Collateral Security 1,20,000 | | |
| 1 | | | | , , | | |
| | | Less: debenture Suspense | | _(1,20,000) | | |
| | | Less: debenture Suspense | | <u>(1,20,000)</u> | 1,00,000 | |
| Q8. | firm. Rek | Less: debenture Suspense unita and Teena are partners ha surrenders 1/4 th of her s avour of Samiksha. Find the | s in a firm sharing prot hare; Sunita surrender | fits in the ratio of 3:2:1 rs 1/3 rd of her share an | . Samiksha joins the | (3) |
| Q8. | firm. Rek share in fa Sol. Rekha sur | nita and Teena are partners ha surrenders 1/4 th of her s avour of Samiksha. Find the renders for Samiksha = ¹ /4 * | s in a firm sharing prof hare; Sunita surrender e new Profit sharing ra *3/6 =3/24 | fits in the ratio of 3:2:1 rs 1/3 rd of her share an | . Samiksha joins the | (3) |
| Q8. | firm. Rek share in fa Sol. Rekha sur Sunita sur | inita and Teena are partners ha surrenders 1/4 th of her s avour of Samiksha. Find the | s in a firm sharing prot hare; Sunita surrender e new Profit sharing ra *3/6 =3/24 *2/6=2/18 | fits in the ratio of 3:2:1 rs 1/3 rd of her share an | . Samiksha joins the | (3) |
| Q8. | firm. Rek share in fa Sol. Rekha sur Sunita sur Teena sur New share | nita and Teena are partners ha surrenders $1/4^{th}$ of her s avour of Samiksha. Find the renders for Samiksha = $\frac{1}{4}$ * renders for Samiksha = $\frac{1}{3}$ rrenders for Samiksha = $\frac{1}{5}$ e of Rekha = $\frac{3}{6}-\frac{3}{24} = \frac{9}{24}$ | s in a firm sharing prof hare; Sunita surrender e new Profit sharing ra *3/6 =3/24 *2/6=2/18 5*1/6=1/30 4 | fits in the ratio of 3:2:1 rs 1/3 rd of her share an | . Samiksha joins the | (3) |
| Q8. | firm. Rek share in fa Sol. Rekha sun Sunita sun Teena sun New share New share | inita and Teena are partners ha surrenders $1/4$ th of her s avour of Samiksha. Find the renders for Samiksha = $1/4$ * renders for Samiksha = $1/3$ rrenders for Samiksha = $1/5$ e of Rekha = $3/6-3/24 = 9/24$ e of Sunita = $2/6-2/18 = 4/18$ | s in a firm sharing prof hare; Sunita surrender e new Profit sharing ra *3/6 =3/24 *2/6=2/18 5*1/6=1/30 4 8 | fits in the ratio of 3:2:1 rs 1/3 rd of her share an | . Samiksha joins the | (3) |
| Q8. | firm. Rek share in fa Sol. Rekha sun Sunita sun Teena sun New share New share | nita and Teena are partners ha surrenders $1/4^{th}$ of her s avour of Samiksha. Find the renders for Samiksha = $\frac{1}{4}$ * renders for Samiksha = $\frac{1}{3}$ rrenders for Samiksha = $\frac{1}{5}$ e of Rekha = $\frac{3}{6}-\frac{3}{24} = \frac{9}{24}$ | s in a firm sharing prof hare; Sunita surrender e new Profit sharing ra *3/6 =3/24 *2/6=2/18 5*1/6=1/30 4 8 | fits in the ratio of 3:2:1 rs 1/3 rd of her share an | . Samiksha joins the | (3) |
| Q8. | firm. Rek share in fa Sol. Rekha sun Sunita sun Teena sun New share New share New share | inita and Teena are partners ha surrenders $1/4$ th of her s avour of Samiksha. Find the renders for Samiksha = $1/4$ * renders for Samiksha = $1/3$ rrenders for Samiksha = $1/5$ e of Rekha = $3/6-3/24 = 9/24$ e of Sunita = $2/6-2/18 = 4/18$ | s in a firm sharing prof hare; Sunita surrender e new Profit sharing ra *3/6 =3/24 *2/6=2/18 5*1/6=1/30 4 8 | fits in the ratio of 3:2:1 rs 1/3 rd of her share an | . Samiksha joins the | (3) |
| Q8. | firm. Rek share in fa Sol. Rekha sun Sunita sun Teena sun New share New share New share Share of S | nita and Teena are partners ha surrenders $1/4^{th}$ of her s avour of Samiksha. Find the renders for Samiksha = $1/4$ * renders for Samiksha = $1/3$ rrenders for Samiksha = $1/5$ e of Rekha = $3/6-3/24 = 9/24$ e of Sunita = $2/6-2/18 = 4/18$ e of Teena = $1/6-1/30 = 4/30$ | s in a firm sharing prof hare; Sunita surrender e new Profit sharing ra *3/6 =3/24 *2/6=2/18 5*1/6=1/30 4 8 | fits in the ratio of 3:2:1 rs 1/3 rd of her share an | . Samiksha joins the | (3) |

| | 00 by Bank Draft. | | | | |
|---|---|--------------------------------------|--|---|--------------------------------------|
| Calculate | e Purchase consideration and pass necessary Journal ent | ries in | the books of | King Ltd. | |
| Nominal Securitie Bank dra | on of Purchase Consideration:Value of Shares issued = $10000 \ge 1000 \ge 10,00,00$ s Premium Reserve = $1,00,000$ ft = $11,00,000$ consideration = $22,00,000$ |) <u>)</u> | | | |
| | KING LTD. | | | | |
| Date | JOURNAL Particulars | L.F | Debit ₹ | Credit ₹ | |
| i. | Sundry Assets A/c Dr Goodwill A/c (b/f) Dr To Sundry Liabilities A/c To Queen Ltd. (Being the purchase of assets and liabilities of Queen Ltd.) | | 25,00,000 3,00,000 | 6,00,000 22,00,000 | |
| ii. | Queen Ltd.) Queen Ltd Dr To Equity Share capital A/c To Securities Premium Reserve A/c To Bank A/c (Being 10,000 Equity Shares issued of ₹100 each issued at a premium of 10% and ₹ 11,00,000 paid by Bank draft) | | 22,00,000 | 10,00,000 1,00,000 11,00,000 | |
| they wan the local massive funds th Kashmir Sol. Pass nec | I was a cloth manufacturing company located in Delhitted to set up a manufacturing plant in a backward area people. On July 17, 2014 a flood had hit the entire destruction and loss. The company wanted to help through issuing 50,000 Equity shares of ₹50 each to the society. | of Kas state e peopl set up | hmir to prov of Jammu & e, so they d the plant in | ide employm z Kashmir ca ecided to rai the rural a | ent to ausing se the rea of |
| | ABC LTD. JOURNAL | | | | |
| Date | Particulars | L.F | Debit ₹ | Credit ₹ | |
| (i) | Bank A/c Dr. To Equity Share Application & Allotment A/c | | 25,00,000 | 25,00,000 | |

| | (ii) | Equity Share Applica To Equity Share (| Capital A/c | | | 25,0 | 0,000 | 5,00,000 | |
|------|------------------------------------|---|--|--|------------------------------|----------------------------|--|--|-------------|
| | | (Being the amount tr | ansferred to S | hare Capital A/c) | | | | | |
| | (i) I (ii) C (iii)H | which the Company want Discharge of Social Respo Generation of employmer Helping the needy people Sympathy for poor. | onsibility. It opportunitie | - | /: | | | | |
| Q11. | acquired years, w Balance | and D were partners s by A and B equally. G hich were ₹ 40,000. Ge Sheet was ₹3,00,000 a entries in the books of the | bodwill was w neral Reserve t the time of | valued at 3 year's showed a balance D's retirement. | purch e of ₹1 You ar | ase of 1,30,0 e requ | f average 00 and D ² uired to re | profits of la 's Capital in ecord necess | st 4 the |
| | Sol. | | JC | DURNAL | | | | | |
| | S.No. | PARTICULARS | | | | L.F | DEBIT ₹ | CREDIT ₹ | |
| | (i) | A's Capital A/c B's Capital A/c To D's Capital A (Treatment of goodwil | A/c | | _Dr. _Dr. | | 24,000 24,000 | 48,000 | |
| | (ii) | General Reserve To A's Capital A/c To B's Capital A/c To C's Capital A/c To D's Capital A/c (General Reserve distr | | | _Dr. | | 1,30,000 |) 13,000 26,000 39,000 52,000 | |
| | D | Ŧ | | , | | | | C | |
| | Dr. | L CULARS |)'s Capital A AMOUNT | | 2 | | AMO | Cr. | |
| | | COLARS | ₹ | TARTICULAR |) | | ₹ AMO | | |
| | To D's | Loan A/C | 4,00,000 | By Balance b/d By A's Capital A By B's Capital A By General Rese | A/c | | 3,00, 24, 24, 52, 4,00,0 | 000 000 000 000 | |
| Q12. | Kavita. | Meenakshi and Gauri are | partners doi | ng a paper busine | ss in L | udhia | na. After | the account | s of (4 |
| | partnersh 2013 and provision | nip have been drawn up d 2014, Interest on capita n for interest on capita 0 and ₹1,20,000 respecti | and closed, i tal has been l in the part vely. During t Year | t was discovered allowed to partne nership deed. Th he last two years | that fo ers @ neir fix | or the 6% p and ca | years end a a altho apitals we red the pr Rati | ding 31 st Ma ugh there is ere ₹ 2,00,0 ofits as unde o | no 000; |
| | | | 31 March 20 31 March 20 | | | | 3:2 5:3 | | |
| | You are | required to give necessar | y adjusting er | ntry on April 1, 20 |)14. | | | | |

| Sol. | , | Table Sł | nowing Adj | ustment | | | |
|---|--|----------------------------------|---|--|-------------------------------|---------------------------------|----------------------------------|
| | | | Kavita ₹ | Meenakshi ₹ | Gaur ₹ | i Tota ₹ | 1 |
| | on Capital (2012-13) on Capital (2013-14) | Dr. Dr. | 12,000 12,000 | 9,600 9,600 | 7,20 7,20 | | |
| Total D | r. | | 24,000 | 19,200 | 14,40 | 0 57,60 | 0 |
| | be credited (2012-13) | Cr. Cr. | 14,400 | 9,600 | 4,80 | | |
| Total Ci | be credited (2013-14) | Сг. | 14,400 28,800 | 8,640 | 5,76 | | |
| Adjustn | | | 4,800 Cr. | 18,240 960 Dr. | 3,84 Dr. | | 0 |
| | | JC | DURNAL E | | D1. | I | |
| DATE | PARTICULARS | | | | L.F | DEBIT ₹ | CREDIT ₹ |
| 2014 Apr 1 | Meenakshi's Current A/c Gauri's Current A/c To Kavita's Curr (Adjustment for interest and 2013-14) | ent A/c | | Dr. | | 960 3,840 | 4,800 |
| On 31 st M | Iarch 2015 the Balance S Bala | nce She | | Rahul and Seen | | OWS | |
| Liabiliti | es | | ₹ | Assets | | | ₹ |
| Capitals | | | | Buildings | | | 40,000 |
| Punit | 60,000 | | | Machinery | | | 60,000 |
| Rahul Seema | 50,000 <u>30,000</u> | | 1,40,000 | Patents Stock Cash | | | 12,000 20,000 42,000 |
| Reserve Creditor | | | 20,000 14,000 | | | | ,000 |
| | | | 1,74,000 | | | | 1,74,000 |
| Seema di i. G w 2 ii. P iii. P | re sharing Profit and loss ed on October 1, 2015. It oodwill be valued at 2 which were: 2010-11: ₹30 014-15: ₹40,000. atents be valued at ₹16,00 rofit for the year 2015-1 | was agr years' p),000; 20 | eed between urchase of t 011-12: ₹26 ninery at ₹56 | the average pro ,000; 2012-13: ⁵ 5,000; Buildings | fits of ₹24,000 at ₹60, | the previ); 2013-1- 000. | ous five years 4: ₹30,000 and |
| iv. Ir v. A | revious year. Iterest on capital be provi sum of ₹15,500 was paic Revaluation Account, See | d to her e | executors im | | , | | |

| ol. Dr. | | | Revaluatio | n Accou | nt | | Cr |
|-------------------|-----------------------|------|-----------------|-------------------|--------------------|-----|--------|
| Partice | ulars | LF | ₹ | Particul | | L | .F ₹ |
| | -) | | 4,000 20,000 | By Pate By Bui | | | 4,00 |
| | | | 24,000 | | | | 24,00 |
| Dr. | Ś | Seem | a's Capital | Ассонг | nt | | Cr. |
| Date | Particulars | | | Date | Particulars | LF | ₹ |
| 2015 | | | | 2015 | | | |
| Oct1 | To Seema's Executor's | | 55,500 | Apr1 | By Balance b/d | | 30,000 |
| | A/c | | | Oct 1 | By Reserves | | 4,000 |
| | | | | Oct 1 | By Punit's Capital | | 7,500 |
| | | | | Oct 1 | By Rahul's Capital | | 4,500 |
| | | | | Oct 1 | By Revaluation | | |
| | | | | | A/c | | 4,000 |
| | | | | Oct 1 | By P & L Suspense | | 4,000 |
| | | | | Oct 1 | By Int. on Capital | | 1,500 |
| | | | 55,500 | | | | 55,500 |
| | | | | | | | |
| Dr. | | | ema's Exec | | | 1.5 | Cr. |
| Date | Particulars | | F ₹ | Date | Particulars | LF | ₹ |
| | | 1 | 1 | 1 | | | 1 |

| | | | ` | | | ` | |
|------|--|--|--|-------------------------------|---|---|-------------|
| | 2015 | | | 2015 | | | |
| | Oct 1 | To Bank A/c | 15,500 | Oct 1 | By Seema's Capital | 55,500 | |
| | Oct 1 | To Seema's | | | A/c | | |
| | | Executor's Loan A/c | 40,000 | | | | |
| | | | 55,500 | | | 55,500 | |
| Q14. | Goodwill Seema's Interest o | Profit= $(30,000+26,000+24)$ $= 30,000 \times 2 = 160,000$ share of Profit for 6 month on Seema's Capital = 30,00 d issued 42,000, 7% Deben | s= 40,000 X 6, 00 X 10/100 X | /12 X 2/ 6/12 = | 10 = ₹4,000 ₹1,500 | nable at a premium o | f (6) |
| Q14. | 8% on 31 31 st Marc Bank of 1 | ¹ Issued 42,000, 7% Deben I st March 2015. The Comp ch 2014. The company inv India on 1 st April, 2014 ea on interest @10% per annu | any decided to vested the fund arning interest | o create ds as rec @10% | required Debenture Required by law in a fixe per annum. Tax was d | demption Reserve of ed deposit with State leducted at source by | n e y |

| Sol. | RUCHI LTD. | |
|------|------------|--|
| | JOURNAL | |

ISSUE OF DEBENTURES

| Date | Particulars | L.F | Debit ₹ | Credit ₹ |
|-----------------|--|-----|-----------------------|-----------------------|
| 2011 April 1 | Bank A/c Dr. To Debenture Application & Allotment A/c (Being the Application and allotment money received on issue of Debentures) | | 42,00,000 | 42,00,000 |
| April 1 | Debenture Application & Allotment A/cDr. Loss on Issue of Debenture A/cDr. To 7% debenture A/c To Premium on Redemption of Debenture A/c (Being allotment of Debentures redeemable at 8% premium) | | 42,00,000 3,36,000 | 42,00,000 3,36,000 |

REDEMPTION OF DEBENTURES:

| Date | Particulars | L.F | Debit ₹ | Credit ₹ |
|---------------------|---|-----|-----------------------|--------------------|
| 2014 March 31 | Surplus i.e. balance in Statement of Profit & Loss Dr. To Debenture redemption Reserve A/c (Being the profits transferred to Debenture Redemption Reserve) | | 10,50,000 | 10,50,0000 |
| 2014 April 1 | Debenture Redemption Investment A/c Dr. To Bank A/c (Being the Investment made as fixed deposit as per Companies Act, 2013 earning Interest @10%) | | 6,30,000 | 6,30,000 |
| 2015 March 31 | Bank A/c Dr. TDS collected A/c Dr. To Debenture Redemption Investment A/c To Interest Earned A/c (Being the fixed deposit encashed on Redemption and interest received @10%p.a.) | | 6,86,700 6,300 | 6,30,000 63,000 |
| 2015 March 31 | 7% Debenture A/c Dr Premium on Redemption of Debenture A/c Dr To Debentureholder's A/c (Being amount due to Debenture holders) | | 42,00,000 3,36,000 | 45,36,000 |
| March 31 | Debentureholder's A/c Dr. To Bank A/c (Being the amount due paid on redemption) | | 45,36,000 | 45,36,000 |

| Q15. Hema and Garima were partners in a firm sharing profits in the ratio of 3:2 . On March 31, 2015, thei Balance Sheet was as follows: Balance Sheet of Hema and Garima as at March 31, 2015 Liabilities $\overline{\mathbf{\xi}}$ Assets $\overline{\mathbf{\xi}}$ Creditors 36,000 Garima's Husband's Loan 60,000 Hema's Loan 40,000 Garima as Loan 40,000 Garima as Loan 40,000 Garima as Loan 40,000 Garima as Loon 43,6,000 Understats: | | March 31 | h | Debenture Redemption R To General Reserve A (Being Debenture Redem General Reserve) | /c | | 10,50,0 | 10,50,00 | 0 |
|--|------|-------------|-------------------------------------|---|---|--|---|--------------------|-----------|
| Balance Sheet was as follows: Balance Sheet of Hema and Garima as at March 31, 2015 Liabilities ₹ Assets ₹ Creditors 36,000 Bank 40,000 Garima's Husband's Loan 60,000 Debtors 76,000 Hema's Loan 40,000 Stock 2,00,000 Garima's Husband's Loan 40,000 Stock 2,00,000 Hema 2,00,000 Leasehold Premises 1,00,000 Garima 1,00,000 3,00,000 4,36,000 4,36,000 On the above date the firm was dissolved. The various assets were realized and liabilities were settle as under: (i) Garima agreed to pay her husband's loan. (ii) Leasehold Premises realized \$1,50,000 and Debtors \$2,000 less. (iii) Half the creditors agreed to accept furniture of the firm as full settlement of their clain and remaining half agreed to accept 5% less. (iv) So% Stock was taken over by Hema on cash payment of \$9,000 and remaining stock was sold for \$94,000. (v) Realisation expenses of \$10,000 were paid by Garima on behalf of firm. (v) (vi) Pass necessary journal entries for the dissolution of the firm. 20,000 (vi) Pass necessary journal entries for the dissolution of the firm. 20,000< | 015 | Hama | and C | orino more porteono in o f | inne ale anime a | anafita in the natio of | 2.2 On M | anah 21, 2015 . | their (6) |
| Balance Sheet of Hema and Garima as at March 31, 2015 Liabilities ₹ Assets ₹ Creditors 36,000 Bank 40,000 Garima's Husband's Loan 60,000 Stock 2,00,000 Capitals: Furniture 20,0000 Hema 2,00,000 Leasehold Premises 1,00,000 Garima 1,00,000 4,36,000 4,36,000 On the above date the firm was dissolved. The various assets were realized and liabilities were settle as under: (i) Garima agreed to pay her husband's loan. (ii) Leasehold Premises realized ₹1,50,000 and Debtors ₹2,000 less. (iii) Half the creditors agreed to accept 5% less. (iii) Half the creditors agreed to accept 5% less. (iv) 50% Stock was taken over by Hema on cash payment of ₹9,0000 and remaining stock was sold for ₹94,000. (v) Ne Realisation 6X/c 76,000 2,00,000 Viv) Pass necessary journal entries for the dissolution of the firm. 70,000. 2,00,000 2,00,000 1 Realisation A/c Dr. 3,96,000 76,000 2,00,000 1 Realisation A/c Dr. 3,96,000 76,000 2,00,000 1,00,000 | Q15. | | | | irm snaring j | promis in the ratio of | 5.2 . On M | arch 51, 2015, | their (6) |
| as at March 31, 2015Liabilities $\overline{\mathbf{X}}$ Assets $\overline{\mathbf{X}}$ Creditors36,000Bank40,000Garima's Husband's Loan60,000Debtors76,000Hema's Loan40,000Stock2,00,000Capitals:Furniture20,000Garima1,00,0003,00,000Garima1,00,0004,36,000On the above date the firm was dissolved. The various assets were realized and liabilities were settle as under:(i)(i)Garima agreed to pay her husband's loan.(ii)Leasehold Premises realized ₹1,50,000 and Debtors₹2,000 less.(iii)Half the creditors agreed to accept furniture of the firm as full settlement of their clain and remaining haff agreed to accept furniture of the firm.(iv)50% Stock was taken over by Hema on cash payment of ₹90,000 and remaining stock was sold for ₹0,4000.(v)Realisation expenses of ₹10,000 were paid by Garima on behalf of firm.(vi)Past necessary journal entries for the dissolution of the firm.Sol:JournalJournalDete Particulars1Realisation A/c1Realisation A/c2Creditors A/c350,0002Creditors A/c1Realisation A/c2Creditors A/c3Bank A/c40,00040,00040,00040,00040,0001Realisation A/c2Creditors | | Dalanc | | | nce Sheet of | Hema and Garima | | | |
| Liabilities $\overline{\mathbf{\xi}}$ Assets $\overline{\mathbf{\xi}}$ Creditors36,000Bank40,000Garima's Husband's Loan60,000Debtors76,000Hema's Loan40,000Stock2,00,000Capitals:Furniture20,000Hema2,00,000Loa.000Leasehold PremisesGarimaL00,0003,00,0004,36,000On the above date the firm was dissolved. The various assets were realized and liabilities were settle as under:(i)Garima agreed to pay her husband's loan.(ii)Leasehold Premises realized $\overline{\overline{\xi}}$ 1,50,000 and Debtors $\overline{\overline{\xi}}$ 2,000 less.(iii)Half the creditors agreed to accept furniture of the firm as full settlement of their clain and remaining half agreed to accept 5% less.(iv)(iv)50% Stock was taken over by Hema on cash payment of $\overline{\overline{\xi}}$ 90,000 and remaining stock was sold for $\overline{\overline{\xi}}$ 4,000(v)Realisation expenses of $\overline{\overline{\xi}}$ 10,000 were paid by Garima on behalf of firm.(vi)Pass necessary journal entries for the dissolution of the firm.Sol:JournalIournalDateParticularsTo Debtors A/cDr.To Leasehold Premises A/c1,00,000Creditors A/c20,000To Leasehold Premises A/c1,00,000Creditors A/c56,000Creditors A/c56,000To Realisation A/c0001Realisation A/c2Creditors A/c3Bank A/c3Bank A/c3Bank A/c <td></td> <td></td> <td></td> <td>2 4144</td> <td></td> <td></td> <td></td> <td></td> <td></td> | | | | 2 4144 | | | | | |
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| Creditors 20,000 Cash 20,000 General Reserve 16,000 Debtors 18,000 Capitals: 96,000 Furniture 12,000 Q 68,000 1,64,000 Machinery 40,000 Buildings 90,000 2,00,000 2,00,000 The terms of agreement on R's admission were as follows: a) R brought in cash ₹60,000 for his capital and ₹30,000 for his share of goodwill. b) Building was valued at ₹1,00,000 and Machinery at ₹36,000. c) The capital accounts of P and Q were to be adjusted in the new profit-sharing ratio. Necessary cash was to be brought in or paid off to them as the case may be. Prepare Revaluation Account, Partner's Capital Account and the Balance Sheet of P, Q and R. OR Khushboo, Leela and Meena were partners in a firm sharing profits in the ratio of 5:3:2. Their | share i | in the profits on April 1, 2015. | The Balance Balance S | e Sheet of the firm heet of P and Q | | | | 1/4 th |
| General Reserve16,000Debtors18,000Capitals:96,000Stock20,000P96,0001,64,000Furniture12,000Q68,0001,64,000Machinery40,000Buildings90,0002,00,0002,00,000The terms of agreement on R's admission were as follows:a) R brought in cash ₹60,000 for his capital and ₹30,000 for his share of goodwill.b) Building was valued at ₹1,00,000 and Machinery at ₹36,000.c) The capital accounts of P and Q were to be adjusted in the new profit-sharing ratio. Necessary cash was to be brought in or paid off to them as the case may be.Prepare Revaluation Account, Partner's Capital Account and the Balance Sheet of P, Q and R.OROR | share i follow | in the profits on April 1, 2015. 7 | The Balance Balance S | e Sheet of the firm heet of P and Q arch 31, 2015 | | | 015 was as | 1/4 th |
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| Image: Buildings 90,000 2,00,000 2,00,000 Image: Buildings 90,000 2,00,000 2,00,000 Image: Buildings 90,000 Image: Buildings 90,000 Image: Buildings 90,000 Image: Buildings 90,000 Image: Building was valued at ₹ 1,00,000 for his capital and ₹ 36,000. 2,00,000 Image: Building was valued at ₹ 1,00,000 and Machinery at ₹ 36,000. 30,000 Image: Comparison of P and Q were to be adjusted in the new profit-sharing ratio. Necessary cash was to be brought in or paid off to them as the case may be. Prepare Revaluation Account, Partner's Capital Account and the Balance Sheet of P, Q and R. Image: Comparison of Decemptor of Similary and Text | share i follow Liabi Credi Gene | in the profits on April 1, 2015. 7 ys: llities itors eral Reserve | The Balance Balance S As at Ma ₹ 20,000 | e Sheet of the firm heet of P and Q arch 31, 2015 Assets Cash Debtors | | | 015 was as ₹ 20,000 18,000 | 1/4 th |
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| | share i follow Liabi Credi Gene Capit P Q The te a) b) c) | in the profits on April 1, 2015. 7 is: ilities itors eral Reserve tals: 96,000 68,000 erms of agreement on R's admis R brought in cash \$60,000 for Building was valued at \$1,00 The capital accounts of P and cash was to be brought in or p | The Balance S As at Ma 20,000 16,000 1,64,000 2,00,000 sion were a his capital ,000 and M Q were to b paid off to th | e Sheet of the firm heet of P and Q arch 31, 2015 Assets Cash Debtors Stock Furniture Machinery Buildings and ₹30,000 for his cachinery at ₹ 36,00 be adjusted in the n hem as the case ma Account and the Ba | s sha 00. y be | March 31, 2 | 015 was as 20,000 18,000 20,000 12,000 40,000 90,000 2,00,000 will. mg ratio. Nece | |
| Balance Sheet on March 31, 2015 was as follows: | share i follow Liabi Credi Gene Capit P Q The te a) b) c) Prepar | in the profits on April 1, 2015. 7 s: ilities itors pral Reserve tals: 96,000 68,000 96,000 68,000 96,000 68,000 1, 2015. 7 96,000 68,000 1, 2015. 7 1, 2 | The Balance S As at Ma 20,000 16,000 1,64,000 2,00,000 asion were a his capital ,000 and M Q were to b baid off to the capital A | e Sheet of the firm heet of P and Q arch 31, 2015 Assets Cash Debtors Stock Furniture Machinery Buildings as follows: and ₹30,000 for his fachinery at ₹ 36,000 be adjusted in the n hem as the case ma Account and the Ba | on M s sha 00. ew p y be ilanc | March 31, 2 are of good profit-sharing ce Sheet of | 015 was as 20,000 18,000 20,000 12,000 40,000 90,000 2,00,000 will. mg ratio. Nece P, Q and R. | |
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| Sol. | | | | |
|-------------|--------|------------------|-----------------------|----------|
| | Balanc | ce Sheet of Khus | hboo, Leela and Meena | |
| | | As at Marc | ch 31, 2015 | |
| Liabilities | | ₹ | Assets | ₹ |
| Creditors | | 70,000 | Bank | 44,000 |
| Capitals: | | | Debtors | 24,000 |
| Khushboo | 90,000 | | Stock | 60,000 |
| Leela | 56,000 | | Buildings | 1,40,000 |
| Meena | 60,000 | 2,06,000 | Profit & Loss A/c | 8,000 |
| | | | | |
| | | 2,76,000 | | 2,76,000 |

On April 1,2015 Leela retired on the following terms:

- Building was to be depreciated by ₹10,000. i.
- A Provision of 5% was to be made on Debtors for doubtful debts. Salary outstanding was ₹4,800. ii.
- iii.
- Goodwill of the firm was valued at $\overline{1,40,000}$. iv.
- Leela was to be paid **1**20,800 through cheque and the balance was to be paid in two equal quarterly installments (starting from June 30, 2015) along with interest @ 10% p.a. v.

Prepare Revaluation Account, Leela's Capital Account and her Loan Account till it is finally paid.

| | Dr. | ŀ | Revaluatio | on Account | | Cr. |
|---|------------------------|----|------------|--------------|----|--------|
| | Particulars | LF | ₹ | Particulars | LF | ₹ |
| | To Machinery | | 4,000 | By Buildings | | 10,000 |
| | To Profit Distributed: | | | | | |
| | P 3,600 | | | | | |
| | Q 2,400 | | | | | |
| | _ | | 6,000 | | | |
| | | | | | | |
| | | | 10.000 | | | 10.000 |
| L | | | 10,000 | | | 10,000 |

| Dr. | | Par | thers' Ca | apital Account | | | Cr. |
|-------------|----------|--------|-----------|----------------|----------|--------|--------|
| Particulars | Р | Q | R | Particulars | Р | Q | R |
| | ₹ | ₹ | ₹ | | ₹ | ₹ | ₹ |
| To Cash A/c | 19,200 | 16,800 | | By Balance b/d | 96,000 | 68,000 | |
| | | | | By General | | | |
| To Balance | 1,08,000 | 72,000 | 60,000 | Reserve | 9,600 | 6,400 | |
| C/d | | | | By Cash A/c | | | 60,000 |
| | | | | By Premium A/c | 18,000 | 12,000 | |
| | | | | By Revaluation | 3,600 | 2,400 | |
| | | | | A/c | | | |
| | 1,27,200 | 88,800 | 60,000 | | 1,27,200 | 88,800 | 60,000 |

| |] | | t of P, Q and R oril 1, 2015 | |
|-------------|----------|----------|---------------------------------|----------|
| Liabilities | | ₹ | Assets | ₹ |
| Creditors | | 20,000 | Building | 1,00,000 |
| Capital: | | | Machinery | 36,000 |
| P | 1,08,000 | | Cash | |
| Q | 72,000 | | (20,000+60,000+30,000- | |
| R | 60,000 | 2,40,000 | 19,200-16,800) | 74,000 |
| | | | Debtors | 18,000 |
| | | | Stock | 20,000 |
| | | | Furniture | 12,000 |
| | | 2,60,000 | - | 2,60,000 |

OR

| Dr. | Reva | aluation | Account | | | Cr. |
|-----------------------------|------|----------|---------------------|-------|----|--------|
| Particulars | LF | ₹ | Particulars | | LF | ₹ |
| | | | | | | |
| To Buildings | | 10,000 | By Loss Distributed | | | |
| To Prov. for Doubtful Debts | | 1,200 | Khushboo | 8,000 | | |
| To Salary Outstanding | | 4,800 | Leela | 4,800 | | |
| | | | Meena | 3,200 | | 16,000 |
| | | | | | | |
| | | | | | | |
| | | 16,000 | | | | 16,000 |

| Dr. | | Leela's (| Capital Account | | Cr. |
|---|----|----------------------------|---|----|----------------------------|
| Particulars | LF | ₹ | Particulars | LF | ₹ |
| To Profit & Loss A/c To Revaluation A/c To Bank A/c | | 2,400 4,800 20,800 | By Balance b/d By Khushboo's Capital By Meena's Capital | | 56,000 30,000 12,000 |
| To Leela's Loan A/c | | 20,800 70,000 98,000 | By Meena's Capital | | 98,000 |

| Dr. | | | Leel | la's Loan | Account | | Cr. |
|--------------------------|----------------------------|----|------------------|-----------------------------------|--|----|------------------------|
| Date | Particulars | LF | ₹ | Date | Particulars | LF | ₹ |
| 2015 Jun 30 Sep 30 | To Bank A/c To Bank A/c | | 36,750 35,875 | 2015 Apr 1 Jun 30 Sep 30 | By Leela's Capital By Interest By Interest | | 70,000 1,750 875 |
| | | | 72,625 | | | | 72,625 |

| Q17. Surva Ltd with a Registered capital of 10.00.000 Equity Shares of ₹10 each, issued 1.00.000 Equity Shares spayleb ₹3 on Application, ₹3 on First Call an ₹2 on Second and Final Call. The amount due on Allotment was duly received except Mr. X holding 6.000 shares. His shares were immediately forfeited. On the first call being made, Mr. Y holding 5.000 Equity shares paid the entire balance on his holding. Second call was not made. Pass the necessary Journal Entries to record the transactions and Show how the Share Capital will be presented in the Balance Sheet of the Company. Also prepare notes to accounts. OR a) Nidhi Ltd. issued 2.000 Shares of ₹100 each. All the money was received except on 200 shares on which only ₹00 per share were received. These shares were forfeited and out of the forfeited shares 100 shares one released at ₹80 each as fully paid up. Pass necessary Journal entries for the above transactions and prepare the Forfeited Share Account. b) Complete the following Journal Entries: SN.0 Particulars I.F Debit Credit i To | | | | | | | | | | |
|--|------|--|---|--|--|--|--|---|--|---|
| S.No. Particulars L.F Debit Credit i. To | Q17. | Shares The am immed balance Pass th present | payable nount due iately for e on his h e necessa ed in the Nidhi Li shares o forfeited | ₹3 on Application, ₹2 on Allotment, ₹3 on Fine on Allotment was duly received except Mr. 2 refeited. On the first call being made, Mr. Y how holding. Second call was not made. ary Journal Entries to record the transactions are Balance Sheet of the Company. Also prepare OR td. issued 2,000 Shares of ₹100 each. All the row which only ₹90 per share were received. The shares 100 shares were reissued at ₹80 each | rst Call X hold Iding 5 and Sho notes notes noney ese sha as fully | l and ing 6 5,000 ow h to ac was ares y pai | ₹2 or 5,000 € 0 Equi ow th ccount receiv were f d up. | n Second an shares. His s ty shares pa e Share Cap ts. ved except of forfeited and Pass necess | d Final Call. shares were id the entire ital will be n 200 l out of the | , |
| S.No. Particulars L.F Debit Credit i. To | | b) | Comple | ate the following Journal Entries: | | | | | | |
| i. $\overline{\mathbf{T}_0}$ To | | 0) | | | LE | D | -1-14 | Caralit | | |
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| $\begin{tabular}{ c c c c c } \hline & & & & & & & & & & & & & & & & & & $ | | | | | | | | | | |
| Sol. In the books of Surya Ltd.: I Bank A/c Dr. I Bank A/c Dr. To Equity Share Application A/c Bank A/c Dr. I Bank A/c Dr. To Equity Share Application A/c Dr. 3,00,000 Iii Equity Share Capital A/c Dr. 3,00,000 Iii Equity Share Capital A/c Dr. 3,00,000 Iii Equity Share Capital A/c Dr. 2,00,000 I | | | | | | | | | | |
| $\been received.) \\ \hline ii. & \hline To$ | | | | To each, $\sqrt{8}$ called up, on which another the money of $\overline{7}_2$ and First Call of $\overline{7}_2$ has not | | | | | | |
| ii. | | | | | | | | | | |
| To | | | | | | | | | | |
| To (Being reissue of 1000 forfeited shares fully paid up at ₹11 per share)iii To | | | 11. | | | | | | | |
| Image: Since of 1000 for feited shares fully paid up at $\overline{\langle 11 \text{ per share} \rangle}$ Image: Since of Surge Ltd.:Image: Since of Surge Ltd.:Image: Since of Surge Ltd.:Sol. In the books of Surge Ltd.:Image: Since of Surge Ltd.:Image: Since of Since of Surge Ltd.:Image: Since of Since | | | | | | | | | | |
| fully paid up at ₹11 per share)iii | | | | | | | | | | |
| iii.Image: To-information of the relation of the rel | | | | | | | | | | |
| To (Being gain on the reissue of shares transferred to capital reserve Account) Sol. In the books of Surya Ltd.:Journal $\overline{S.No}$ ParticularsL.FDebitCredit $\overline{\boldsymbol{\xi}}$ IBank A/cDr.3,00,000To Equity Share Application A/c (Being the application A/cDr.3,00,000IiEquity Share Application A/c (Being the application A/c (Being the application money transferred to Share Capital A/cDr.3,00,000IiiEquity Share Application money transferred to Share Capital A/cDr.3,00,000IiiEquity Share Alottment A/c (Being Allotment A/cDr.2,00,000IiiEquity Share Capital A/c (Being Allotment made due on 1,00,000 EquityDr.2,00,000 | | | iii | | | | | | | |
| Image: Constraint of the constraint of the price of | | | 111. | | | | | | | |
| Image: sol. In the books of Surya Ltd.: Journal Sol. In the books of Surya Ltd.: Journal SNO Particulars L.F Debit Credit I Bank A/c Dr. 3,00,000 3,00,000 To Equity Share Application A/c Dr. 3,00,000 3,00,000 Ii Equity Share Application A/c Dr. 3,00,000 Ii Equity Share Application A/c Dr. 3,00,000 Iii Equity Share Capital A/c Dr. 3,00,000 Iii Equity Share Allotment A/c Dr. 2,00,000 To Equity Share Capital A/c Dr. 2,00,000 2,00,000 | | | | | | | | | | |
| Sol. In the books of Surya Ltd.: Journal S.No Particulars L.F Debit Credit I Bank A/c Dr. 3,00,000 3,00,000 To Equity Share Application A/c (Being the application money received on 1,00,000) 3,00,000 3,00,000 Ii Equity Share Application A/c Dr. 3,00,000 3,00,000 Iii Equity Share Application A/c Dr. 3,00,000 3,00,000 Iii Equity Share Capital A/c Dr. 3,00,000 3,00,000 Iii Equity Share Allotment A/c Dr. 2,00,000 2,00,000 Iii Equity Share Capital A/c Dr. 2,00,000 2,00,000 | | | | | | | | | | |
| In the books of Surya Ltd.: Journal $ \begin{array}{ c c c c c c } \hline I & Bank A/c & Dr. & J,00,000 \\ \hline I & Bank A/c & Dr. & J,00,000 \\ \hline To Equity Share Application A/c & Dr. & J,00,000 \\ \hline Shares @ ₹3 per share received on 1,00,000 \\ \hline Shares @ ₹3 per share received on 1,00,000 \\ \hline Ii & Equity Share Application A/c & Dr. & J,00,000 \\ \hline Ii & Equity Share Capital A/c & Dr. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & Dr. & J,00,000 \\ \hline Iii & Equity Share Allotment A/c & Dr. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & Dr. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & Dr. & J,00,000 \\ \hline Iii & Equity Share Allotment A/c & Dr. & J,00,000 \\ \hline Iii & Equity Share Allotment A/c & Dr. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Allotment A/c & Dr. & J,00,000 \\ \hline Iii & Equity Share Allotment A/c & Dr. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Allotment A/c & Dr. & J,00,000 \\ \hline Iii & Equity Share Allotment A/c & Dr. & J,00,000 \\ \hline Iii & Equity Share Allotment A/c & Dr. & J,00,000 \\ \hline Iii & Equity Share Allotment A/c & Dr. & J,00,000 \\ \hline Iii & Equity Share Allotment A/c & Dr. & J,00,000 \\ \hline Iii & Equity Share Allotment A/c & Dr. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ $ | | | | transferred to capital reserve Accounty | | | | | | |
| In the books of Surya Ltd.: Journal $ \begin{array}{ c c c c c c } \hline I & Bank A/c & Dr. & J,00,000 \\ \hline I & Bank A/c & Dr. & J,00,000 \\ \hline To Equity Share Application A/c & Dr. & J,00,000 \\ \hline Shares @ ₹3 per share received on 1,00,000 \\ \hline Shares @ ₹3 per share received on 1,00,000 \\ \hline Ii & Equity Share Application A/c & Dr. & J,00,000 \\ \hline Ii & Equity Share Capital A/c & Dr. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & Dr. & J,00,000 \\ \hline Iii & Equity Share Allotment A/c & Dr. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & Dr. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & Dr. & J,00,000 \\ \hline Iii & Equity Share Allotment A/c & Dr. & J,00,000 \\ \hline Iii & Equity Share Allotment A/c & Dr. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Allotment A/c & Dr. & J,00,000 \\ \hline Iii & Equity Share Allotment A/c & Dr. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Allotment A/c & Dr. & J,00,000 \\ \hline Iii & Equity Share Allotment A/c & Dr. & J,00,000 \\ \hline Iii & Equity Share Allotment A/c & Dr. & J,00,000 \\ \hline Iii & Equity Share Allotment A/c & Dr. & J,00,000 \\ \hline Iii & Equity Share Allotment A/c & Dr. & J,00,000 \\ \hline Iii & Equity Share Allotment A/c & Dr. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ \hline Iii & Equity Share Capital A/c & J. & J,00,000 \\ $ | | | Sol | | | | | | | |
| JournalS.NoParticularsL.FDebitCreditIBank A/cDr. $\overline{\mathbf{X}}$ $\overline{\mathbf{X}}$ IBank A/cDr. $3,00,000$ $3,00,000$ To Equity Share Application A/cBeing the application money received on 1,00,000 $3,00,000$ $3,00,000$ IiEquity Share Application A/cDr. $3,00,000$ IiEquity Share Application A/cDr. $3,00,000$ IiiEquity Share Capital A/c $3,00,000$ Being the application money transferred to Share $2,00,000$ IiiEquity Share Allotment A/cDr.To Equity Share Capital A/c $2,00,000$ Being Allotment made due on 1,00,000 Equity $2,00,000$ | | | | ooks of Surva Ltd : | | | | | | |
| S.No Particulars L.F Debit Credit I Bank A/c Dr. 3,00,000 To Equity Share Application A/c Bit 3,00,000 Bank A/c Dr. 3,00,000 Bit Equity Share Application A/c Dr. Bit Equity Share Application A/c Dr. Bit Equity Share Application A/c Dr. Bit Equity Share Capital A/c Bit Bit Equity Share Capital A/c Bit Being the application money transferred to Share 3,00,000 Capital A/c) Dr. 2,00,000 Iti Equity Share Allotment A/c Dr. To Equity Share Capital A/c 2,00,000 Being Allotment made due on 1,00,000 Equity 2,00,000 | | | In the by | - | | | | | | |
| IBank A/cDr. $\overline{\xi}$ $\overline{\xi}$ IBank A/cDr. $3,00,000$ $3,00,000$ To Equity Share Application A/c(Being the application money received on 1,00,000 $3,00,000$ $3,00,000$ IiEquity Share Application A/cDr. $3,00,000$ $3,00,000$ IiEquity Share Application A/cDr. $3,00,000$ (Being the application money transferred to Share $2,00,000$ $3,00,000$ IiiEquity Share Allotment A/cDr. $2,00,000$ IiiEquity Share Allotment A/cDr. $2,00,000$ IiiEquity Share Capital A/cDr. $2,00,000$ IiiEquity Share Allotment A/cDr. $2,00,000$ | | S | No | | | | LF | Dehit | Credit | |
| Ii To Equity Share Application A/c (Being the application money received on 1,00,000 shares @₹3 per share received) 3,00,000 Ii Equity Share Application A/c To Equity Share Capital A/c (Being the application money transferred to Share Capital A/c) 3,00,000 Iii Equity Share Allotment A/c To Equity Share Capital A/c (Being Allotment made due on 1,00,000 Equity) 3,00,000 | | | .110 | | | | L .1 | 7 | ₹ | |
| Ii To Equity Share Application A/c (Being the application money received on 1,00,000 shares @₹3 per share received) 3,00,000 Ii Equity Share Application A/c To Equity Share Capital A/c (Being the application money transferred to Share Capital A/c) 3,00,000 Iii Equity Share Allotment A/c To Equity Share Capital A/c (Being Allotment made due on 1,00,000 Equity) 3,00,000 | | T | | Bank A/c | I | Dr | | 3.00.000 | | |
| (Being the application money received on 1,00,000 shares @₹3 per share received) 3,00,000 Ii Equity Share Application A/c Dr. To Equity Share Capital A/c (Being the application money transferred to Share Capital A/c) 3,00,000 Iii Equity Share Allotment A/c Dr. To Equity Share Capital A/c Iii Equity Share Capital A/c 2,00,000 | | | | | 1 | - 1 • | | 2,00,000 | 3,00.000 | |
| shares @₹3 per share received) 3,00,000 Ii Equity Share Application A/c Dr. To Equity Share Capital A/c 3,00,000 (Being the application money transferred to Share 3,00,000 Capital A/c) 2,00,000 Iii Equity Share Allotment A/c Dr. To Equity Share Capital A/c 2,00,000 (Being Allotment made due on 1,00,000 Equity 2,00,000 | | | | 1 2 11 | 00.000 |) | | | -,-0,000 | |
| IiEquity Share Application A/cDr. To Equity Share Capital A/c (Being the application money transferred to Share Capital A/c)3,00,000IiiEquity Share Allotment A/cDr. To Equity Share Capital A/c (Being Allotment made due on 1,00,000 Equity)2,00,000 | | | | | ., | | | | | |
| To Equity Share Capital A/c 3,00,000 (Being the application money transferred to Share 3,00,000 Capital A/c) 2,00,000 Iii Equity Share Allotment A/c Dr. To Equity Share Capital A/c 2,00,000 (Being Allotment made due on 1,00,000 Equity 2,00,000 | | Ti | | | Ι | Dr. | | 3,00.000 | | |
| (Being the application money transferred to Share Capital A/c)2,00,000IiiEquity Share Allotment A/c To Equity Share Capital A/c (Being Allotment made due on 1,00,000 Equity2,00,000 | | | | | - | | | , -, | 3,00,000 | |
| Capital A/c) Capital A/c) 2,00,000 Iii Equity Share Allotment A/c Dr. To Equity Share Capital A/c 2,00,000 (Being Allotment made due on 1,00,000 Equity 2,00,000 | | | | | Share | | | | , -, | |
| IiiEquity Share Allotment A/cDr.2,00,000To Equity Share Capital A/c2,00,0002,00,000(Being Allotment made due on 1,00,000 Equity2,00,000 | | | | | | | | | | |
| To Equity Share Capital A/c 2,00,000 (Being Allotment made due on 1,00,000 Equity 2,00,000 | | Ii | i | |] | Dr. | | 2,00,000 | | |
| (Being Allotment made due on 1,00,000 Equity | | | | | | | | | 2,00,000 | |
| | | | | | uity | | | | | |
| | | | | | - | | | | | |

| Iv | Bank A/c | Dr. | 1,88,000 | |
|----|--|------------|----------|----------|
| | Calls in Arrears A/c | Dr. | 12,000 | |
| | To Equity Share Allotment A/c | | | 2,00,000 |
| | (Being the Allotment money received exce | pt for | | |
| | 6,000 shares) | | | |
| V | Equity Share Capital A/c | Dr. | 30,000 | |
| | To Share Forfeited A/c | | | 18,000 |
| | To Calls in Arrears A/c | | | 12,000 |
| | (Being 6,000 shares forfeited for non-payn | nent of | | |
| | allotment money) | | | |
| V | Equity Share First Call A/c | Dr. | 2,82,000 | |
| | To Equity Share Capital A/c | | | 2,82,000 |
| | (Being First Call made due on 94,000 Equ | ity Shares | | |
| | @ ₹ 3 per share) | | | |
| Vi | Bank A/c | Dr. | 2,92,000 | |
| | To Equity Share First Call A/c | | | 2,82,000 |
| | To Calls in Advance A/c | | | 10,000 |
| | (Being the First Call money received on 94 | | | |
| | Equity Shares @ ₹3 per share and Rs.2 per | share on | | |
| | 5,000 shares received in Advance) | | | |

Balance Sheet of Surya Ltd.

| as at | |
|-------|--|

| Particulars | Note No | ₹ |
|---------------------------------|---------|----------|
| I EQUITY AND LIABILITIES | | |
| 1. Shareholder's Funds | | |
| Share Capital | 1 | 7,70,000 |
| | | |

Notes to Accounts:

| र | | | Note No |
|------------|----------|--|---------|
| | | Share Capital | 1 |
| | | Authorised Share Capital | |
| ,000,000 | | 10,00,000 Equity Shares of ₹10 each. | |
| | | Issued Share Capital | |
| 0,00,000 | | 1,00,000 Equity Shares of ₹10 each | |
| | | Subscribed Share capital | |
| | | Subscribed but not fully paid-up | |
| | 7,52,000 | 94,000 equity shares of ₹10 each, ₹8 Called up | |
| 7,70,000 | 18,000 | Add Share Forfeited Account | |
| | | OR | |
| <u>/,/</u> | 18,000 | | |

| C Ma | Particulars JOURNAL | | ΙD | Dahit | Cradit |
|------|---|-----|-----|--------|--------|
| S.No | Particulars | | L.F | Debit | Credit |
| | | | | ₹ | ₹ |
| i | Share Capital A/c | Dr. | | 20,000 | |
| | To Forfeited Share A/c | | | | 18,000 |
| | To Calls in Arrears A/c | | | | 2,000 |
| | (Being 200 shares forfeited for non-payment of c | all | | | |
| | money of Rs.10 per share) | | | | |
| ii | Bank A/c | Dr. | | 8,000 | |
| | Forfeited Share A/c | Dr. | | 2,000 | |
| | To Share Capital A/c | | | | 10,000 |
| | (Being 100 shares re-issued for Rs.80 per share a | IS | | | |
| | fully paid up) | | | | |
| iii | Forfeited Share A/c | Dr. | | 7,000 | |
| | To Capital Reserve | | | | 7,000 |
| | (Being Allotment made due on 1,00,000 Equity | | | | |
| | Shares @₹2 per share) | | | | |

Forfeited Share A/c

| | I officiated bit | | |
|----------------------|------------------|----------------------|--------|
| Particulars | ₹ | Particulars | ₹ |
| To Share Capital A/c | 2,000 | By Share Capital A/c | 18,000 |
| (100x20) | | (200x90) | |
| To Capital Reserve | 7,000 | | |
| (100x70) | | | |
| To Balance c/d | 9,000 | | |
| | 18,000 | | 18,000 |

b)

JOURNAL

| S.No. | Particulars | L.F | Debit | Credit |
|-------|--|-----|--------|--------|
| | | | ₹ | ₹ |
| Ι | Share Capital A/cDr | | 8,000 | |
| | To Forfeited Share A/c | | | 3,000 |
| | To Share Allotment A/c | | | 2,000 |
| | To Share First Call A/c | | | 3,000 |
| | (Being the forfeiture of 1000 shares, $\overline{\mathbf{x}}$ 8 | | | |
| | called up, on which allotment money of $\overline{\mathbf{x}}_2$ | | | |
| | and First Call of ₹3 has not been received.) | | | |
| Π | Bank A/cDr | | 11,000 | |
| | To Share Capital A/c | | | 10,000 |
| | To Securities Premium A/c | | | 1,000 |
| | (Being reissue of 1000 forfeited shares | | | |
| | fully paid up at ₹11 per share) | | | |
| III | Share Forfeiture A/cDr | | 3,000 | |
| | To Capital Reserve A/c | | | 3,000 |
| | (Being gain on the reissue of shares | | | |
| | transferred to capital reserve Account) | | | |

| | ANALYSIS OF FI | INANCIAL STATEMENTS PART – B | |
|------|--|---|-----|
| Q18. | its treatment while preparing Cash Flow | 2, 00,000 in 2013-14 to $₹3$, 50,000 in 2014-15. What will be statement for the year ended 31 st March 2015? dwill of ₹ 1,50,000 and will be shown under Cash from | (1) |
| | Investing Activities as an outflow of cash | | |
| Q19. | | March 2013 31^{st} March 2014₹20,000₹15,000 | (1) |
| | Additional Information: Equity Share Capital raised during the year 10% bank loan repaid was ₹1,00,000 Dividend received during the year was ₹ Find out the cash flow from financing ac | 20,000 | |
| | Sol. Proceeds from Equity share capital : Repayment of Bank Loan: | ₹3,00,000 ₹(1,00,000) | |
| | Dividend Paid: | ₹ 2,00,000 ₹ (20,000) | |
| | | ₹1,80,000 | |
| Q20. | Companies Act, 2013 and provides its tr a) Under which head and sub-head Sheet? b) What is the accounting treatmen Inventory Turnover Ratio? | paring its Balance Sheet as per Schedule III, Part I of the rue and fair view of the financial position. d will the company show 'Stores and Spares' in its Balance at of 'Stores and Spares' when the Company will calculate its d. want to analyse its Financial Statements. State any two d by Mudra Ltd. | (4) |
| | | rnover Ratio it is not included in Inventories y of the enterprise to meet its short term and long term ning capacity of the enterprise | |
| Q21. | assets represented by Inventory is ₹2b) From the following information, calc |), Average Inventory : ₹55,000, The rate of Gross Loss on | (4) |

| | Sol. | | | | | |
|------|--------|--|--|-----------------|-----------------------------------|-----|
| | | Current Ratio = 3.5:1 | | | | |
| | , | Quick Ratio = 2:1 | | | | |
| | | Let Current Liabilities = x | | | | |
| | | | | | | |
| | | Current Assets = $3.5x$ And | | | | |
| | | Quick Assets $= 2x$ | | | | |
| | | Inventory = Current Assets – Quick Assets | | | | |
| | | 24,000 = 3.5x - 2x | | | | |
| | | 24,000 = 1.5x | | | | |
| | | | | | | |
| | | x = Rs.16,000 | | | | |
| | | | | | | |
| | | Current Assets = $3.5x = 3.5 \times ₹16,000 = ₹56$ | ,000. | | | |
| | | Verification : Current Ratio = Current Assets | : Current Lia | abilities | | |
| | | =₹56,000 : ₹16,000 | | | | |
| | | = 3.5 : 1 | | | | |
| | | | | | | |
| | | Quick Ratio = Quick Assets : Current Liabilit | ties | | | |
| | | =₹32,000 :₹16,000 | | | | |
| | | = 2:1 | | | | |
| | b) | Revenue from Operations = ₹4,00,000 | | | | |
| | | Gross Loss = 10% of $₹4,00,000 = ₹40,000$ | | | | |
| | | | | | | |
| | | Cost of Revenue from Operations = Revenue | from Operat | ions + Gross L | LOSS | |
| | | | 0,000 + ₹ 40, | ,000 | | |
| | | =₹4,40 |),000 | | | |
| | | Inventory Tympover Datio - Cost of Coode S | ald/Avanaga | Inventory | | |
| | | Inventory Turnover Ratio = Cost of Goods So = $\mathbf{\overline{\xi}}$ 4, 40,000 / $\mathbf{\overline{\xi}}$ | 55 000 | Inventory | | |
| | | = 8 times. | 55,000 | | | |
| | | - 0 times. | | | | |
| Q22. | From t | he following Statement of profit and loss of th | ne Sakhi Ltd | for the years e | nded 31 st March 2015, | (4) |
| _ | | e Comparative Statement of Profit & Loss. | | · | | |
| | | | | | | |
| | | STATEMENT OF | | | | |
| | | for the years ended | 2013-14 ₹ | | 7 | |
| | | Particulars | 2013-14 3 | 2014-15₹ | | |
| | | Revenue from operations | 25,00,000 | 40,00,000 | 1 | |
| | | Expenses: | ,-,-,-,-,-,-,-,-,-,-,-,-,-,-,-,-,-,-,- | | | |
| | | (a) Employee benefit expenses were 5% | | | | |
| | | of Revenue from operations | | | | |
| | | (b) Other expenses | 5,90,000 | 6,80,000 | | |
| | | Rate of Tax 35% | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

| | | for the years of Particulars | 2013- | | 2014-15 | Absolute | %age |
|------|----|--|---------|-------------|-----------|---------------|--------|
| | | | ₹ | | ₹ | Change (in ₹) | Change |
| | | Revenue from operations | 25,00 | ,000 | 40,00,000 | 15,00,000 | 60 |
| | | Expenses: | | | | | |
| | | (a) Employee benefit | | | | | |
| | | expenses | , | ,000 | 2,00,000 | 75,000 | 60 |
| | | (b) Other expenses | | ,000 | 6,80,000 | 90,000 | 15.25 |
| | | Total expenses | /,15 | ,000 | 8,80,000 | 1,65,000 | 23.07 |
| | | Profit before tax | 17,85 | ,000 | 31,20,000 | 13,35,000 | 74.78 |
| | | Less: Taxes @ 35% | 6,24 | ,750 | 10,92,000 | 4,67,250 | 74.78 |
| | | Profit after tax | 11,60 | | 20,28,000 | 8,67,750 | 74.78 |
| Foll | ow | ing is the Balance Sheets of Akash | | | 2014: | | |
| | | | | sh Ltd. | | | |
| | | | | ce Sheet | | | |
| | | PARTICULARS | as at 3 | 1-3-2014 | 2013-14 | 2012-13 | |
| | | PARTICULARS | | NOTE No. | 2015-14 | 2012-15 | |
| | | | | 110. | <u> </u> | | |
|] | - | EQUITY & LIABILITIES | | | | | |
| | - | (1) Shareholders' Funds | | | 15,00,000 | 0 14,00,000 | |
| | | (a) Share Capital | | 1 | 2,50,000 | | |
| | | (b) Reserves & Surplus | | | | | |
| | | (2) Non - Current Liabilities | | | 2,00,000 | 0 1,25,000 | |
| | | (a) Long Term Borrowings | 3 | | | | |
| | | (3) Current Liabilities | | 2 | 12,000 | , | |
| | | (a) Short term borrowings | | | 15,000 | | |
| | | (b) Trade Payables | | 3 | 18,000 | 11,000 | |
| | | (c) Short term provisions | | | | | |
| _ | | TOTAL | | | 19,95,000 | 0 17,39,000 | |
| | Ι | (1) Non - Current Assets | | | | | |
| 1 | .1 | (a) Fixed Assets | | | | | |
| | | (i) Tangible assets | | 4 | 18,60,000 | 16,10,000 | |
| | | (ii) Intangible assets | | 5 | 50,000 | | |
| | | (1) Intaligible assets (2) Current Assets | | 5 | 50,000 | , 50,000 | |
| | | (a) Current Investments | | | | | |
| | | (b) Inventories | | | 8,000 | 5,000 | |
| | | (c) Trade Receivables | | | 37,000 | , | |
| | | (d) Cash & Cash Equivaler | nts | | 26,000 | , | |
| | | | | | 14,000 | , | |
| | | | | | | | |

| Note No | PARTICULARS | 2013-14 | 2012-13 |
|----------|---|------------|----------|
| | | ₹ | ŧ |
| 1 | Reserves and Surplus:- | | |
| | Surplus (balance in Statement of Profit and | 2,50,000 | 1,10,00 |
| | Loss) | | |
| 2 | Short Term Borrowings | | |
| | Bank Overdraft | 12,000 | 10,00 |
| <u>3</u> | Short term provisions | | |
| | Provision for Tax | 18,000 | 11,00 |
| <u>4</u> | Tangible Assets | | |
| | Machinery | 20,00,000 | 17,00,00 |
| | Accumulated Depreciation | (1,40,000) | (90,000 |
| <u>5</u> | Intangible Assets | | |
| | Patents | 50,000 | 30,00 |

Additional Information:

- (i)
- Tax paid during the year amounted to $\overline{\mathbf{x}}16,000$. Machine with a net book value of $\overline{\mathbf{x}}10,000$ (Accumulated Depreciation $\overline{\mathbf{x}}40,000$) was sold for $\overline{\mathbf{x}}2,000$. (ii)

Prepare Cash Flow Statement.

| Cash Flow Statemer | | |
|---|----------|----------|
| For the year ended 31 st Ma | rch,2014 | |
| Particulars | | ₹ |
| I – CASH FLOW FROM OPERATING ACTIVITIES | | |
| Surplus: Balance in the Statement of Profit & Loss (closing) | | 2,50,000 |
| Less: Surplus: Balance in the Statement of Profit & Loss (beginning) | | 1,10,000 |
| NET PROFIT | | 1,40,000 |
| Add: Provision for Tax | | 23,000 |
| Net Profit before Tax and Extraordinary Items | | 1,63,000 |
| Add: Non-Cash and Non-operating Expenses: | | |
| Depreciation | 90,000 | |
| Loss on Sale of Machine | 8,000 | 98,000 |
| | | 2,61,000 |
| Add: Decrease in Current Assets & Increase in Current Liabilities | - | |
| Inventories | 22,000 | 22,000 |
| | | 2,83,000 |
| Less: Increase in Current Assets & Decrease in Current Liabilities | | |
| Trade Receivabes | 3,000 | |
| Trade Payables | 68,000 | 71,000 |
| Cash generated from Operating Activities | | 2,12,000 |
| Less: Income Tax Paid | | (16,000) |
| Cash Flow From Operating Activities | | 1,96,000 |

| II – CASH FLOW FROM INVESTING ACTIVITIES | | |
|--|--------|------------|
| Sale Of Machinery | | 2,000 |
| Purchase of Machinery | | (3,50,000) |
| Purchase of Patents | | (20,000) |
| Cash Used in Investing Activities | | (3,68,000) |
| III – CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from Issue of Share Capital | | 1,00,000 |
| Proceeds from Long term Borrowings | | 75,000 |
| Increase in Bank Overdraft | | 2,000 |
| Cash Flow From Financing Activities | | 1,77,000 |
| <u>IV – NET INCREASE IN CASH & CASH EOUIVALENTS</u> | | 5,000 |
| (I+II+III) | | |
| V – CASH &CASH EQUIVALENTS IN THE BEGINNING OF THE YEAR | | |
| Current Investments | 5,000 | |
| Cash & Cash Equivalents | 12,000 | 17,000 |
| VI – CASH &CASH EQUIVALENTS AT THE END OF | | 22,000 |
| THE YEAR | 0.000 | |
| Current Investments | 8,000 | |
| Cash & Cash Equivalents | 14,000 | 22,000 |

WORKING NOTES

| Machinery Account | | | | | |
|------------------------|-----------|----------------------------------|------------------|--|--|
| PARTICULARS | ₹ | PARTICULARS | ₹ | | |
| To Balance b/d | 17,00,000 | By Bank A/c (Sale) | 2,000 | | |
| To Bank A/c (purchase) | 3,50,000 | By Loss on Sale of Machinery A/c | 8,000 | | |
| | | By Depreciation A/c | 40,000 | | |
| | | By Balance c/d | 20,00,000 | | |
| | 20,50,000 | | <u>20,50,000</u> | | |

Accumulated Depreciation Account

| PARTICULARS | ₹ | PARTICULARS | ₹ |
|-----------------|-----------------|-------------------------------|-----------------|
| To Macinery A/c | 40,000 | By Balance b/d | 90,000 |
| (sold Asset) | | By Statement of Profit & Loss | 90,000 |
| To Balnce c/d | 1,40,000 | | |
| | <u>1,80,000</u> | | <u>1,80,000</u> |
| | | | |

| Provision for Tax Account | | | | | | |
|---------------------------|--------|-------------------------------|--------|--|--|--|
| PARTICULARS | ₹ | PARTICULARS | ₹ | | | |
| To Bank A/c (Tax Paid) | 16,000 | By Balance b/d | 11,000 | | | |
| To Balance c/d | 18,000 | By Statement of Profit & Loss | 23,000 | | | |
| | 34,000 | | 34,000 | | | |

OR

Part B: Computerized Accounting

- 18. While navigating in the workbook, which of the following commands is used to move to the beginning of the Current row:
 - a. [ctrl] + [home]
 - b. [page Up]
 - c. [Home]
 - d. [ctrl] + [Back space]

Sol: (c)

- 19. Join line in the context of Access table means:
 - a. Graphical representation of tables between tables
 - b. Lines bonding the data within table
 - c. Line connecting two fields of a table
 - d. Line connecting two records of a table

Sol: (b)

20. Enumerate the basic requirements of computerized accounting system for a business organization. (4)

Sol: The computerized accounting is one of the database-oriented applications wherein the transaction data is stored in well- organized database. The user operates on such database using the required interface and also takes the required reports by suitable transformations of stored data into information. Therefore, the fundamentals of computerized accounting include all the basic requirements of any database-oriented application in computers.

Accounting framework......[2]

It is the application environment of the computerised accounting system. A healthy accounting framework in terms of accounting principles, coding and grouping structure is a pre-condition for any computerised accounting system.

Operating procedure[2]

A well-conceived and designed operating procedure blended with suitable operating environment of the enterprise is necessary to work with the computerised accounting system.

21. The generation of ledger accounts is not a necessary condition for making trial balance in a computerized accounting system. Explain. (4)

Sol: In computerized accounting system, every day business transactions are recorded with the help of computer software. Logical scheme is implied for codification of account and transaction. Every account and transaction is assigned a unique code. The grouping of accounts is done from the first stage. [Briefly explaining what is account groups and hierarchy of ledger]. The hierarchy of ledger accounts is maintained and the data is transferred into Ledger accounts automatically by the computer. In order to produce ledger accounts the stored transaction data is processed to appear as classified so that same is presented in the form of report. The preparation of financial statements is independent of producing the trial balance.

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(1)

(1)

22. Intentional manipulation of accounting records is much easier in computerized accounting than in manual accounting. How? (4)

Sol: Intentional manipulation of accounting records is much easier in computerized accounting due to following:

- i. Defective logical sequence at the programming stage
- ii. Prone to hacking
- Computerisation of accounting data on one hand stores voluminous data in a systematic and organized manner where as on the other hand suffers from threats of vulnerability and manipulations. Discuss the security measures you would like to employ for securing the data from such threats.

Sol: Every accounting software ensures data security, safety and confidentiality. Therefore every, software should provide for the following:

- Password Security: Password is a mechanism, which enables a user to access a system including data. The system facilitates defining the user rights according to organisation policy. Consequently, a person in an organization may be given access to a particular set of a data while he may be denied access to another set of data.
- Data Audit: This feature enables one to know as to who and what changes have been made in the original data thereby helping and fixing the responsibility of the person who has manipulated the data and also ensures data integrity. Basically, this feature is similar to Audit Trail.
- Data Vault: Software provides additional security through data encryption