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

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

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

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

## ACCOUNTANCY

			Marking Scheme 2018-19	
67	67	67	Accountancy (055)	MARKS
/1	/1	/1	Delhi Compartment 67/1/1	
/1	/2	/3	<b>Expected Answers/ Value Points</b>	
1	4	6	Q. What is meant by over subscription of shares?	
			Ans. Oversubscription of shares means that the company receives applications for	
			more than the number of shares offered to the public for subscription.	1 mark
			OR	OR
			Q. What is meant by 'par value' of a share?	
			Ang Der value is the nominal value or the face value of the shore	1 montr
			Ans. Par value is the nominal value of the face value of the share.	1 mark
2	5	5	O A B and C were nartners sharing profits in the ratio of 5 · 4 · 3 They decided	
-	U	0	to change their profit sharing ratio to $2:2:1$ w.e.f. 1 <sup>st</sup> April. 2019. On that date.	
			there was a balance of ₹3.00.000 in General Reserve and a debit balance of	
			₹4 80 000 in the Profit and Loss Account Pass necessary journal entries for the	
			above on account of change in the profit sharing ratio	
			above on account of change in the profit sharing ratio.	

			Ans.	Journal				
			Date	Particulars		Dr. (₹)	Cr. (₹)	
			2019 Apr 1	General reserve A/c To A's Capital A/c To B's Capital A/c To C's Capital A/c	Dr.	3,00,000	1,25,000 1,00,000 75,000	½ x 2
				(Being general reserve distribute partners in the old ratio)	ed among the			=
				A's Capital A/c B's Capital A/c C's Capital A/c To Profit and Loss A/c (Being debit balance of Profit ar debited to the old partners in the ratio)	Dr. Dr. Dr. nd Loss account e old profit sharing	2,00,000 1,60,000 1,20,000	4,80,000	1 mark
3	2	4	Q. Raj a Seema w salary o charging 2019 wa	nd Seema started a partnership vas entitled to a commission of 1 ₹₹2,500 per quarter and Seema' g Raj's salary and Seema's comr s ₹2,27,500. Calculate Seema's c	firm on 1st July, 2 0% of the net prof s commission. The mission for the year commission.	018. They a it after char e net profit   r ended 31 <sup>st</sup>	ngreed that oging Raj's before March,	

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

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

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

year ended 31 <sup>st</sup> March, 2019 ₹2,78,000 was distributed without providing for interest on capital and partners' salary. Showing your working clearly, pass the necessary adjustment entry for the above omissions.						
Ans.		Journal				
Date	Particulars			Dr. (₹)	Cr. (₹)	
2019 Mar 31	A's Current A/c To B's Current A (Being omission o	A/c f interest on	Dr. Capital and sala	11,200	11,200	1 <sup>1</sup> mai
Table sho	owing Past Adjustm	ents:				
Table sho	owing Past Adjustm	ents: Salary	Profits	Net e	ffect	
Table sho	owing Past Adjustm Interest on Capital (Cr.)	ents: Salary (Cr.)	Profits (Dr.)	Net e Dr. (₹)	ffect Cr. (₹)	
Table sho	owing Past Adjustm s Interest on Capital (Cr.) (₹) 90,000	ents: Salary (Cr.) (₹) 50,000	Profits (Dr.) (₹) 1,51,200	Net e Dr. (₹) 11,200	ffect Cr. (₹)	1 <sup>1</sup> mar
Table sho     Partners     A     B	owing Past Adjustm s Interest on Capital (Cr.) (₹) 90,000 40,000	ents: Salary (Cr.) (₹) 50,000 36,000	Profits (Dr.) (₹) 1,51,200 64,800	Net e Dr. (₹) 11,200 -	ffect Cr. (₹) - 11,200	1 <sup>1</sup> mar =
Table sho     Partners     A     B	owing Past Adjustm S Interest on Capital (Cr.) (₹) 90,000 40,000 1,30,000	ents: Salary (Cr.) (₹) 50,000 36,000 86,000	Profits (Dr.) (₹) 1,51,200 64,800 2,16,000	Net e Dr. (₹) 11,200 - 11,200	ffect Cr. (₹) - 11,200 11,200	1 <sup>1</sup> / <sub>2</sub> mar = 3 ma

Q. A, B and C were partners in a firm. On 1<sup>st</sup> April, 2018, their capitals stood at ₹4,00,000, ₹3,00,000 and ₹2,00,000 respectively. As per the provisions of the partnership deed .....Showing your working clearly, pass an adjustment entry to rectify the above error.

Ans.	Jou	rnal					
Date	Particulars		Dr. (₹)	Cr. (₹)			
2019	B's Capital A/c	Dr.	20,000	-	1 1/2		
Mar 31	C's Capital A/c	Dr.	30,000	-	marks		
	To A's Capital A/c		-	50,000			
	(Being omission of intere						
	now rectified)						

Table showing Past Adjustments:

9

		Partners	Interest on Capital	Salary	Profits	Net	effect		
			(Cr.)	(Cr.)	(Dr.)	Dr.	Cr.		
			(₹)	(₹)	(₹)	(₹)	(₹)		
		A	40,000	60,000	50,000	-	50,000		
		В	30,000	-	50,000	20,000	-	1 ½ marks	
		C	20,000	-	50,000	30,000	-	=	
			90,000	60,000	1,50,000	50,000	50,000	3 marks	
7	10	.         Q. Present the following items in the Balance Sheet of Queen's Club as at 31st							
		March, 201	19 Expenditure on co	onstruction	of building ₹	3,60,000. T	he		

		construc	tion work is in progre	ess and has no	ot yet been com	pleted.		
		Ans.						
			Bala	nce Sheet of (	Queen's Club			
			As on 3	81 <sup>st</sup> March 20	19 (An extract)			
		Liabilitie	es	Amount	Assets		Amount	
				(₹)			(₹)	
		Capital I	Fund 10,80,000		10% Building F	und	1/2	
		Add tran	nsferred from		Investments		4,80,000	
		Building	Fund <u>3,60,000</u>	14,40,000				
				1			1/2	
		Building	, Fund 4,80,000		Building		3,60,000	3 marks
		Add dor	nations 6,00,000					e marks
		Add inte	erest on Building Fund					
		Investme	ents <u>48,000</u>					
			11,28,000					
		Less exp	penditure on					
		construc	tion transferred					
		to Capita	al fund <u>3,60,000</u>	7,68,000				
				1				
							<u> </u>	
10	-	- Q. A, B :	and C were partners i	n a firm shar	ing profits in th	e ratio of 3	: 2 : 1. D	
		was adm	nitted into the firm	C	alculate the new	w capitals o	f A, B and	
		C and re	ecord the necessary io	urnal entries	for the above t	ansactions.	,	
			,					
		Ans.		_	_			
				Journ	al			
		Date	Particulars			Dr. (₹)	Cr. (₹)	
			Cash/ Bank A/c		Dr.	30,000	-	
						1		1.

A's Capital A/c       Dr.       2,500         B's Capital A/c       Dr.       2,500         C's Capital A/c       Dr.       10,000         To Cash/ Bank A/c       -         (Being cash withdrawn by partners to adjust the capitals in the new ratio))       -	- - - <b>1 mark</b> 15,000
A's Capital A/c     Dr.     2,500       B's Capital A/c     Dr.     2,500       C's Capital A/c     Dr.     10,000       To Cash/ Bank A/c     -       (Being cash withdrawn by partners to adjust the capitals in the new ratio))     -	- - <b>1 mark</b> 15,000
C's Capital A/c Dr. 10,000 To Cash/ Bank A/c - (Being cash withdrawn by partners to adjust the capitals in the new ratio))	- <b>1 mark</b> 15,000
To Cash/ Bank A/c (Being cash withdrawn by partners to adjust the capitals in the new ratio))	15,000
(Being cash withdrawn by partners to adjust the capitals in the new ratio))	
capitals in the new ratio))	
Calculation of new profit sharing ratio	
$A = \frac{3}{6} = \frac{3}{16} = \frac{15}{48}$	
$\begin{vmatrix} A - 3/0 - 3/10 - 13/40 \\ B = 2/6 - 1/16 = 13/48 \end{vmatrix}$	
C = 1/6	
$D = \frac{1}{4}$	
New ratio = $15:13:8:12$	
So, new capitals of A, B, C are:	
A ₹1,20,000 x 15/48 = ₹37,500	11/2
B ₹1,20,000 x 13/48 = ₹32,500	marks
C ₹1,20,000 x 1/6 = ₹20,000	
D ₹1,20,000 x 1/4 = ₹30,000	
Calculation of cash brought in or paid off	
$\Delta(\overline{z}) \qquad \mathbf{R}(\overline{z}) \qquad C(\overline{z})$	
Existing capitals 40 000 35 000 30 000	
Adjusted capitals 37.500 32.500 20.000	=
Cash withdrawn 2,500 2,500 10,000	1/2 +1+ 1
	1/2
	=
	3marks
11 Q. Ravi and Mukesh were partners in a firm sharing profits and losses	

			equally	Pass necessary journal entries	for the abov	ve	
			transac	tions in the books of the firm.			
			Ans.	Journal			
			Date	Particulars	Dr. (₹)	Cr. (₹)	
			(i)	Ravi's Capital A/cDr.To Realisation A/c(Being 40% of the total stock taken over by Ravi	19,200 -	- 19,200	1 x 4
			(ii)	at 20% discount) No Entry			=
			(iii)	Cash A/c     Dr.       To Realisation A/c     (Being stock sold for cash)	22,500	- 22,500	4 marks
			(iv)	Realisation A/c       Dr.         To Cash A/c       (Being creditors paid in cash at a discount of 10%)	45,000	- 45,000	
12	-	-	· Q. A, B 3:2:1. C	and C were partners in a firm sharing profits and C C died on Prepare C's Executo	losses in the r's Account	ratio of till the	
			amount	t is finally paid.			

			Ans.						
			Dr.		(	C's Execu	itors Account	Cr.	
					<u> </u>				
			Date	Particulars	Amount	Date	Particulars	Amount	
					(₹)			(て)	
			2016			2016			
			July 1	To Bank A/c	10,600	June 30	By C's Capital A/c	70,600	
			2017			2017			
			Mar 31	To Balance c/d	64,500	Mar 31	By Interest	4,500	
					75 100			75 100	
			2017		75,100	2017		75,100	
			June 30	To Bank A/c	26,000	Apr 1	By Balance b/d	64,500	
			2018			June 30	By Interest	1,500	1 x 4
			Mar 31	To Balance c/d	43,000	2018			
						Mar 31	By Interest	3,000	
									=
					69,000			69,000	
			2018			2018			
			June 30	To Bank A/c	24,000	Apr 1	By Balance b/d	43,000	4 marks
			2019	To Balance c/d	21,500	June 30	By Interest	1,000	
			Mar 31			2019			
						Mar 31	By Interest	1,500	
					45,500			45,500	
			2019			2019			
			June 30	To Bank A/c	22,000	Apr 1	By Balance b/d	21,500	
						June 30	By Interest	500	
					22,000			22,000	
10			o o ret						
13	14	-	Q. On $1^{\mathfrak{N}}$	April, 2016, Gane	esh Ltd. ac	quired as	sets of ₹6,00,000 and	took over	
			liabilities of	of ₹70,000 of Soh	an Ltd	••••	Ignoring entr	ies relating	
			to writing	off loss on issue o	of debentu	res and ii	nterest paid on debent	ures, pass	
			the necess	ary journal entri	es to recor	d the issu	e and redemption of c	lebentures.	

Ans.	Journa	1			
Date	Particulars		Dr. (₹)	Cr. (₹)	
2016	Assets A/c	Dr.	6,00,000	-	
Apr 1	Goodwill A/c	Dr.	1,30,000	-	
	To Liabilities A/c			70,000	
	To Sohan Ltd. A/c			6,60,000	
	(Being assets and liabilities acquired	of Sohan			1 m
	Ltd.)				
2016	Sohan Ltd A/c	Dr.	6,60,000	-	
Apr 1	Loss on issue of debentures A/c	Dr.	30,000	-	
	To 12% debentures A/c			6,00,000	
	To Securities Premium Reserve A/c			60,000	
	To Premium on redemption of Debe	entures A/c		30,000	1 m
	(Being debentures issued at a premiu	m			
	redeemable at a premium)				
2018					
Mar 31	Surplus i.e. balance in Statement of Profi	it ad Loss Dr.	1,50,000		
	To Debenture Redemption Reserve	A/c		1,50,000	
	(Being Debenture Redemption Reserv	ve created			½ n
	out of profits)				
2018	10% Debenture Redemption Investments	s A/c Dr.	90,000		
Apr.1	To Bank A/c			90,000	
	(Being Debenture Redemption Invest	ments			½ n
	purchased)				
2019	Bank A/c	Dr.	8,100		
Mar 31	TDS Collected/ Deposited A/c	Dr.	900		
	To Interest on Debenture Redemption Invest	stments A/c		9,000	½ n
	(Being Interest received on Debenture	e			

				Redemption Investments)			
			2019 Mar.31	Bank A/cDr.To 10% Debenture Redemption Investments A/c(Being Debenture Redemption Investments sold)	90,000	90,000	½ mark
				12% Debentures A/cDr.Premium on redemption of Debentures A/c Dr.To Debenture holders A/c(Being amount payable to debenture holders onredemption)	6,00,000 30,000	6,30,000	½ mark
				Debenture holders A/c Dr. To Bank A/c (Being Debentures redeemed)	6,30,000	6,30,000	½ mark
				Interest on Debenture Redemption Investments Dr. To Statement of Profit and Loss (Being Interest on Debenture Redemption Investments transferred to Statement of Profit and Loss)	9,000	- 9,000	½ mark
				Debenture Redemption Reserve A/cDr.To General Reserve A/c(Being Debenture Redemption Reserve transferred to general reserve)	1,50,000	1,50,000	<sup>1</sup> / <sub>2</sub> mark = 6 marks
14	13	15	Q. X and deed pro Account	Y are partners sharing profits in the ratio of 3 : 2 videdComplete the Profit and for the year ended 31st March, 2019, Partners' C	2. Their part Loss Appro apital Accou	tnership priation ınts and	
			Current	Accounts.	r		

Ans.



Dr.		Partners	Current Accounts		Cr.	
Particulars	X (₹)	Y (₹)	Particulars	X (₹)	Y (₹)	
To Bank A/c	10,000	9,000	By balance b/d	78,000	69,000	
(Drawings) To <b>Interest on</b>			By Interest on	18,000	24,000	
drawings 1/2	600	540	Capital By <b>Salary</b> ½	-	42,000	
To balance c/d	2,05,400	2,05,460	By P/L			2 m
1/2			Appropriation	1,20,000	80,000	
			A/c- Profit 1/2			
	2,16,000	2,15,000		2,16,000	2,15,000	
						3+
						:
						6 m

Complete the Profit and Loss Appropriation A/c of X and Y for the year ended 31<sup>st</sup> March, 2019.

		information of Modern Healt for the year ended 31 <sup>st</sup> Marcl 2019. Ans.	h Club, prep h, 2019 and t	pare Income and Expenditu the Balance Sheet as at 31 <sup>st</sup>	re Account March,	
15 -	14	 Q. From the following Receip	ts and Paym	ents Account and addition	al	
		To Profit transferred to: X's Current A/c <b>1,15,280</b> <u>1/2</u> Y's Current A/c <u>57,640</u> <u>1/2</u>	<b>1,72,920</b> 3,07,920		3,07,920	
		To General Reserve	15,000			
		Y's Current A/c 27,0001/2 To Salary X's Current A/c	<sup>1</sup> / <sub>2</sub> 72,000	By Interest on Drawings X's Current A/c <b>3,600</b> 1/2 Y's Current A/c <b>4,320</b> 1/2	<u>1/2</u> 7,920	6 marks
		To Interest on Capital X's Current A/c <b>45,000</b> <u>1/2</u>	(₹)	By Profit and Loss A/c- Net Profit b/d	(₹) 13,00,000	
		Dr. Profit and Loss Appropr	iation A/c fo	r the year ended 31 <sup>st</sup> Marc	h 2019 Cr.	

Particulars	Amount	Particulars	Amount	
	(₹)		(₹)	
To depreciation on books	2,000	By Subscriptions 60,000		
		(+) Advance for current year		
To loss on sale of furniture	1,000	4,000		
		(-) Advance for next year		3 ma
To salaries	30,000	(5,000)		
		(-) o/s for last year (3,000)		
Γo rent	18,300	(+) o/s for current yr <u>4,000</u>	60,000	
To repairs	4,700	By donations	2,000	
Γo surplus	15,000	By interest on investments	9,000	
	71,000		71,000	
<b>Balance Sheet of N</b>	Aodern Hea	alth Club as on 31 <sup>st</sup> March 201	9	
Liabilities	Amo	unt Assets	Amount	
	(₹)		(₹)	
Subscriptions received in advance	e 5,0	000 Cash	1,000	
		Invoctmente	1 80 000	
Capital Fund 2,14,5	00	nivestments	1,00,000	
Capital Fund2,14,50Add Life membership fee7,00	00	Outstanding Subscriptions	4,000	1 <sup>1</sup> mai

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

Building

30,000

		Working Notes: Balance Shee	2,41,500	fealth Club as on 31 <sup>st</sup>	2,41,500	
		Liabilities	Amount (₹)	Assets	Amount (₹)	
		Subscriptions received in advance	4,000	Cash	17,000	1 ½ marks
		Capital Fund	2,14,500	Outstanding Subscriptions	3,000	= 3+1 <sup>1</sup> / <sub>2</sub> - 1 <sup>1</sup> / <sub>2</sub>
				Books	12,500	= 6 mark
				Furniture	6,000	
16 17	16	·	2,18,500	a firm sharing profi	2,18,500	
10 17	10	the ratio of 2 : 2 : 1Prepare and the Balance Sheet of the r	Revaluation A reconstituted fi	a min sharing pron account, Partners' Ca rm on Monika's reti	apital Accounts	
		Ans.				

Dr.			Reva	luat	ion A/c			Cr.	
Particulars			Amou	unt	Particular	S		Amoun	ıt
			(₹)					(₹)	
To Machiner	у		1,20,0	000	By Land a	and Buildi	ng	2,40,00	0
To Provision	for doubtf	ful debts	20,0	)00					
To Profit tran	nsferred to	:							
Lisa's Capita	ll A/c	40,000							
Monika's Ca	pital A/c	40,000							2
Nisha's Capi	tal A/c	<u>20,000</u>	1,00,0	000					
			2,40,0	000				2,40,00	0
Dr.		I	Partners	Caj	pital Accou	unts		Cr.	
Particulars	Lisa	Monika	Nisha	Par	ticulars	Lisa	Monika	Nisha	L
	(₹)	(₹)	(₹)			(₹)	(₹	) (	₹)
To Stock A/c	-	5,00,000	-	By	balance b/d	14,00,000	14,00,000	3,60,00	00
To Monika's Capital A/c	80,000	-	40,000	By A/c	Revaluation	40,000	40,000	20,00	00
-									
	1			By	Lisa's	-	80,000	0	-
To Monika's		10 (0.000		C I	· · · · ·				2
To Monika's loan A/c	-	10,60,000	-	Cap	oital A/c				3

18,80,000 15,60,000	9,40,000		18,80,000	15,60,000	9,40,000
Balance Sheet of the	reconstituted	l firm as or	n 31 <sup>st</sup> Mar	ch 2019	
Liabilities	Amount	Assets		A	Amount
	(₹)				(₹)
Trade Creditors	1,60,000	Land and	Building	12	2,40,000
Bills Payable	2,44,000	Machiner	у	10	0,80,000
Employees Provident Fund	76,000	Stock			5,00,000
Monika's Loan	10,60,000	Debtors Less Prov	4,00 vision for	,000	
Capitals Lisa 18.00.000		doubtful o	debts <u>20</u>	<u>,000</u>	3,80,000
Nisha <u>9,00,000</u>	27,00,000	Bank			40,000
		Lisa's Cu	rrent A/c	2	4,40,000
		Nisha's C	Current A/c		5,60,000
	44,20,000			42	2,40,000
	OR				
Q. On 31st March, 2019 the Ba profits and losses in the ratio of	lance Sheet ( f 3 : 2	of Madan a	nd Moha Prepare F	n who sh Revaluati	are on

#### Ans.

Dr.

A/c

To Balance c/d

### **Revaluation A/c**

Cr.

10,000

4,000

-

-

1 x 3

=

3 marks

-

6,000

Particulars	An	nount	Particulars			Amount	
		(₹)				(₹)	
To Workmen's compensation cla	im	5,000	By Bank /bad	debts		2,000	
			recovered				
To Stock		3,000					1/
			By Patents			2,000	
			By Loss trans	ferred to:			2 r
			Madan's Capi	tal A/c 2,	400		
			Mohan's Capi	tal A/c <u>1</u> ,	600	4,000	
		8,000				8,000	
						<u> </u>	
Dr. Pa	rtners C	apital	Accounts			Cr.	
Darticulars Moden Mohan	Gonal	Dartia	lore	Madan	Moha	Gonal	
	(₹)	raitic	1115	(₹)	(₹)	(₹)	
		D D.	1				

By Premium for goodwill A/c

By General Reserve

A/c

63,600 52,400 23,200

							By Ba	nk A/c			23,200	
			66,	,000 5	4,000	23,200			66,000	54,000	23,200	
			Note: If the goodwing account first and the given. Balance S	ill pren hen cro Sheet o	mium edited of the	brough to his c reconst	t by tl apital ituted	ne partner has accounts in th firm as on 31 <sup>st</sup>	been cr e sacrif <sup>†</sup> March	edited t icing ra 2018	o his tio, full	
			Liabilities			Amo (₹	ount ()	Assets		A	mount (₹)	
			Creditors			2	8,000	Cash at bank			45,200	
			Employees Providen	it Fund		2	2,000	Debtors Less Provision	65,000 for	)		
			Workmen's compension	sation c	laim		5,000	doubtful debts	<u>5,000</u>		60,000	1½ x 2 =
			Capitals: Madan 63,600	0				Stock			30,000	3 marks
			Mohan 52,400	0				Patents			59,000	2+3+3
			Gopal <u>23,20</u>	<u>0</u>		1,3	9,200					= 8 marks
						1.0	4 200			1	04 200	0 11141 K5
						1,9	4,200				,94,200	
17	16	17	Q. Rathee Ltd. invi The shares were iss	ited ap sued at	oplicat t a pro	tions for emium (	r issui of 60%	ng 1,00,000 equ 6. Pass necessa	iity sha ry jour	res of ₹ nal entr	10 each. ies for	
			the above transacti	ions in	the b	ooks of	Rathe	e Ltd.				
			Ans.									
					In t	he book	s of R	athee Ltd.				
						J	ourna	I				

Date	Particulars		Dr. (₹)	Cr. (₹)	
	Bank A/c	Dr.	11,50,000		
	To Equity Share Application and Allotment	A/c		11,50,000	1 mark
	(Being application money received)				
	Equity Share Application and Allotment A/c	Dr	11 50 000		
	To Equity Share Capital A/c	DI.	11,50,000	2 00 000	
	To Securities Premium Reserve A/c			4 00 000	11/2
	To Calls in Advance A/c			4 82 000	marks
	To Bank A/c			68.000	
	(Being application money transferred to share	e capital.		00,000	
	securities premium reserve, calls and the bala	ince refunded)			
	Equity Share First and Final call A/c	Dr.	10,00,000		
	To Equity Share Capital A/c			8,00,000	
	To Securities Premium Reserve A/c			2,00,000	1 mark
	(Being First call money due)				
	Bank A/c	Dr.	5,11,600		
	Calls in arrears A/c	Dr.	6,400		
	Calls in advance A/c	Dr.	4,82,000		
	To Equity Share First and Final call A/c			10,00,000	
	(Being first call money received)				
					1 1/2
	or				marks
		D			
	Bank A/c	Dr.	5,11,600		
	Calls in advance A/c	Dr.	4,82,000		
	To Equity Share First and Final call A/c			9,93,600	
	(Being first call money received)				
	Equity Share Capital A/c	Dr.	10,000		
	Securities Premium Reserve A/c	Dr.	2,000		
	To Share Forfeiture A/c			5,600	
	To Calls in Arrears A/c/ Equity Share first and fi	inal call A/c		6,400	1 mark
	(Being Bali's shares forfeited for non paymer	nt of first and			

]	final call)		
]	Bank A/c Dr.	15,000	
	To Equity Share Capital A/c		10,000
	To Securities Premium Reserve A/c		5,000
	(Being Bali's shares reissued for ₹15 per share fully paid)		
:	Share Forfeiture A/c Dr.	5,600	
	To Capital Reserve A/c		5,600
	(Being balance in Share forfeiture account transferred to		
	capital reserve)		
	OR		
Q. 'Ven into 4,0 paid	nus Ltd' was registered with an authorised capital o 0,000 equity shares of 10 each. 70,000 of these share Pass necessary	of ₹40,00,000 es were issue journal entr	divided d as fully ies for the
Q. 'Ven into 4,0 paid above ti	nus Ltd' was registered with an authorised capital o 0,000 equity shares of 10 each. 70,000 of these share Pass necessary ransactions in the books of 'Venus Ltd'.	f₹40,00,000 es were issue journal entr	divided d as fully ies for the
Q. 'Ven into 4,0 paid above ti	nus Ltd' was registered with an authorised capital o 0,000 equity shares of 10 each. 70,000 of these share Pass necessary ransactions in the books of 'Venus Ltd'. In the books of Venus Ltd.	of ₹40,00,000 es were issue journal entr	divided d as fully ies for the
Q. 'Ven into 4,0 paid above ti	nus Ltd' was registered with an authorised capital o 0,000 equity shares of 10 each. 70,000 of these share Pass necessary ransactions in the books of 'Venus Ltd'. In the books of Venus Ltd. Journal	of ₹40,00,000 es were issue journal entr	divided d as fully ies for the
Q. 'Ven into 4,0 paid above tr	nus Ltd' was registered with an authorised capital o 0,000 equity shares of 10 each. 70,000 of these share Pass necessary ransactions in the books of 'Venus Ltd'. In the books of Venus Ltd. Journal	of ₹40,00,000 es were issue journal entr Dr. (₹)	divided d as fully ies for the Cr. (₹)
Q. 'Ven into 4,0 paid above tr	nus Ltd' was registered with an authorised capital o 0,000 equity shares of 10 each. 70,000 of these share Pass necessary ransactions in the books of 'Venus Ltd'. In the books of Venus Ltd. Journal Particulars Building A/c Dr.	of ₹40,00,000 es were issue journal entr Dr. (₹) 7,00,000	divided d as fully ies for the Cr. (₹)
Q. 'Ven into 4,0 paid above tr	nus Ltd' was registered with an authorised capital o 00,000 equity shares of 10 each. 70,000 of these share Pass necessary ransactions in the books of 'Venus Ltd'. In the books of Venus Ltd. Journal Particulars Building A/c Dr. To M/s Star Ltd.	of ₹40,00,000 es were issue journal entr Dr. (₹) 7,00,000	divided d as fully ies for the Cr. (₹) 7,00,000
Q. 'Ven into 4,0 paid above the Date	nus Ltd' was registered with an authorised capital o 00,000 equity shares of 10 each. 70,000 of these share Pass necessary ransactions in the books of 'Venus Ltd'. In the books of Venus Ltd. Journal Particulars Building A/c Dr. To M/s Star Ltd. (Being building purchased from M/s Star Ltd.)	of ₹40,00,000 es were issue journal entr Dr. (₹) 7,00,000	divided d as fully ies for the Cr. (₹) 7,00,000
Q. 'Ven into 4,0 paid above tr	nus Ltd' was registered with an authorised capital o 0,000 equity shares of 10 each. 70,000 of these share Pass necessary ransactions in the books of 'Venus Ltd'. In the books of Venus Ltd. Journal Particulars Building A/c Dr. To M/s Star Ltd. (Being building purchased from M/s Star Ltd.)	of ₹40,00,000 es were issue journal entr Dr. (₹) 7,00,000	divided d as fully ies for the Cr. (₹) 7,00,000
Q. 'Ven into 4,0 paid above tr	nus Ltd' was registered with an authorised capital o         00,000 equity shares of 10 each. 70,000 of these share         Pass necessary         ransactions in the books of 'Venus Ltd'.         In the books of Venus Ltd.         Journal         Particulars         Building A/c       Dr.         To M/s Star Ltd.       Dr.         M/s Star Ltd.       Dr.         To Equity Share Capital A/c       Dr.	of ₹40,00,000 es were issue journal entr Dr. (₹) 7,00,000 7,00,000	divided d as fully ies for the Cr. (₹) 7,00,000
Q. 'Ven into 4,0 paid above tr	nus Ltd' was registered with an authorised capital o         00,000 equity shares of 10 each. 70,000 of these share         Pass necessary         ransactions in the books of 'Venus Ltd'.         In the books of Venus Ltd'.         Journal         Particulars         Building A/c       Dr.         To M/s Star Ltd.       Dr.         M/s Star Ltd.       Dr.         To Equity Share Capital A/c       Dr.         Geing 70.000 shares issued as fully paid to Star Ltd       Dr.	of ₹40,00,000 es were issue journal entr Dr. (₹) 7,00,000 7,00,000	divided d as fully ies for the Cr. (₹) 7,00,000

Bank A/c	Dr.	6,00,000	
To Equity Share Application A/c			6,00,000
(Being application money received on 2,00,00	0		
shares)			
Equity Share Application A/c	Dr.	6,00,000	
To Equity Share Capital A/c			6,00,000
(Being application money transferred to share	capital)		
Equity Share Allotment A/c	Dr.	4,00,000	
To Equity Share Capital A/c			4,00,000
(Being Allotment money due on 2,00,000 shar	res)		
Bank A/c	Dr.	3,80,000	
To Equity Share Allotment A/c			3,80,000
(Being allotment money received)			
or			
Bank $\Delta/c$	Dr	3 80 000	
Calls in arrears $\Delta/c$	Dr.	20,000	
To Equity Share Allotment $\Lambda/c$	DI.	20,000	4 00 000
(Being allotment money received)			4,00,000
(being another money received)			
Equity Share First call A/c	Dr	4 00 000	
To Equity Share Capital A/c		.,,	4.00.000
(Being First call money due on 2.00.000 share	s)		.,,
	,		
Bank A/c	Dr.	3,20,000	
To Equity Share First call A/c			3,20,000
(Being first call money received)			
or			

Bank A/c	Dr.	3,20,000		
Calls in arrears A/c	Dr.	80,000		
To Equity Share First call A/c			4,00,000	
(Being first call money received				
				1 mark
Equity Share Second and Final call A/c	Dr.	6,00,000		
To Equity Share Capital A/c			6,00,000	
(Being First call money due on 2,00,000 sha	ares)			
Bank A/c	Dr	3 00 000		
To Equity Share Second and Final call A/		5,00,000	3 00 000	
(Being first call money received)			5,00,000	1/2
(Being mist can money received)				mark
or				
Bank A/c	Dr.	3,00,000		
Calls in arrears A/c	Dr.	3,00,000		
To Equity Share Second and Final call A/d	c		6,00,000	
(Being first call money received				
				1 marl
Equity Share Capital A/c	Dr.	1,00,000		
To Share Forfeiture A/c			30,000	
To Equity Share Allotment A/c			20,000	
To Equity Share first call A/c			20,000	
To Equity Share Second and Final call A/c	e		30,000	
(Being shares forfeited)				
or				
Equity Share Capital A/c	Dr.	1,00,000		
To Share Forfeiture A/c			30,000	
To Calls in Arrears A/c			70,000	
(Being shares forfeited)				1 marl

				Bank A/c	Dr.	1,20,000		
				To Equity Share Capital A/c			1,00,000	
				To Securities Premium Reserve A/c			20,000	
				(Being shares reissued for ₹12 per share fully p	aid)			
				Share Forfeiture A/c	Dr.	30,000		
				To Capital Reserve A/c			30,000	
				(Being balance in Share forfeiture account trans	sferred			½ mark
				to capital reserve)				
				•				
								½ mark
								=
								8 marks
				PART B				
				<b>OPTION 1</b>				
				Analysis of Financial Staten	nents			
18	-	-	Q. Giv	e any two examples of cash flows from operat	ing activ	vities.		
			Ans. A	ny two examples:				<sup>1</sup> / <sub>2</sub> x 2
								=
			(i) Cas	h Sales				
			(ii) Cas	sh Purchases				1 mark
			(iii) Sa	lary paid				
				(or any other correct exam	ple)			

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

= ₹8,80,000	
So, Cost of Revenue from operations = $=$ $=$ $13,20,000$	
Operating ratio = $\exists 13,20,000 + \exists 2,20,000 \ x \ 100$	
₹22,00,000	
= 70%	
(ii) Inventory Turnover ratio = <u>Cost of Revenue from operations</u>	
Average Inventory	
	2 marks
= \frac{13,20,000}{\frac{1},60,000}	2+2
=8.25 times	=
	4 marks
	0.0
OP	OR
Q. (A) Net profit after interest and tax of M Ltd. was ₹1,00,000. Its Current Assets	
were ₹4,00,000 and Current Liabilities were ₹2,00,000. Tax rate was 50%. Its Total	
Assets were ₹10,00,000 and 10% Long term debt was ₹4,00,000. Calculate Return on	
Investment.	
(B) Rate of Gross profit on Revenue from operations of a company is 25%. Its Gross	
profit is ₹5,00,000. Its Shareholders' Funds are ₹25,00,000; Non-current Liabilities	
are ₹8,00,000 and Non-current Assets are ₹23,00,000.	
Calculate its Working Capital Turnover Ratio.	
Ans	
(A) Return on Investment = Profit before interest and tax x 100	
Capital employed	
21	
51	

	Profit before interest and tax =₹1,00,000 + ₹1,00,000 + ₹40,000	2 marks
	=₹2,40,000	
	Capital employed = ₹8,00,000	
	Therefore, Return on Investment = ₹2,40,000/₹8,00,000 x 100	
	= 30%	
	(B) Working Capital Turnover ratio = Revenue from operations/ Working Capital	
	Gross Profit = ₹5,00,000	
	So, Revenue from operations = ₹20,00,000	2 marks
	Working Capital = Shareholders Funds + Non Current Liabilities – Non Current Assets	
	=₹25,00,000 + ₹8,00,000 - ₹23,00,000	
	=₹10,00,000	
	Working Capital Turnover ratio = ₹20,00,000/ ₹10,00,000 = 2 times	= 2+2 = 4 marks

21	-	-	Q. Under which sub-headings will the following items be placed in the Balance Shoat of a company as nor Schodule III. Part L of the Companies Act. 20132							
			Succe of a company as per senedule-in, i are-i of the Companes Act, 2013.							
			Ans.							
				Item	Sub Head					
			(i)	Prepaid Expenses	Other Current Assets					
			(ii)	Loose Tools	Inventories					
			(iii)	Loans repayable on demand	Short Term borrowings					
			(iv)	Provision for employees benefit	Long term provisions	<sup>1</sup> / <sub>2</sub> x 8				
			(v)	Negative balance in Statement of Profit and Loss	Reserves and Surplus	=				
			(vi)	Bank Overdraft	Short Term borrowings	4 marks				
			(vii)	Bills Receivable	Trade Receivables					
			(viii)	Trade Marks	Fixed assets- Intangible					
					]					
22	20	21	Q. Prep	pare a Common-Size Statement of Pro	fit and Loss of 'Hari Darshan Ltd.'					
			from th	e following information:						
			Ans.	In the books of 'Hari	Darshan Ltd.'					
				Common Size Statement o	of Profit and Loss					

$2017-18$ $2018-19$ $2017-18$ $2017-18$ $2017-18$ $(\bar{x})$ $(\bar{x})$ $(\bar{x})$ $(\bar{x})$ $(\bar{x})$ $(\bar{x})$ renue from operations $10,00,000$ $20,00,000$ $100$ $100$ 1 Other income $50,000$ $60,000$ $5$ $3$ al Revenue $10,50,000$ $20,60,000$ $105$ $103$ s Expenses: $4,20,000$ $7,70,000$ $42$ $38.5$ anges in inventories $80,000$ $1,20,000$ $8$ $6$ er expenses $30,000$ $52,000$ $3$ $2.6$ al Expenses $5,30,000$ $9,42,000$ $53$ $47.1$ fit before Tax $5,20,000$ $11,18,000$ $52$ $55.9$	rticulars	Absolute	e amount	Percer Revent oper:	Percentage of Revenue from operations	
$(\bar{\varsigma})$ $(\bar{\varsigma})$ $(\bar{\varsigma})$ $(\bar{\varsigma})$ $(\bar{\varsigma})$ $(\bar{\varsigma})$ $(\bar{\varsigma})$ $(\bar{\varsigma})$ $(\bar{\varsigma})$ venue from operations10,00,00020,00,000100100d Other income50,00060,00053al Revenue10,50,00020,60,000105103s Expenses:4,20,0007,70,0004238.5chase of stock in trade4,20,0007,70,0004238.5unges in inventories80,0001,20,00086er expenses30,00052,00032.6al Expenses5,30,0009,42,0005347.1fit before Tax5,20,00011,18,0005255.5		2017-18	2018-19	2017-18	2017-18	
renue from operations $10,00,000$ $20,00,000$ $100$ $100$ 1 Other income $50,000$ $60,000$ $5$ $33$ al Revenue $10,50,000$ $20,60,000$ $105$ $103$ s Expenses: $10,50,000$ $20,60,000$ $105$ $103$ chase of stock in trade $4,20,000$ $7,70,000$ $42$ $38.5$ unges in inventories $80,000$ $1,20,000$ $8$ $66$ er expenses $30,000$ $52,000$ $3$ $2.6$ al Expenses $5,30,000$ $9,42,000$ $53$ $47.1$ fit before Tax $5,20,000$ $11,18,000$ $52$ $55.9$		(₹)	(₹)	(%)	(%)	
d Other income $50,000$ $60,000$ $5$ $33$ al Revenue $10,50,000$ $20,60,000$ $105$ $103$ s Expenses: chase of stock in trade $4,20,000$ $7,70,000$ $42$ $38.5$ anges in inventories $80,000$ $1,20,000$ $8$ $66$ er expenses $30,000$ $52,000$ $3$ $2.6$ al Expenses $5,30,000$ $9,42,000$ $53$ $47.1$ fit before Tax $5,20,000$ $11,18,000$ $52$ $55.5$	evenue from operations	10,00,000	20,00,000	100	100	
al Revenue10,50,00020,60,000105103s Expenses: chase of stock in trade $4,20,000$ $7,70,000$ $42$ $38.5$ anges in inventories $80,000$ $1,20,000$ $8$ $6$ er expenses $30,000$ $52,000$ $3$ $2.6$ al Expenses $5,30,000$ $9,42,000$ $53$ $47.1$ fit before Tax $5,20,000$ $11,18,000$ $52$ $55.9$	ld Other income	50,000	60,000	5	3	
s Expenses:       4,20,000       7,70,000       42       38.5         unges in inventories       80,000       1,20,000       8       6         er expenses       30,000       52,000       3       2.6         al Expenses       5,30,000       9,42,000       53       47.1         fit before Tax       5,20,000       11,18,000       52       55.9	tal Revenue	10,50,000	20,60,000	105	103	
chase of stock in trade4,20,0007,70,0004238.5anges in inventories80,0001,20,00086er expenses30,00052,00032.6al Expenses5,30,0009,42,0005347.1fit before Tax5,20,00011,18,0005255.9	ss Expenses:					
anges in inventories       80,000       1,20,000       8       6         er expenses       30,000       52,000       3       2.6         al Expenses       5,30,000       9,42,000       53       47.1         fit before Tax       5,20,000       11,18,000       52       55.9	rchase of stock in trade	4,20,000	7,70,000	42	38.5	
er expenses       30,000       52,000       3       2.6         al Expenses       5,30,000       9,42,000       53       47.1         fit before Tax       5,20,000       11,18,000       52       55.9	anges in inventories	80,000	1,20,000	8	6	
al Expenses       5,30,000       9,42,000       53       47.1         fit before Tax       5,20,000       11,18,000       52       55.9	her expenses	30,000	52,000	3	2.6	
fit before Tax 5,20,000 11,18,000 52 55.9	tal Expenses	5,30,000	9,42,000	53	47.1	
	ofit before Tax	5,20,000	11,18,000	52	55.9	
s Tax @50% 2,60,000 5,59,000 26 27.95	ss Tax @50%	2,60,000	5,59,000	26	27.95	
fit after Tax 2.60.000 5.59.000 26 27.95	ofit after Tax	2,60,000	5,59,000	26	27.95	

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

OR

In the books of Delko Ltd.

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

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

						<sup>1</sup> / <sub>2</sub> x 8		
						=		
						4 marks		
23	23	23	Q. Following is the Balance Sheet of X Ltd. as at 31 <sup>st</sup>	March, 2018	Prepare a			
			Cash Flow Statement.					
			Ans. Cash Flow Statement of X Ltd. for the year ended 31 <sup>st</sup> March 2018					
			Particulars	Amount (₹)	Amount (₹)			
			CASH FLOWS FROM OPERATING ACTIVITIES					
			Net Profit before Tax	5,00,000				
			Add depreciation on Machinery	1,40,000				
			Interest on 12% Debentures	60,000				
			Goodwill written off	1,00,000				
			Less Profit on sale of machinery	<u>(10,000)</u>				
				7 00 000				
			Operating profit before Working Capital changes	7,90,000		11/		
			Less Increase in Inventories	(1,30,000)		I <sup>1</sup> /2		
				( (0,000		marks		
			Cash generated from operations	6,60,000				
			Less lax paid	<u>(1,65,000</u> )				
			Cash Inflows from Operating activities		4,95,000			
			CASH FLOWS FROM INVESTING ACTIVITIES					
			Sale of Machinery	50,000				
			Purchase of Machinery	(6,80,000)				
			Purchase of Investments	(1,00,000)		1 mark		
			Cash used in Investing activities		(7,30,000)			
			CASH FLOWS FROM FINANCING ACTIVITIES					
Issue of S	hares			2,00,000				
---	--	---	--	-----------------	--	-------------------		
Issue of 1	2% Debent	tures		1,00,000		1		
Bank over	rdraft repai	d		(5,000)		ma		
Interest pa	aid on 12%	Debentures		<u>(60,000)</u>				
Cash Infl	ows from	Financing activ	vities		<u>2,35,000</u>			
Net incre	ase in Cas	h and Cash equ	livalents					
Add Open	ing balanc	e of Cash and C	Cash equivalents					
Cı	urrent Inves	stments		1,70,000				
Ca	ash and Cas	sh equivalents		40,000	2,10,000	1⁄2 1		
Closing h	alance of (	Cash and Cash e	auivalents					
Cu	rrent Inves	tments	1	1.40.000				
Ca	1 10	h equivalents		70,000	2 10 000			
Working N	Iotes:			<u>10,000</u>	<u>2,10,000</u>			
Working N	Sh and Cas	ofit before Tax:		<u>10,000</u>	2,10,000			
Working N Calculation	In and Cas	ofit before Tax:	(₹)	10,000	<u>2,10,000</u>			
Working N Calculation	Iotes:	ofit before Tax:	(₹) 3.00.000	10,000	<u>2,10,000</u>			
Working N Calculation Net profit Add Provis	Sh and Cas	ofit before Tax:	(₹) 3,00,000 2,00,000	10,000	<u>2,10,000</u>	<sup>1</sup> ⁄2 n		
Working N Calculation Net profit Add Provis	<u>Iotes:</u> <u>1 of Net Pro</u> sion for Tay	ofit before Tax:	(₹) 3,00,000 <u>2,00,000</u> 5,00,000	<u>10,000</u>	2,10,000	½ n		
Working N Calculation Net profit Add Provis	Iotes: <u>1 of Net Pro</u> sion for Tay	ofit before Tax:	(₹) 3,00,000 <u>2,00,000</u> 5,00,000	<u>10,000</u>	2,10,000	½ n		
Working N Calculation Net profit Add Provis	<u>Iotes:</u> <u>1 of Net Pro</u> sion for Tay	ofit before Tax:	(₹) 3,00,000 <u>2,00,000</u> <u>5,00,000</u> Machinery A/c	<u>10,000</u>	<u>2,10,000</u> Cr.	½ n		
Working N Calculation Net profit Add Provis Dr. Particular	<u>Iotes:</u> <u>1 of Net Pro</u> sion for Tax	ofit before Tax: x Amount (₹)	(₹) 3,00,000 <u>2,00,000</u> <u>5,00,000</u> <b>Machinery A/c</b> Particulars		<u>2,10,000</u> Cr. Amount (₹)	½ n		
Working N Calculation Net profit Add Provis Dr. Particular To balanc	<u>Iotes:</u> <u>1 of Net Pro</u> sion for Tax	Defit before Tax:   xx   Amount (₹)   20,00,000	(₹) 3,00,000 2,00,000 5,00,000 Machinery A/c Particulars By Cash (sale)		<u>2,10,000</u> Cr. Amount (₹) 50,000	½ n		

			To Bank (purchase)	6,80,000	By balance c/d	26,00,000		
				26,90,000		26,90,000		
			Dr. Accumulated depreciation A/c					
			Dentioulans Amount (T) Dentioulans				<sup>1</sup> / <sub>2</sub> mark	
			T articulars	Amount (V)		Amount (()		
			To Machinery A/c	40,000	By balance b/d	1,00,000		
			To balance c/d	2,00,000	By depreciation	1,40,000	= 6 marks	
				2,40,000		2,40,000		
					PART B			
				Comput	OPTION II			
18	19	18	O. Name the data eler	nent in accou	nting transaction.			
					8		1 mark	
			Ans. A data element is the smallest named unit of data in the information system. In					
			accounting, a transaction consists of four data elements, such as name of the account,					
			accounting code, date of transaction and amount.					
19	18	19	Q. What is meant by	'Primary Key	??			
			<b>Ans.</b> Primary key is a l	cey in the relation	ional database that is unique for e	ach record. It	1 mark	
			telephone number with	area code.		such as		

20	Q. Explain 'Sequential' and 'Mnemonic' codes.	
	Ans.	
	Sequential codes	
	These are codes in which code numbers and/or letters are assigned in a consecutive	
	order. These codes are applied primarily to source documents such as cheques,	
	invoices etc. This facilitates document searches. This process enables either	2 marks
	identification of missing codes (numbers) relating to a particular document or a	
	relevant document can be traced.	
	Mnemonic codes	
	These codes consist of alphabets or abbreviations as symbols to codify a piece of	
	information. SJ for sales journal, HQ for Headquarters are examples of mnemonic	2 marks
	codes.	=
		2+2
		=
		4 marks
	UK	OK
	O. State the element which is considered while calculating 'earning' for current	
	payroll period.	
	Ans. Elements which is considered while calculating 'Earning' for the current payroll	
	period are:	
	(i) Basic Pay (BP): It is the pay in the pay scale plus grade pay but does not include	
	special pay.	
	(ii) Grade pay (GP): It is the pay to be added to the basic pay according to the	
	designation of the employee and applicable pay band of pay.	4 marks
	(iii) Dearness pay (DP): It is that portion of dearness allowance which has been	
	declared and deemed to have been merged with basic pay.	
	(iv) Dearness allowance (DA): It is a compensation for erosion in the purchasing	
	39	

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

	Q. State the steps involved in installation of a computerised accounting system.	
	Ans. For installation of computerised accounting system the following steps are	
	required:	
	(i) Insert CD in the system.	
	(ii) After inserting CD select the option in following steps;	
	a) Select any (C:or E:or D: )from My computer icon on the desktop double	4 marks
	click on install.exe.	
	OR	
	a) Select start>run>type the file name E:\install.exe	
22	Q. Explain the terms 'Password Security' and 'Data Vault'.	
	Ans.	
	Password Security	
	It is a widely accepted security control to access the data Only an	
	authorized person can access the data. Any user who does not know the	2 marks
	password cannot retrieve information from the system. It ensures data	
	integrity. It uses a binary encoding format of storage and offers access to	
	the database.	
	Data vault	
	Software provides additional security for the imputed data and this feature	
	is referred to as data vault. Data vault ensures that original information is	2 marks
	presented and is not tempered. Data vault password cannot be broken. Some	=
	software uses data encryption method.	
		2+2
		=
		4 marks
23	Q. Name the table which is an interactive way to quickly summarize large	
	amounts of data. State its five advantages.	

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

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

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

	share in	the firm plus the share acquired	from the retiring pa	artner.	1 m	
4	Q. Wha	t is meant by over subscriptio	n of shares?			
	<b>Ans.</b> Ov more that	rersubscription of shares means an the number of shares offered	that the company rea to the public for sub	ceives applicat oscription.	ions for <b>1 m</b>	
	OR					
	Q. Wha	t is meant by 'par value' of a s	share?			
	<b>Ans</b> . Par	r value is the nominal value or t	he face value of the	share.	1 ma	
5	Q. A, B and C were partners sharing profits in the ratio of 5 : 4 : 3. They decided					
	to chang	ge their profit sharing ratio to	2:2:1 w.e.f. 1 <sup>st</sup> A	pril, 2019. On	that date,	
	there was a balance of ₹3,00,000 in General Reserve and a debit balance of ₹4,80,000 in the Profit and Loss Account. Pass necessary journal entries for the					
	above of	n account of change in the pro	ofit sharing ratio.			
	Ans.	Journal				
	Date	Particulars		Dr. (₹)	Cr. (₹)	
			Dr	3 00 000		
	2019	I General reserve A/C	D1.	5,00,000		
	2019 Apr 1	To A's Capital A/c			1.25.000	
	2019 Apr 1	To A's Capital A/c To B's Capital A/c			1,25,000 1,00,000	
	2019 Apr 1	To A's Capital A/c To B's Capital A/c To C's Capital A/c			1,25,000 1,00,000 75,000	
	2019 Apr 1	To A's Capital A/c To B's Capital A/c To C's Capital A/c (Being general reserve distrib	uted among the		1,25,000 1,00,000 75,000	

1							
		" A's Capital A/c		Dr.	2,00,000		=
		B's Capital A/c		Dr.	1,60,000		
		C's Capital A/c		Dr.	1,20,000		1 mark
		To Profit and Loss A	./c			4,80,000	
		(Being debit balance of	of Profit and I	loss account			
		debited to the old part	ners in the old	l profit sharing			
		ratio)					
	6	Q. Khan and Gupta were part	ners in a firm	sharing profits	and losses	in the	
		ratio of 1 : 3. Mrs. Khan gave a	a loan of ₹1,0	0,000 to the firm	. Gupta al	so gave a	
		loan of ₹1,50,000 to the firm be	esides his cap	ital. On 1st Apri	l, 2019 the	firm was	
		dissolved and its assets realised	l ₹1,40,000. A	Assuming that th	ere was no	third	
		party liability of the firm, state	the order of	payment of Mrs	. Khan's l	oan and	
		Gupta's loan.					
		Ans. Order of payment:					
		First, the third party loan i.e. Mrs	s. Khan's loar	n will be paid.			1 mark
		Then Partner's loan i.e. Gupta's loan will be paid.					
	7	Q. Present the following items	in the Balanc	e Sheet of Queer	n's Club as	s at 31st	
	7	Q. Present the following items March, 2019 Expenditure o	in the Baland n constructio	e Sheet of Queer n of building ₹3,	n's Club as 60,000. Th	s at 31st ie	
	7	Q. Present the following items March, 2019 Expenditure of construction work is in progres	in the Baland n constructio ss and has no	e Sheet of Queer n of building ₹3, t yet been compl	n's Club as 60,000. Th leted.	s at 31st ie	
	7	Q. Present the following items March, 2019 Expenditure of construction work is in progres Ans.	in the Baland n constructio ss and has no	e Sheet of Queer n of building ₹3, t yet been compl	n's Club as 60,000. Th leted.	s at 31st ie	
	7	Q. Present the following items March, 2019 Expenditure of construction work is in progres Ans. Balan	in the Baland n constructio ss and has no nce Sheet of (	e Sheet of Queen n of building ₹3, it yet been compl Queen's Club	n's Club as 60,000. Th leted.	s at 31st 1e	
	7	Q. Present the following items March, 2019 Expenditure of construction work is in progres Ans. Balan As on 3	in the Baland n constructio ss and has no nce Sheet of ( 1 <sup>st</sup> March 20	xe Sheet of Queen n of building ₹3, nt yet been compl Queen's Club 19 (An extract)	n's Club as 60,000. Th leted.	s at 31st ie	
	7	Q. Present the following items March, 2019 Expenditure of construction work is in progres Ans. Balan As on 3 Liabilities	in the Baland n constructionss and has not nee Sheet of ( 1 <sup>st</sup> March 20 Amount	e Sheet of Queen n of building ₹3, it yet been compl Queen's Club 19 (An extract) Assets	n's Club as 60,000. Th leted.	s at 31st ne Amount	
	7	Q. Present the following items March, 2019 Expenditure of construction work is in progres Ans. Balan As on 3 Liabilities	in the Baland n construction ss and has no nee Sheet of ( 1 <sup>st</sup> March 20 Amount (₹)	te Sheet of Queen n of building ₹3, t yet been compl Queen's Club 19 (An extract) Assets	n's Club as 60,000. Th leted.	s at 31st ne Amount (₹)	
	7	Q. Present the following items March, 2019 Expenditure of construction work is in progres Ans. Balan As on 3 Liabilities Capital Fund 10,80,000	in the Baland n construction ss and has not nee Sheet of ( 1 <sup>st</sup> March 20 Amount (₹)	xe Sheet of Queen n of building ₹3, nt yet been compl Queen's Club 19 (An extract) Assets	n's Club as 60,000. Th leted.	s at 31st ne Amount (₹)	
	7	Q. Present the following items March, 2019 Expenditure of construction work is in progres Ans. Balan As on 3 Liabilities Capital Fund 10,80,000 Add transferred from Building Fund 3 60 000	in the Baland n construction ss and has not nee Sheet of ( 1 <sup>st</sup> March 20 Amount (₹)	xe Sheet of Queen n of building ₹3, nt yet been compl Queen's Club 19 (An extract) Assets 10% Building Fun Investments	n's Club as 60,000. Th leted.	s at 31st ne Amount (₹) 4,80,000	
	7	Q. Present the following items         March, 2019 Expenditure of construction work is in progress         Ans.         Balan         As on 3         Liabilities         Capital Fund       10,80,000         Add transferred from         Building Fund       3,60,000	in the Baland n construction ss and has not nee Sheet of ( 1 <sup>st</sup> March 20 Amount (₹) 14,40,000	xe Sheet of Queen n of building ₹3, nt yet been compl Queen's Club 19 (An extract) Assets 10% Building Fun Investments	n's Club as 60,000. Th leted.	s at 31st ne Amount (₹) 4,80,000	
	7	Q. Present the following items         March, 2019 Expenditure of construction work is in progress         Ans.         Balan         As on 3         Liabilities         Capital Fund       10,80,000         Add transferred from         Building Fund       3,60,000         Building Fund       4,80,000	in the Baland n construction ss and has not nee Sheet of ( 1 <sup>st</sup> March 20 Amount (₹) 14,40,000 1	xe Sheet of Queen n of building ₹3, nt yet been compl Queen's Club 19 (An extract) Assets 10% Building Fun Investments Building	n's Club as 60,000. Th leted.	s at 31st ne Amount (₹) 4,80,000	

	Add donat	tions 6,00,000				3 marks
	Add intere	est on Building Fund				
	Investmen	ts <u>48,000</u>				
		11,28,000				
	Less exper	nditure on				
	constructio	on transferred				
	to Capital	fund <u>3,60,000</u>	7,68,000			
			1			
8	Q. Hari ar	nd Krishan were part	tners sharing	profits and losses	in the ratio of 2 : 1.	
	They adm	itted Shyam as a par	tner for 1/5t	h share in the prof	its Calculate	
	Goodwill o	of the firm after adju	sting the foll	owing: The profit	of 2014 – 15 was	
	calculated	after charging ₹10,0	00 for abnor	mal loss of goods l	oy fire.	
	Ans.					
	Year	Profit (Loss) (₹	₹ <u>)</u>			
	2013-14		50,000			
	2014-15	= 40,000+10,000	= 50,000			
	2015-16		75,000			1 mark
	2016-17		(25,000)			
	2017-18		<u>50,000</u>			
		<u>2</u>	2,00,000			
		- C <b>FO</b> 00 000/c =	<b>T</b> 40.000			1 mark
	Average pr	101118 - 72,00,000/5 = 7	40,000			

	Goodwill= Av	verage Profits >	x Number of	years purchase			
	=₹4(	),000 x 3					
	=₹1,	,20,000					1 ma
							= 1+1·
							= 3 ma
9	Q. A and B a year ended 3	re partners in 1 <sup>st</sup> March, 201	a firm shar 9 ₹2,78,000	ng was distributed	Prof d without provid	it for the ling for	
	interest on ca necessary adj	ipital and part	tners' salary y for the abo	. Showing you ve omissions.	r working clear	ly, pass the	
	Ans.		Journal				
	Date Par	ticulars			Dr. (₹)	Cr. (₹)	
	2019 A's	Current A/c		Dr.	11,200		1 1
		B's Current A	A/c			11,200	mar
	Mar 31 To (Be nov	ving omission c	of interest on	Capital and sala	ıry,		
	Mar 31 To (Be nov Table showing	g Past Adjustm	of interest on	Capital and sala	ıry,		
	Mar 31 To (Be now Table showing Partners	g Past Adjustm	nents:	Capital and sala	Iry,	ffect	

	(₹)	(₹)	(₹)			marks
A	90,000	50,000	1,51,200	11,200	-	- =
В	40,000	36,000	64,800	-	11,200	3 marks
	1,30,000	86,000	2,16,000	11,200	11,200	

OR

## OR

Q. A, B and C were partners in a firm. On 1<sup>st</sup> April, 2018, their capitals stood at ₹4,00,000, ₹3,00,000 and ₹2,00,000 respectively. As per the provisions of the partnership deed ......Showing your working clearly, pass an adjustment entry to rectify the above error.

Ans.

Journal

Date	Particulars			Dr. (₹)	Cr. (₹)	
						11/
2019	B's Capital A/c		Dr.	20,000	-	I 1/2
Mar 31	C's Capital A/c		Dr.	30,000	-	marks
	To A's Capital A/c			-	50,000	
	(Being omission of interest now rectified)	st on Capita	and salary,			
Table sho	owing Past Adjustments:	Salary	Profits	Net	effect	
	(Cr.)	(Cr.)	(Dr.)	Dr.	Cr.	
	(₹)	(₹)	(₹)	(₹)	(₹)	

(₹)

	٨	40.000	60,000	50.000		50,000	
	A	40,000	00,000	30,000	-	50,000	1 1/2
	B	30,000	-	50 000	20 000	_	marl
				20,000	_ 0,000		=
	С	20,000	-	50,000	30,000	-	
							3 mar
		90,000	60,000	1,50,000	50,000	50,000	
) Q	. P, Q a	and R were partners in	a firm sharing	profits and	losses equal	ly. S was	
a	dmitted	l as a new partner for ½	4 share in the <b>p</b>	orofits. The t	otal capital	of the new	
fi	rm as a	greed between P, Q, R	and S was ₹2,0	0,000 and S	brought in	cash	
ec	quivale	nt to 1/4 <sup>th</sup> of this amour	nt as his aanita	The canita	als of P O a	nd R were	
	-		it as ins capita	. The capita	115 01 1 , Q a		
al	lso to b	e adjusted in their prof	it sharing ratio	by bringing	g in or payin	g off cash	
al	lso to b s the ca	e adjusted in their prof se may be. The capitals	it as ins capita it sharing ratio of P, Q and R	by bringing after doing	g in or payin adjustments	g off cash s related to	
al as re	lso to b s the ca evaluat	e adjusted in their prof se may be. The capitals ion of assets and reasses	it as his capita it sharing ratio of P, Q and R ssment of liabi	) by bringing after doing lities were ₹4	in or payin adjustments 40,000; ₹50,	g off cash s related to 000 and	
al as re ₹(	lso to b s the ca evaluat 60,000 i	e adjusted in their prof se may be. The capitals ion of assets and reasses respectively. Calculate	it as ms capita it sharing ratio of P, Q and R ssment of liabi the new capita	by bringing after doing lities were ₹4 l of P, Q and	g in or payin adjustments 40,000; ₹50, 1 R and pass	g off cash s related to 000 and s necessary	
al as re ₹( jo	lso to b s the ca evaluat 60,000 i ournal o	e adjusted in their profise may be. The capitals ion of assets and reasses respectively. Calculate entries for the above tra	it as ms capita it sharing ratio of P, Q and R ssment of liabi the new capita unsactions in th	by bringing after doing lities were ₹4 l of P, Q and he books of t	in or payin adjustments 40,000; ₹50, 1 R and pass he firm.	g off cash s related to 000 and s necessary	
al as re ₹( jo	lso to b s the ca evaluat 60,000 i ournal o	e adjusted in their profise may be. The capitals ion of assets and reasses respectively. Calculate entries for the above tra	it as ms capita it sharing ratio of P, Q and R ssment of liabi the new capita insactions in th	after doing after doing lities were ₹4 l of P, Q and he books of t	in or payin adjustments 40,000; ₹50, 1 R and pass he firm.	g off cash s related to 000 and s necessary	
al as re ₹( jo	lso to b s the ca evaluat 60,000 ournal o .ns.	e adjusted in their profise may be. The capitals ion of assets and reasses respectively. Calculate entries for the above tra	it as ms capita it sharing ratio of P, Q and R ssment of liabi the new capita insactions in th	after doing after doing lities were ₹4 l of P, Q and he books of t	in or payin adjustments 40,000; ₹50, 1 R and pass he firm.	g off cash s related to 000 and s necessary	
al as re ₹( jo	lso to b s the ca evaluat 60,000 ournal o .ns.	e adjusted in their profi se may be. The capitals ion of assets and reasses respectively. Calculate entries for the above tra	it as his capita it sharing ratio of P, Q and R ssment of liabi the new capita insactions in th Journal	by bringing after doing lities were ₹4 l of P, Q and be books of t	in or payin adjustments 40,000; ₹50, 1 R and pass he firm.	g off cash s related to 000 and s necessary	
al as re ₹( jo	lso to b s the ca evaluat 60,000 purnal o .ns.	e adjusted in their profise may be. The capitals ion of assets and reasses respectively. Calculate entries for the above tra	it as his capita it sharing ratio of P, Q and R ssment of liabi the new capita unsactions in th Journal	by bringing after doing lities were ₹4 l of P, Q and books of t	tis of I , Q a g in or payin adjustments 40,000; ₹50, d R and pass he firm. Dr. (₹)	g off cash s related to 000 and s necessary Cr. (₹)	
al as re ₹( jo	lso to b s the ca evaluat 60,000 ournal o .ns. Date	e adjusted in their profi se may be. The capitals ion of assets and reasses respectively. Calculate entries for the above tra Particulars	it as ms capita it sharing ratio of P, Q and R ssment of liabi the new capita unsactions in th Journal	by bringing after doing lities were ₹4 l of P, Q and be books of t	tis of 1, Q al g in or payin adjustments 40,000; ₹50, d R and pass he firm. Dr. (₹)	g off cash s related to 000 and s necessary Cr. (₹)	
al as re ₹( jo	lso to b s the ca evaluat 60,000 ournal o .ns. Date	e adjusted in their profi se may be. The capitals ion of assets and reasses respectively. Calculate entries for the above tra Particulars Cash/ Bank A/c	it as his capita it sharing ratio of P, Q and R ssment of liabi the new capita insactions in th Journal	by bringing after doing lities were ₹4 l of P, Q and be books of t	in or payin adjustments 40,000; ₹50, 1 R and pass he firm. Dr. (₹)	g off cash s related to 000 and s necessary Cr. (₹) - 50 000	
al as re ₹( jo	lso to b s the ca evaluat 60,000 ournal o .ns. Date	e adjusted in their profi se may be. The capitals ion of assets and reasses respectively. Calculate entries for the above tra Particulars Cash/ Bank A/c To S's capital A/c (Being cash brought in	it as his capita it sharing ratio of P, Q and R ssment of liabi the new capita insactions in th Journal	by bringing after doing lities were ₹4 l of P, Q and he books of t	in or payin adjustments 40,000; ₹50, 1 R and pass he firm. Dr. (₹) 50,000	g off cash s related to 000 and s necessary Cr. (₹) - 50,000	
al as re ₹( jo	lso to b s the ca evaluat 60,000 ournal o .ns. Date	e adjusted in their profise may be. The capitals ion of assets and reasses respectively. Calculate entries for the above tra Particulars Cash/ Bank A/c To S's capital A/c (Being cash brought in	it as his capita it sharing ratio of P, Q and R ssment of liabi the new capita insactions in th Journal	by bringing after doing lities were ₹4 l of P, Q and he books of t	in or payin adjustments 40,000; ₹50, 1 R and pass he firm. Dr. (₹) 50,000	g off cash s related to 000 and s necessary Cr. (₹) - 50,000	
al as re ₹( jo	lso to b s the ca evaluat 60,000 ournal o .ns. Date	e adjusted in their profise may be. The capitals ion of assets and reasses respectively. Calculate entries for the above tra Particulars Cash/ Bank A/c To S's capital A/c (Being cash brought in Cash/ Bank A/c	it as his capita it sharing ratio of P, Q and R ssment of liabi the new capita insactions in th Journal	by bringing after doing lities were ₹4 l of P, Q and be books of t or.	tis of 1 , Q al g in or payin adjustments 40,000; ₹50, 1 R and pass he firm. Dr. (₹) 50,000 -	g off cash s related to 000 and s necessary Cr. (₹) - 50,000	1 x 3
al as re ₹0 jo A	lso to b s the ca evaluat 60,000 ournal o .ns. Date	e adjusted in their profise may be. The capitals ion of assets and reasses respectively. Calculate entries for the above tra Particulars Cash/ Bank A/c To S's capital A/c (Being cash brought in Cash/ Bank A/c To P's capital A/c	it as his capita it sharing ratio of P, Q and R ssment of liabi the new capita insactions in th Journal	by bringing after doing lities were ₹4 l of P, Q and he books of th br.	tis of 1, Q al g in or payin adjustments 40,000; ₹50, 1 R and pass he firm. Dr. (₹) 50,000 - 10,000	g off cash s related to 000 and s necessary Cr. (₹) - 50,000 - 10,000	1 x 3
al as re ₹( jo	lso to b s the ca evaluat 60,000 ournal o .ns. Date	e adjusted in their profise may be. The capitals ion of assets and reasses respectively. Calculate entries for the above tra Particulars Cash/ Bank A/c To S's capital A/c (Being cash brought in Cash/ Bank A/c To P's capital A/c (Being cash brought in	it as ins capita it sharing ratio of P, Q and R ssment of liabi the new capita insactions in th Journal E by S)	by bringing after doing lities were ₹4 l of P, Q and be books of the pr.	tis of 1, Q a g in or payin adjustments 40,000; ₹50, 1 R and pass he firm. Dr. (₹) 50,000 - 10,000	g off cash s related to 000 and s necessary Cr. (₹) - 50,000 - 10,000	1 x 3
al as re ₹0 jo	lso to b s the ca evaluat 60,000 ournal o .ns. Date	e adjusted in their profise may be. The capitals ion of assets and reasses respectively. Calculate entries for the above tra Particulars Cash/ Bank A/c To S's capital A/c (Being cash brought in Cash/ Bank A/c To P's capital A/c (Being cash brought in	it as his capita it sharing ratio of P, Q and R ssment of liabi the new capita insactions in th Journal E by S)	by bringing after doing lities were ₹4 l of P, Q and be books of the pr.	tis of 1, Q al g in or payin adjustments 40,000; ₹50, d R and pass he firm. Dr. (₹) 50,000 -	g off cash s related to 000 and s necessary Cr. (₹) - 50,000 - 10,000	1 x 3
al as re ₹( jo A	lso to b s the ca evaluat 60,000 ournal o .ns. Date	e adjusted in their profise may be. The capitals ion of assets and reasses respectively. Calculate entries for the above tra Particulars Cash/ Bank A/c To S's capital A/c (Being cash brought in Cash/ Bank A/c To P's capital A/c (Being cash brought in	it as ins capita it sharing ratio of P, Q and R ssment of liabi the new capita insactions in th Journal	after doing after doing lities were ₹4 al of P, Q and be books of the pr.	tis of 1, Q al g in or payin adjustments 40,000; ₹50, d R and pass he firm. Dr. (₹) 50,000 - 10,000	g off cash s related to 000 and s necessary Cr. (₹) - 50,000 - 10,000 -	1 x 3
al as re ₹( jo A	lso to b s the ca evaluat 60,000 i ournal o .ns. Date	e adjusted in their profise may be. The capitals ion of assets and reasses respectively. Calculate entries for the above tra Particulars Cash/ Bank A/c To S's capital A/c (Being cash brought in Cash/ Bank A/c To P's capital A/c (Being cash brought in R's Capital A/c To Cash/ Bank A/c	it as ins capita it sharing ratio of P, Q and R ssment of liabi the new capita insactions in th Journal D by S)	after doing after doing lities were ₹4 al of P, Q and be books of the pr.	tis of 1, Q a g in or payin adjustments 40,000; ₹50, 4 R and pass he firm. Dr. (₹) 50,000 - 10,000 10,000	g off cash s related to 000 and s necessary Cr. (₹) - 50,000 - 10,000 - 10,000	1 x 3

		(Being cash withdra	wn by R				
	Calculat	ion of cash brought in	or paid off				
	Existing	capitals	P(₹) 40,000	Q(₹) 50,000	R(₹) 60,000		
	Adjusted	d capitals	50,000	50,000	50,000		
	Cash wi	thdrawn/ brought in	10,000		(10,000)		
11	Q. Singl of 3 : 7. in the b	h and Jain were parti Pass ooks of the firm.	ners in a firm necessary jou	sharing profits a ırnal entries for	and losses in the above tra	the ratio ansactions	
	Ans.		Journal				
	Date	Particulars			Dr. (₹)	Cr. (₹)	
	(i)	Singh's Capital A/c To Realisation A/c (Being 50% of the to at 10% discount)	otal stock take	Dr. n over by Singh	40,500	- 40,500	
	(ii)	No Entry					1 x 4
	(iii)	Cash A/c To Realisation A/c (Being stock sold fo	r cash)	Dr.	24,300	- 24,300	– 4 marks
	(iv)	Realisation A/c		Dr.	76,000	-	

	To Bank A/c	aid in each	at a disco	supt of $5\%$	- 76,000	
	(Being creations p					
Q. X, Y a	nd Z were partne	rs in a firn	ı sharing	profits in the ratio	of 3 : 3 : 4. Z	
died on 3	1 <sup>st</sup> March, 2016. T	`he amoun	t payable	e to Z's executor K	was ₹1,09,000.	
₹19,000 w	vere paid to K imm	nediately a	and the b	alance was paid in t	three equal	
yearly ins	stalments starting	from 31 <sup>st</sup>	March, 2	017 with interest @	12% p.a. The	
firm close	es its books on 31 <sup>st</sup>	<sup>t</sup> March ev	ery year.			
Prepare <b>F</b>	<b>K's account till he</b>	is finally p	oaid.			
Ans.						
Dr.		]	K's Acco	unt	Cr.	
Date	Particulars	Amount	Date	Particulars	Amount	
		(₹)			(₹)	
2016			2016			
Mar 31	To Bank A/c	19,000	Mar 31	By Z's Capital A/c	1,09,000	
Mar 31	To Balance c/d	90,000				
		1,09,000			1,09,000	1 x
2017			2016			
Mar 31	To Bank A/c	40,800	Apr 1	By Balance b/d	90,000	
			2017			
Mar 31	To Balance c/d	60,000	Mar 31	By Interest	10,800	
		1,00,800			1,00,800	
2018			2017			
Mar 31	To Bank A/c	37,200	Apr 1	By Balance b/d	60,000	
		20.000	2018		7.000	
Mar 31	To Balance c/d	30,000	Mar 31	By Interest	7,200	
		67.200			67,200	4 ma
2010			2019			
2019 Mar 21	To Pople A/a	22 600	2018	Py Palance h/d	20.000	

		Mar	31 By Interest	3,600	
		33,600		33,600	
13	O X and V are partners sha	ring profits in	the ratio of 3 · 2 Their n	artnershin	
5	deed provided	Complet	e the Profit and Loss App	ropriation	
	Account for the year ended	31st March, 20	)19, Partners' Capital Acc	counts and	
	Current Accounts.				
	Ans.				
	Dr. Profit and Loss Approp	oriation A/c for	r the year ended 31 <sup>st</sup> Marc	h 2019 Cr.	
	Particulars	Amount	Particulars	Amount	
		(₹)		(₹)	
	To Interest on Capital		By Profit and Loss A/c- Net	2,82,860	
	X's Current A/c <b>18,000</b> <u>1/2</u>		Profit b/d <u>[1/2]</u> By Interest on Drawings		
	Y's Current A/c <b><u>24,000</u></b> <u>1/2</u>	42,000	by morest on brawings		
			X's Current A/c 600		
	<u>To Salary</u>		$\mathbf{V}$ 's Current $\mathbf{A}/\mathbf{a} = 540$ 1/2	1.140	
	Y's Current A/c	<sup>1</sup> / <sub>2</sub> 42,000	1 s current A/c <u>340</u> 1/2		
	To Profit transferred to:				3 marks
	X's Current A/c 1,20,000				
	Y's Current A/c <b>80,000</b> [	2,00,000			

Dr.	I	Partners' (	Capital Accounts		Cr.	
Particulars	X (₹)	Y (₹)	Particulars	X (₹)	Y (₹)	
To balance c/d	1,80,000	2,40,000	By balance b/d	1,80,000	2,40,000	1 m
	1,80,000	2,40,000		1,80,000	2,40,000	1 111
Dr.	_	Partners	'Current Accounts		Cr.	
Particulars	X (₹)	Y (₹)	Particulars	X (₹)	Y (₹)	
To Bank A/c	10,000	9,000	By balance b/d	78,000	69,000	
(Drawings)						
To Interest on			By Interest on	18,000	24,000	
drawings ½	600	540	Capital			
			By Salary 1/2	-	42,000	
To balance c/d	2,05,400	2,05,460	By P/L			2 ma
1/2			Appropriation A/c- Profit 1/2	1,20,000	80,000	
	2,16,000	2,15,000		2,16,000	2,15,000	_
			OR			3+1
Q. X and Y are p	artners in a	a firm shar	ing profits and losse	s in the ratio	o of 2 : 1.	=
Complete the Pro	ofit and Los	ss Appropr	riation A/c of X and Y	Y for the yea	ar ended	6 ma 0
Dr. Profit and L	oss Annron	riation A/	r for the year ended	31 <sup>st</sup> March 2	2019 Cr.	
	222 TEADIAN		s for the jear chaca			
Particulars		Amou	nt Particulars		Amount	

	To Inter	est on Capital		By Profit and Los	ss A/c- Net	13,00,000	
	X's Cur	rent A/c <b>45,000</b> <u>1/2</u>		Profit b/d			
	Y's Cur	rent A/c <b>27,000</b> <u>1/2</u>	<sup>1</sup> / <sub>2</sub> 72,000				
				By Interest on Dr	rawings		
	To Salar	ry		X's Current A/c 3	<b>3,600</b> 1/2	1/2	
	X's Cur	rent A/c	1/248,000	Y's Current A/c	4, <u>320</u> 1/2	7,920	
	To Gene	eral Reserve	15,000				6 mar
	To Profi	it transferred to:					
	X's Cur	rent A/c1,15,2801/2					
	Y's Cur	rent A/c 57,6401/2	1/21,72,920				
			3.07.920			3.07.920	
			-,-,-			-,-,	
14	 O. On 1 <sup>9</sup>	<sup>st</sup> April, 2016, Ganesh	Ltd. acquir	ed assets of ₹6.0	0.000 and to	ok over	
14	Q. On 1 <sup>5</sup>	st April, 2016, Ganesh	Ltd. acquir	ed assets of ₹6,00	0,000 and to	ok over	
14	Q. On 1 <sup>st</sup>	<sup>st</sup> April, 2016, Ganesh s of ₹70,000 of Sohan	Ltd. acquir Ltd	ed assets of ₹6,00 Ign	0,000 and to oring entrie	ok over es relating	
14	Q. On 1 <sup>st</sup> liabilitie to writir	<sup>st</sup> April, 2016, Ganesh s of ₹70,000 of Sohan ıg off loss on issue of o	Ltd. acquir Ltd debentures a	ed assets of ₹6,00 Ign and interest paid	0,000 and to toring entrie on debentu	ok over es relating res, pass	
14	Q. On 1 <sup>st</sup> liabilitie to writir the nece	<sup>st</sup> April, 2016, Ganesh s of ₹70,000 of Sohan 1g off loss on issue of o ssary journal entries	Ltd. acquir Ltd debentures a to record the	ed assets of ₹6,00 Ign and interest paid e issue and reder	0,000 and to toring entrie on debentur nption of de	ok over es relating res, pass bentures.	
14	Q. On 1 <sup>st</sup> liabilitie to writir the nece	<sup>st</sup> April, 2016, Ganesh s of ₹70,000 of Sohan ng off loss on issue of ( ssary journal entries	Ltd. acquir Ltd debentures a to record the	ed assets of ₹6,00 Ign and interest paid e issue and reder	0,000 and to toring entrie on debentur nption of de	ok over es relating res, pass bentures.	
14	Q. On 1 <sup>st</sup> liabilitie to writir the nece Ans.	<sup>st</sup> April, 2016, Ganesh s of ₹70,000 of Sohan 1g off loss on issue of ( ssary journal entries	Ltd. acquir Ltd debentures a to record the Jou	ed assets of ₹6,00 Ign and interest paid e issue and reder rnal	0,000 and to toring entrie on debentur nption of de	ok over es relating res, pass bentures.	
14	Q. On 1 <sup>st</sup> liabilitie to writir the nece Ans.	<sup>st</sup> April, 2016, Ganesh s of ₹70,000 of Sohan ng off loss on issue of a ssary journal entries Particulars	Ltd. acquir Ltd debentures a to record the Jou	ed assets of ₹6,00 Ign and interest paid e issue and reder rnal	0,000 and to noring entrie on debentur nption of de Dr. (₹)	ok over es relating res, pass bentures. Cr. (₹)	
14	Q. On 1 <sup>st</sup> liabilitie to writir the nece Ans. Date 2016	<sup>st</sup> April, 2016, Ganesh s of ₹70,000 of Sohan ng off loss on issue of o ssary journal entries Particulars Assets A/c	Ltd. acquir Ltd debentures a to record the Jou	ed assets of ₹6,00 Ign and interest paid e issue and reder rnal Dr.	0,000 and to noring entrie on debentue nption of de Dr. (₹) 6,00,000	ok over es relating res, pass bentures. Cr. (₹)	
14	Q. On 1 <sup>st</sup> liabilitie to writir the nece Ans. Date 2016 Apr 1	<sup>st</sup> April, 2016, Ganesh es of ₹70,000 of Sohan ng off loss on issue of o ssary journal entries Particulars Assets A/c Goodwill A/c	Ltd. acquir Ltd debentures a to record the Jou	ed assets of ₹6,00 Ign and interest paid e issue and reder rnal Dr. Dr.	0,000 and to oring entrie on debentue nption of de Dr. (₹) 6,00,000 1,30,000	ok over es relating res, pass bentures. Cr. (₹) - -	
14	Q. On 1 <sup>st</sup> liabilitie to writir the nece Ans. Date 2016 Apr 1	<sup>st</sup> April, 2016, Ganesh es of ₹70,000 of Sohan ng off loss on issue of ssary journal entries           Particulars           Assets A/c           Goodwill A/c           To Liabilities A/c	Ltd. acquir Ltd debentures a to record the Jou	ed assets of ₹6,00 Ign and interest paid e issue and reder rnal Dr. Dr.	0,000 and to noring entrie on debentue nption of de Dr. (₹) 6,00,000 1,30,000	ok over es relating res, pass bentures. Cr. (₹) - - - 70,000	1 mar
14	Q. On 1 <sup>st</sup> liabilitie to writir the nece Ans. Date 2016 Apr 1	<sup>st</sup> April, 2016, Ganesh es of ₹70,000 of Sohan ng off loss on issue of a ssary journal entries           Particulars           Assets A/c           Goodwill A/c           To Liabilities A/c           To Sohan Ltd. A/c	Ltd. acquir Ltd debentures a to record the Jou	ed assets of ₹6,00 Ign and interest paid e issue and reder rnal Dr. Dr.	0,000 and to noring entrie on debentur nption of de Dr. (₹) 6,00,000 1,30,000	ok over s relating res, pass bentures. Cr. (₹) - - 70,000 6,60,000	1 mar
14	Q. On 1 <sup>st</sup> liabilitie to writir the nece Ans. Date 2016 Apr 1	<sup>st</sup> April, 2016, Ganesh es of ₹70,000 of Sohan ng off loss on issue of o ssary journal entries          Particulars         Assets A/c         Goodwill A/c         To Liabilities A/c         To Sohan Ltd. A/c         (Being assets and lia)	Ltd. acquir Ltd debentures a to record the Jou	ed assets of ₹6,00 Ign and interest paid e issue and reder rnal Dr. Dr. Dr.	0,000 and to noring entrie on debentue nption of de Dr. (₹) 6,00,000 1,30,000	ok over es relating res, pass bentures. Cr. (₹) - - 70,000 6,60,000	1 mar
14	Q. On 1 <sup>st</sup> liabilitie to writir the nece Ans. Date 2016 Apr 1	st April, 2016, Ganesh es of ₹70,000 of Sohan ng off loss on issue of a ssary journal entries          Particulars         Assets A/c         Goodwill A/c         To Liabilities A/c         To Sohan Ltd. A/c         (Being assets and lia Ltd.)	Ltd. acquir Ltd debentures a to record the Jou	ed assets of ₹6,00 Ign and interest paid e issue and reder rnal Dr. Dr. Dr.	0,000 and to noring entrie on debentur nption of de Dr. (₹) 6,00,000 1,30,000	ok over s relating res, pass bentures. Cr. (₹) - - 70,000 6,60,000	1 mar
14	Q. On 1 <sup>st</sup> liabilitie to writir the nece Ans. Date 2016 Apr 1	<sup>st</sup> April, 2016, Ganesh es of ₹70,000 of Sohan ng off loss on issue of a ssary journal entries          Particulars         Assets A/c         Goodwill A/c         To Liabilities A/c         To Sohan Ltd. A/c         (Being assets and lia         Ltd.)	Ltd. acquir Ltd debentures a to record the Jou	ed assets of ₹6,00 Ign and interest paid e issue and reder rnal Dr. Dr. red of Sohan	0,000 and to noring entrie on debentue nption of de Dr. (₹) 6,00,000 1,30,000	ok over s relating res, pass bentures. Cr. (₹) - 70,000 6,60,000	1 mar
14	Q. On 1 <sup>st</sup> liabilitie to writir the nece Ans. Date 2016 Apr 1 2016	<sup>st</sup> April, 2016, Ganesh es of ₹70,000 of Sohan ng off loss on issue of o ssary journal entries          Particulars         Assets A/c         Goodwill A/c         To Liabilities A/c         To Sohan Ltd. A/c         (Being assets and lia         Ltd.)	Ltd. acquir Ltd debentures a to record the Jou bilities acqui	ed assets of ₹6,00 	0,000 and to noring entrie on debentue nption of de Dr. (₹) 6,00,000 1,30,000 6,60,000 20,000	ok over s relating res, pass bentures. Cr. (₹) - 70,000 6,60,000 -	1 mar
14	Q. On 1 <sup>st</sup> liabilitie to writir the nece Ans. Date 2016 Apr 1 2016 Apr 1	<sup>st</sup> April, 2016, Ganesh es of ₹70,000 of Sohan ng off loss on issue of o ssary journal entries          Particulars         Assets A/c         Goodwill A/c         To Liabilities A/c         To Sohan Ltd. A/c         (Being assets and lia)         Ltd.)	Ltd. acquir Ltd debentures a to record the Jou bilities acqui	ed assets of ₹6,00 ind interest paid e issue and reder rnal Dr. Dr. Dr. Dr. Dr. Dr. Dr. Dr.	0,000 and to noring entrie on debentue nption of de Dr. (₹) 6,00,000 1,30,000 6,60,000 30,000	ok over s relating res, pass bentures. Cr. (₹) - 70,000 6,60,000 - - - - - - - - - - - - -	1 mar

	To Securities Premium Reserve A/c		60,000	
	To Premium on redemption of Debentures A/c		30,000	
	(Being debentures issued at a premium redeemable at a premium)			
2018				
Mar 31	Surplus i.e. balance in Statement of Profit ad Loss Dr. To Debenture Redemption Reserve A/c	1,50,000	1,50,000	1/2
	(Being Debenture Redemption Reserve created out of profits)			
2018	10% Debenture Redemption Investments A/c Dr.	90,000		1/2
Apr.1	To Bank A/c (Being Debenture Redemption Investments purchased)		90,000	
2019	Bank A/c Dr.	8,100		
Mar 31	TDS Collected/ Deposited A/cDr.To Interest on Debenture Redemption Investments A/c(Being Interest received on Debenture	900	9,000	1/2
	Redemption Investments)			
2019 Mar.31	Bank A/cDr.To 10% Debenture Redemption Investments A/c(Being Debenture Redemption Investments sold)	90,000	90,000	1/2
"	12% Debentures A/c Dr.	6,00,000		
	Premium on redemption of Debentures A/c Dr. To Debenture holders A/c	30,000	6,30,000	1⁄2
	(Being amount payable to debenture holders on redemption)			
	Debenture holders A/c Dr.	6,30,000		
	To Bank A/c		6,30,000	1/2

	(Being Debenture	es redeemed)				
	" Interest on Debent To Statement of (Being Interest on Investments tran and Loss)	ure Redemption T Profit and Los n Debenture Re sferred to State	demption ment of Profit	9,000	- 9,000	½ mark
	" Debenture Reden To General Rese (Being Debenture transferred to gen	nption Reserve erve A/c e Redemption R eral reserve)	A/c Dr. eserve	1,50,000	1,50,000	<sup>1</sup> / <sub>2</sub> mark = 6 marks
15	.         Q. Following is the Receip         ended 31 <sup>st</sup> March, 2019         Account of the Club for the	ts and Paymen e year ended 3	ts Account of Bharti Prepare Income and 1 <sup>st</sup> March, 2019 and	Club for Expendi its Balan	the year ture ce Sheet as	
	at 31 <sup>st</sup> March, 2019. Ans. Dr. Income and Expend	iture A/c for th				
	Particulars	Amount	Particulars	31, 2019	Cr. Amount	
	Particulars To salaries	Amount (₹) 25,000	Particulars By Subscriptions	<b>31, 2019</b> 70,500	Cr. Amount (₹)	
	Particulars To salaries To travelling expenses	Amount (₹) 25,000 4,000	Particulars By Subscriptions Add Advance for curr Less Advance for next	<b>31, 2019</b> 70,500 ent year 2,000 t year	Cr. Amount (₹)	
	Particulars To salaries To travelling expenses To stationery consumed	Amount           (₹)           25,000           4,000           3,000	Particulars By Subscriptions Add Advance for curr Less Advance for nex Less o/s for last year	31, 2019 70,500 ent year 2,000 t year (3,500) (3,400)	Cr. Amount (₹)	
	Particulars To salaries To travelling expenses To stationery consumed To rent	Amount         (₹)         25,000         4,000         3,000         32,000	Particulars Particulars By Subscriptions Add Advance for curr Less Advance for next Less o/s for last year Add o/s for current ye	31, 2019 70,500 ent year 2,000 t year (3,500) (3,400) ar <u>4,300</u>	Cr. Amount (₹) 69,900	3 marks
	Particulars To salaries To travelling expenses To stationery consumed To rent To surplus	Amount         (₹)         25,000         4,000         3,000         32,000         13,150	Particulars By Subscriptions Add Advance for curr Less Advance for next Less o/s for last year Add o/s for current ye By donations	31, 2019 70,500 ent year 2,000 t year (3,500) (3,400) ar <u>4,300</u>	Cr. Amount (₹) 69,900 5,000	3 marks
	Particulars To salaries To travelling expenses To stationery consumed To rent To surplus	Amount         (₹)         25,000         4,000         3,000         32,000         13,150	Particulars Particulars By Subscriptions Add Advance for curr Less Advance for next Less o/s for last year Add o/s for current ye By donations By interest on investm	<b>31, 2019</b> 70,500 ent year 2,000 t year (3,500) (3,400) ar <u>4,300</u> eents	Cr. Amount (₹) 69,900 5,000 2,250	3 marks

Liabilities	Amount	Assets	Amount	
	(₹)		(₹)	
Subscriptions received in advance	3,500	Cash	30,000	
Capital Fund 44,900		9% Investments	25,000	1 1/2
Add Life membership fee10,000				ma
Add Surplus         13,150	68,050	Outstanding Subscriptions	4,300	
		Books	12,000	
		Accrued interest on		
		9% Investments	250	
Working Notes:	71,550		71,550	
Working Notes: Balance Sheet o	71,550 f Modern H	Health Club as on 31 <sup>st</sup> Marc	71,550 h 2018	
<u>Working Notes</u> : <b>Balance Sheet o</b> Liabilities	71,550 f Modern H Amount	Health Club as on 31 <sup>st</sup> Marc Assets	71,550 <b>h 2018</b> Amount	
<u>Working Notes</u> : <b>Balance Sheet o</b> Liabilities	71,550 f Modern I Amount (₹)	Health Club as on 31 <sup>st</sup> Marc	71,550 Th 2018 Amount (₹)	
Working Notes: Balance Sheet o Liabilities Subscriptions received in advance	71,550         f Modern I         Amount         (₹)         2,000	Health Club as on 31 <sup>st</sup> Marc Assets Cash	71,550 <b>Amount</b> (₹) 10,500	
Working Notes: Balance Sheet o Liabilities Subscriptions received in advance Capital Fund	71,550         f Modern I         Amount         (₹)         2,000         44,900	Health Club as on 31 <sup>st</sup> Marc Assets Cash 9% Investments	71,550 <b>Amount</b> (₹) 10,500 25,000	1 m:
Working Notes: Balance Sheet o Liabilities Subscriptions received in advance Capital Fund	71,550         f Modern I         Amount         (₹)         2,000         44,900	Health Club as on 31 <sup>st</sup> Marc         Assets         Cash         9% Investments         Outstanding Subscriptions	71,550 <b>Amount</b> (₹) 10,500 25,000 3,400	1 m:
Working Notes: Balance Sheet o Liabilities Subscriptions received in advance Capital Fund	71,550         f Modern I         Amount         (₹)         2,000         44,900	Health Club as on 31 <sup>st</sup> Marc         Assets         Cash         9% Investments         Outstanding Subscriptions         Books	71,550 <b>Amount</b> (₹) 10,500 25,000 3,400 8,000	1 m:

	0.5		1 00 000		0.710	
.6	Q. Rat	thee Ltd. invited applications for issuing	1,00,000 equ	ity shares o	f ₹10 each.	
	The sł	nares were issued at a premium of 60%. I	ass necessar	y journal e	ntries for	
	the ab	ove transactions in the books of Rathee I	.td.			
	Ans.					
		In the books of Rath	ee Ltd.			
		Journal				
	Date	Particulars		Dr. (₹)	Cr. (₹)	
		Bank A/c	Dr	11 50 000		
		To Equity Share Application and Allotment.	A/c	11,50,000	11 50 000	1
		(Being application money received)			11,20,000	1 mai
		Equity Share Application and Allotment A/c	Dr.	11,50,000		
		To Equity Share Capital A/c			2,00,000	1%
		To Securities Premium Reserve A/c			4,00,000	mar
		To Calls in Advance A/c			4,82,000	man
		To Bank A/c			68,000	
		(Being application money transferred to share	capital,			
		securities premium reserve, calls and the balar	ice refunded)			
		Equity Share First and Final call A/c	Dr.	10,00,000		
		To Equity Share Capital A/c			8,00,000	
		To Securities Premium Reserve A/c			2,00,000	1 ma
		(Being First call money due)				
		Bank A/c	Dr.	5,11,600		
		Calls in arrears A/c	Dr.	6,400		
		Calls in advance A/c	Dr.	4,82,000		
		To Equity Share First and Final call A/c			10,00,000	
		(Being first call money received)				
						1 ½
		or				marl

1 1	Bank A/c	Dr.	5,11,600	
	Calls in advance A/c	Dr.	4,82,000	
	To Equity Share First and Final call A/c			9,93,600
	(Being first call money received)			
	Equity Share Capital A/c	Dr.	10,000	
	Securities Premium Reserve A/c	Dr.	2,000	
	To Share Forfeiture A/c			5,600
	To Calls in Arrears A/c/ Equity Share first and	final call A/c		6,400
	(Being Bali's shares forfeited for non payme	ent of first and		
	final call)			
	Bank A/c	Dr.	15,000	
	To Equity Share Capital A/c			10,000
	To Securities Premium Reserve A/c			5,000
	(Being Bali's shares reissued for ₹15 per sha	are fully paid)		
	Share Forfeiture A/c	Dr.	5,600	
	To Capital Reserve A/c			5,600
1 1				
	(Being balance in Share forfeiture account the	ansferred to		
	(Being balance in Share forfeiture account the capital reserve)	ransferred to		
	(Being balance in Share forfeiture account the capital reserve)	ransferred to		
	(Being balance in Share forfeiture account the capital reserve)	ransferred to		-
Q. 'Ve	(Being balance in Share forfeiture account the capital reserve) OR enus Ltd' was registered with an author	ransferred to	f <b>₹</b> 40,00,000	divided
Q. 'Ve into 4,	(Being balance in Share forfeiture account the capital reserve) OR enus Ltd' was registered with an author 00,000 equity shares of 10 each. 70,000	ransferred to	f ₹40,00,000 s were issue	divided d as fully
Q. 'Ve into 4, paid	(Being balance in Share forfeiture account the capital reserve) OR onus Ltd' was registered with an author 00,000 equity shares of 10 each. 70,000 Pa	ransferred to rised capital of of these share ass necessary i	f ₹40,00,000 s were issue ournal entr	divided d as fully ies for the
Q. 'Ve into 4, paid above	(Being balance in Share forfeiture account the capital reserve) OR enus Ltd' was registered with an author 00,000 equity shares of 10 each. 70,000 Pa transactions in the books of 'Venus Ltd'	ransferred to ised capital of of these share ass necessary j l'.	f ₹40,00,000 s were issue ournal entr	divided d as fully ies for the
Q. 'Ve into 4, paid above	(Being balance in Share forfeiture account the capital reserve) OR enus Ltd' was registered with an author 00,000 equity shares of 10 each. 70,000 	ransferred to rised capital of of these share uss necessary j l'.	f ₹40,00,000 s were issue journal entr	divided d as fully ies for the
Q. 'Ve into 4, paid above Ans.	(Being balance in Share forfeiture account the capital reserve) OR enus Ltd' was registered with an author 00,000 equity shares of 10 each. 70,000 Pa transactions in the books of 'Venus Ltd	ransferred to rised capital of of these share ass necessary j l'.	f₹40,00,000 s were issue ournal entr	divided ed as fully ies for the
Q. 'Ve into 4, paid above Ans.	(Being balance in Share forfeiture account the capital reserve) OR enus Ltd' was registered with an author 00,000 equity shares of 10 each. 70,000 Pa transactions in the books of 'Venus Ltd In the books of Ve	rised capital of of these share ass necessary j l'.	f₹40,00,000 s were issue journal entr	divided d as fully ies for the
Q. 'Ve into 4, paid above Ans.	(Being balance in Share forfeiture account the capital reserve) OR enus Ltd' was registered with an author 00,000 equity shares of 10 each. 70,000 Pa transactions in the books of 'Venus Ltd In the books of Venus Ltd Journal	rised capital of of these share uss necessary j l'.	f ₹40,00,000 s were issue journal entr	divided d as fully ies for the
Q. 'Ve into 4, paid above Ans. Date	(Being balance in Share forfeiture account the capital reserve) OR onus Ltd' was registered with an author 00,000 equity shares of 10 each. 70,000 Pa transactions in the books of 'Venus Ltd In the books of Venus Ltd Journal Particulars	rised capital of of these share ass necessary j l'.	f ₹40,00,000 s were issue ournal entr	divided ad as fully ies for the Cr. (₹)
Q. 'Ve into 4, paid above Ans.	(Being balance in Share forfeiture account the capital reserve) OR enus Ltd' was registered with an author 00,000 equity shares of 10 each. 70,000 Pa transactions in the books of 'Venus Ltd In the books of Venus Ltd Journal Particulars Building A/c	ransferred to ised capital of of these share ass necessary j l'. enus Ltd. Dr.	f ₹40,00,000 s were issue journal entr Dr. (₹) 7,00,000	divided ed as fully ies for the Cr. (₹)

	(Being building purchased from M/s Star Ltd.)			
	M/s Star Ltd. Dr.	7,00,000		
	To Equity Share Capital A/c		7,00,000	
	(Being 70,000 shares issued as fully paid to Star Ltd.			<sup>1</sup> / <sub>2</sub> mark
	for payment of building purchased)			
	Bank A/c Dr.	6,00,000		
	To Equity Share Application A/c		6,00,000	
	(Being application money received on 2,00,000			<sup>1</sup> / <sub>2</sub> mark
	shares)			
		( 00 000		
	Equity Share Application A/c Dr.	6,00,000	< 00 000	
	To Equity Share Capital A/c	、 、	6,00,000	1/ maule
	(Being application money transferred to share capital	)		/2 IIIAI K
	Equity Share Allotment A/c Dr.	4.00.000		
	To Equity Share Capital A/c	,,	4.00.000	
	(Being Allotment money due on 2,00,000 shares)		.,,	½ mark
	Bank A/c Dr.	3,80,000		
	To Equity Share Allotment A/c		3,80,000	
	(Being allotment money received)			
	or			1/ mark
	Dentr A /c Dr	2 80 000		72 mai k
	Bank A/c Dr.	3,80,000		
	Calls in arrears $A/c$ Dr.	20,000	4 00 000	
	To Equity Share Allotment A/c		4,00,000	
	(Being allotment money received)			
	Equity Share First call A/c Dr	4 00 000		
	To Equity Share Capital A/c	.,,	4 00 000	
			.,,	

(Being First call money due on 2,00,000 sha	res)			<sup>1</sup> / <sub>2</sub> mark
Bank A/c To Equity Share First call A/c (Being first call money received)	Dr.	3,20,000	3,20,000	1 mark
Bank A/c Calls in arrears A/c To Equity Share First call A/c (Being first call money received	Dr. Dr.	3,20,000 80,000	4,00,000	
Equity Share Second and Final call A/c To Equity Share Capital A/c (Being First call money due on 2,00,000 sha	Dr. res)	6,00,000	6,00,000	<sup>1</sup> ⁄2 mark
Bank A/c To Equity Share Second and Final call A/c (Being first call money received)	Dr.	3,00,000	3,00,000	
or				
Bank A/c Calls in arrears A/c To Equity Share Second and Final call A/c (Being first call money received	Dr. Dr.	3,00,000 3,00,000	6,00,000	1 mark
Equity Share Capital A/c To Share Forfeiture A/c To Equity Share Allotment A/c To Equity Share first call A/c To Equity Share Second and Final call A/c	Dr.	1,00,000	30,000 20,000 20,000 30,000	

	(Being shares forfelted)						
		or					
						1 ma	
	Equity Share Capital A/c		Dr.				
	To Share Forfeiture A/c			1,00,000			
	To Calls in Arrears A/c				30,000		
	(Being shares forfeited)				70,000		
	Bank A/c		Dr.	1,20,000			
	To Equity Share Capital	A/c			1,00,000		
	To Securities Premium R	eserve A/c			20,000	½ m	
	(Being shares reissued for	₹12 per sha	re fully paid)				
	Share Forfeiture A/c		Dr.	30,000			
	To Capital Reserve A/c				30,000		
	(Being balance in Share fo	(Being balance in Share forfeiture account transferred					
		to capital reserve)					
1	to capital reserve)						
	to capital reserve)					=	
	to capital reserve)					= 8 ma	
	to capital reserve)	•				= 8 ma	
17	Q. Lisa, Monika and Nisha were	• partners in	a firm sharing	profits and	losses in	= 8 ma	
17	Q. Lisa, Monika and Nisha were the ratio of 2 : 2 : 1Prepare Re	• partners in evaluation A	a firm sharing Account, Partner	profits and s' Capital	losses in Accounts	= 8 ma	
17	Q. Lisa, Monika and Nisha were the ratio of 2 : 2 : 1Prepare Re and the Balance Sheet of the reco	• partners in evaluation A onstituted fi	a firm sharing Account, Partner	profits and s' Capital	losses in Accounts t.	= 8 ma	
17	Q. Lisa, Monika and Nisha were the ratio of 2 : 2 : 1Prepare Re and the Balance Sheet of the reco Ans.	partners in evaluation A onstituted fi	a firm sharing Account, Partner arm on Monika's	profits and 's' Capital . s retiremen	losses in Accounts t.	= 8 ma	
17	Q. Lisa, Monika and Nisha were the ratio of 2 : 2 : 1Prepare Re and the Balance Sheet of the reco Ans. Dr.	partners in evaluation A onstituted fi Revaluat	a firm sharing Account, Partner firm on Monika's ion A/c	profits and s' Capital s retiremen	losses in Accounts t. Cr.	= 8 ma	
17	Q. Lisa, Monika and Nisha were the ratio of 2 : 2 : 1Prepare Re and the Balance Sheet of the reco Ans. Dr. Particulars	· partners in evaluation A onstituted find Revaluat Amount	a firm sharing Account, Partner firm on Monika's ion A/c Particulars	profits and s' Capital . s retiremen	losses in Accounts t. Cr. Amount	= 8 ma	
17	Q. Lisa, Monika and Nisha were the ratio of 2 : 2 : 1Prepare Re and the Balance Sheet of the reco Ans. Dr. Particulars	· partners in evaluation A onstituted find Revaluat Amount (₹)	a firm sharing Account, Partner firm on Monika's ion A/c Particulars	profits and s' Capital . s retiremen	losses in Accounts t. Cr. Amount (₹)	= 8 ma	
17	to capital reserve)         Q. Lisa, Monika and Nisha were         the ratio of 2 : 2 : 1Prepare Re         and the Balance Sheet of the reco         Ans.         Dr.         Particulars         To Machinery	partners in evaluation A onstituted find Revaluat Amount (₹) 1,20,000	a firm sharing Account, Partner firm on Monika's ion A/c Particulars By Land and B	profits and 's' Capital . s retiremen	losses in Accounts t. Cr. Amount (₹) 2,40,000	= 8 ma	
17	to capital reserve)         Q. Lisa, Monika and Nisha were         the ratio of 2 : 2 : 1Prepare Re         and the Balance Sheet of the reco         Ans.         Dr.         Particulars         To Machinery         To Provision for doubtful debts	partners in evaluation A onstituted fi Revaluat Amount (₹) 1,20,000 20,000	a firm sharing Account, Partner firm on Monika's ion A/c Particulars By Land and B	profits and rs' Capital s retiremen	losses in Accounts t. Cr. Amount (₹) 2,40,000	= 8 ma	
17	to capital reserve)         Q. Lisa, Monika and Nisha were         the ratio of 2 : 2 : 1Prepare Re         and the Balance Sheet of the reco         Ans.         Dr.         Particulars         To Machinery         To Provision for doubtful debts	partners in         valuation A         onstituted fi         Revaluat         Amount         (₹)         1,20,000         20,000	a firm sharing Account, Partner firm on Monika's ion A/c Particulars By Land and B	profits and rs' Capital . s retiremen	losses in Accounts t. Cr. Amount (₹) 2,40,000	= 8 ma	
17	to capital reserve)         Q. Lisa, Monika and Nisha were         the ratio of 2 : 2 : 1Prepare Re         and the Balance Sheet of the reco         Ans.         Dr.         Particulars         To Machinery         To Provision for doubtful debts         To Profit transferred to:	partners in       partners in       evaluation A       onstituted fi       Revaluat       Amount       (₹)       1,20,000       20,000	a firm sharing Account, Partner firm on Monika's ion A/c Particulars By Land and B	profits and rs' Capital . s retiremen	losses in Accounts t. Cr. Amount (₹) 2,40,000	= 8 ma	

	1 A/c	40,000					
Monika's Ca	pital A/c	40,000					
Nisha's Capi	tal A/c	<u>20,000</u>	1,00,0	000			
			2,40,0	000		2	2,40,000
Dr.		I	Partners	Capital Acc	ounts		Cr.
Particulars	Lisa	Monika	Nisha	Particulars	Lisa	Monika	Nisha
	(₹)	(₹)	(₹)		(₹)	(₹)	(₹)
To Stock A/c	-	5,00,000	-	By balance b/d	14,00,000	14,00,000	3,60,000
To Monika's Capital A/c	80,000	-	40,000	By Revaluation	40,000	40,000	20,000
To Monika's				By Lisa's	-	80,000	-
loan A/c	-	10,60,000	-	Capital A/c			
			0.00.000	Dy Nicho'a		10.000	
To balance c/d	18,00,000		9,00,000	Capital A/c	-	40,000	
To balance c/d	18,00,000		3,00,000	Capital A/c By Current A/c	4,40,000	40,000	5,60,000
To balance c/d	18,00,000	15,60,000	9,40,000	Capital A/c By Current A/c	4,40,000	40,000	5,60,000
To balance c/d	18,00,000 18,80,000	15,60,000	9,40,000	Capital A/c By Current A/c	4,40,000 18,80,000	40,000 15,60,000	5,60,000
To balance c/d Bala	18,00,000 18,80,000 ance Shee	15,60,000 t of the re	9,40,000 9,40,000 econstitu	Capital A/c By Current A/c	4,40,000 18,80,000 on 31 <sup>st</sup> Mar	40,000 15,60,000 rch 2019	5,60,000 9,40,000
To balance c/d Bala Liabilities	18,00,000 18,80,000 ance Shee	15,60,000 t of the re	9,40,000 9,40,000 econstitu Amour	ated firm as on the Assets	4,40,000 18,80,000 on 31 <sup>st</sup> Mar	40,000 15,60,000 rch 2019	5,60,000 9,40,000
To balance c/d Bal	18,00,000 18,80,000 ance Shee	15,60,000 <b>t of the r</b>	9,40,000 9,40,000 econstitu Amoun (₹) 1,60,0	By Nisia S         Capital A/c         By Current A/c         ated firm as one         nt         Assets         000         Land and	4,40,000 18,80,000 0n 31 <sup>st</sup> Mar	40,000 15,60,000 Pch 2019	5,60,000 9,40,000 Amount (₹) 2,40,000
To balance c/d Bal Liabilities Trade Credite	18,00,000 18,80,000 ance Shee	15,60,000 t of the re	9,40,000 9,40,000 econstitu Amoun (₹) 1,60,0	By Nisia S         Capital A/c         By Current A/c         ated firm as one         nt         Assets         000         Land and	4,40,000 18,80,000 on 31 <sup>st</sup> Mar	40,000 15,60,000 Pch 2019	5,60,000 9,40,000 Amount (₹) 2,40,000

Employees Provident Fund	76,000	Stock	5,00,000
Monika's Loan	10,60,000	Debtors 4,00,000	
		Less Provision for	
Capitals		doubtful debts <u>20,000</u>	3,80,000
Lisa 18,00,000			
Nisha <u>9,00,000</u>	27,00,000	Bank	40,000
		Lisa's Current A/c	4,40,000
		Nisha's Current A/c	5,60,000
	44,20,000		42,40.000
Q. On 31st March, 2019 the Balar profits and losses in the ratio of 3 Account, Capital Accounts of the	ok nce Sheet o : 2 Partners a	f Madan and Mohan who Prepare Revalu nd the Balance Sheet of th	o share nation he new
Q. On 31st March, 2019 the Balar profits and losses in the ratio of 3 Account, Capital Accounts of the firm.	ok nce Sheet o : 2 Partners a	f Madan and Mohan who Prepare Revalu nd the Balance Sheet of t	o share lation he new
Q. On 31st March, 2019 the Balar profits and losses in the ratio of 3 Account, Capital Accounts of the firm.	ok nce Sheet o : 2 Partners a	f Madan and Mohan who Prepare Revalu nd the Balance Sheet of th	o share lation he new
Q. On 31st March, 2019 the Balar profits and losses in the ratio of 3 Account, Capital Accounts of the firm. Ans. Dr. F	ok nce Sheet o : 2 Partners a Revaluation	f Madan and Mohan who Prepare Revalu nd the Balance Sheet of t 1 A/c	o share lation he new Cr.
Q. On 31st March, 2019 the Balan profits and losses in the ratio of 3 Account, Capital Accounts of the firm. Ans. Dr. H	ok nce Sheet o : 2 Partners a Revaluation	f Madan and Mohan who Prepare Revalu nd the Balance Sheet of th n A/c Particulars	o share lation he new Cr.
Q. On 31st March, 2019 the Balar profits and losses in the ratio of 3 Account, Capital Accounts of the firm. Ans. Dr. H Particulars	OK nce Sheet o : 2 Partners a Revaluation Amount (₹)	f Madan and Mohan who Prepare Revalu nd the Balance Sheet of th n A/c Particulars	o share lation he new Cr. Amount (₹)
Q. On 31st March, 2019 the Balan profits and losses in the ratio of 3 Account, Capital Accounts of the firm. Ans. Dr. H Particulars To Workmen's compensation claim	Amount (₹) 5,000	f Madan and Mohan who Prepare Revalu nd the Balance Sheet of th n A/c Particulars By Bank /bad debts	o share lation he new Cr. Amount (₹) 2,000
Q. On 31st March, 2019 the Balan profits and losses in the ratio of 3 Account, Capital Accounts of the firm. Ans. Dr. H Particulars To Workmen's compensation claim	OK         nce Sheet o         : 2         Partners a         Revaluation         Amount         (₹)         5,000         3 000	f Madan and Mohan who Prepare Revalu nd the Balance Sheet of the n A/c Particulars By Bank /bad debts recovered	o share lation he new Cr. Amount (₹) 2,000

				By Loss tra Madan's C	ansferred to: apital A/c 2,	400	
				Mohan's C	apital A/c <u>1</u> ,	600	4,000
Dr.		Par	tners C	apital Accounts		(	Cr.
Particulars	Madan	Mohan	Gopal	Particulars	Madan	Mohan	Gopal
	( <b>7</b> )	(7)	(7)				2 <b></b> >
	(()	(()	(<)		(₹)	(₹)	(₹)
To Revaluation A/c	2,400	1,600	-	By Balance b/d By Premium for	(₹) 60,000	(₹) 40,000	(₹)
To Revaluation A/c To Balance c/d	2,400 63,600	(K) 1,600 52,400	23,200	By Balance b/d By Premium for goodwill A/c	(₹) 60,000 -	(₹) 40,000 10,000	(₹) -
To Revaluation A/c To Balance c/d	(x)       2,400       63,600	(x) 1,600 52,400	23,200	By Balance b/d By Premium for goodwill A/c By General Reserve A/c	(₹) 60,000 - 6,000	(₹) 40,000 10,000 4,000	(₹)
To Revaluation A/c To Balance c/d	(X)         2,400         63,600	(X) 1,600 52,400	23,200	By Balance b/d By Premium for goodwill A/c By General Reserve A/c By Bank A/c	(₹) 60,000 - e 6,000	(₹) 40,000 10,000 4,000	(₹)

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

	Absolute	e amount	Percen Revent opera	itage of ue from ations
	2017-18	2018-19	2017-18	2017-18
	(₹)	(₹)	(%)	(%)
evenue from operations	10,00,000	20,00,000	100	100
dd Other income	50,000	60,000	5	3
Fotal Revenue	10,50,000	20,60,000	105	103
Less Expenses:				
urchase of stock in trade	4,20,000	7,70,000	42	38.5
changes in inventories	80,000	1,20,000	8	6
Other expenses	30,000	52,000	3	2.6
Total Expenses	5,30,000	9,42,000	53	47.1
rofit before Tax	5,20,000	11,18,000	52	55.9
Less Tax @50%	2,60,000	5,59,000	26	27.95
	2 (0.000	5 59 000	26	27.95

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

OR

In the books of Delko Ltd.

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

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

OR

		<sup>1</sup> / <sub>2</sub> x 8
		=
		4 marks
21	Q. From the given information, calculate the following ratios:	
	(i) Operating Ratio	
	(ii) Inventory Turnover Ratio	
	Ans.	
	(i) Operating ratio = $\underline{\text{Cost of Revenue from operations + Operating expenses}} \times 100$	
	Net Revenue from operations	
	Cash Revenue from operations = $310,00,000$	
	Credit Revenue from operations $= \pm 12.00.000$	
	Creat Revenue from operations – 112,00,000	
	Therefore. Total Revenue from operations = $322.00.000$	
		2 marks
	Operating expenses = 10% of ₹22,00,000 = ₹2,20,000	
	Gross profit = 40% of ₹22,00,000	
	= ₹8,80,000	
	So, Cost of Revenue from operations = $\exists 13,20,000$	
		2 marks
		=

Operating ratio = $\exists 13,20,000 + \exists 2,20,000 \ x \ 100$	2+2
₹22,00,000	=
	4 marks
= 70%	
	OR
(ii) Inventory Turnover ratio = Cost of Revenue from operations	
Average Inventory	
$= \overline{3}13.20.000/\overline{3}1.60.000$	
=8 25 times	
OP	
<b>O</b> (A) Not profit after interest and tay of M L to was $\neq 1.00.000$ . Its Current Assots	
(A) Net profit after interest and tax of M Etd. was $(1,00,000)$ . Its Current Assets	
were $(4,00,000)$ and Current Liabilities were $(2,00,000)$ . Tax rate was 50%. Its Total	
Assets were <10,00,000 and 10% Long term debt was <4,00,000. Calculate Return on	
Investment.	
(B) Rate of Gross profit on Revenue from operations of a company is 25%. Its Gross	
profit is ₹5,00,000. Its Shareholders' Funds are ₹25,00,000; Non-current Liabilities	
are ₹8,00,000 and Non-current Assets are ₹23,00,000.	
Calculate its Working Capital Turnover Ratio.	
Ans.	
(A) Return on Investment = <u>Profit before interest and tax</u> x 100	
Capital employed	
Profit before interest and tax =₹1,00,000 + ₹1,00,000 + ₹40,000	2
	2 marks
=₹2,40,000	

	Capital employed = ₹8 00 000				
	Therefore, Return on Investment = ₹2,40,000/₹8,00,000 x 100				
	= 30%				
	(B) Working Capital Turnover ratio = Revenue from operations/ Working Capital				
	Gross Profit = ₹5,00,000				
	So, Revenue from operations = ₹20,00,000	2 marks			
	Working Capital = Shareholders Funds + Non Current Liabilities – Non Current Assets				
	=₹25,00,000 + ₹8,00,000 - ₹23,00,000				
	=₹10,00,000				
	Working Capital Turnover ratio = ₹20,00,000/ ₹10,00,000 = 2 times	= 2+2 =			
		4 marks			
22	Q. Under which sub-headings the following items will be placed in the Balance Sheet of a company as per Schedule-III, Part-I of the Companies Act, 2013?				
		Item	Sub Head		
---	--	---	---	---	---------------------------
	(i)	Patents	Fixed asset	s- Intangible	
	(ii)	Unpaid dividend	Other Curr	ent liabilities	
	(iii)	Calls in advance	Other Curr	ent liabilities	
	(iv)	Cheques in hand	Cash and C	Cash Equivalent	s
	(v)	Bills Payable	Trade Paya	bles	
	(vi)	Office Equipments	Fixed asset	s- Tangible	
	(vii)	General Reserve	Reserves a	nd Surplus	
	(viii)	Public Deposits	Long Term	borrowings	
3	Q. Follov Cash Flo	ving is the Balance Sheet of w Statement.	X Ltd. as at 31 <sup>st</sup>	March, 2018	Prepare a
	Ans. Ca	sh Flow Statement of X Ltd	. for the year end	ed 31 <sup>st</sup> March	2018
	Ans. Car Particula	sh Flow Statement of X Ltd	. for the year end	led 31 <sup>st</sup> March Amount (₹)	<b>2018</b> Amount (₹)
	Ans. Car Particula	sh Flow Statement of X Ltd ars LOWS FROM OPERATING	. for the year end <u>G ACTIVITIES</u>	ed 31 <sup>st</sup> March Amount (₹)	<b>2018</b> Amount (₹)
	Ans. Cas Particula <u>CASH F</u> Net Prof	sh Flow Statement of X Ltd ars <u>LOWS FROM OPERATING</u> it before Tax	. for the year end	ed 31 <sup>st</sup> March Amount (₹) 5,00,000	2018 Amount (₹)
	Ans. Car Particula <u>CASH F</u> Net Prof Add dep	sh Flow Statement of X Ltd ars LOWS FROM OPERATING fit before Tax preciation on Machinery	. for the year end <u>G ACTIVITIES</u>	ed 31 <sup>st</sup> March Amount (₹) 5,00,000 1,40,000	2018 Amount (₹)
	Ans. Ca Particula <u>CASH F</u> Net Prof Add dep Interest	sh Flow Statement of X Ltd ars FLOWS FROM OPERATING fit before Tax preciation on Machinery on 12% Debentures	. for the year end <u>G ACTIVITIES</u>	ed 31 <sup>st</sup> March Amount (₹) 5,00,000 1,40,000 60,000	2018 Amount (₹)

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

Calculation of Net FIO	In Delote Tax.		
		(₹)	
Net profit		3,00,000	
Add Provision for Tax		<u>2,00,000</u>	
		<u>5,00,000</u>	
Dr	I	Machinory A/c	Cr
	ſ		CI.
Particulars	Amount (₹)	Particulars	Amount (₹)
To balance b/d	20,00,000	By Cash (sale)	50,000
	10.000	<b>.</b>	10.000
To Profit on sale	10,000	By Accumulated depreciation	40,000
To Profit on sale	10,000 6 80 000	By Accumulated depreciation	40,000
To Profit on sale To Bank (purchase)	10,000 6,80,000	By Accumulated depreciation By balance c/d	40,000 26,00,000
To Profit on sale To Bank (purchase)	10,000 6,80,000 26,90,000	By Accumulated depreciation By balance c/d	40,000 26,00,000 26,90,000
To Profit on sale To Bank (purchase)	10,000 6,80,000 26,90,000	By Accumulated depreciation By balance c/d	40,000 26,00,000 26,90,000
To Profit on sale To Bank (purchase) Dr.	10,000 6,80,000 26,90,000 Accumulate	By Accumulated depreciation By balance c/d	40,000 26,00,000 26,90,000 Cr.
To Profit on sale To Bank (purchase) Dr. Particulars	10,000 6,80,000 26,90,000 Accumulate	By Accumulated depreciation By balance c/d ed depreciation A/c	40,000 26,00,000 26,90,000 Cr.
To Profit on sale To Bank (purchase) Dr. Particulars	10,000 6,80,000 26,90,000 Accumulate Amount (₹)	By Accumulated depreciation By balance c/d ed depreciation A/c Particulars	40,000 26,00,000 26,90,000 Cr. Amount (₹)
To Profit on sale To Bank (purchase) Dr. Particulars To Machinery A/c	10,000 6,80,000 26,90,000 Accumulate Amount (₹) 40,000	By Accumulated depreciation By balance c/d ed depreciation A/c Particulars By balance b/d	40,000 26,00,000 26,90,000 Cr. Amount (₹) 1,00,000
To Profit on sale To Bank (purchase) Dr. Particulars To Machinery A/c	10,000       6,80,000         26,90,000       26,90,000         Accumulate         Amount (₹)       40,000	By Accumulated depreciation By balance c/d ed depreciation A/c Particulars By balance b/d	40,000 26,00,000 26,90,000 Cr. Amount (₹) 1,00,000

	2,40,000		2,40,000	=
				6 marks
		DADT R		
		OPTION II		
	Comput	terised Accounting		
Q. 18. What is mean	t by 'Primary I	Key'?		
Ans. Primary key is a	key in the relati	onal database that is unique for ea	ich record. It	
consists of minimum p	possible one or	more than one attributes of a table	such as	1 mark
telephone number with	h area code.			
O 10 Name the date	alamant in ag	nounting transaction		
Q. 13. Name the data		counting transaction.		1 mark
Ans. A data element is	s the smallest na	amed unit of data in the information	on system. In	
accounting, a transacti	ion consists of f	our data elements, such as name o	f the account,	
accounting code, date	of transaction a	nd amount		
Q. 20. Explain the ter	rms 'Password	Security' and 'Data Vault'.		
Ans.				
Password Security				
It is a widely accepted	security contro	l to access the data Only an		
authorized person can	access the data	Any user who does not know the		2 marks
password cannot retrie	eve information	from the system. It ensures data		
integrity. It uses a bina	ary encoding for	rmat of storage and offers access t	0	
the database.				
Data vault				
Software provides add	litional security	for the imputed data and this featu	ıre	
is referred to as data v	ault. Data vaul	t ensures that original information	is	2 marks

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

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

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

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

<u>SET 3</u>

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

	2019 wa	s ₹2,27,500. Calculate Seema's com	imission.		
	Ans. Ne	et Profit before salary and commission	n	=₹2,27,50	00
	Less Raj	's salary ₹2,500 x 3		= ₹ <u>7,50</u>	0
	Net prof	it after Raj's salary but before Seema	's commission	= ₹ <u>2,20,00</u>	<u>00</u>
	Seema's	commission = 10/110 of ₹2,20,000			
		=₹20,000			
5		and Cause north and showing musif	te in the notice	85 . 4 . 2 Th	ay daaidad
5	Q. A, B	and C were partners sharing profit	ts in the ratio of $\cdot$ 1 we f 1 <sup>st</sup> Ai	015:4:3.1h	ey decided
	to chang			a dabit balan	that date,
	there wa	as a balance of ₹3.00.000 in Genera	a Keserve and	а испи патан	ce or
	there wa	as a balance of ₹3,00,000 in Genera 10 in the Profit and Loss Account. 1	a Reserve and Pass necessarv	journal entri	ice of ies for the
	there wa ₹4,80,00 above of	as a balance of ₹3,00,000 in Genera 00 in the Profit and Loss Account. 1 n account of change in the profit sh	al Reserve and Pass necessary aring ratio.	journal entri	ies for the
	there wa ₹4,80,00 above of	as a balance of ₹3,00,000 in Genera 10 in the Profit and Loss Account. 1 n account of change in the profit sh	al Reserve and Pass necessary aring ratio.	journal entri	ies for the
	there wa ₹4,80,00 above of Ans.	as a balance of ₹3,00,000 in Genera 10 in the Profit and Loss Account. 1 n account of change in the profit sh Journal	al Reserve and Pass necessary aring ratio.	journal entri	ies for the
	there wa ₹4,80,00 above of Ans.	as a balance of ₹3,00,000 in Genera 10 in the Profit and Loss Account. I n account of change in the profit sh Journal	al Reserve and Pass necessary aring ratio.	journal entri Dr. (₹)	ce of les for the Cr. (₹)
	there wa ₹4,80,00 above of Ans. Date 2019	as a balance of ₹3,00,000 in Genera 10 in the Profit and Loss Account. I n account of change in the profit sh Journal Particulars General reserve A/c	Dr.	a debit balan journal entri Dr. (₹) 3,00,000	ce of les for the Cr. (₹)
	there was ₹4,80,00 above of Ans. Date 2019 Apr 1	as a balance of ₹3,00,000 in Genera 10 in the Profit and Loss Account. I n account of change in the profit sh Journal Particulars General reserve A/c To A's Capital A/c	Dr.	a debit balan journal entri Dr. (₹) 3,00,000	Cr. (₹)
	there wa ₹4,80,00 above of Ans. Date 2019 Apr 1	as a balance of ₹3,00,000 in Genera 10 in the Profit and Loss Account. I a account of change in the profit sh Journal Particulars General reserve A/c To A's Capital A/c To B's Capital A/c	aring ratio.	a debit balan journal entri Dr. (₹) 3,00,000	Cr. (₹)         1,25,000         1,00,000
	there wa ₹4,80,00 above of Ans. Date 2019 Apr 1	as a balance of ₹3,00,000 in Genera 10 in the Profit and Loss Account. I a account of change in the profit sh Journal Particulars General reserve A/c To A's Capital A/c To B's Capital A/c To C's Capital A/c	aring ratio.	a debit balan journal entri Dr. (₹) 3,00,000	Cr. (₹)         1,25,000         1,00,000         75,000
	there was ₹4,80,00 above of Ans. Date 2019 Apr 1	as a balance of ₹3,00,000 in Genera 10 in the Profit and Loss Account. If a account of change in the profit sh Journal Particulars General reserve A/c To A's Capital A/c To B's Capital A/c To C's Capital A/c (Being general reserve distributed a	a Reserve and Pass necessary aring ratio. Dr.	a debit balan journal entri Dr. (₹) 3,00,000	Cr. (₹)         1,25,000         1,00,000         75,000
	there was ₹4,80,00 above of Ans. Date 2019 Apr 1	as a balance of ₹3,00,000 in Genera 10 in the Profit and Loss Account. If a account of change in the profit sh Journal Particulars General reserve A/c To A's Capital A/c To B's Capital A/c To C's Capital A/c (Being general reserve distributed a partners in the old ratio)	aring ratio.	a debit balan journal entri Dr. (₹) 3,00,000	Cr. (₹)         1,25,000         1,00,000         75,000
	there wa ₹4,80,00 above of Ans. Date 2019 Apr 1 "	as a balance of ₹3,00,000 in Genera 10 in the Profit and Loss Account. If a account of change in the profit sh Journal Particulars General reserve A/c To A's Capital A/c To B's Capital A/c To C's Capital A/c (Being general reserve distributed a partners in the old ratio) A's Capital A/c	Dr.	a debit balan journal entri Dr. (₹) 3,00,000 2,00,000	Cr. (₹)         1,25,000         1,00,000         75,000
	there wa ₹4,80,00 above of Ans. Date 2019 Apr 1 "	as a balance of ₹3,00,000 in Genera 10 in the Profit and Loss Account. If a account of change in the profit sh Journal Particulars General reserve A/c To A's Capital A/c To C's Capital A/c (Being general reserve distributed a partners in the old ratio) A's Capital A/c B's Capital A/c	Dr. Dr. Dr. Dr.	a debit balan journal entri Dr. (₹) 3,00,000 2,00,000 1,60,000	Cr. (₹)         1,25,000         1,00,000         75,000

(Being debit balance of Profit and Loss account debited to the old partners in the old profit sharing	
debited to the old partners in the old profit sharing	
ratio)	
6 O. What is meant by over subscription of shares?	
<b>Ans</b> Oversubscription of shares means that the company receives applications for	1 mark
more than the number of shares offered to the public for subscription	1 marx
OR	OR
Q. What is meant by 'par value' of a share?	
<b>Ans</b> Par value is the nominal value or the face value of the share	1 mark
7 Q. Anita, Geeta, Sunita and Lata were partners in a firm. They admitted Kavita	
as a new partner forCalculate the new capitals of Anita,	
Geeta, Sunita and Lata and pass necessary journal entries for the above	
transactions in the books of the firm.	
Ans.	
Journal	
Date Particulars $Dr. (\bar{z})$ $Cr. (\bar{z})$	
Cash/ Bank A/c Dr 80 000 -	

	To Kavita's	capital A/c			-	80,000	
	(Being cash b	rought in by Kavit	a)				1 x 3
	Cash/ Dank A	10	Dr.		5 000		_
			Dr.		5,000	-	_
	To Sunita's	capital A/c				5,000	
	(Being cash b	rought in by Sunita	a)				
	Geeta's Capit	al A/c	Γ	Dr.	5,000	-	3 marks
	To Cash/ Ba	nk A/c			-	5,000	
	(Being cash v	vithdrawn by Geeta	a)				
	Calculation of each brow	abt in or paid off					
	Calculation of cash broc	gnt in or paid off					
		Anita(₹) (	Geeta(₹)	Sunita(₹)	Lata(₹)		
	Existing capitals	80,000	85,000	75,000	80,000		
	Adjusted capitals	80,000	80,000	80,000	80,000		
	Cash withdrawn/ brough	nt in (	(5,000)	5,000			
8	Q. Hari and Krishan w	ere partners shar	ring profi	ts and losse	s in the rat	io of 2 : 1.	
	They admitted Shyam	as a partner for 1	/5th shar	e in the pro	fits Ca	lculate	
	Goodwill of the firm at	ter adjusting the	following	: The profi	t of 2014 –	15 was	
	calculated after chargi	ng ₹10,000 for ab	normal lo	oss of goods	by fire.		
	Ans.						
	Year Profit	<u>(Loss) (</u> ₹ <u>)</u>					
	2013-14	50,000					
	2014-15 = 40,000+	10,000 = 50,000					

		2015-16	75,000			1 mark
		2016-17	(25,000)			
1		2017-18	<u>50,000</u>			
			<u>2,00,000</u>			
		Average	profits = ₹2,00,000/5= ₹40,000			1 mark
		Goodwil	l= Average Profits x Number of years purchase			
		-	=₹40,000 x 3			
		-	=₹1,20,000			1 mark
						=
						1+1+1
						=
						3 marks
	9	Q. A and	B are partners in a firm sharing	Profit f	or the	
		year end	led 31 <sup>st</sup> March, 2019 ₹2,78,000 was distributed w	ithout providin	g for	
		interest	on capital and partners' salary. Showing your w	orking clearly,	pass the	
		necessar	y adjustment entry for the above omissions.			
		Ans.	Journal			
		Date	Particulars	Dr. (₹)	Cr. (₹)	
		2019	$\Delta$ 's Current $\Delta/c$ Dr	11 200		
		Mar 31	To B's Current A/c	11,200	11 200	1 1/2
			(Being omission of interest on Capital and salary.		11,200	marks
			, C			
						L

now	rectified)
-----	------------

Table showing Past Adjustments:

Partners	Interest on	Salary	Profits	Net e	effect	
	Capital	(Cr.)	(Dr.)	Dr.	Cr.	1 1/2
	(Cr.)			(₹)	(₹)	marks
	(₹)	(₹)	(₹)			=
А	90,000	50,000	1,51,200	11,200	-	
						3 marks
В	40,000	36,000	64,800	-	11,200	
	1,30,000	86,000	2,16,000	11,200	11,200	

OR

OR

Q. A, B and C were partners in a firm. On 1<sup>st</sup> April, 2018, their capitals stood at ₹4,00,000, ₹3,00,000 and ₹2,00,000 respectively. As per the provisions of the partnership deed .....Showing your working clearly, pass an adjustment entry to rectify the above error.

DateParticularsDr. $(\bar{\mathbf{x}})$ Cr. $(\bar{\mathbf{x}})$	Ans.	Journal		
	Date	Particulars	Dr. (₹)	Cr. (₹)

							1 1/2			
	2019	B's Capital A/c		Dr.	20,000	-	marks			
	Mar 31	C's Capital A/c		Dr.	30,000	-				
		To A's Capital A/c			-	50,000				
		(Being omission of inte	rest on Capi	tal and salary,						
		now rectified)								
	Table sho	owing Past Adjustments:								
	Partners	Interest on Capital	Salary	Profits	Net	effect				
		(Cr.)	(Cr.)	(Dr.)	Dr.	Cr.				
		(₹)	(₹)	(₹)	(₹)	(₹)	1 1/			
		40.000				50.000	1 72			
	A	40,000	60,000	) 50,000	-	50,000	=			
		20.000		50.000	20,000		—			
	В	30,000	-	50,000	20,000	-	3 marks			
	C	20.000		50,000	30,000					
	C	20,000		50,000	50,000	_				
		90.000	60.000	) 1.50.000	50.000	50,000				
				-,,,						
10	Q. Prese	• O. Present the following items in the Balance Sheet of Oueen's Club as at 31st								
	March, 2	March, 2019 Expenditure on construction of building ₹3.60.000. The								
	construc	tion work is in progress	and has no	t yet been com	pleted.					
	Ans.									
		Balanc	e Sheet of <b>Q</b>	Queen's Club						
		As on 31 <sup>s</sup>	<sup>st</sup> March 201	19 (An extract)			1 <sup>1</sup> / <sub>2</sub> marks = 3 marks			
	Liabilitie	es	Amount	Assets		Amount				
			(₹)			(₹)				
	Capital F	Fund 10,80,000		10% Building F	und	1/2				
	Add tran	Evend 2 (0.000	14 40 000	Investments		4,80,000				
	Building	runa <u>3,60,000</u>	14,40,000							

			1			$1/_{2}$	
	Buildin	g Fund 4,80,000		Building		3.60.000	
	Add do	onations 6,00,000		-		, ,	
	Add in	terest on Building Fund					
	Investn	nents 48,000					
		11,28,000					
	Less ex	penditure on					
	constru	ction transferred					
	to Capi	tal fund 3,60,000	7.68.000				
			1				
							3 marks
11	Q. Amr	it and Preet were partne	ers in a firm	sharing profits	and losses i	n the ratio	
	of 5:3. (	On 31 <sup>st</sup> March, 2019 thei	r firm was d	lissolved. On the	date of dis	solution	
	their Ba	alance Sheet showed stoc	k of ₹2,00,0	00 and creditors	s of ₹1,20,00	00. After	
	transfe	rring assets (other than o	cash in hand	and cash at bar	nk) and thir	d party	
	liabiliti	es to realisation account	the followin	g transactions to	ook place.		
				8	1		
	Ans.		Journal				
	Date	Particulars			Dr. (₹)	Cr. (₹)	
	(i)	Amrit's Capital A/c		Dr.	72,000	-	
		To Realisation A/c			-	72,000	
		(Being 40% of the total	l stock taken	over by Amrit			
		at 10% less than the bo	ok value)	5			
			on ( <b>a</b> r <b>ac</b> )				1 x 4
	(ii)	No Entry					
		i to Linu y					=
	(;;;)	Dealization A/2		D	65.000		
		Keansation A/C		Dr.	05,000	-	
		To Bank A/c			-	65,000	4
		(Being creditors paid in	n cash at a di	scount of			4 marks

		,000)					
(iv	<i>i</i> ) (	Cash A/c		Dr.	90	,000	
		To Realisation A	/c			-	90,000
	(	Being stock sold	for cash)				
					I		
2 Q.	E, F an	d G were partner	rs in a firm	. On 31 <sup>st</sup>	March, 2015 G di	ed. Aft	ter doing
all	necessa	ry adjustments t	he capital	account (	of G showed a net l	balanc	e of
₹1,	40,000.	₹50,000 was imn	nediately p	aid to G <sup>2</sup>	's executor H and s	starting	g from
31 <sup>st</sup>	<sup>t</sup> March	, 2016, the balan	ice was pai	d to him	in three equal year	rly inst	alments
wit	h intere	est @ 12% p.a. T	he firm clo	ses its bo	ooks on 31 <sup>st</sup> March	every	year.
Pr	epare H	I's account till he	e is finally	paid.			
An	s.						
]	Dr.			H's Ac	count		Cr.
Da	Dr. ate	Particulars	Amount	H's Ac	Particulars		Cr. Amount
Da	Dr. ate	Particulars	Amount (₹)	H's Ac	Particulars		Cr. Amount (₹)
] Da 20	<b>Dr.</b> ate	Particulars	Amount (₹)	H's Ac Date 2015	Particulars		Cr. Amount (₹)
]   Da   20   Ma	<b>Dr.</b> nte 15 ar 31	Particulars To Bank A/c	Amount (₹) 50,000	H's Ac Date 2015 Mar 31	Particulars By G's Capital A/c		Cr. Amount (₹) 1,40,000
200 Mi	Dr. ate 15 ar 31 ar 31	Particulars To Bank A/c To Balance c/d	Amount (₹) 50,000 90,000	H's Ac Date 2015 Mar 31	Particulars By G's Capital A/c		Cr. Amount (₹) 1,40,000
20 Mi	Dr. nte 15 ar 31 ar 31	Particulars To Bank A/c To Balance c/d	Amount (₹) 50,000 90,000 1,40,000	H's Ac Date 2015 Mar 31	Particulars By G's Capital A/c		Cr. Amount (₹) 1,40,000
20 Mi Mi 20	Dr. 115 115 115 115 116	Particulars To Bank A/c To Balance c/d	Amount (₹) 50,000 90,000 1,40,000	H's Ac Date 2015 Mar 31 2015	Particulars By G's Capital A/c		Cr. Amount (₹) 1,40,000
20 Mi 20 Mi 20 Mi	Dr. 115 115 115 115 116 116 116 117 116 117 117 117	Particulars To Bank A/c To Balance c/d To Bank A/c	Amount (₹) 50,000 90,000 1,40,000 40,800	H's Ac Date 2015 Mar 31 2015 Apr 1	Particulars By G's Capital A/c By Balance b/d		Cr. Amount (₹) 1,40,000 1,40,000 90,000
20 Mi 20 Mi 20 Mi	Dr. atte 15 ar 31 ar 31 16 ar 31	Particulars To Bank A/c To Balance c/d To Bank A/c	Amount (₹) 50,000 90,000 1,40,000 40,800	H's Ac Date 2015 Mar 31 2015 Apr 1 2016	Particulars By G's Capital A/c By Balance b/d		Cr. Amount (₹) 1,40,000 1,40,000 90,000
20 Mi 20 Mi 20 Mi Mi	Dr. ate 15 ar 31 ar 31 16 ar 31 ar 31	Particulars To Bank A/c To Balance c/d To Bank A/c To Bank A/c	Amount (₹) 50,000 90,000 1,40,000 40,800 60,000	H's Ac Date 2015 Mar 31 2015 Apr 1 2016 Mar 31	Particulars Particulars By G's Capital A/c By Balance b/d By Interest		Cr. Amount (₹) 1,40,000 1,40,000 90,000 10,800
20 Mi 20 Mi 20 Mi 20 Mi	Dr. ate 15 ar 31 ar 31 16 ar 31 ar 31 ar 31	Particulars         To Bank A/c         To Balance c/d         To Bank A/c         To Balance c/d	Amount (₹) 50,000 90,000 1,40,000 40,800 60,000 1,00,800	H's Ac Date 2015 Mar 31 2015 Apr 1 2016 Mar 31	Particulars Particulars By G's Capital A/c By Balance b/d By Interest		Cr. Amount (₹) 1,40,000 1,40,000 90,000 10,800 1,00,800
20 Mi 20 Mi 20 Mi 20 Mi 20 20	Dr. ate 15 ar 31 ar 31 16 ar 31 ar 31 17	Particulars         To Bank A/c         To Balance c/d         To Bank A/c         To Balance c/d	Amount (₹) 50,000 90,000 1,40,000 40,800 60,000 1,00,800	H's Ac Date 2015 Mar 31 2015 Apr 1 2016 Mar 31 2016	Particulars Particulars By G's Capital A/c By Balance b/d By Interest		Cr. Amount (₹) 1,40,000 1,40,000 90,000 10,800 1,00,800
20 Mi 20 Mi 20 Mi 20 Mi 20 Mi	Dr. atte 15 ar 31 ar 31 16 ar 31 17 ar 31	Particulars         To Bank A/c         To Balance c/d         To Bank A/c         To Balance c/d         To Balance c/d	Amount (₹) 50,000 90,000 1,40,000 40,800 60,000 1,00,800 37,200	H's Ac Date 2015 Mar 31 2015 Apr 1 2016 Mar 31 2016 Apr 1 2016	Particulars Particulars By G's Capital A/c By Balance b/d By Interest By Balance b/d		Cr. Amount (₹) 1,40,000 1,40,000 90,000 10,800 1,00,800 60,000
20 Mi 20 Mi 20 Mi 20 Mi 20 Mi	Dr. ate 15 ar 31 ar 31 16 ar 31 17 ar 31 17 ar 31 ar 31	Particulars         To Bank A/c         To Balance c/d         To Bank A/c         To Balance c/d         To Bank A/c         To Bank A/c         To Bank A/c	Amount (₹) 50,000 90,000 1,40,000 40,800 60,000 1,00,800 37,200 20,000	H's Ac Date 2015 Mar 31 2015 Apr 1 2016 Mar 31 2016 Apr 1 2017 Mar 21	Particulars Particulars By G's Capital A/c By Balance b/d By Interest By Balance b/d By Laterest		Cr. Amount (₹) 1,40,000 1,40,000 90,000 10,800 1,00,800 60,000 7,200
20 Mi 20 Mi 20 Mi 20 Mi 20 Mi Mi	Dr. atte 15 ar 31 ar 31 16 ar 31 17 ar 31 17 ar 31 ar 31	Particulars         To Bank A/c         To Balance c/d         To Balance c/d         To Balance c/d         To Bank A/c         To Bank A/c         To Balance c/d	Amount         (₹)         50,000         90,000         1,40,000         40,800         60,000         1,00,800         37,200         30,000         67,200	H's Ac Date 2015 Mar 31 2015 Apr 1 2016 Mar 31 2016 Apr 1 2017 Mar 31	Particulars   Particulars   By G's Capital A/c   By Balance b/d   By Interest   By Balance b/d   By Interest		Cr. Amount (₹) 1,40,000 1,40,000 90,000 10,800 1,00,800 60,000 7,200 67,200
1 Da 20 Mi	Dr. ate 15 ar 31 ar 31 16 ar 31 17 ar 31 17 ar 31 17 ar 31 18	Particulars         To Bank A/c         To Balance c/d         To Bank A/c         To Balance c/d         To Bank A/c         To Bank A/c         To Balance c/d	Amount (₹) 50,000 90,000 1,40,000 40,800 60,000 1,00,800 37,200 30,000 67,200	H's Ac Date 2015 Mar 31 2015 Apr 1 2016 Mar 31 2016 Apr 1 2017 Mar 31	Particulars Particulars By G's Capital A/c By Balance b/d By Interest By Balance b/d By Interest		Cr. Amount (₹) 1,40,000 1,40,000 90,000 10,800 1,00,800 60,000 7,200 67,200

			2018				
			Mar 31	By Interest		3,600	
		33,600				33,600	
10		st					
13	Q. On 1°	* April, 2016 X Ltd. issued 10	100; 9% d	lebentures of	₹100 each a	at a	
	premiun	n of		exclu	ding the ent	ries for	
	iournal	ontries for the above transact	ions in th	rest on deber	itures, pass	necessary	
	Ans	churcs for the above transact	Journal		Liu.		
	Ans.		Juinai				
	Date	Particulars			Dr. (₹)	Cr. (₹)	
						(-)	
	2016	Bank A/c		Dr.	1,05,000	-	
	Apr 1	To 9% Debenture Application	and allotm	ent A/c		1,05,000	1 mark
		(Being 1,000, 9% Debentures o	f 100 each	issued at 5%			
		premium)					
	2016	9% Debenture Application and	allotment A	A/c Dr.	1,05,000	-	
	Apr 1	Loss on issue of debentures A/c		Dr.	8,000	-	
		To 9% debentures A/c				1,00,000	
		To Securities Premium Reserv	e A/c			5,000	
		To Premium on redemption of	Debenture	es A/c		8,000	1 mark
		(Being debentures issued at a pr	emium red	leemable at			
		a premium)					
	2018						
	Mar 31	Surplus i.e. balance in Statemer	t of Profit	& Loss Dr.	25,000		
		To Debenture Redemption Res	serve A/c			25,000	<sup>1</sup> / <sub>2</sub> mark
		(Being Debenture Redemption )	Reserve cre	eated out of			
		profits)					
	2018	8% Debenture Redemption Inve	estments A	/c Dr.	15,000		
	Apr.1	To Bank A/c				15,000	-
		(Being Debenture Redemption )	Investment	s purchased)			<sup>1</sup> /2 mark

· · · · ·						1
		Mar 31	To Interest on Debenture Redemption Investments A/c		1,200	
			(Being Interest received on Debenture Redemption			½ mark
			Investments)			
		2019	Bank A/c Dr.	15,000		
		Mar.31	To 8% Debenture Redemption Investments A/c		15,000	1/
			(Being Debenture Redemption Investments sold)			<sup>7</sup> <sup>2</sup> mark
		.د	9% Debentures A/c Dr.	1,00,000		
			Premium on redemption of Debentures A/c Dr.	8,000		
			To Debenture holders A/c	,	1.08.000	
			(Being amount payable to debenture holders on		-,,	½ mark
			redemption)			
		.د	Debenture holders A/a Dr	1 08 000		
			Ta Daula A/a	1,08,000	1 00 000	
					1,08,000	<sup>1</sup> / <sub>2</sub> mark
			(Being Debentures redeemed)			
				1.000		
			Interest on Debenture Redemption Investments Dr.	1,200	-	
			To Statement of Profit and Loss		1,200	
			(Being Interest on Debenture Redemption Investments			1/2
			transferred to Statement of Profit and Loss)			mank
						шагк
		دد	Debenture Redemption Reserve A/c Dr.	25,000		
			To General Reserve A/c		25,000	
			(Being Debenture Redemption Reserve transferred to			
			general reserve)			½ mark
						=
		•	l			6 marks
	1/	O From	the following Receipts and Payments Account and	additional		
	14		the following Receipts and Layments Account and			
		Informa	tion of Modern Health Club, prepare income and	Expenditure	Account	
		for the y	ear ended 31 <sup>st</sup> March, 2019 and the Balance Sheet	t as at 31 <sup>st</sup> M	larch,	
		2019.				
		Ans.				
1 1						1

Particulars	Amount	Particulars	Amount	
	(₹)		(₹)	
To depreciation on books	2,000	By Subscriptions 60,00	0	
		(+) Advance for current ye	ear	
To loss on sale of furniture	1,000	4,000	)	
		(-) Advance for next year		
To salaries	30,000	(5,000	))	3 marks
		(-) o/s for last year (3,000	))	
To rent	18,300	(+) o/s for current yr <u>4,000</u>	<u>)</u> 60,000	
To repairs	4,700	By donations	2,000	
To surplus	15,000	By interest on investments	9,000	
	71,000		71,000	
Balance Sheet of N	Aodern Hea	llth Club as on 31 <sup>st</sup> March	2019	
Liabilities	Amou	ant Assets	Amount	
	(₹)		(₹)	
Subscriptions received in advance	e 5,0	000 Cash	1,000	

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

	Capital Fund 2,14,500		Investments	1,80,000	
	Add Life membership fee 7,000		Outstanding Subscriptions	4,000	1 1/2
	Add Surplus <u>15,000</u>	2,36,500	Books	26,500	marks
			Building	30,000	
		2,41,500		2,41,500	
	Working Notes: Balance Sheet of	Modern H	Iealth Club as on 31 <sup>st</sup> Mar	ch 2018	
	Liabilities	Amount	Assets	Amount	
		(₹)		(₹)	
	Subscriptions received in	4,000	Cash	17,000	
	advance				
		<b>a</b> 1 <b>a</b> 500	Investments	1,80,000	1 1/2
	Capital Fund	2,14,500	Outstanding Subscriptions	3,000	marks = 3+1 <sup>1</sup> / <sub>2</sub> +
			Books	12,500	1 ½ =
			Furniture	6,000	6 marks
		2,18,500		2,18,500	
15	• O. X and Y are partners sharing	profits in t	he ratio of 3 : 2. Their part	tnership	
	deed provided	Complete	the Profit and Loss Appro	priation	
	Account for the year ended 31st N	Aarch, 201	9, Partners' Capital Accou	ints and	
	Current Accounts.				
	Ans.				

Particulars		Amou	int	Particulars		Amount	
		(₹)				(₹)	
To Interest on Cap	oital			By Profit and Los	s A/c- Net	2,82,860	
				Profit b/d1/2			
X's Current A/c	<b>18,000</b> <u>1/2</u>	]					
				By Interest on Dra	awings		
Y's Current A/c	<b>24,000</b> <u>1/2</u>	42,	000				
				X's Current A/c	600		
<u>To Salary</u>							
				Y's Current A/c	<u>540.</u> 1/2	1,140	3 ma
Y's Current A/c		$\frac{1}{2}$ 42,	000				5 1114
To Profit transferr	<u>ed to</u> :						
X's Current $\Delta/c$	1 20 000						
X 5 Current A/C	1,20,000						
Y's Current A/c	<b>80,000</b> ]	/2 2,00,	000				
		2,84,	000			2,84,000	
Dr.	]	Partners' (	Capi	tal Accounts		Cr.	
Particulars	X (₹)	Y (₹)	Pa	rticulars	X (₹)	Y (₹)	
To balance c/d	1,80,000	2,40,000	By	balance b/d	1,80,000	2,40,000	1 ma
	1,80,000	2,40,000			1,80,000	2,40,000	
						11	
Dr.		Partners	'Cı	urrent Accounts		Cr.	
Particulars	X (₹)	Y (₹)	Pa	rticulars	X (₹)	Y (₹)	
To Bank A/c	10,000	9,000	By	balance b/d	78,000	69,000	
To Bank A/c (Drawings)	10,000	9,000	By	balance b/d	78,000	69,000	

drawings 1/	600	540	Canital		
urawings 72	000	340			43 000
			By Salary 1/2	-	42,000
To balance c/d	2,05,400	2,05,460	By P/L		
1/2			Appropriation	1,20,000	80,000
			A/c- Profit $\frac{1}{2}$		
	2,16,000	2,15,000		2,16,000	2,15,000
				·	
			OR		
Q. X and Y are pa	artners in a	ı firm shari	ing profits and losse	s in the rati	o of 2 : 1.
Complete the Pro	fit and Los	s Appropri	iation A/c of X and Y	Y for the ye	ar ended
31 <sup>st</sup> March, 2019.					
Ans.					
	ss Appropi	riation A/c	for the year ended 3	81 <sup>st</sup> March 2	019 Cr.
Dr. Profit and Log			v		
Dr. Profit and Lo					
Dr. Profit and Lo		Amoun	t Particulars		Amount
Dr. Profit and Lo		Amoun (₹)	t Particulars		Amount (₹)
Dr. Profit and Los Particulars To Interest on Capi	ital	Amoun (₹)	t Particulars By Profit and Loss	s A/c- Net	Amount (₹)
Dr. Profit and Los Particulars To Interest on Capi X's Current A/c 4	ital • <b>5,000</b> [1/2]	Amoun (₹)	t Particulars By Profit and Loss Profit b/d	s A/c- Net	Amount (₹) 1 <b>3,00,000</b>
Dr. Profit and Los Particulars To Interest on Capi X's Current A/c 4 Y's Current A/c 2	ital 5,0001/2	Amoun (₹)	t Particulars By Profit and Loss Profit b/d	s A/c- Net	Amount (₹) 1 <b>3,00,000</b>
Dr. Profit and Log         Particulars         To Interest on Capi         X's Current A/c         Y's Current A/c         2	ital 5,0001/2 7,0001/2	Amoun (₹)	t Particulars By Profit and Loss Profit b/d 00 By Interest on Dra	s A/c- Net	Amount (₹) 1 <b>3,00,000</b>
Dr. Profit and Los Particulars To Interest on Capi X's Current A/c 4 Y's Current A/c 2 To Salary	ital 5 <b>,000</b> <u>1/2</u> 7 <b>,000</b> <u>1/2</u>	Amoun (₹)	t Particulars By Profit and Loss Profit b/d 00 By Interest on Dra X's Current A/c <b>3</b> ,	s A/c- Net wings ,600 <u>1/2</u>	Amount (₹) 1 <b>3,00,000</b>
Dr. Profit and Los Particulars To Interest on Capi X's Current A/c 4 Y's Current A/c 2 To Salary X's Current A/c	ital 5 <b>,000</b> <u>1/2</u> 7 <b>,000</b> <u>1/2</u>	Amoun (₹)	t Particulars By Profit and Loss Profit b/d 00 By Interest on Dra X's Current A/c 3, 00 Y's Current A/c 4	s A/c- Net wings ,600 <u>1/2</u> 4,320 <u>1/2</u>	Amount (₹) 13,00,000 1/2 7,920
Dr. Profit and LorParticularsTo Interest on CapiX's Current A/cY's Current A/cTo SalaryX's Current A/c	ital 5 <b>,000</b> <u>1/2</u> 7 <b>,000</b> <u>1/2</u>	Amoun (₹)	t Particulars By Profit and Loss Profit b/d 00 By Interest on Dra X's Current A/c 3, Y's Current A/c 4	s A/c- Net wings ,600 <u>1/2</u> 4,320 <u>1/2</u>	Amount (₹) 13,00,000 1/2 7,920
Dr. Profit and Log         Particulars         To Interest on Capi         X's Current A/c         Y's Current A/c         To Salary         X's Current A/c         To General Reserved	ital 5 <b>,000</b> <u>1/2</u> 7 <b>,000</b> <u>1/2</u>	Amoun (₹)	t Particulars By Profit and Loss Profit b/d 00 By Interest on Dra X's Current A/c 3 Y's Current A/c 4	s A/c- Net twings ,600 <u>1/2</u> 1,320 <u>1/2</u>	Amount (₹) 13,00,000 1/2 7,920
Dr. Profit and Log         Particulars         To Interest on Capi         X's Current A/c         Y's Current A/c         To Salary         X's Current A/c         To General Reserver	ital 5,000 <u>1/2</u> 7,000 <u>1/2</u>	Amoun (₹)	t Particulars By Profit and Loss Profit b/d By Interest on Dra X's Current A/c 3, Y's Current A/c 4	s A/c- Net wings ,600 <u>1/2</u> 1,320 <u>1/2</u>	Amount (₹) 13,00,000 1/2 7,920
Dr. Profit and Log         Particulars         To Interest on Capi         X's Current A/c         Y's Current A/c         To Salary         X's Current A/c         To General Reserve         To Profit transferre	ital 5,000 <u>1/2</u> 7,000 <u>1/2</u> e	Amoun (₹)	t Particulars By Profit and Loss Profit b/d By Interest on Dra X's Current A/c 3, Y's Current A/c 4	s A/c- Net wings ,600 <u>1/2</u> 4,320 <u>1/2</u>	Amount (₹) 13,00,000
Dr. Profit and Log         Particulars         To Interest on Capi         X's Current A/c         Y's Current A/c         To Salary         X's Current A/c         To General Reserve         To Profit transferre         X's Current A/c1,1	ital 5,000 <u>1/2</u> 7,000 <u>1/2</u> e e ed to: 5,280 <u>1/2</u>	Amoun (₹)	t Particulars By Profit and Loss Profit b/d By Interest on Dra X's Current A/c 3, Y's Current A/c 4	s A/c- Net wings ,600 <u>1/2</u> 4,320 <u>1/2</u>	Amount (₹) 13,00,000 1/2 7,920
Dr. Profit and Log         Particulars         To Interest on Capi         X's Current A/c         Y's Current A/c         To Salary         X's Current A/c         To General Reserve         To Profit transferre         X's Current A/c1,1         Y's Current A/c	ital 5,0001/2 7,0001/2 e e ed to: 5,2801/2 7,6401/2	Amoun (₹)	t Particulars By Profit and Loss Profit b/d By Interest on Dra X's Current A/c 3, Y's Current A/c 4	s A/c- Net wings ,600 <u>1/2</u> 1,320 <u>1/2</u>	Amount (₹) 13,00,000 1/2 7,920
Dr. Profit and LorParticularsTo Interest on CapiX's Current A/cY's Current A/cTo SalaryX's Current A/cTo General ReserveTo Profit transferreX's Current A/c1,1Y's Current A/c	ital 5,0001/2 7,0001/2 e e ed to: 5,2801/2 7,6401/2	Amoun (₹)	t Particulars By Profit and Loss Profit b/d By Interest on Dra X's Current A/c 3, Y's Current A/c 4 00	s A/c- Net wings ,600 <u>1/2</u> 1,320 <u>1/2</u>	Amount (₹) 13,00,000 1/2 7,920
Dr. Profit and Log         Particulars         To Interest on Capi         X's Current A/c         Y's Current A/c         To Salary         X's Current A/c         To General Reserve         To Profit transferre         X's Current A/c 1,1         Y's Current A/c 57	ital 5,0001/2 7,0001/2 e e ed to: 5,2801/2 7,6401/2	Amoun (₹) 72,00 	t Particulars By Profit and Loss Profit b/d By Interest on Dra X's Current A/c 3, Y's Current A/c 4 00 20	s A/c- Net wings ,600 <u>1/2</u> 1,320 <u>1/2</u>	Amount (₹) 13,00,000 1/2 7,920 3,07,920

Ans.								
Dr.			Reval	luat	ion A/c			Cr.
Particulars			Amou	unt	Particular	S		Amoun
			(₹)					(₹)
To Machinery	Į		1,20,0	000	By Land a	and Buildi	ing	2,40,00
To Provision	for doubt	ful debts	20,0	000				
To Profit tran	sferred to	:						
Lisa's Capita	l A/c	40,000						
Monika's Cap	oital A/c	40,000						
Nisha's Capit	al A/c	<u>20,000</u>	1,00,0	000				
			2,40,0	000				2,40,00
Dr.		F	Partners	Caj	pital Accou	unts		Cr.
			2	-				
Particulars	Lisa (₹)	Monika (₹)	Nisha (₹)	Par	ticulars	Lisa (₹)	Monika (₹)	Nisha
11	(.)		(.)					(

To Monika's				By	Lisa's	-	80,0	- 000	3 marks
loan A/c	-	10,60,000	-	Cap	oital A/c				
T. 1.1	18.00.000		0.00.000	D	NT. 1. 2		40.0		
To balance c/d	18,00,000		9,00,000	By Car	Nisha's	-	40,0	- 000	
				By	Current A/c	4,40,000		5,60,000	
				-					
	18,80,000	15,60,000	9,40,000			18,80,000	15,60,0	9,40,000	
Bal: Liabilities Trade Credito	ance Shee	t of the re	econstitu Amour (₹) 1,60,0	nt	firm as on Assets Land and	a <b>31<sup>st</sup> Mar</b> Building	rch 201	9 Amount (₹) 12,40,000	
Bills Payable			2,44,0	00	Machiner	у		10,80,000	1½ x 2
Employees P	rovident F	und	76,0	00	Stock			5,00,000	= 3 marks
Monika's Lo	an		10,60,0	00	Debtors Less Prov	4,00 vision for	,000		
Capitals Lisa 1	8,00,000				doubtful c	lebts <u>20</u>	<u>,000</u>	3,80,000	
Nisha g	9,00,000		27,00,0	00	Bank			40,000	
					Lisa's Cu	rrent A/c		4,40,000	
					Nisha's C	urrent A/a	;	5,60,000	=
			44,20,0	00				42,40,000	2+3+3
			0	R					= 8 marks OR
Q. On 31st M	arch, 2019	9 the Bala	ance She	et o	f Madan a	nd Moha	n who	share	

nrm.								
Ans. Dr.			Reva	luatio	n A/c		ſ	Cr.
Particulars			An	nount	Particulars			Amount
				(₹)				(₹)
To Workmen's o	compensa	tion claim	m	5,000	By Bank /bad recovered	debts		2,000
To Stock				3,000	By Patents			2,000
					By Loss trans	ferred to:		
					Madan's Capi Mohan's Capi	tal A/c 2, ital A/c <u>1</u> ,	,400 , <u>600</u>	4,000
				8,000				8,000
Dr.		Par	tners C	apital	Accounts			Cr.
Particulars	Madan (₹)	Mohan (₹)	Gopal (₹)	Partic	ulars	Madan	Mohan (₹)	Gopal (₹)
To Revaluation A/c	2,400	1,600	-	By Ba	lance b/d	60,000	40,000	-
To Balance c/d	63,600	52,400	23,200	By Pro goodw	emium for vill A/c	-	10,000	-
	1			1				

66,000 54,000	23.200			
Note: If the goodwill premium	,	66,000	54,000 23,200	
ccount first and then credite redit be given.	n brought by th d to his capital	he partner has been cro accounts in the sacrifi	edited to his cing ratio, full	
Liabilities	Amount	Assets	Amount	
	(₹)		(₹)	
Creditors	28,000	Cash at bank	45,200	
Employees Provident Fund	22,000	Debtors 65,000 Less Provision for		
Workmen's compensation claim	5,000	doubtful debts <u>5,000</u>	60,000	1½ x 2
Capitals: Madan 63,600		Stock	30,000	= 3 marks
Mohan         52,400           Gopal         23,200	1,39,200	Patents	59,000	= 2+3+3
	1,94,200		1,94,200	= 8 marks
	redit be given.         Balance Sheet of the Liabilities         Liabilities       Creditors         Creditors       Employees Provident Fund         Workmen's compensation claim       Capitals:         Madan       63,600         Mohan       52,400         Gopal       23,200	Balance Sheet of the reconstituted         Liabilities       Amount $(\overline{\zeta})$ ( $\overline{\zeta}$ )         Creditors       28,000         Employees Provident Fund       22,000         Workmen's compensation claim       5,000         Capitals:       5,000         Madan       63,600         Mohan       52,400         Gopal       23,200         1,39,200       1,94,200	Tredit be given.         Balance Sheet of the reconstituted firm as on 31 <sup>st</sup> March         Liabilities       Amount (₹)       Assets         Creditors       28,000       Cash at bank         Employees Provident Fund       22,000       Debtors       65,000         Workmen's compensation claim       5,000       doubtful debts       5,000         Capitals:       Stock       Patents       9         Madan       63,600       1,39,200       1,39,200       9         Debtors       1,94,200       1,94,200       100 000 equity shapes	rredit be given.         Balance Sheet of the reconstituted firm as on $31^{st}$ March 2018         Liabilities       Amount (₹)       Assets       Amount (₹)         Creditors       28,000       Cash at bank       45,200         Employees Provident Fund       22,000       Debtors       65,000         Workmen's compensation claim       5,000       Less Provision for       60,000         Madan       63,600       Patents       59,000         Gopal       23,200       1,39,200       1,94,200

· · · · · · · · · · · · · · · · · · ·					
	(Being application money received)				
	Equity Share Application and Allotment A/c	Dr.	11,50,000		
	To Equity Share Capital A/c			2,00,000	1½
	To Securities Premium Reserve A/c			4,00,000	marks
	To Calls in Advance A/c			4,82,000	marks
	To Bank A/c			68,000	
	(Being application money transferred to shar	e capital,			
	securities premium reserve, calls and the bala	ance refunded)			
	Equity Share First and Final call A/c	Dr.	10,00,000		
	To Equity Share Capital A/c			8,00,000	
	To Securities Premium Reserve A/c			2,00,000	1 mark
	(Being First call money due)				
	Bank A/c	Dr	5 11 600		
	$\frac{Dall K A/C}{Calls in arrears A/c}$	Di. Dr	5,11,000		
	Calls in advance A/a	Dr.	4 82 000		
	To Equity Share First and Final call A/a	DI.	4,82,000	10.00.000	
	(Being first call money received)			10,00,000	
	(Being first can money received)				1 1/2
	or				marks
	Bank A/c	Dr.	5,11,600		
	Calls in advance A/c	Dr.	4,82,000		
	To Equity Share First and Final call A/c			9,93,600	
	(Being first call money received)				
	Equity Share Capital A/c	Dr.	10,000		
	Securities Premium Reserve A/c	Dr.	2,000		
	To Share Forfeiture A/c			5,600	1 1
	To Calls in Arrears A/c/ Equity Share first and f	final call A/c		6,400	1 mark
	(Being Bali's shares forfeited for non payme	ent of first and			
	final call)				
	Bank A/c	Dr.	15,000		
	To Equity Share Capital A/c			10,000	
	To Securities Premium Reserve A/c			5,000	

	(Being Bali's shares reissued for $\overline{3}15$ per share fully pa	id)		
	Share Forfeiture A/c Dr.		5,600	
	To Capital Reserve A/c (Being balance in Share forfeiture account transferred t	0		5,600
	capital reserve)			
	OR			
Q. 'Ve	enus Ltd' was registered with an authorised capit	al of ₹4	40,00,000	divided
into 4,	00,000 equity shares of 10 each. 70,000 of these sl	hares w	vere issue	ed as fully
above	transactions in the books of 'Venus Ltd'.	ary jou	rnal entr	ies for the
Ans.				
	In the books of Venus Ltd.			
	Journal			
Date	Particulars		Dr. (₹)	Cr. (₹)
	Building A/c D	r.	7,00,000	
	To M/s Star Ltd.			7,00,000
	(Being building purchased from M/s Star Ltd.)			
	M/s Star Ltd. D	Pr.	7,00,000	
	To Equity Share Capital A/c			7,00,000
	(Being 70,000 shares issued as fully paid to Star L	td.		
	for payment of building purchased)			
	Bank A/c I	Dr.	6,00,000	
	To Equity Share Application A/c			6,00,000
1	(Being application money received on 2,00,000			
	shares)			

	To Equity Share Capital A/c			6,00,000	
()	Being application money transferred to sl	nare capital)			½ mark
E	quity Share Allotment A/c	Dr.	4,00,000		
	To Equity Share Capital A/c			4,00,000	
(1	Being Allotment money due on 2,00,000	shares)			<sup>1</sup> ⁄ <sub>2</sub> mark
В	ank A/c	Dr.	3,80,000		
1	To Equity Share Allotment A/c			3,80,000	
(1	Being allotment money received)				
	or				½ mark
В	ank A/c	Dr.	3,80,000		
С	alls in arrears A/c	Dr.	20,000		
	To Equity Share Allotment A/c			4,00,000	
(1	Being allotment money received)				
E	quity Share First call A/c	Dr.	4,00,000		
	To Equity Share Capital A/c			4,00,000	½ mark
(1	Being First call money due on 2,00,000 s	hares)			
В	ank A/c	Dr.	3,20,000		
1	To Equity Share First call A/c			3,20,000	
(]	Being first call money received)				
	or				1 mark
В	ank A/c	Dr.	3,20,000		
C	alls in arrears A/c	Dr.	80,000		
	To Equity Share First call A/c			4,00,000	
(1	Being first call money received				
E	quity Share Second and Final call A/c	Dr.	6,00,000		
	To Equity Share Capital A/c			6,00,000	
			1	<u> </u>	1/2

(Being First call money due on 2,00,000 share	es)			mark
Bank A/c To Equity Share Second and Final call A/c (Being first call money received)	Dr.	3,00,000	3,00,000	
or				1 mark
Bank A/c	Dr.	3,00,000		
Calls in arrears A/c	Dr.	3,00,000		
To Equity Share Second and Final call A/c (Being first call money received			6,00,000	
Equity Share Capital A/c	Dr.	1.00.000		
To Share Forfeiture A/c		_,	30.000	
To Equity Share Allotment A/c			20,000	
To Equity Share first call A/c			20,000	
To Equity Share Second and Final call A/c			30,000	
(Being shares forfeited)				
or				1 mark
Equity Share Capital A/c	Dr.	1,00,000		
To Share Forfeiture A/c			30,000	
To Calls in Arrears A/c			70,000	
(Being shares forfeited)				
Bank A/c	Dr.	1,20,000		
To Equity Share Capital A/c			1,00,000	
To Securities Premium Reserve A/c			20,000	
(Being shares reissued for ₹12 per share fully	y paid)			<sup>1</sup> ⁄ <sub>2</sub> mark
Share Forfeiture A/c	Dr.	30,000		

		To Capital Reserve A/c		30,000	
		(Being balance in Share forfeiture account tra	nsferred		½ mark
		to capital reserve)			
		-			=
		•			8 marks
		PART B			
		<b>OPTION 1</b>			
		Analysis of Financial State	ements		
18	Q. Wh	at is meant by Cash Flow Statement?			
	Ans. C	ash Flow Statement is a statement showing infl	lows and outflows of	cash and	1 mark
	cash eo	uivalents during a particular period.			
19	Q. Cas	hier of Y Ltd withdrew 2,00,000 from the ba	ank. Will this transa	ction	
	result	nto inflow, outflow or no flow of cash? Give	reason in support o	f vour	
	answei	•	The second se	J	
	Ans. N	o flow of cash as there is no change in cash and	d cash equivalents		1 mark
	1 1 1 1 1 1 1				
20	O. Und	ler which sub-headings will the following ite	ms be presented in t	he	
	Ralanc	e Sheet of a company as per Schedule-III P	art-I of the Compan	ies Act	
	2013?	e sheet of a company as per schedule in, i	are r or ene compan		
	Ans.				
		Item	Sub Head		
	(i)	General Reserve	Reserves and Surplus		
		General Reserve	Reserves and Surplus		
	(ii)	Bank drafts in hand	Cash and Cash Equiv	alents	
			Cubit und Cubit Equit	arents	
	(iii)	9% loan from a financial institution	Long Term borrowin	σs	
	(iv)	Furniture	Fixed assets- Tangihl	e	
				~]	

		(v)	Debenture Redemption	Reserve	Reserv	es and Surp	lus	1 x 3
		(vi)	Trade Marks		Fixed	assets- Intan	gible	
		(vii)	Sundry Creditors		Trade	Payables		=
		(viii)	Bills Receivables		Trade	Receivables		4 marks
	21	Q. Prep from th	pare a Common-Size State the following information	atement of Pro a:	fit and Loss	of 'Hari Da	arshan Ltd.'	
		Ans.	In the l	books of 'Hari	Darshan Lt	t <b>d.</b> '		
			Common Si	ze Statement o	of Profit and	l Loss		
			for the years end	led 31 <sup>st</sup> March	2018 and 31	l <sup>st</sup> March 2(	)19	
		Partic	ulars	Absolute	e amount	Percer	ntage of	
						Reven	ue from	
						oper	ations	
				2017-18	2018-19	2017-18	2017-18	
				(₹)	(₹)	(%)	(%)	
		Reven	ue from operations	10,00,000	20,00,000	100	100	1/2
		Add O	ther income	50,000	60,000	5	3	1/2
		Total I	Revenue	10,50,000	20,60,000	105	103	
		Less E	xpenses:					
		Purcha	se of stock in trade	4,20,000	7,70,000	42	38.5	1/2
		Chang	es in inventories	80,000	1,20,000	8	6	1/2
		Other	expenses	30,000	52,000	3	2.6	1⁄2
								1/2

Total Expenses	5,30,000	9,42,000	53	47.1
Profit before Tax	5,20,000	11,18,000	52	55.9
Less Tax @50%	2,60,000	5,59,000	26	27.95
Profit after Tax	2,60,000	5,59,000	26	27.95
). Following information is	OR s extracted from	the Stateme	nt of Profit	and Loss of
elko Ltd. for the year end	ed 31 <sup>st</sup> March, 20 In the books of I	019: Delko Ltd.		
~	enting Statement	of Profit an	d Loss	
Compar	rative Statement	of i font and		
Compar for the years	ended 31 <sup>st</sup> Marc	h 2018 and 3	81 <sup>st</sup> March 2	2019
Compar for the years Particulars	ended 31 <sup>st</sup> Marc	h 2018 and 3	B1 <sup>st</sup> March 2 Absolute	2019 Percentage
Compar for the years Particulars	ended 31 <sup>st</sup> Marc 2017-18 (₹)	h 2018 and 3 2018-19 (₹)	31 <sup>st</sup> March 2 Absolute Increase/	2019 Percentage Increase/
Compar for the years Particulars	ended 31 <sup>st</sup> Marc 2017-18 (₹)	0111011t and 3 2018-19 (₹)	Absolute Increase/ Decrease	2019 Percentage Increase/ Decrease
Compar for the years Particulars	ended 31 <sup>st</sup> Marc 2017-18 (₹)	h 2018 and 3 2018-19 (₹)	Absolute Absolute Increase/ Decrease (₹)	2019 Percentage Increase/ Decrease (%)
Compar for the years Particulars Revenue from operations	ended 31 <sup>st</sup> Marc 2017-18 (₹) 45,00,000	0111011t and 3 2018-19 (₹) 60,00,000	Absolute Absolute Increase/ Decrease (₹) 15,00,000	2019 Percentage Increase/ Decrease (%) 33.33
Compar for the years Particulars Revenue from operations Less	ended 31 <sup>st</sup> Marc 2017-18 (₹) 45,00,000	h 2018 and 3	Absolute Absolute Increase/ Decrease (₹) 15,00,000	2019 Percentage Increase/ Decrease (%) 33.33
For the years         Particulars         Revenue from operations         Less         Employee benefit expenses	Cative Statement         ended 31 <sup>st</sup> Marcl         2017-18         (₹)         45,00,000         22,50,000	<b>2018 and 3 2018-19</b> (₹)         60,00,000         30,00,000	A boos Absolute Increase/ Decrease (₹) 15,00,000 7,50,000	2019 Percentage Increase/ Decrease (%) 33.33
Compar         for the years         Particulars         Revenue from operations         Less         Employee benefit expenses         Depreciation	2017-18         (₹)         45,00,000         6,00,000	<b>2018 and 3 2018-19</b> (₹)         60,00,000         30,00,000         7,50,000	Absolute Absolute Increase/ Decrease (₹) 15,00,000 7,50,000 1,50,000	2019 Percentage Increase/ Decrease (%) 33.33 33.33
Compar         for the years         Particulars         Revenue from operations         Less         Employee benefit expenses         Depreciation         Other expenses	2017-18         (₹)         45,00,000         6,00,000         10,00,000	<b>2018 and 3 2018-19</b> (₹)         60,00,000         30,00,000         7,50,000         15,50,000	Absolute Absolute Increase/ Decrease (₹) 15,00,000 7,50,000 1,50,000 5,50,000	2019 Percentage Increase/ Decrease (%) 33.33 33.33 25 55

							1/2
		Drofit hofore Toy	6 50 000	7 00 000	50.000	7.60	1/
		Profit before Tax	6,50,000	7,00,000	50,000	/.09	/2
		Less Tax @50%	3,25,000	3,50,000	25,000	7.69	1⁄2
		Profit after Tax	3,25,000	3,50,000	25,000	7.69	=
							½ x 8
							=
 ,	<u>,,</u>	<b>O</b> From the given information	calculate th	e following i	ratios		4 marks
		(i) Operating Ratio	carculate th		anos.		
		(ii) Inventory Turnover Ratio					
		Ans.					
		(i) Operating ratio = $Cost of Rever$	nue from ope	erations + Or	perating expe	enses x 100	
		Net	Revenue fro	m operations	s	<u>11505</u> A 100	
		Cash Revenue from operations $=$	₹10,00,000				
		Credit Revenue from operations =	₹12,00,000				
		Therefore, Total Revenue from op	erations = $\exists$	22,00,000			
		Operating expenses = $10\%$ of $= 22$	,00,000 = ₹2	2,20,000			
		Gross profit = 40% of ₹22,00,000					
		= ₹8,80,000					
		So, Cost of Revenue from operation	ons = ₹13,20	),000			

$\exists 22,00,000$ + $= 70\%$ 2 marks $= 70\%$ 4 marks(ii) Inventory Turnover ratio = Cost of Revenue from operations Average Inventory $= \exists 13,20,000/\exists 1,60,000$
= 70% (ii) Inventory Turnover ratio = Cost of Revenue from operations Average Inventory $= \overline{13,20,000}/\overline{1,60,000}$
= 70% (ii) Inventory Turnover ratio = Cost of Revenue from operations Average Inventory $= \overline{13,20,000}/\overline{1,60,000}$
(ii) Inventory Turnover ratio = $\underline{Cost of Revenue from operations}$ Average Inventory4marks $= \overline{13,20,000}/\overline{1,60,000}$
(ii) Inventory Turnover ratio = $\underline{\text{Cost of Revenue from operations}}$ Average Inventory = $\overline{3}13,20,000/\overline{3}1,60,000$
Average Inventory = ₹13,20,000/₹1,60,000
= ₹13,20,000/₹1,60,000
= ₹13,20,000/₹1,60,000
=8.25 times
OR
Q. (A) Net profit after interest and tax of M Ltd. was ₹1,00,000. Its Current Assets
were ₹4,00,000 and Current Liabilities were ₹2,00,000. Tax rate was 50%. Its Total
Assets were ₹10.00.000 and 10% Long term debt was ₹4.00.000. Calculate Return on
Investment
(B) Rate of Gross profit on Revenue from operations of a company is 25%. Its Gross
profit is ₹5,00,000. Its Shareholders' Funds are ₹25,00,000; Non-current Liabilities
are ₹8.00.000 and Non-current Assets are ₹23.00.000.
Calculate its Working Capital Turnover Ratio
Ans.
(A) Return on Investment = Profit before interest and tax $x = 100$
Capital employed
Profit before interest and tax = $\overline{2}1\ 00\ 000 + \overline{2}1\ 00\ 000 + \overline{2}40\ 000$
=₹2.40.000
- \2,40,000
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23

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

Net increase in Cash	n and Cash equ	uivalents		
Add Opening balance	e of Cash and C	Cash equivalents		
Current Inves	tments	-	1,70,000	
Cash and Cash	h equivalents		40,000	<u>2,10,000</u>
Clasing balance of C	wale and Cash	and in all and a		
Current Invest	asn ana Casn e	equivalents	1 40 000	
Current Invest			70,000	2 10 000
Cash and Cash	requivalents		/0,000	<u>2,10,000</u>
Working Notes:			1	1
Calculation of Net Pro	fit before Tax:			
		(₹)		
Net profit		3,00,000		
Add Provision for Tax		<u>2,00,000</u>		
		<u>5,00,000</u>		
Dr.		Machinery A/c		Cr.
Particulars	Amount (₹)	Particulars		Amount (₹)
To balance b/d	20,00,000	By Cash (sale)		50,000
To Profit on sale	10,000	By Accumulated of	depreciation	40,000
To Bank (purchase)	6,80,000	By balance c/d		26,00,000
	26.90,000			26 90 000

		Particulars	Amount (₹)	Particulars	Amount (₹)	
		To Machinery A/c	40.000	By balance h/d	1.00.000	
		To Machinery A/C	40,000	By balance b/u	1,00,000	
		To balance c/d	2,00,000	By depreciation	1,40,000	½ mark
			2,40,000		2,40,000	
						= 6 marks
				PARTB		0 mar ks
				OPTION II		
			Compu	terised Accounting		
1	18	Q. Name the data ele	ment in accou	nting transaction.		
						1 mark
		Ans. A data element is	s the smallest na	amed unit of data in the informati	on system. In	
		accounting, a transacti	on consists of f	our data elements, such as name	of the account,	
		accounting code, date	of transaction a	nd amount.		
]	19	Q. What is meant by	<b>'Primary Key</b>	??		
		<b>Ans.</b> Primary key is a	key in the relat	ional database that is unique for e	ach record. It	
		consists of minimum r	oossible one or	more than one attributes of a table	e such as	1 mark
		telephone number with	h area code.			
		-				
	20	Q. State the features	of a good acco	unting software.		
		Ans. Following are the	e features of ac	counting software: (Any four)		
		(i) Does all basic acco	unting function	S.		

	(ii) Manages your stores.	
	(iii) Does job costing.	
	(iv) Manages payroll.	1 4
	(v) Get many MIS (Management Information System)	$\begin{array}{c} 1 \times 4 \\ = \\ 4 \text{ marks} \end{array}$
	(vi) Filing of tax returns.	4 111 8
	(vii) Maintaining budgets.	
	(viii) Calculation of pending amount of interest.	
	(ix) Manages and synchronises data over different locations.	
	OR	OR
	Q. State the steps involved in installation of a computerised accounting system.	
	<ul><li>Q. State the steps involved in installation of a computerised accounting system.</li><li>Ans. For installation of computerised accounting system the following steps are required:</li></ul>	
	<ul> <li>Q. State the steps involved in installation of a computerised accounting system.</li> <li>Ans. For installation of computerised accounting system the following steps are required:</li> <li>(i) Insert CD in the system.</li> </ul>	
	<ul> <li>Q. State the steps involved in installation of a computerised accounting system.</li> <li>Ans. For installation of computerised accounting system the following steps are required:</li> <li>(i) Insert CD in the system.</li> <li>(ii) After inserting CD select the option in following steps;</li> </ul>	
	<ul> <li>Q. State the steps involved in installation of a computerised accounting system.</li> <li>Ans. For installation of computerised accounting system the following steps are required: <ul> <li>(i) Insert CD in the system.</li> <li>(ii) After inserting CD select the option in following steps;</li> <li>a) Select any (C:or E:or D: )from My computer icon on the desktop double</li> </ul></li></ul>	4 marks
	<ul> <li>Q. State the steps involved in installation of a computerised accounting system.</li> <li>Ans. For installation of computerised accounting system the following steps are required: <ul> <li>(i) Insert CD in the system.</li> <li>(ii) After inserting CD select the option in following steps; <ul> <li>a) Select any (C:or E:or D: )from My computer icon on the desktop double click on install.exe .</li> </ul> </li> </ul></li></ul>	4 marks
	<ul> <li>Q. State the steps involved in installation of a computerised accounting system.</li> <li>Ans. For installation of computerised accounting system the following steps are required: <ul> <li>(i) Insert CD in the system.</li> <li>(ii) After inserting CD select the option in following steps;</li> <li>a) Select any (C:or E:or D: )from My computer icon on the desktop double click on install.exe .</li> <li>OR</li> </ul> </li> </ul>	4 marks
	<ul> <li>Q. State the steps involved in installation of a computerised accounting system.</li> <li>Ans. For installation of computerised accounting system the following steps are required: <ul> <li>(i) Insert CD in the system.</li> <li>(ii) After inserting CD select the option in following steps;</li> <li>a) Select any (C:or E:or D: )from My computer icon on the desktop double click on install.exe .</li> <li>OR</li> <li>a) Select start&gt;run&gt;type the file name E:\install.exe</li> </ul> </li> </ul>	4 marks
21	<ul> <li>Q. State the steps involved in installation of a computerised accounting system.</li> <li>Ans. For installation of computerised accounting system the following steps are required: <ul> <li>(i) Insert CD in the system.</li> <li>(ii) After inserting CD select the option in following steps;</li> <li>a) Select any (C:or E:or D: )from My computer icon on the desktop double click on install.exe .</li> <li>OR <ul> <li>a) Select start&gt;run&gt;type the file name E:\install.exe</li> </ul> </li> <li>Q. Explain the terms 'Password Security' and 'Data Vault'.</li> </ul></li></ul>	4 marks
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		It is a widely accepted security control to access the data Only an	
		authorized person can access the data. Any user who does not know the	2 marks
		password cannot retrieve information from the system. It ensures data	
		integrity. It uses a binary encoding format of storage and offers access to	
		the database.	
		Data vault	
		Software provides additional security for the imputed data and this feature	
		is referred to as data vault. Data vault ensures that original information is	2 marks
		presented and is not tempered. Data vault password cannot be broken. Some	=
		software uses data encryption method.	
			2+2
			=
			4 marks
	22	Q. Explain 'Sequential' and 'Mnemonic' codes.	
		Ans.	
		Sequential codes	
		These are codes in which code numbers and/or letters are assigned in a consecutive	
		order. These codes are applied primarily to source documents such as cheques	
		invoices etc. This facilitates document searches. This process enables either	2 marks
		identification of missing codes (numbers) relating to a particular document or a	
		relevant document can be traced	
		Mnemonic codes	
		These codes consist of alphabets or abbreviations as symbols to codify a piece of	2 marks
		information. SJ for sales journal HO for Headquarters are examples of mnemonic	=
		codes	2+2
			=

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

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