

The Question Paper Design, Syllabus,  
Sample Question Paper  
and  
Marking Scheme  
In  
Accountancy (Code No.055)  
Class XII  
Effective for Board Examination 2015  
**CENTRAL BOARD OF SECONDARY EDUCATION**

**SYLLABUS**  
**Accountancy (Code No. 055)**  
**Class–XII (March 2015)**

**One Paper** **3 Hours**  
**Marks** **Theory 80 Marks+ 20**

| Units  | Periods    | Marks     |
|--|------------|-----------|
| <b>Part A Accounting for Partnership Firms and Companies</b> |            |           |
| Unit 1. Accounting for Partnership Firms                     | 90         | 35        |
| Unit 2. Accounting for Companies                             | 60         | 25        |
|  | <b>150</b> | <b>60</b> |
| <b>Part B Financial Statement Analysis</b>                   |            |           |
| Unit 3. Analysis of Financial Statements                     | 30         | 12        |
| Unit 4. Cash Flow Statement                                  | 20         | 8         |
|  | <b>50</b>  | <b>20</b> |
| <b>Part C Project Work</b>                                   | <b>40</b>  | <b>20</b> |
| Project work will include:                                   |            |           |
| Project File : 4 Marks                                       |            |           |
| Written Test : 12 Marks (One Hour)                           |            |           |
| Viva Voce : 4 Marks  |            |           |
| <b>OR</b>  |            |           |
| <b>Part B Computerized Accounting</b>                        |            |           |
| Unit 3 . Computerized Accounting                             | 60         | 20        |
| <b>Part C Practical Work</b>                                 | <b>26</b>  | <b>20</b> |
| Practical work will include:                                 |            |           |
| File : 4 Marks   |            |           |
| Practical Examination : 12 Marks (One Hour)                  |            |           |
| Viva Voce : 4 Marks  |            |           |

**Part A: Accounting for Partnership Firms and Companies**

**60 Marks 150 Periods**

**Unit 1: Accounting for Partnership Firms**

- Partnership: features, Partnership deed.
- Provisions of the Indian Partnership Act 1932 in the absence of partnership deed.
- Fixed v/s fluctuating capital accounts. Preparation of Profit & Loss Appropriation account- division of Profit among partners, guarantee of profits.
- Past adjustments (relating to interest on capital, interest on drawing, salary and profit sharing ratio).
- Goodwill: nature, factors affecting and methods of valuation - average profit, super profit and capitalization.

*Scope: Interest on partner's loan is to be treated as a charge against profits.*

**Accounting for Partnership firms - Reconstitution and Dissolution.**

- **Change in the Profit Sharing Ratio** among the existing partners - sacrificing ratio, gaining ratio. Accounting for revaluation of assets and re-assessment of liabilities and treatment of reserves and Accumulated profits.
- **Admission of a partner** - effect of admission of a partner on change in the profit sharing ratio, treatment of goodwill (as per AS 26), treatment for revaluation of assets and re - assessment of

liabilities, treatment of reserves and accumulated profits, adjustment of capital accounts and preparation of balance sheet.

- **Retirement and death of a partner:**

Effect of retirement /death of a partner on change in profit sharing Ratio, treatment of goodwill (as per AS 26), treatment for revaluation of assets and re - assessment of Liabilities, adjustment of accumulated profits and reserves, adjustment of capital accounts and preparation of balance sheet. Preparation of loan account of the retiring partner.

- Calculation of deceased partner's share of profit till the date of death. Preparation of deceased Partner's capital account, executor's account and preparation of balance sheet.

- Dissolution of a partnership firm: types of dissolution of a firm. Settlement of accounts - preparation of

Realization account, and other related accounts: Capital accounts of partners and Cash/Bank A/c (Excluding piecemeal distribution, sale to a company and insolvency of partner(s)).

**Note:**

(i) If value of asset is not given, its realized value should be taken as nil.

(ii) In case, the realization expenses are borne by a partner, clear indication should be given regarding the payment thereof.

## Unit 2: Accounting for Companies

### Accounting for Share Capital

- **Share and share capital:** nature and types.
- **Accounting for share capital:** issue and allotment of equity shares, private placement of shares, Public subscription of shares - over subscription and under subscription of shares; Issue at par and at premium and at discount, calls in advance and arrears (excluding interest), issue of shares for consideration other than cash.
- Accounting treatment of forfeiture and re-issue of shares.
- Disclosure of share capital in company's Balance Sheet.

### Accounting for Debentures

- **Debentures:** Issue of debentures at par, at a premium and at a discount. Issue of debentures for consideration other than cash; Issue of debentures with terms of redemption; debentures as collateral security-concept, interest on debentures.
- **Redemption of debentures:** Lump sum, draw of lots and purchase in the open market (excluding and cum- interest). Creation of Debenture Redemption Reserve.

## Part B: (i) Financial Statement Analysis

20 Marks 50 Periods

### Unit 3: Analysis of Financial Statements

- **Financial statements of a company:** Statement of Profit and Loss and Balance Sheet in the prescribed form with major headings and sub headings (as per Schedule VI to the Companies Act, 1956).

**Scope:** Exceptional Items, Extraordinary Items and Profit (loss) from Discontinued Operations are excluded.

- **Financial Statement Analysis:** Objectives and limitations.
- **Tools for Financial Statement Analysis:** Comparative statements, common size statements, cash flow Analysis, ratio analysis.

- **Accounting Ratios:** Objectives, classification and computation.

**Liquidity Ratios:** Current ratio and Quick ratio.

**Solvency Ratios:** Debt to Equity Ratio, Total Asset to Debt Ratio, Proprietary Ratio and Interest Coverage Ratio.

**Activity Ratios:** Inventory Turnover Ratio, Trade Receivables Turnover Ratio, Trade Payables Turnover Ratio and Working Capital Turnover Ratio.

**Profitability Ratios:** Gross Profit Ratio, Operating Ratio, Operating Profit Ratio, Net Profit Ratio and Return on Investment.

**Scope:** As ratio analysis is a managerial tool, for the computation of profitability ratios, relevant information should be specified whether it is a part of Statement of Profit and Loss as per Schedule VI or not.

#### Unit 4: Cash Flow Statement

- Meaning, objectives and preparation (as per AS 3 (Revised) (Indirect Method only)

**Scope:**

- (i) Adjustments relating to depreciation and amortization, profit or loss on sale of assets including investments, Dividend (both final and interim) and tax.
- (ii) Bank overdraft and cash credit to be treated as short term borrowings.
- (iii) Current Investments to be taken as Marketable securities unless otherwise specified.

#### PROJECT WORK

**20 Marks 40 Periods**

Kindly refer to the Guidelines published by the CBSE.

OR

#### Part B: Computerized Accounting

**20 Marks 60 Periods**

#### Unit 3: Computerized Accounting

##### Overview of Computerized Accounting System

- Introduction: Application in Accounting.
- Features of computerized Accounting System.
- Structure of CAS.
- Software Packages: Generic; Specific; Tailored.

##### Accounting Application of Electronic Spreadsheet

- Concept of Electronic Spreadsheet.
- Features offered by Electronic Spreadsheet.
- Application in Generating Accounting Information - Bank Reconciliation Statement; Asset Accounting; Loan Repayment of loan schedule, Ratio Analysis
- Data Representation- Graphs, Charts and Diagrams.

##### Using Computerized Accounting System

- Steps in installation of CAS, codification and Hierarchy of account heads, creation of accounts.
- Data: Entry, Validation and Verification.
- Adjusting entries, preparation of balance sheet, profit and loss account with closing entries and opening entries.

- Need and security features of the system.

### **Database Management System (DBMS)**

- Concept and Features of DBMS.
- DBMS in Business Application.
- Generating Accounting Information - Payroll.

### **Part C: Practical Work**

**20 Marks 26 Periods**

Please refer to the guidelines published by CBSE.

**Question Paper Design**  
**Accountancy (Code No. 055)**  
**Class XII (2014-15)**  
**March 2015 Examination**

**One Paper**

**Theory: 80 Marks**

**Duration: 3 hrs.**

| S. No | Typology of Question  | Very Short Answer Mark | Short Answer I 3 Marks | Short Answer II 4Marks | Long Answer I 6 Marks | Long Answer II 8marks | Marks                 | Marks % |
|-------|---|------------------------|------------------------|------------------------|-----------------------|-----------------------|-----------------------|---------|
| 1.    | <b>Remembering- (Knowledge based)</b><br>Simple recall questions, to know specific facts, terms, concepts, principles, or theories; Identify, define, or recite, information)   | 3                      | 1                      | 2                      | 1                     | -                     | 20                    | 25%     |
| 2.    | <b>Understanding- (Comprehension –to be familiar with meaning and to understand conceptually, interpret, compare, contrast, explain, paraphrase, or interpret information)</b>  | 2                      | -                      | 1                      | 1                     | 1                     | 20                    | 25%     |
| 3.    | <b>Application</b> (Use abstract information in concrete situation, to apply knowledge to new situations; Use given content to interpret a situation, provide an example, or solve a problem)-  | -                      | 2                      | 1                      | 1                     | -                     | 16                    | 20%     |
| 4.    | <b>High Order Thinking Skills (Analysis &amp; Synthesis-</b> Classify, compare, contrast, or differentiate between different pieces of information; Organize and/or integrate unique pieces of information from a variety of sources) | 2                      | -                      | -                      | 1                     | 1                     | 16                    | 20%     |
| 5.    | <b>Evaluation and Multi-Disciplinary-</b> (Appraise, judge, and/or justify the value or worth of a decision or outcome, or to predict outcomes based on values)   | 1                      | 1                      | 1                      | -                     | -                     | 08                    | 10%     |
| 6.    | <b>TOTAL</b>  | 8x1=8                  | 4x3=12                 | 5x4=20                 | 4x6=24                | 2x8=16                | 80(23)+20<br>Projects | 100%    |

**SAMPLE QUESTION PAPER**  
**ACCOUNTANCY (055) CLASS-XII**  
**2015**

Time allowed –Three hours

Max Marks 80

**General Instructions:**

- 1) This question paper contains two parts A and B.
- 2) Part A is compulsory for all.
- 3) Part B has two options-Financial statement Analysis and Computerised Accounting.
- 4) Attempt only one option of Part B.
- 5) All parts of a question should be attempted at one place.

**PART A: ACCOUNTING FOR PARTNERSHIP FIRMS AND COMPANIES**

1. Any change in the relationship of existing partners which results in an end of the existing agreement and enforces making of a new agreement is called

- (a) Revaluation of partnership.
- (b) Reconstitution of partnership.
- (c) Realization of partnership.
- (d) None of the above.

(1)

2. Karan, Nakul and Asha were partners in a firm sharing profits and losses in the ratio 3:2:1. At the time of admission of a partner, the goodwill of the firm was valued at ₹2,00,000. The accountant of the firm passed the entry in the books of accounts and thereafter showed goodwill at ₹2,00,000 as an asset in the Balance Sheet. Was he correct in doing so? Why?

(1)

3. Anu, Bina and Charan are partners. The firm had given a loan of ₹20,000 to Bina. They decided to dissolve the firm. In the event of dissolution, the loan will be settled by:

- (a) Transferring it to debit side of Realization account.
- (b) Transferring it to credit side of Realization account.
- (c) Transferring it to debit side of Bina's capital account.
- (d) Bina paying Anu and Charan privately.

(1)

4. Differentiate between 'Capital Reserve' and 'Reserve Capital'.

(1)

5. Metacaf Ltd. issued 50,000 shares of ₹ 100 each payable ₹20 on application (on 1<sup>st</sup> May 2012); ₹30 on allotment (on 1<sup>st</sup> January 2013); ₹20 on first call (on 1<sup>st</sup> July 2013) and the balance on final call (on 1<sup>st</sup> February 2014). Shankar, a shareholder holding 5,000 shares did not pay the first call on the due date. The second call was made and Shankar paid the first call amount along with the second call. All sums due were received.

Total amount received on 1<sup>st</sup> February was:

- (a) ₹15,00,000
- (b) ₹16,00,000
- (c) ₹10,00,000
- (d) ₹11,00,000

(1)

6. Abha and Beena were partners sharing profits and losses in the ratio of 3:2. On April 1<sup>st</sup> 2013, they decided to admit Chanda for 1/5<sup>th</sup> share in the profits. They had a reserve of ₹25,000 which they wanted

to show in their new balance sheet. Chanda agreed and the necessary adjustments were made in the books. On October 1<sup>st</sup> 2013, Abha met with an accident and died. Beena and Chanda decided to admit Abha's daughter Fiza in their partnership, who agreed to bring ₹2,00,000 as capital. Calculate Abha's share in the reserve on the date of her death. (1)

7. State any three purposes for which securities premium can be utilized. (3)

8. Ankur and Bobby were into the business of providing software solutions in India. They were sharing profits and losses in the ratio 3:2. They admitted Rohit for a 1/5 share in the firm. Rohit, an alumni of IIT, Chennai would help them to expand their business to various South African countries where he had been working earlier. Rohit is guaranteed a minimum profit of ₹2,00,000 for the year. Any deficiency in Rohit's share is to be borne by Ankur and Bobby in the ratio 4:1. Losses for the year were ₹10,00,000. Pass the necessary journal entries (3)

9. Newbie Ltd. was registered with an authorized capital of ₹5,00,000 divided into 50,000 equity shares of ₹10 each. Since the economy was in robust shape, the company decided to offer to the public for subscription 30,000 equity shares of ₹10 each at a premium of ₹20 per share. Applications for 28,000 shares were received and allotment was made to all the applicants. All calls were made and duly received except the final call of ₹ 2 per share on 200 shares. Show the 'Share Capital' in the Balance Sheet of Newbie Ltd. as per Schedule VI of the Companies Act 1956. Also prepare Notes to Accounts for the same. (3)

10. Drumbeats Ltd. had a prosperous shoe business. They were manufacturing shoes in India and exporting to Italy. Being a socially aware organization, they wanted to pay back to the society. They decided to not only supply free shoes to 50 orphanages in various parts of the country but also give employment to children from those orphanages who were above 18 years of age. In order to meet the fund requirements, they decided to raise 50,000 equity shares of ₹ 50 each and 40,000 9% debentures of ₹ 40 each. Pass the necessary journal entries for issue of shares and debentures. Also identify one value which the company wants to communicate to the society. (3)

11. Following is the Balance Sheet of Punita, Rashi and Seema who are sharing profits in the ratio 2:1:2 as on 31<sup>st</sup> March 2013. (4)

| Liabilities   |                 | Amount(₹) | Assets                  |  | Amount(₹) |
|---------------|-----------------|-----------|-------------------------|--|-----------|
| Creditors     |                 | 38,000    | Building                |  | 2,40,000  |
| Bills Payable |                 | 2,000     | Stock                   |  | 65,000    |
| Capitals:     |                 |           | Debtors                 |  | 30,000    |
| Punita        | 1,44,000        |           | Cash at bank            |  | 5,000     |
| Rashi         | 92,000          |           | Profit and Loss Account |  | 60,000    |
| Seema         | <u>1,24,000</u> | 3,60,000  |                         |  |           |
|               |                 | 4,00,000  |                         |  | 4,00,000  |

Punita died on 30<sup>th</sup> September 2013. She had withdrawn 44,000 from her capital on July 1, 2013. According to the partnership agreement, she was entitled to interest on capital @8% p.a. Her share of profit till the date of death was to be calculated on the basis of the average profits of the last three years. Goodwill was to be calculated on the basis of three times the average profits of the last four years. The profits for the years ended 2009-10, 2010-11 and 2011-12 were ₹30,000, ₹70,000 and ₹80,000 respectively.

Prepare Punita's account to be rendered to her executors.



12. Kanika and Gautam are partners doing a dry cleaning business in Lucknow, sharing profits in the ratio 2:1 with capitals ₹5,00,000 and ₹4,00,000 respectively. Kanika withdrew the following amounts during the year to pay the hostel expenses of her son.

|                       | ₹      |
|-----------------------|--------|
| 1 <sup>st</sup> April | 10,000 |
| 1 <sup>st</sup> June  | 9,000  |
| 1 <sup>st</sup> Nov.  | 14,000 |
| 1 <sup>st</sup> Dec.  | 5,000  |

Gautam withdrew ₹15,000 on the first day of April, July, October and January to pay rent for the accommodation of his family. He also paid ₹20,000 per month as rent for the office of partnership which was in a nearby shopping complex.

Calculate interest on Drawings @6% p.a.

(4)

13. (a) A firm earned profits of ₹80,000, ₹1,00,000, ₹1,20,000 and ₹1,80,000 during 2010-11, 2011-12, 2012-13 and 2013-14 respectively. The firm has capital investment of ₹5,00,000. A fair rate of return on investment is 15% p.a. Calculate goodwill of the firm based on three years' purchase of average super profits of last four years.

(b) Kabir and Farid are partners sharing profits and losses in the ratio of 7:3. Kabir surrenders 2/10<sup>th</sup> from his share and Farid surrenders 1/10<sup>th</sup> from his share in favor of Jyoti, a new partner. Calculate new profit sharing ratio and sacrificing ratio.

(6)

14. (a) Sunrise Company Ltd. has an equity share capital of ₹10,00,000. The company earns a return on investment of 15% on its capital. The company needed funds for diversification. The finance manager had the following options: (i) Borrow ₹5,00,000 @15% p.a. from a bank payable in four equal quarterly installments starting from the end of the fifth year (ii) Issue ₹5,00,000, 9% Debentures of Rs. 100 each redeemable at a premium of 10% after five years. To increase the return to the shareholders, the company opted for option (ii). Pass the necessary journal entries for issue of debentures.

(b) Walter Ltd. issued ₹ 6,00,000 8% Debentures of ₹ 100 each redeemable after 3 years either by draw of lots or by purchase in the open market. At the end of three years, finding the market price of debentures at ₹95 per debenture, it purchased all its debentures for immediate cancellation. Pass necessary journal entries for cancellation of debentures assuming the company has sufficient balance in Debenture Redemption Reserve.

(6)

15. Ashish and Neha were partners in a firm sharing profits and losses in the ratio 4:3. They decided to dissolve the firm on 1<sup>st</sup> May 2014. From the information given below, complete Realisation A/c, Partner's Capital Accounts and Bank A/c:

(6)

| Dr.               | Realisation A/c |                        | Cr.       |
|-------------------|-----------------|------------------------|-----------|
| Liabilities       | Amount(₹)       | Assets                 | Amount(₹) |
| To sundry assets: |                 | By Sundry liabilities: |           |
| -Machinery        | 5,60,000        | -Creditors             | 40,000    |
| -Stock            | 90,000          | -Ashish's wife's loan  | 25,000    |
| -Debtors          | 55,000          |                        |           |
| To Bank:          |                 | By Bank:               |           |
| -Creditors        | _____           | -Machinery             | 4,80,000  |
|                   |                 | -Debtors               | 10,000    |

|  |          |   |          |
|--|----------|---|----------|
| To Ashish's Capital A/c:<br>-Ashish's wife's loan  | 34,000   | By Ashish's Capital A/c:<br>-Stock 1,28,000<br>-typewriter 70,000 | 1,98,000 |
| To Neha's Capital A/c;<br>-Realisation expenses  | 7,000    | By Neha's Capital A/c<br>-Debtors                                 | 40,000   |
| To profit transferred to:<br>Ashish's capital A/c 4,000<br>Neha's capital A/c <u>3,000</u> | 7,000    |   |          |
|  | 7,93,000 |   | 7,93,000 |

| Dr. Partner's Capital Accounts Cr. |           |          |             |           |         |
|------------------------------------|-----------|----------|-------------|-----------|---------|
| Particulars                        | Ashish(₹) | Neha(₹)  | Particulars | Ashish(₹) | Neha(₹) |
| To Realisation A/c                 |           |          | By          |           |         |
| To Bank A/c                        | 4,00,000  | 4,50,000 | By          |           |         |
|                                    |           |          | By          |           |         |
|                                    |           |          |             |           |         |

| Dr. Bank A/c Cr.   |           |                         |           |
|--------------------|-----------|-------------------------|-----------|
| Particulars        | Amount(₹) | Particulars             | Amount(₹) |
| To Balance b/d     |           | By Realisation A/c      |           |
| To Realisation A/c | 4,90,000  | By Ashish's Loan A/c    | 4,000     |
|                    |           | By Ashish's Capital A/c | 4,00,000  |
|                    |           | By Neha's Capital A/c   |           |
|                    |           |                         |           |

16. A and B are partners in a firm sharing profits and losses in the ratio 3:1. They admit C for a  $\frac{1}{4}$  share on 31<sup>st</sup> March 2014 when their Balance Sheet was as follows:

| Liabilities                    | Amount(₹) | Assets  | Amount(₹) |
|--------------------------------|-----------|---|-----------|
| Employees Provident Fund       | 17,000    | Stock   | 15,000    |
| Workmen's Compensation Fund    | 6,000     | Debtors 50,000                                    |           |
| Investment Fluctuation Reserve | 4,100     | Less provision for<br>doubtful debts <u>2,000</u> | 48,000    |
| Capitals: A                    | 54,000    | Investments                                       | 7,000     |
| B                              | 35,000    | Cash  | 6,100     |
|                                |           | Goodwill  | 40,000    |
|                                | 1,16,100  |   | 1,16,100  |

The following adjustments were agreed upon:

- C brings in ₹16,000 as goodwill and proportionate capital.
- Bad debts amounted to ₹3,000.
- Market value of investment is ₹4,500.
- Liability on account of workmen's compensation reserve amounted to ₹2,000.

Prepare Revaluation A/c and Partner's Capital A/cs.

OR

X, Y and Z are partners in a firm sharing profits in proportion of 1/2, 1/6 and 1/3 respectively. The Balance Sheet as on April 1, 2014 was as follows:

| Liabilities              | Amount(₹) | Assets                      | Amount(₹) |
|--------------------------|-----------|-----------------------------|-----------|
| Employees Provident Fund | 12,000    | Freehold Premises           | 40,000    |
| Sundry Creditors         | 18,000    | Machinery                   | 30,000    |
| General Reserve          | 12,000    | Furniture                   | 12,000    |
| Capitals                 |           | Stock                       | 22,000    |
| X                        | 30,000    | Debtors 20,000              |           |
| Y                        | 30,000    | Less provision for          |           |
| Z                        | 28,000    | doubtful debts <u>1,000</u> | 19,000    |
|                          |           | Cash                        | 7,000     |
|                          | 1,30,000  |                             | 1,30,000  |

Z retires from the business and the partners agree that:

- Machinery is to be depreciated by 10%.
- Provision for bad debts is to be increased to ₹ 1,500.
- Furniture was taken over by Z for ₹ 14,000.
- Goodwill is valued at ₹ 21,000 on Z's retirement.
- The continuing partners' have decided to adjust their capitals in their new profit sharing ratio after retirement of Z. Surplus or deficit if any, in their capital accounts will be adjusted through their current accounts.

Prepare Revaluation A/c and Partners' Capital A/c's. (8)

17. Amrit Ltd. issued 50,000 shares of ₹10 each at a premium of ₹2 per share payable as ₹3 on application, ₹4 on allotment (including premium), ₹2 on first call and the remaining on second call. Applications were received for 75,000 shares and a pro-rata allotment was made to all the applicants. All moneys due were received except allotment and first call from Sonu who applied for 1,200 shares. All his shares were forfeited. The forfeited shares were reissued for ₹9,600. Final call was not made. Pass necessary journal entries.

OR

Velco Ltd. issued 30,000 shares of ₹ 10 each at a discount of ₹1 per share payable as ₹3 on application, ₹2 on allotment, ₹2 on first Call and ₹2 on second call.

Applications were received for 40,000 shares and a pro-rata allotment was made to all the applicants. All money due were received except allotment and first call from Mohit who had applied for 2,000 shares. His shares were forfeited after first call. Subsequently, the second call was duly made and duly received. Thereafter, the forfeited shares were reissued for ₹9 fully paid. Pass the necessary journal entries (8)

### **PART B: ANALYSIS OF FINANCIAL STATEMENTS**

18. Cash deposit with the bank with a maturity date after two months belongs to which of the following while preparing cash flow statement:

- Investing activities
  - Financing activities
  - Cash and Cash equivalents
  - Operating activities.
- (1)

19. Finserve Ltd is carrying on a Mutual Fund business. It invested ₹ 30,00,000 in shares and ₹15,00,000 in debentures of various companies during the year. It received ₹ 3,00,000 as dividend and interest. Find out cash flows from investing activities. (1)

20. (a) Name the sub heads under the head 'Current Liabilities' in the Equity and Liabilities part of the Balance Sheet as per Schedule VI of the Companies Act 1956.  
 (b) State any two objectives of Financial Statements Analysis. (4)

21. (a) From the following details, calculate Opening inventory: Closing inventory ₹60,000; Total Revenue from operations ₹5,00,000 (including cash revenue from operations ₹1,00,000); Total purchases ₹3,00,000 (including credit purchases ₹60,000). Goods are sold at a profit of 25% on cost.  
 (b) Current Assets of a company are ₹17,00,000. Its current ratio is 2.5 and liquid ratio is 0.95.  
 Calculate Current Liabilities and Inventory. (4)

22. Nimani Ltd. is into the business of back office operations. Honesty and hard work are the two pillars on which the business has been built. It has a good turnover and profits. Encouraged by huge profits, it decided to give the workers bonus equal to two months salary. Following is the Comparative Statement of Profit and Loss of Nimani Ltd. for the years ended 31<sup>st</sup> March 2013 and 2014.

- (a) Calculate Net Profit ratio for the years ending 31<sup>st</sup> March 2013 and 2014.  
 (b) Identify any two values which Nimani Ltd. wants to communicate to the society.

| Particulars                    | Note No. | 2012-13<br>(₹) | 2013-14<br>(₹) | Absolute<br>Change | Percentage<br>change |
|--------------------------------|----------|----------------|----------------|--------------------|----------------------|
| Revenue from operations        |          | 20,00,000      | 30,00,000      | 10,00,000          | 50                   |
| Less Employee benefit expenses |          | 8,00,000       | 10,00,000      | 2,00,000           | 25                   |
| Profit before tax              |          | 12,00,000      | 20,00,000      | 8,00,000           | 66.67                |
| Tax rate 40%                   |          | 4,80,000       | 8,00,000       | 3,20,000           | 66.67                |
| Profit after tax               |          | 7,20,000       | 12,00,000      | 4,80,000           | 66.67                |

(4)

23. Following are the Balance Sheets of Krishna Ltd. as on 31<sup>st</sup> March 2013 and 2014:

| Particulars                        | Note No. | 2013-14 (₹) | 2012-13(₹) |
|------------------------------------|----------|-------------|------------|
| <b>EQUITY AND LIABILITIES</b>      |          |             |            |
| <b>(1) Shareholders Funds</b>      |          |             |            |
| (a) Share capital                  |          | 14,00,000   | 10,00,000  |
| (b) Reserves and Surplus           | 1        | 5,00,000    | 4,00,000   |
| <b>(2) Non Current Liabilities</b> |          |             |            |
| Long term borrowings               |          | 5,00,000    | 1,40,000   |
| <b>(3) Current Liabilities</b>     |          |             |            |
| Trade Payables                     |          | 1,00,000    | 60,000     |
| Short term Provisions              | 2        | 80,000      | 60,000     |
| Total                              |          | 25,80,000   | 16,60,000  |
| <b>ASSETS</b>                      |          |             |            |
| <b>(1) Non Current Assets</b>      |          |             |            |
| (a) Fixed assets                   |          |             |            |
| (i) Tangible assets                | 3        | 16,00,000   | 9,00,000   |
| (ii) Intangible Assets             | 4        | 1,40,000    | 2,00,000   |

|                               |  |                  |                  |
|-------------------------------|--|------------------|------------------|
| <b>(2) Current Assets</b>     |  |                  |                  |
| (a) Inventories               |  | 2,50,000         | 2,00,000         |
| (b) Trade Receivables         |  | 5,00,000         | 3,00,000         |
| (b) Cash and Cash Equivalents |  | 90,000           | 60,000           |
| <b>Total</b>                  |  | <b>25,80,000</b> | <b>16,60,000</b> |

**Notes to Accounts:**

| S.No. | Particulars   | As on 31.3.2014<br>(₹)  | As on 31.3.2013<br>(₹)  |
|-------|---|-------------------------|-------------------------|
| 1.    | Reserves and Surplus<br>Surplus (i.e. balance in<br>Statement of Profit and Loss) | 5,00,000                | 4,00,000                |
| 2.    | Short Term provisions<br>Provision for tax  | 80,000                  | 60,000                  |
| 3.    | Tangible assets<br>Machinery<br>Less Accumulated depreciation                     | 17,60,000<br>(1,60,000) | 10,00,000<br>(1,00,000) |
| 4.    | Intangible Assets<br>Goodwill   | 1,40,000                | 2,00,000                |

Prepare a Cash Flow Statement after taking into account the following adjustment:

- (i) Tax paid during the year amounted to ₹ 70,000. (6)

**OR**

**Part B: Computerized Accounting**

18. While navigating in the workbook, which of the following commands is used to move to the beginning of the Current row:

- [ ctrl ] + [ home ]
- [ page Up ]
- [ Home ]
- [ ctrl ] + [ Back space ] (1)

19. Join line in the context of Access table means:

- Graphical representation of tables between tables
- Lines bonding the data within table
- Line connecting two fields of a table
- Line connecting two records of a table (1)

20. Enumerate the basic requirements of computerised accounting system for a business organization.

(4)

21. The generation of ledger accounts is not a necessary condition for making trial balance in a computerised accounting system. Explain. (4)
22. Intentional manipulation of accounting records is much easier in computerised accounting than in manual accounting. How? (4)
23. Computerisation of accounting data on one hand stores voluminous data in a systematic and organised manner where as on the other hand suffers from threats of vulnerability and manipulations. Discuss the security measures you would like to employ for securing the data from such threats. (6)

**Marking Scheme**  
**Sample Question Paper**  
**Accountancy, Class XII**  
**Board Examination, March, 2015**

| Sl.No.                        | Outline Answers   | Marks                 |             |            |                               |            |  |                     |     |          |  |  |                     |     |          |  |  |                     |     |          |  |  |                        |  |  |           |  |  |  |  |  |  |                     |     |          |  |  |                     |     |        |  |  |                        |  |  |          |  |  |  |  |  |   |
|-------------------------------|---|-----------------------|-------------|------------|-------------------------------|------------|--|---------------------|-----|----------|--|--|---------------------|-----|----------|--|--|---------------------|-----|----------|--|--|------------------------|--|--|-----------|--|--|--|--|--|--|---------------------|-----|----------|--|--|---------------------|-----|--------|--|--|------------------------|--|--|----------|--|--|--|--|--|---|
| 1.                            | (b) Reconstitution of partnership.  | 1 Mark                |             |            |                               |            |  |                     |     |          |  |  |                     |     |          |  |  |                     |     |          |  |  |                        |  |  |           |  |  |  |  |  |  |                     |     |          |  |  |                     |     |        |  |  |                        |  |  |          |  |  |  |  |  |   |
| 2.                            | No, the accountant's decision is not correct because according to AS-26, goodwill should be recorded in the books only when consideration in money or money's worth has been paid for it  | 1 Mark                |             |            |                               |            |  |                     |     |          |  |  |                     |     |          |  |  |                     |     |          |  |  |                        |  |  |           |  |  |  |  |  |  |                     |     |          |  |  |                     |     |        |  |  |                        |  |  |          |  |  |  |  |  |   |
| 3.                            | (c) Transferring it to debit side of Bina's capital account.  | 1 Mark                |             |            |                               |            |  |                     |     |          |  |  |                     |     |          |  |  |                     |     |          |  |  |                        |  |  |           |  |  |  |  |  |  |                     |     |          |  |  |                     |     |        |  |  |                        |  |  |          |  |  |  |  |  |   |
| 4.                            | 'Capital Reserve' is the reserve that is created out of capital profits/gains whereas, that part of the share capital which has not yet been called up and has been kept as reserve to be called up in the event of the winding up of the company is called 'Reserve Capital'   | 1 Mark                |             |            |                               |            |  |                     |     |          |  |  |                     |     |          |  |  |                     |     |          |  |  |                        |  |  |           |  |  |  |  |  |  |                     |     |          |  |  |                     |     |        |  |  |                        |  |  |          |  |  |  |  |  |   |
| 5.                            | ₹16,00,000  | 1 Mark                |             |            |                               |            |  |                     |     |          |  |  |                     |     |          |  |  |                     |     |          |  |  |                        |  |  |           |  |  |  |  |  |  |                     |     |          |  |  |                     |     |        |  |  |                        |  |  |          |  |  |  |  |  |   |
| 6.                            | ₹12,000   | 1Mark                 |             |            |                               |            |  |                     |     |          |  |  |                     |     |          |  |  |                     |     |          |  |  |                        |  |  |           |  |  |  |  |  |  |                     |     |          |  |  |                     |     |        |  |  |                        |  |  |          |  |  |  |  |  |   |
| 7.                            | The amount received as securities premium can be used for following purposes (any three):<br>(a) In purchasing its own shares.<br>(b) Issuing fully paid bonus shares to the members.<br>(c) Writing off preliminary expenses of the company.<br>(d) Writing off the expenses of, or the commission paid, or discount allowed on any issue of securities or debentures of the company.<br>(e) Providing for the premium payable on the redemption of any redeemable preferences shares or any debentures of the company.  | 1 x 3<br>=<br>3 Marks |             |            |                               |            |  |                     |     |          |  |  |                     |     |          |  |  |                     |     |          |  |  |                        |  |  |           |  |  |  |  |  |  |                     |     |          |  |  |                     |     |        |  |  |                        |  |  |          |  |  |  |  |  |   |
| 8.                            | <p style="text-align: center;">Journal</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Date</th> <th>Particulars</th> <th>LF</th> <th>Debit (₹)</th> <th>Credit (₹)</th> </tr> </thead> <tbody> <tr> <td></td> <td>Ankur's Capital A/c</td> <td>Dr.</td> <td>4,80,000</td> <td></td> </tr> <tr> <td></td> <td>Bobby's Capital A/c</td> <td>Dr.</td> <td>3,20,000</td> <td></td> </tr> <tr> <td></td> <td>Rohit's Capital A/c</td> <td>Dr.</td> <td>2,00,000</td> <td></td> </tr> <tr> <td></td> <td style="text-align: right;">To Profit and Loss A/c</td> <td></td> <td></td> <td>10,00,000</td> </tr> <tr> <td></td> <td colspan="4">(Being loss debited to partners' capital accounts)</td> </tr> <tr> <td></td> <td>Ankur's Capital A/c</td> <td>Dr.</td> <td>3,20,000</td> <td></td> </tr> <tr> <td></td> <td>Bobby's Capital A/c</td> <td>Dr.</td> <td>80,000</td> <td></td> </tr> <tr> <td></td> <td style="text-align: right;">To Rohit's Capital A/c</td> <td></td> <td></td> <td>4,00,000</td> </tr> <tr> <td></td> <td colspan="4">(being the deficiency borne by Ankur and Bobby in the ratio 4:1)</td> </tr> </tbody> </table> | Date                  | Particulars | LF         | Debit (₹)                     | Credit (₹) |  | Ankur's Capital A/c | Dr. | 4,80,000 |  |  | Bobby's Capital A/c | Dr. | 3,20,000 |  |  | Rohit's Capital A/c | Dr. | 2,00,000 |  |  | To Profit and Loss A/c |  |  | 10,00,000 |  | (Being loss debited to partners' capital accounts) |  |  |  |  | Ankur's Capital A/c | Dr. | 3,20,000 |  |  | Bobby's Capital A/c | Dr. | 80,000 |  |  | To Rohit's Capital A/c |  |  | 4,00,000 |  | (being the deficiency borne by Ankur and Bobby in the ratio 4:1) |  |  |  | <p style="text-align: center;">1 ½</p> <p style="text-align: center;">=</p> <p style="text-align: center;">1 ½ + 1 ½</p> <p style="text-align: center;">= 3 marks</p> |
| Date                          | Particulars   | LF                    | Debit (₹)   | Credit (₹) |                               |            |  |                     |     |          |  |  |                     |     |          |  |  |                     |     |          |  |  |                        |  |  |           |  |  |  |  |  |  |                     |     |          |  |  |                     |     |        |  |  |                        |  |  |          |  |  |  |  |  |   |
|                               | Ankur's Capital A/c   | Dr.                   | 4,80,000    |            |                               |            |  |                     |     |          |  |  |                     |     |          |  |  |                     |     |          |  |  |                        |  |  |           |  |  |  |  |  |  |                     |     |          |  |  |                     |     |        |  |  |                        |  |  |          |  |  |  |  |  |   |
|                               | Bobby's Capital A/c   | Dr.                   | 3,20,000    |            |                               |            |  |                     |     |          |  |  |                     |     |          |  |  |                     |     |          |  |  |                        |  |  |           |  |  |  |  |  |  |                     |     |          |  |  |                     |     |        |  |  |                        |  |  |          |  |  |  |  |  |   |
|                               | Rohit's Capital A/c   | Dr.                   | 2,00,000    |            |                               |            |  |                     |     |          |  |  |                     |     |          |  |  |                     |     |          |  |  |                        |  |  |           |  |  |  |  |  |  |                     |     |          |  |  |                     |     |        |  |  |                        |  |  |          |  |  |  |  |  |   |
|                               | To Profit and Loss A/c  |                       |             | 10,00,000  |                               |            |  |                     |     |          |  |  |                     |     |          |  |  |                     |     |          |  |  |                        |  |  |           |  |  |  |  |  |  |                     |     |          |  |  |                     |     |        |  |  |                        |  |  |          |  |  |  |  |  |   |
|                               | (Being loss debited to partners' capital accounts)  |                       |             |            |                               |            |  |                     |     |          |  |  |                     |     |          |  |  |                     |     |          |  |  |                        |  |  |           |  |  |  |  |  |  |                     |     |          |  |  |                     |     |        |  |  |                        |  |  |          |  |  |  |  |  |   |
|                               | Ankur's Capital A/c   | Dr.                   | 3,20,000    |            |                               |            |  |                     |     |          |  |  |                     |     |          |  |  |                     |     |          |  |  |                        |  |  |           |  |  |  |  |  |  |                     |     |          |  |  |                     |     |        |  |  |                        |  |  |          |  |  |  |  |  |   |
|                               | Bobby's Capital A/c   | Dr.                   | 80,000      |            |                               |            |  |                     |     |          |  |  |                     |     |          |  |  |                     |     |          |  |  |                        |  |  |           |  |  |  |  |  |  |                     |     |          |  |  |                     |     |        |  |  |                        |  |  |          |  |  |  |  |  |   |
|                               | To Rohit's Capital A/c  |                       |             | 4,00,000   |                               |            |  |                     |     |          |  |  |                     |     |          |  |  |                     |     |          |  |  |                        |  |  |           |  |  |  |  |  |  |                     |     |          |  |  |                     |     |        |  |  |                        |  |  |          |  |  |  |  |  |   |
|                               | (being the deficiency borne by Ankur and Bobby in the ratio 4:1)  |                       |             |            |                               |            |  |                     |     |          |  |  |                     |     |          |  |  |                     |     |          |  |  |                        |  |  |           |  |  |  |  |  |  |                     |     |          |  |  |                     |     |        |  |  |                        |  |  |          |  |  |  |  |  |   |
| 9.                            | <p style="text-align: center;"><b>Balance sheet of Newbie Ltd. as at:</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Particulars</th> <th>Note No.</th> <th>(₹)</th> </tr> </thead> <tbody> <tr> <td><b>Equity and Liabilities</b></td> <td></td> <td></td> </tr> </tbody> </table>  | Particulars           | Note No.    | (₹)        | <b>Equity and Liabilities</b> |            |  | 1 mark              |     |          |  |  |                     |     |          |  |  |                     |     |          |  |  |                        |  |  |           |  |  |  |  |  |  |                     |     |          |  |  |                     |     |        |  |  |                        |  |  |          |  |  |  |  |  |   |
| Particulars                   | Note No.  | (₹)                   |             |            |                               |            |  |                     |     |          |  |  |                     |     |          |  |  |                     |     |          |  |  |                        |  |  |           |  |  |  |  |  |  |                     |     |          |  |  |                     |     |        |  |  |                        |  |  |          |  |  |  |  |  |   |
| <b>Equity and Liabilities</b> |   |                       |             |            |                               |            |  |                     |     |          |  |  |                     |     |          |  |  |                     |     |          |  |  |                        |  |  |           |  |  |  |  |  |  |                     |     |          |  |  |                     |     |        |  |  |                        |  |  |          |  |  |  |  |  |   |

|  | <p>(1) Shareholders funds<br/>Share capital</p>  | 1                      | 2,79,600        | <p>½ mark<br/>½ mark<br/>1 mark<br/>=1+ ½ +<br/>½+1<br/>=<br/>3 marks</p> |             |     |           |             |  |             |           |            |  |                |           |                            |   |                        |           |           |   |                     |           |           |  |                        |        |  |  |                        |        |  |                 |  |                 |  |
|--|--|------------------------|-----------------|---|-------------|-----|-----------|-------------|--|-------------|-----------|------------|--|----------------|-----------|----------------------------|---|------------------------|-----------|-----------|---|---------------------|-----------|-----------|--|------------------------|--------|--|--|------------------------|--------|--|-----------------|--|-----------------|--|
| Notes to Accounts.   |  |                        |                 |   |             |     |           |             |  |             |           |            |  |                |           |                            |   |                        |           |           |   |                     |           |           |  |                        |        |  |  |                        |        |  |                 |  |                 |  |
| <b>1. Share Capital</b>  |  |                        |                 |   |             |     |           |             |  |             |           |            |  |                |           |                            |   |                        |           |           |   |                     |           |           |  |                        |        |  |  |                        |        |  |                 |  |                 |  |
| <u>Authorised Share Capital</u>  |  |                        |                 |   |             |     |           |             |  |             |           |            |  |                |           |                            |   |                        |           |           |   |                     |           |           |  |                        |        |  |  |                        |        |  |                 |  |                 |  |
| 50,000 Shares of Rs. 10 each   |  |                        |                 |   |             |     |           |             |  |             |           |            |  |                |           |                            |   |                        |           |           |   |                     |           |           |  |                        |        |  |  |                        |        |  |                 |  |                 |  |
| <u>Issued Share Capital</u>  |  |                        |                 |   |             |     |           |             |  |             |           |            |  |                |           |                            |   |                        |           |           |   |                     |           |           |  |                        |        |  |  |                        |        |  |                 |  |                 |  |
| 30,000 Shares of Rs. 10 each   |  |                        |                 |   |             |     |           |             |  |             |           |            |  |                |           |                            |   |                        |           |           |   |                     |           |           |  |                        |        |  |  |                        |        |  |                 |  |                 |  |
| <u>Subscribed Share Capital</u>  |  |                        |                 |   |             |     |           |             |  |             |           |            |  |                |           |                            |   |                        |           |           |   |                     |           |           |  |                        |        |  |  |                        |        |  |                 |  |                 |  |
| <u>(a) Subscribed and fully paid</u>   |  |                        |                 |   |             |     |           |             |  |             |           |            |  |                |           |                            |   |                        |           |           |   |                     |           |           |  |                        |        |  |  |                        |        |  |                 |  |                 |  |
| 27,800 shares of Rs. 10 each fully called up 2,78,000  |  |                        |                 |   |             |     |           |             |  |             |           |            |  |                |           |                            |   |                        |           |           |   |                     |           |           |  |                        |        |  |  |                        |        |  |                 |  |                 |  |
| <u>(b) Subscribed but not fully paid</u>   |  |                        |                 |   |             |     |           |             |  |             |           |            |  |                |           |                            |   |                        |           |           |   |                     |           |           |  |                        |        |  |  |                        |        |  |                 |  |                 |  |
| 200 shares of Rs. 10 each  |  |                        |                 |   |             |     |           |             |  |             |           |            |  |                |           |                            |   |                        |           |           |   |                     |           |           |  |                        |        |  |  |                        |        |  |                 |  |                 |  |
| Less calls in arrears  |  |                        |                 |   |             |     |           |             |  |             |           |            |  |                |           |                            |   |                        |           |           |   |                     |           |           |  |                        |        |  |  |                        |        |  |                 |  |                 |  |
| 10.  | <b>Journal</b>   |                        |                 | <p>½ x 4<br/>=<br/>2 marks<br/><br/>1 mark<br/>=2+1<br/>=<br/>3 marks</p> |             |     |           |             |  |             |           |            |  |                |           |                            |   |                        |           |           |   |                     |           |           |  |                        |        |  |  |                        |        |  |                 |  |                 |  |
| <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;">Particulars</th> <th style="width: 5%;">F</th> <th style="width: 15%;">Debit (₹)</th> <th style="width: 10%;">Credit (₹)</th> </tr> </thead> <tbody> <tr> <td>Bank A/c<br/>    To Share Application and Allotment A/c<br/>(Being the amount of application money received on 50,000 shares @Rs 50 per share)</td> <td style="text-align: center;">Dr.</td> <td style="text-align: right;">25,00,000</td> <td style="text-align: right;">25,00,000</td> </tr> <tr> <td>Share Application and Allotment A/c<br/>    To Share Capital A/c<br/>(Being the amount transferred to share capital)</td> <td style="text-align: center;">Dr.</td> <td style="text-align: right;">25,00,000</td> <td style="text-align: right;">25,00,000</td> </tr> <tr> <td>Bank A/c<br/>    To 9% Debentures Application and Allotment A/c<br/>(Being the amount received on 9% Debenture application and allotment on 40,000 Debentures @Rs. 40 per debentures)</td> <td style="text-align: center;">Dr.</td> <td style="text-align: right;">16,00,000</td> <td style="text-align: right;">16,00,000</td> </tr> <tr> <td>9% Debenture Application and Allotment A/C<br/>    To 9% Debentures A/C<br/>(Being The amount transferred to Debentures A/c.)</td> <td style="text-align: center;">Dr.</td> <td style="text-align: right;">16,00,000</td> <td style="text-align: right;">16,00,000</td> </tr> </tbody> </table> |  |                        |                 |   | Particulars | F   | Debit (₹) | Credit (₹)  | Bank A/c<br>To Share Application and Allotment A/c<br>(Being the amount of application money received on 50,000 shares @Rs 50 per share) | Dr.         | 25,00,000 | 25,00,000  | Share Application and Allotment A/c<br>To Share Capital A/c<br>(Being the amount transferred to share capital) | Dr.            | 25,00,000 | 25,00,000                  | Bank A/c<br>To 9% Debentures Application and Allotment A/c<br>(Being the amount received on 9% Debenture application and allotment on 40,000 Debentures @Rs. 40 per debentures) | Dr.                    | 16,00,000 | 16,00,000 | 9% Debenture Application and Allotment A/C<br>To 9% Debentures A/C<br>(Being The amount transferred to Debentures A/c.) | Dr.                 | 16,00,000 | 16,00,000 |  |                        |        |  |  |                        |        |  |                 |  |                 |  |
| Particulars  | F  | Debit (₹)              | Credit (₹)      |   |             |     |           |             |  |             |           |            |  |                |           |                            |   |                        |           |           |   |                     |           |           |  |                        |        |  |  |                        |        |  |                 |  |                 |  |
| Bank A/c<br>To Share Application and Allotment A/c<br>(Being the amount of application money received on 50,000 shares @Rs 50 per share)   | Dr.  | 25,00,000              | 25,00,000       |   |             |     |           |             |  |             |           |            |  |                |           |                            |   |                        |           |           |   |                     |           |           |  |                        |        |  |  |                        |        |  |                 |  |                 |  |
| Share Application and Allotment A/c<br>To Share Capital A/c<br>(Being the amount transferred to share capital)   | Dr.  | 25,00,000              | 25,00,000       |   |             |     |           |             |  |             |           |            |  |                |           |                            |   |                        |           |           |   |                     |           |           |  |                        |        |  |  |                        |        |  |                 |  |                 |  |
| Bank A/c<br>To 9% Debentures Application and Allotment A/c<br>(Being the amount received on 9% Debenture application and allotment on 40,000 Debentures @Rs. 40 per debentures)  | Dr.  | 16,00,000              | 16,00,000       |   |             |     |           |             |  |             |           |            |  |                |           |                            |   |                        |           |           |   |                     |           |           |  |                        |        |  |  |                        |        |  |                 |  |                 |  |
| 9% Debenture Application and Allotment A/C<br>To 9% Debentures A/C<br>(Being The amount transferred to Debentures A/c.)  | Dr.  | 16,00,000              | 16,00,000       |   |             |     |           |             |  |             |           |            |  |                |           |                            |   |                        |           |           |   |                     |           |           |  |                        |        |  |  |                        |        |  |                 |  |                 |  |
| <u>Value which the company wants to communicate to the society: (Any one)</u>  |  |                        |                 |   |             |     |           |             |  |             |           |            |  |                |           |                            |   |                        |           |           |   |                     |           |           |  |                        |        |  |  |                        |        |  |                 |  |                 |  |
| <ul style="list-style-type: none"> <li>▪ Social responsibility</li> <li>▪ Generation of employment opportunities.</li> </ul>   |  |                        |                 |   |             |     |           |             |  |             |           |            |  |                |           |                            |   |                        |           |           |   |                     |           |           |  |                        |        |  |  |                        |        |  |                 |  |                 |  |
| 11.  | <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: left;">Dr.</th> <th colspan="2" style="text-align: right;">Cr.</th> </tr> <tr> <th style="width: 30%;">Particulars</th> <th style="width: 15%;">Amount(₹)</th> <th style="width: 30%;">Particulars</th> <th style="width: 15%;">Amount(₹)</th> </tr> </thead> <tbody> <tr> <td>To P&amp;L A/c</td> <td style="text-align: right;">24,000</td> <td>By balance b/d</td> <td style="text-align: right;">1,00,000</td> </tr> <tr> <td>To Punita's executor's A/c</td> <td style="text-align: right;">1,22,880</td> <td>By interest on capital</td> <td style="text-align: right;">4,880</td> </tr> <tr> <td></td> <td></td> <td>By P&amp;L Suspense A/c</td> <td style="text-align: right;">6,000</td> </tr> <tr> <td></td> <td></td> <td>By Rashi's capital A/c</td> <td style="text-align: right;">12,000</td> </tr> <tr> <td></td> <td></td> <td>By Seema's Capital A/c</td> <td style="text-align: right;">24,000</td> </tr> <tr> <td></td> <td style="text-align: right;"><b>1,46,880</b></td> <td></td> <td style="text-align: right;"><b>1,46,880</b></td> </tr> </tbody> </table> |                        |                 | Dr.   |             | Cr. |           | Particulars | Amount(₹)  | Particulars | Amount(₹) | To P&L A/c | 24,000   | By balance b/d | 1,00,000  | To Punita's executor's A/c | 1,22,880  | By interest on capital | 4,880     |           |   | By P&L Suspense A/c | 6,000     |           |  | By Rashi's capital A/c | 12,000 |  |  | By Seema's Capital A/c | 24,000 |  | <b>1,46,880</b> |  | <b>1,46,880</b> | <p>½ mark for each Item<br/>=<br/>½ x 6<br/>=<br/>3 marks<br/>+<br/>1 mark</p> |
| Dr.  |  | Cr.                    |                 |   |             |     |           |             |  |             |           |            |  |                |           |                            |   |                        |           |           |   |                     |           |           |  |                        |        |  |  |                        |        |  |                 |  |                 |  |
| Particulars  | Amount(₹)  | Particulars            | Amount(₹)       |   |             |     |           |             |  |             |           |            |  |                |           |                            |   |                        |           |           |   |                     |           |           |  |                        |        |  |  |                        |        |  |                 |  |                 |  |
| To P&L A/c   | 24,000   | By balance b/d         | 1,00,000        |   |             |     |           |             |  |             |           |            |  |                |           |                            |   |                        |           |           |   |                     |           |           |  |                        |        |  |  |                        |        |  |                 |  |                 |  |
| To Punita's executor's A/c   | 1,22,880   | By interest on capital | 4,880           |   |             |     |           |             |  |             |           |            |  |                |           |                            |   |                        |           |           |   |                     |           |           |  |                        |        |  |  |                        |        |  |                 |  |                 |  |
|  |  | By P&L Suspense A/c    | 6,000           |   |             |     |           |             |  |             |           |            |  |                |           |                            |   |                        |           |           |   |                     |           |           |  |                        |        |  |  |                        |        |  |                 |  |                 |  |
|  |  | By Rashi's capital A/c | 12,000          |   |             |     |           |             |  |             |           |            |  |                |           |                            |   |                        |           |           |   |                     |           |           |  |                        |        |  |  |                        |        |  |                 |  |                 |  |
|  |  | By Seema's Capital A/c | 24,000          |   |             |     |           |             |  |             |           |            |  |                |           |                            |   |                        |           |           |   |                     |           |           |  |                        |        |  |  |                        |        |  |                 |  |                 |  |
|  | <b>1,46,880</b>  |                        | <b>1,46,880</b> |   |             |     |           |             |  |             |           |            |  |                |           |                            |   |                        |           |           |   |                     |           |           |  |                        |        |  |  |                        |        |  |                 |  |                 |  |



|                        |  |   |  |                     |  |                     |  |                    |   |                 |  |  |
|------------------------|--|---|--|---------------------|--|---------------------|--|--------------------|---|-----------------|--|--|
|                        |  | for the answer = 3+1 = 4 marks  |  |                     |  |                     |  |                    |   |                 |  |  |
| 12.                    | <p>Calculation of Interest on drawings:<br/><u>Kanika</u></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">10,000 × 12 = 1,20,000</td> <td></td> </tr> <tr> <td>9,000 × 10 = 90,000</td> <td></td> </tr> <tr> <td>14,000 × 5 = 70,000</td> <td></td> </tr> <tr> <td>5,000 × 4 = 20,000</td> <td style="text-align: right;"><math>3,00,000 \times \frac{6}{100} \times \frac{1}{12} = 1,500</math></td> </tr> <tr> <td style="text-align: right;"><u>3,00,000</u></td> <td></td> </tr> </table> <p><u>Gautam</u></p> $60,000 \times \frac{6}{100} \times \frac{7.5}{12} = 2250$ | 10,000 × 12 = 1,20,000  |  | 9,000 × 10 = 90,000 |  | 14,000 × 5 = 70,000 |  | 5,000 × 4 = 20,000 | $3,00,000 \times \frac{6}{100} \times \frac{1}{12} = 1,500$ | <u>3,00,000</u> |  | <p>2 marks</p><br><p>2 marks</p> <p>=</p> <p>2+2</p> <p>=</p> <p>4 marks</p> |
| 10,000 × 12 = 1,20,000 |  |   |  |                     |  |                     |  |                    |   |                 |  |  |
| 9,000 × 10 = 90,000    |  |   |  |                     |  |                     |  |                    |   |                 |  |  |
| 14,000 × 5 = 70,000    |  |   |  |                     |  |                     |  |                    |   |                 |  |  |
| 5,000 × 4 = 20,000     | $3,00,000 \times \frac{6}{100} \times \frac{1}{12} = 1,500$  |   |  |                     |  |                     |  |                    |   |                 |  |  |
| <u>3,00,000</u>        |  |   |  |                     |  |                     |  |                    |   |                 |  |  |
| 13.<br>(a)             | $\text{Average Profit Method} = \frac{\text{Total Profits}}{\text{No. of Years}} \times \text{No. of Years of Purchase}$ $= \frac{80,000 + 1,00,000 + 1,20,000 + 1,80,000}{4} = \frac{4,80,000}{4} = 1,20,000$ <p>Normal Profit = <math>5,00,000 \times \frac{15}{100} = 75,000</math><br/>         Super Profit = <math>1,20,000 - 75,000 = 45,000</math><br/>         Goodwill = <math>45,000 \times 3 = 1,35,000</math></p>   | <p>½ mark</p><br><p>½ mark</p> <p>1 mark</p> <p>1 mark</p> <p>= ½ + ½</p> <p>+1+1</p> <p>=</p> <p>3 marks</p> |  |                     |  |                     |  |                    |   |                 |  |  |
| (b)                    | <p>Kabir's new share = <math>\frac{7}{10} - \frac{2}{10} = \frac{5}{10}</math></p> <p>Farid's Share = <math>\frac{3}{10} - \frac{1}{10} = \frac{2}{10}</math></p> <p>Jyoti's share = <math>\frac{2}{10} + \frac{1}{10} = \frac{3}{10}</math></p> <p>New Profit Sharing ratio = 5: 2: 3</p> <p>Sacrificing ratio = 2:1</p>  | <p>1 mark</p><br><p>1 mark</p> <p>= 1+1+1</p> <p>=</p> <p>3 marks</p> <p>=3+3</p> <p>=</p>                    |  |                     |  |                     |  |                    |   |                 |  |  |

|     |      |   |    |                    |                     | 6 marks                                     |
|-----|------|---|----|--------------------|---------------------|---|
| 14. | Date | Particulars   | LF | Debit<br>(₹)       | Credit<br>(₹)       |   |
| (a) |      | Bank A/c Dr.<br>To 9% Debenture Application and Allotment A/c<br>(Being Debenture application money received)   |    | 5,00,000           | 5,00,000            | 1 mark                                      |
|     |      | 9% Debenture Application and Allotment A/c Dr.<br>Loss on issue of Debentures A/c Dr.<br>To 9% Debenture A/c<br>To Premium on redemption of Debentures A/c<br>(Being issue of debentures at par, redeemable at a premium) |    | 5,00,000<br>50,000 | 5,00,000,<br>50,000 | 2 marks<br>= 1 + 2<br>= 3 marks             |
| (b) |      | Own debentures A/c Dr.<br>To Bank A/c<br>(Being 60,000 debentures purchased for cancellation @ Rs 75)   |    | 5,70,000           | 570,000             | 1 mark                                      |
|     |      | 8% Debentures a/c Dr.<br>To Own Debentures A/c<br>To Gain on Cancellation of Debentures A/c<br>(Being debentures cancelled)   |    | 6,00,000           | 5,70,000<br>30,000  | 1 mark                                      |
|     |      | Gain on Cancellation of Debentures A/c Dr.<br>To Capital Reserve<br>(Being the gain transferred to Capital Reserve)   |    | 30,000             | 30,000              | ½ mark                                      |
|     |      | Debenture Redemption Reserve A/c Dr.<br>To General Reserve<br>(Being the Amount of Debenture Redemption Reserve Transferred to General Reserve)   |    | 3,00,000           | 3,00,000            | ½ mark<br>=<br>1+1+ ½<br>+ ½<br>=3<br>marks |
|     |      |   |    |                    |                     |   |

| 15.                             | <p>Dr. <span style="margin-left: 100px;">Realisation A/c</span> <span style="float: right;">Cr.</span></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">Liabilities</th> <th style="width: 15%;">Amount(₹)</th> <th style="width: 30%;">Assets</th> <th style="width: 25%;">Amount(₹)</th> </tr> </thead> <tbody> <tr> <td>To sundry assets:</td> <td></td> <td>By Sundry liabilities:</td> <td></td> </tr> <tr> <td>-Machinery</td> <td style="text-align: right;">5,60,000</td> <td>-Creditors</td> <td style="text-align: right;">40,000</td> </tr> <tr> <td>-Stock</td> <td style="text-align: right;">90,000</td> <td>-Ashish's wife's loan</td> <td style="text-align: right;">25,000</td> </tr> <tr> <td>-Debtors</td> <td style="text-align: right;">55,000</td> <td>By Bank:</td> <td></td> </tr> <tr> <td>To Bank:</td> <td></td> <td>-Machinery</td> <td style="text-align: right;">4,80,000</td> </tr> <tr> <td>-Creditors</td> <td style="text-align: right;"><u>40,000</u></td> <td>-Debtors</td> <td style="text-align: right;">10,000</td> </tr> <tr> <td>To Ashish's Capital A/c:</td> <td></td> <td>By Ashish's Capital A/c:</td> <td></td> </tr> <tr> <td>-Ashish's wife's loan</td> <td style="text-align: right;">34,000</td> <td>-Stock</td> <td style="text-align: right;">1,28,000</td> </tr> <tr> <td></td> <td></td> <td>-typewriter</td> <td style="text-align: right;">70,000</td> </tr> <tr> <td></td> <td></td> <td></td> <td style="text-align: right;"><u>1,98,000</u></td> </tr> <tr> <td>To Neha's Capital A/c;</td> <td style="text-align: right;">7,000</td> <td>By Neha's Capital A/c</td> <td></td> </tr> <tr> <td>-Realisation expenses</td> <td></td> <td>-Debtors</td> <td style="text-align: right;">40,000</td> </tr> <tr> <td>To profit transferred to:</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Ashish's capital A/c 4,000</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Neha's capital A/c <u>3,000</u></td> <td style="text-align: right;"><u>7,000</u></td> <td></td> <td></td> </tr> <tr> <td></td> <td style="text-align: right;"><u>7,93,000</u></td> <td></td> <td style="text-align: right;"><u>7,93,000</u></td> </tr> </tbody> </table> | Liabilities              | Amount(₹)          | Assets                         | Amount(₹)       | To sundry assets:  |          | By Sundry liabilities:  |                 | -Machinery      | 5,60,000       | -Creditors              | 40,000          | -Stock         | 90,000   | -Ashish's wife's loan | 25,000             | -Debtors           | 55,000          | By Bank: |                 | To Bank:              |                    | -Machinery   | 4,80,000     | -Creditors | <u>40,000</u>   | -Debtors        | 10,000 | To Ashish's Capital A/c:       |                 | By Ashish's Capital A/c: |   | -Ashish's wife's loan | 34,000 | -Stock | 1,28,000 |                                |       | -typewriter | 70,000 |  |  |  | <u>1,98,000</u> | To Neha's Capital A/c; | 7,000 | By Neha's Capital A/c |  | -Realisation expenses |  | -Debtors | 40,000 | To profit transferred to: |  |  |  | Ashish's capital A/c 4,000 |  |  |  | Neha's capital A/c <u>3,000</u> | <u>7,000</u> |  |  |  | <u>7,93,000</u> |  | <u>7,93,000</u> | <p><b>½ mark<br/>for each<br/>blank<br/>x 12<br/>=<br/>6 marks</b></p> |
|---------------------------------|--|--------------------------|--------------------|--------------------------------|-----------------|--------------------|----------|-------------------------|-----------------|-----------------|----------------|-------------------------|-----------------|----------------|----------|-----------------------|--------------------|--------------------|-----------------|----------|-----------------|-----------------------|--------------------|--------------|--------------|------------|-----------------|-----------------|--------|--------------------------------|-----------------|--------------------------|---|-----------------------|--------|--------|----------|--------------------------------|-------|-------------|--------|--|--|--|-----------------|------------------------|-------|-----------------------|--|-----------------------|--|----------|--------|---------------------------|--|--|--|----------------------------|--|--|--|---------------------------------|--------------|--|--|--|-----------------|--|-----------------|--|
| Liabilities                     | Amount(₹)  | Assets                   | Amount(₹)          |                                |                 |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
| To sundry assets:               |  | By Sundry liabilities:   |                    |                                |                 |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
| -Machinery                      | 5,60,000   | -Creditors               | 40,000             |                                |                 |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
| -Stock                          | 90,000   | -Ashish's wife's loan    | 25,000             |                                |                 |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
| -Debtors                        | 55,000   | By Bank:                 |                    |                                |                 |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
| To Bank:                        |  | -Machinery               | 4,80,000           |                                |                 |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
| -Creditors                      | <u>40,000</u>  | -Debtors                 | 10,000             |                                |                 |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
| To Ashish's Capital A/c:        |  | By Ashish's Capital A/c: |                    |                                |                 |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
| -Ashish's wife's loan           | 34,000   | -Stock                   | 1,28,000           |                                |                 |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
|                                 |  | -typewriter              | 70,000             |                                |                 |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
|                                 |  |                          | <u>1,98,000</u>    |                                |                 |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
| To Neha's Capital A/c;          | 7,000  | By Neha's Capital A/c    |                    |                                |                 |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
| -Realisation expenses           |  | -Debtors                 | 40,000             |                                |                 |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
| To profit transferred to:       |  |                          |                    |                                |                 |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
| Ashish's capital A/c 4,000      |  |                          |                    |                                |                 |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
| Neha's capital A/c <u>3,000</u> | <u>7,000</u>   |                          |                    |                                |                 |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
|                                 | <u>7,93,000</u>  |                          | <u>7,93,000</u>    |                                |                 |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
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| Particulars                     | Ashish(₹)  | Neha(₹)                  | Particulars        | Ashish(₹)                      | Neha(₹)         |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
| To Realisation A/c              | <u>1,98,000</u>  | 40,000                   | By Balance b/d     | <u>5,60,000</u>                | <u>4,80,000</u> |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
| To Balance b/d                  | 4,00,000   | 4,50,000                 | By Realisation A/c | <u>34,000</u>                  | <u>7,000</u>    |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
|                                 |  |                          | By Realisation A/c | <u>4,000</u>                   | <u>3,000</u>    |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
|                                 | <u>5,98,000</u>  | <u>4,90,000</u>          |                    | <u>5,98,000</u>                | <u>4,90,000</u> |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
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| To Balance b/d                  | <u>4,04,000</u>  | By Realisation A/c       | <u>40,000</u>      |                                |                 |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
| To Realisation A/c              | 4,90,000   | By Ashish's Loan A/c     | 4,000              |                                |                 |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
|                                 |  | By Ashish's Capital A/c  | 4,00,000           |                                |                 |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
|                                 |  | By Neha's Capital A/c    | <u>4,50,000</u>    |                                |                 |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
|                                 | <u>8,94,000</u>  |                          | <u>8,94,000</u>    |                                |                 |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
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| Particulars                     | Amount(₹)  | Particulars              | Amount(₹)          |                                |                 |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
| To bad debts                    | 1,000  | By loss transferred to:  |                    |                                |                 |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
|                                 |  | A's Capital A/c          | 750                |                                |                 |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
|                                 |  | B's Capital A/c          | 250                |                                |                 |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
|                                 | 1,000  |                          | <u>1,000</u>       |                                |                 |                    |          |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
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| Particulars                     | A(₹)   | B(₹)                     | C(₹)               | Particulars                    | A(₹)            | B(₹)               | C(₹)     |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
| To Goodwill A/c                 | 30,000   | 10,000                   | -                  | By Balance b/d                 | 54,000          | 35,000             | -        |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
| To Revaluation A/c              | 750  | 250                      | -                  | By Cash A/c                    | -               | -                  | 23,200   |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
|                                 |  |                          |                    | By Investment fluctuation fund | 1,200           | 400                | -        |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |
| To Balance c/d                  | 39,450   | 30,150                   | 23,200             | By Workmen's Compensation fund | 3,000           | 1,000              | -        |                         |                 |                 |                |                         |                 |                |          |                       |                    |                    |                 |          |                 |                       |                    |              |              |            |                 |                 |        |                                |                 |                          |   |                       |        |        |          |                                |       |             |        |  |  |  |                 |                        |       |                       |  |                       |  |          |        |                           |  |  |  |                            |  |  |  |                                 |              |  |  |  |                 |  |                 |  |

|  |               |               |               |                          |               |               |               |
|--|---------------|---------------|---------------|--------------------------|---------------|---------------|---------------|
|  |               |               |               | By premium for good will | 12,000        | 4,000         | -             |
|  | <b>70,200</b> | <b>40,400</b> | <b>23,200</b> |                          | <b>70,200</b> | <b>40,400</b> | <b>23,200</b> |

=  
8 marks

OR

OR

| Dr.                             |           | REVALUATION A/c          |           | Cr. |  |
|---------------------------------|-----------|--------------------------|-----------|-----|--|
| Particulars                     | Amount(₹) | Particulars              | Amount(₹) |     |  |
| To Machinery                    | 3,000     | By Furniture             | 2,000     |     |  |
| To Provision for doubtful debts | 500       | By Loss transferred to : |           |     |  |
|                                 |           | X's Capital A/c          | 750       |     |  |
|                                 |           | Y's Capital A/c          | 250       |     |  |
|                                 |           | Z's Capital A/c          | 500       |     |  |
|                                 | 3,500     |                          | 3,500     |     |  |

2 marks

| Dr.                |               |               |               | Partner's Capital Accounts |               |               |               | Cr. |  |  |  |
|--------------------|---------------|---------------|---------------|----------------------------|---------------|---------------|---------------|-----|--|--|--|
| Particulars        | X (₹)         | Y (₹)         | Z (₹)         | Particulars                | X (₹)         | Y (₹)         | Z (₹)         |     |  |  |  |
| To Furniture       | -             | -             | 14,000        | By Balance b/d             | 30,000        | 30,000        | 28,000        |     |  |  |  |
| To Z's Capital A/c | 5,250         | 1,750         | -             | By General Reserve         | 6,000         | 2,000         | 4,000         |     |  |  |  |
| To Revaluation A/c | 750           | 250           | 500           | By X's Capital A/c         | -             | -             | 5,250         |     |  |  |  |
| To Z's Loan A/c    | -             | -             | 24,500        | By Y's Capital A/c         | -             | -             | 1,750         |     |  |  |  |
| To Y's Current A/c | -             | 15,000        | -             | By X's Current A/c         | 15,000        | -             | -             |     |  |  |  |
| To Balance c/d     | 45,000        | 15,000        | -             |                            |               |               |               |     |  |  |  |
|                    | <b>51,000</b> | <b>32,000</b> | <b>39,000</b> |                            | <b>51,000</b> | <b>32,000</b> | <b>39,000</b> |     |  |  |  |

2 x 3  
=  
6 marks

=  
2+ 6  
=  
8 marks

| 17. IN THE BOOK OF AMRIT LTD.<br>JOURNAL |   |   |                               |                      |        |
|--|---|---|-------------------------------|----------------------|--------|
| Date                                     | Particulars   | F | Dr.(₹)                        | Cr. (₹)              |        |
|  | Bank A/c Dr.<br>To Share Application A/c<br>(Being application money received on 75,000, shares @Rs.3 per share)  |   | 2,25,000                      | 2,25,000             | ½ mark |
|  | Share Application A/c Dr.<br>To Share Capital A/c<br>To Share Allotment A/c<br>(Being application money adjusted)   |   | 2,25,000                      | 1,50,000<br>75,000   | 1 mark |
|  | Share Allotment A/c Dr.<br>To Share Capital A/c<br>To Securities Premium A/c<br>(Being allotment money due on 50,000 shares)  |   | 2,00,000                      | 1,00,000<br>1,00,000 | 1 mark |
|  | Bank A/c Dr.<br>To Share Allotment A/c<br>(Being allotment money received)<br><b>OR</b><br>Bank A/c Dr.<br>Calls in Arrears A/c Dr.<br>To Share Allotment A/c<br>(Being allotment money received)     |   | 1,23,000<br>1,23,000<br>2,000 | 1,23,000<br>1,25,000 | 1 mark |
|  | Share First Call A/c Dr.<br>To Share Capital A/c<br>(Being first call due on 50,000 shares)   |   | 1,00,000                      | 1,00,000             | ½ mark |
|  | Bank A/c Dr.<br>To Share First Call A/c<br>(Being first call money received)<br><b>OR</b><br>Bank A/c Dr.<br>Calls in arrears A/c Dr.<br>To Share First Call A/c<br>(Being first call money received) |   | 98,400<br>98,400<br>1,600     | 98,400<br>1,00,000   | 1 mark |
|  |   |   |                               |                      | 1 mark |

|                                   |   |            |                  |                         |  |
|-----------------------------------|---|------------|------------------|-------------------------|--|
|                                   | Share Capital A/c<br>Securities Premium A/c<br>To Share Forfeiture A/c<br>To Share Allotment A/c<br>To Share First Call A/c<br>(Being 800 shares forfeited for non payment of allotment money and first call) | Dr.<br>Dr. | 5,600<br>1,600   | 3,600<br>2,000<br>1,600 | <b>1 mark</b>  |
|                                   | <b>OR</b><br>Share Capital A/c<br>Securities Premium A/c<br>To Share Forfeiture A/c<br>To Calls in Arrears A/c<br>(Being 800 shares forfeited for non payment of allotment money and first call)              | Dr.<br>Dr. | 5,600<br>1,600   | 3,600<br>3,600          | <b>1 mark</b><br>=<br>$\frac{1}{2} + 1 +$<br><b>1 + 1 + <math>\frac{1}{2}</math></b><br><b>+ 1 + 1 +</b><br><b>1 + 1</b><br>=<br><b>8 marks</b><br><b>OR</b> |
|                                   | Bank A/c<br>To Share Capital A/c<br>To Securities Premium A/c<br>(Being 800 shares re issued )  | Dr.        | 9,600            | 5,600<br>4,000          | <b>8 marks</b><br><b>OR</b>  |
|                                   | Share Forfeiture A/c<br>To Capital Reserve A/c<br>(Being Share Forfeiture amount transferred to capital reserve)  | Dr.        | 3,600            | 3,600                   | $\frac{1}{2}$ mark   |
| <b>OR</b>                         |   |            |                  |                         |  |
| <b>In The Books of Velco Ltd.</b> |   |            |                  |                         |  |
| <b>JOURNAL</b>                    |   |            |                  |                         |  |
| <b>Date</b>                       | <b>Particulars</b>  | <b>F</b>   | <b>Dr.(₹)</b>    | <b>Cr. (₹)</b>          |  |
|                                   | Bank A/c<br>To Share Application A/c<br>(Being application money received on 40,000 Shares @Rs.3 per share)   | Dr.        | 1,20,000         | 1,20,000                | <b>1 mark</b>  |
|                                   | Share Application A/c<br>To Share Capital A/c<br>To Share Allotment A/c<br>(Being application money adjusted)   | Dr.        | 1,20,000         | 90,000<br>30,000        | $\frac{1}{2}$ mark   |
|                                   | Share Allotment A/c<br>Discount on Issue of Shares A/c<br>To Share Capital A/c<br>(Being allotment money due)   | Dr.<br>Dr. | 60,000<br>30,000 | 90,000                  | <b>1 mark</b>  |

|  |   |            |                 |                                  |  |
|--|---|------------|-----------------|----------------------------------|--|
|  | Bank A/c<br>To Share Allotment<br>(Being allotment money received)  | Dr.        | 28,500          | 28,500                           | <b>1 mark</b>  |
|  | Bank A/c<br>Calls in Arrears A/c<br>To Share Allotment A/c<br>(Being allotment money received)  | Dr.<br>Dr. | 28,500<br>1,500 | 30,000                           |  |
|  | Share First Call A/c<br>To Share Capital A/c<br>(Being first call due)  | Dr.        | 60,000          | 60,000                           | <b>1 mark</b>  |
|  | Bank A/c<br>To Share First Call A/c<br>(Being first call received )   | Dr.        | 57,000          | 57,000                           | <b>½ mark</b>  |
|  | Bank A/c<br>Calls in Arrears A/c<br>To Share First Call A/c<br>(Being first call received)  | Dr.<br>Dr. | 57,000<br>3,000 | 60,000                           |  |
|  | Share Capital A/c<br>To Share Forfeiture A/c<br>To Share Allotment A/c<br>To Share First Call A/c<br>To Discount on Issue of Shares A/c<br>(Being 1,500 shares forfeited for non payment of allotment money and first call) | Dr.        | 12,000          | 6,000<br>1,500<br>3,000<br>1,500 | <b>½ mark</b><br>=<br>½ + ½ +<br>½ + 1 +<br>½ + 1 +<br>1 + 1 + ½<br>+ 1 + ½<br>=<br><b>8 marks</b> |
|  | Share Second and Final Call A/c<br>To Share Capital A/c<br>(Being second and final call due on 28,500 shares)   | Dr.        | 57,000          | 57,000                           |  |
|  | Bank A/c<br>To Share Second and Final Call A/c<br>(Being second and final call received )   | Dr.        | 57,000          | 57,000                           |  |
|  | Bank A/c<br>Discount on Issue of Shares A/c<br>To Share Capital A/c<br>(Being 1,500 shares reissued @Rs.9 per share fully paid)   | Dr.<br>Dr. | 13,500<br>1,500 | 15,000                           |  |
|  | Share Forfeiture A/c<br>To Capital Reserve<br>(Being the balance in Share Forfeiture A/c transferred to capital reserve)  | Dr.        | 6,000           | 6,000                            |  |

**PART B**  
**ANALYSIS OF FINANCIAL STATEMENTS**

|     |  |   |
|-----|--|---|
| 18. | (c) Cash and Cash equivalents  | <b>1 mark</b>   |
| 19. | Cash flows from investing activities - Nil   | 1 mark  |
| 20. | <p>(a) CURRENT LIABILITIES</p> <p>(a) Short term borrowings</p> <p>(b) Trade payables</p> <p>(c) Other current liabilities</p> <p>(d) Short term provisions</p> <p>(b) Objectives of Financial Statements Analysis (any two)</p> <p>(i) Helps in assessing the earning capacity or profitability</p> <p>(ii) Helps in assessing managerial efficiency</p> <p>(iii) Helps in assessing the long term and short term solvency of the enterprise.</p> <p>(iv) Helps in inter-firm comparison.</p> <p>(v) Helps in forecasting and preparing budgets.</p> <p>(vi) Helps the users in understanding complicated matter in a simplified manner.</p>  | <p><math>\frac{1}{2} \times 4</math><br/>= 2 marks</p> <p>1 x 2<br/>=<br/>2 marks<br/>=<br/>2+2<br/>=<br/>4 marks</p> |
| 21. | <p>(a)</p> <p>Total revenue from operations = ₹ 5,00,000</p> <p>Gross Profit = <math>\frac{1}{4} \text{ cost} = \frac{1}{5} \text{ sales}</math><br/>= <math>\frac{1}{5} \times \text{Rs. } 5,00,000</math><br/>= ₹ 1,00,000</p> <p>Cost of Revenue from operations = Net Revenue from operations - Gross Profit<br/>= ₹ 5,00,000 - ₹ 1,00,000<br/>= ₹ 4,00,000</p> <p>Cost of Revenue from operations = Opening Inventory +<br/>Net Purchases -<br/>Closing inventory</p> <p>₹ 4,00,000 = Opening inventory + ₹ 3,00,000 - ₹ 60,000</p> <p>Opening inventory = ₹ 1,60,000</p> <p>(b)</p> <p>Current Ratio = <math>\frac{\text{Current Assets}}{\text{Current Liabilities}}</math></p> <p>2.5 = <math>\frac{\text{₹ } 17,00,000}{\text{Current Liabilities}}</math></p> <p>→ Current Liabilities = ₹ 6,80,000</p> <p>Quick Ratio = <math>\frac{\text{Quick Assets}}{\text{Current Liabilities}}</math></p> <p>→ 0.95 = <math>\frac{\text{Quick Assets}}{\text{₹ } 6,80,000}</math></p> | 2 marks   |



|   | <p>→ Quick Assets = ₹ 6,46,000</p> <p>Inventory = Current Assets-Quick Assets<br/>= ₹ 17,00,000 – ₹ 6,46,000<br/>= ₹ 10,54,000</p> <p>Ans. Current Liabilities = ₹ 6,80,000<br/>Inventory = ₹ 10,54,000</p>  | <p>1 mark</p> <p>1 mark<br/>=<br/>2+1+1<br/>=<br/>4 marks</p>                        |   |   |   |  |  |  |          |  |                                   |  |  |                           |        |  |                      |               |  |   |          |  |                                |        |  |                              |          |  |                               |                   |  |                                |          |  |                      |                 |  |                                     |  |        |   |  |  |                       |                   |  |                                   |  |            |                              |
|---|--|--|---|---|---|--|--|--|----------|--|-----------------------------------|--|--|---------------------------|--------|--|----------------------|---------------|--|---|----------|--|--------------------------------|--------|--|------------------------------|----------|--|-------------------------------|-------------------|--|--------------------------------|----------|--|----------------------|-----------------|--|-------------------------------------|--|--------|---|--|--|-----------------------|-------------------|--|-----------------------------------|--|------------|------------------------------|
| 22. (a)   | <p>Calculation of Net Profit Ratio:<br/> <math display="block">\text{Net Profit Ratio} = \frac{\text{Net Profit}}{\text{Net Sales}} \times 100</math> 2012-13<br/> Net Profit Ratio = <math>\frac{\text{₹ 7,20,000}}{\text{₹ 20,00,000}} \times 100</math><br/> = 36%</p> <p>2013-14<br/> Net Profit Ratio = <math>\frac{\text{₹ 12,00,000}}{\text{₹ 30,00,000}} \times 100</math><br/> = 40%</p>  | <p>1 mark</p> <p>1 mark</p> <p>1 x 2<br/>= 2 marks<br/>=<br/>1+1+2<br/>= 4 marks</p> |   |   |   |  |  |  |          |  |                                   |  |  |                           |        |  |                      |               |  |   |          |  |                                |        |  |                              |          |  |                               |                   |  |                                |          |  |                      |                 |  |                                     |  |        |   |  |  |                       |                   |  |                                   |  |            |                              |
| (b)   | <p>Values that Himani Ltd. wants to communicate to the society:</p> <ul style="list-style-type: none"> <li>• Social responsibility.</li> <li>• Welfare of employees.</li> </ul>  |  |   |   |   |  |  |  |          |  |                                   |  |  |                           |        |  |                      |               |  |   |          |  |                                |        |  |                              |          |  |                               |                   |  |                                |          |  |                      |                 |  |                                     |  |        |   |  |  |                       |                   |  |                                   |  |            |                              |
| 23.   | <p style="text-align: center;"><b>In the books of Krishna Ltd.</b><br/> <b>Cash Flow Statement</b><br/> <b>For the year ended 31<sup>st</sup> March'14</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;">Particulars</th> <th style="width: 20%;">₹</th> <th style="width: 20%;">₹</th> </tr> </thead> <tbody> <tr> <td colspan="3"><b>CASH FLOWS FROM OPERATING ACTIVITIES</b></td> </tr> <tr> <td>Net profit before tax (Working Note 1)</td> <td style="text-align: right;">1,90,000</td> <td></td> </tr> <tr> <td>Add non operating/non cash items:</td> <td></td> <td></td> </tr> <tr> <td>    Depreciation on machinery</td> <td style="text-align: right;">60,000</td> <td></td> </tr> <tr> <td>    Goodwill Written off</td> <td style="text-align: right;"><u>60,000</u></td> <td></td> </tr> <tr> <td>Operating profit before working capital changes</td> <td style="text-align: right;">3,10,000</td> <td></td> </tr> <tr> <td>Add increase in Trade Payables</td> <td style="text-align: right;">40,000</td> <td></td> </tr> <tr> <td>Less Increase in Inventories</td> <td style="text-align: right;">(50,000)</td> <td></td> </tr> <tr> <td>    Increase in Trade Receivables</td> <td style="text-align: right;"><u>(2,00,000)</u></td> <td></td> </tr> <tr> <td>Cash generated from operations</td> <td style="text-align: right;">1,00,000</td> <td></td> </tr> <tr> <td>Less Income Tax paid</td> <td style="text-align: right;"><u>(70,000)</u></td> <td></td> </tr> <tr> <td>Cash flow from operating activities</td> <td></td> <td style="text-align: right;">30,000</td> </tr> <tr> <td colspan="3"><b>CASH FLOWS FROM INVESTING ACTIVITIES</b></td> </tr> <tr> <td>Purchase of machinery</td> <td style="text-align: right;"><u>(7,60,000)</u></td> <td></td> </tr> <tr> <td>Cash used in investing activities</td> <td></td> <td style="text-align: right;">(7,60,000)</td> </tr> </tbody> </table> | Particulars  | ₹ | ₹ | <b>CASH FLOWS FROM OPERATING ACTIVITIES</b> |  |  | Net profit before tax (Working Note 1) | 1,90,000 |  | Add non operating/non cash items: |  |  | Depreciation on machinery | 60,000 |  | Goodwill Written off | <u>60,000</u> |  | Operating profit before working capital changes | 3,10,000 |  | Add increase in Trade Payables | 40,000 |  | Less Increase in Inventories | (50,000) |  | Increase in Trade Receivables | <u>(2,00,000)</u> |  | Cash generated from operations | 1,00,000 |  | Less Income Tax paid | <u>(70,000)</u> |  | Cash flow from operating activities |  | 30,000 | <b>CASH FLOWS FROM INVESTING ACTIVITIES</b> |  |  | Purchase of machinery | <u>(7,60,000)</u> |  | Cash used in investing activities |  | (7,60,000) | <p>2 marks</p> <p>½ mark</p> |
| Particulars                                     | ₹  | ₹  |   |   |   |  |  |  |          |  |                                   |  |  |                           |        |  |                      |               |  |   |          |  |                                |        |  |                              |          |  |                               |                   |  |                                |          |  |                      |                 |  |                                     |  |        |   |  |  |                       |                   |  |                                   |  |            |                              |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |  |  |   |   |   |  |  |  |          |  |                                   |  |  |                           |        |  |                      |               |  |   |          |  |                                |        |  |                              |          |  |                               |                   |  |                                |          |  |                      |                 |  |                                     |  |        |   |  |  |                       |                   |  |                                   |  |            |                              |
| Net profit before tax (Working Note 1)          | 1,90,000   |  |   |   |   |  |  |  |          |  |                                   |  |  |                           |        |  |                      |               |  |   |          |  |                                |        |  |                              |          |  |                               |                   |  |                                |          |  |                      |                 |  |                                     |  |        |   |  |  |                       |                   |  |                                   |  |            |                              |
| Add non operating/non cash items:               |  |  |   |   |   |  |  |  |          |  |                                   |  |  |                           |        |  |                      |               |  |   |          |  |                                |        |  |                              |          |  |                               |                   |  |                                |          |  |                      |                 |  |                                     |  |        |   |  |  |                       |                   |  |                                   |  |            |                              |
| Depreciation on machinery                       | 60,000   |  |   |   |   |  |  |  |          |  |                                   |  |  |                           |        |  |                      |               |  |   |          |  |                                |        |  |                              |          |  |                               |                   |  |                                |          |  |                      |                 |  |                                     |  |        |   |  |  |                       |                   |  |                                   |  |            |                              |
| Goodwill Written off                            | <u>60,000</u>  |  |   |   |   |  |  |  |          |  |                                   |  |  |                           |        |  |                      |               |  |   |          |  |                                |        |  |                              |          |  |                               |                   |  |                                |          |  |                      |                 |  |                                     |  |        |   |  |  |                       |                   |  |                                   |  |            |                              |
| Operating profit before working capital changes | 3,10,000   |  |   |   |   |  |  |  |          |  |                                   |  |  |                           |        |  |                      |               |  |   |          |  |                                |        |  |                              |          |  |                               |                   |  |                                |          |  |                      |                 |  |                                     |  |        |   |  |  |                       |                   |  |                                   |  |            |                              |
| Add increase in Trade Payables                  | 40,000   |  |   |   |   |  |  |  |          |  |                                   |  |  |                           |        |  |                      |               |  |   |          |  |                                |        |  |                              |          |  |                               |                   |  |                                |          |  |                      |                 |  |                                     |  |        |   |  |  |                       |                   |  |                                   |  |            |                              |
| Less Increase in Inventories                    | (50,000)   |  |   |   |   |  |  |  |          |  |                                   |  |  |                           |        |  |                      |               |  |   |          |  |                                |        |  |                              |          |  |                               |                   |  |                                |          |  |                      |                 |  |                                     |  |        |   |  |  |                       |                   |  |                                   |  |            |                              |
| Increase in Trade Receivables                   | <u>(2,00,000)</u>  |  |   |   |   |  |  |  |          |  |                                   |  |  |                           |        |  |                      |               |  |   |          |  |                                |        |  |                              |          |  |                               |                   |  |                                |          |  |                      |                 |  |                                     |  |        |   |  |  |                       |                   |  |                                   |  |            |                              |
| Cash generated from operations                  | 1,00,000   |  |   |   |   |  |  |  |          |  |                                   |  |  |                           |        |  |                      |               |  |   |          |  |                                |        |  |                              |          |  |                               |                   |  |                                |          |  |                      |                 |  |                                     |  |        |   |  |  |                       |                   |  |                                   |  |            |                              |
| Less Income Tax paid                            | <u>(70,000)</u>  |  |   |   |   |  |  |  |          |  |                                   |  |  |                           |        |  |                      |               |  |   |          |  |                                |        |  |                              |          |  |                               |                   |  |                                |          |  |                      |                 |  |                                     |  |        |   |  |  |                       |                   |  |                                   |  |            |                              |
| Cash flow from operating activities             |  | 30,000   |   |   |   |  |  |  |          |  |                                   |  |  |                           |        |  |                      |               |  |   |          |  |                                |        |  |                              |          |  |                               |                   |  |                                |          |  |                      |                 |  |                                     |  |        |   |  |  |                       |                   |  |                                   |  |            |                              |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |  |  |   |   |   |  |  |  |          |  |                                   |  |  |                           |        |  |                      |               |  |   |          |  |                                |        |  |                              |          |  |                               |                   |  |                                |          |  |                      |                 |  |                                     |  |        |   |  |  |                       |                   |  |                                   |  |            |                              |
| Purchase of machinery                           | <u>(7,60,000)</u>  |  |   |   |   |  |  |  |          |  |                                   |  |  |                           |        |  |                      |               |  |   |          |  |                                |        |  |                              |          |  |                               |                   |  |                                |          |  |                      |                 |  |                                     |  |        |   |  |  |                       |                   |  |                                   |  |            |                              |
| Cash used in investing activities               |  | (7,60,000)   |   |   |   |  |  |  |          |  |                                   |  |  |                           |        |  |                      |               |  |   |          |  |                                |        |  |                              |          |  |                               |                   |  |                                |          |  |                      |                 |  |                                     |  |        |   |  |  |                       |                   |  |                                   |  |            |                              |

|  |  |  |                 |        |
|--|--|--|-----------------|--------|
|  | <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>      |  |                 | 1 mark |
|  | Issue of shares                                  |  | 4,00,000        |        |
|  | Long term borrowings                             |  | <u>3,60,000</u> |        |
|  | Cash flow from financing activities              |  | 7,60,000        |        |
|  | Net increase in cash and cash equivalents        |  | 30,000          |        |
|  | Add opening balance of cash and cash equivalents |  | 60,000          | 1 mark |
|  | Closing balance of cash and cash equivalents     |  | 90,000          |        |
|  |  |  |                 |        |
| <b>Working Note 1:</b>                               |  |  |                 | ½ mark |
| Calculation of Net Profit Before Tax                 |  |  |                 |        |
| Surplus i.e. Balance in Statement of Profit and Loss |  |  | 1,00,000        |        |
| Add provision for tax                                |  |  | <u>90,000</u>   |        |
|  |  |  | <u>1,90,000</u> |        |

| Dr.                |           | Provision for Tax A/c             |            | Cr.    |  |
|--------------------|-----------|-----------------------------------|------------|--------|--|
| Particulars        | Amount(₹) | Particulars                       | Amount (₹) |        |  |
| To cash (tax paid) | 70,000    | By balance b/d                    | 60,000     | 1 mark |  |
| To balance c/d     | 80,000    | By provision made during the year | 90,000     |        |  |
|                    | 1,50,000  |                                   | 1,50,000   |        |  |
|                    |           |                                   |            |        |  |

OR

**Part B: Computerized Accounting**

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

**I Accounting framework.....[2]**

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

**I Operating procedure .....[2]**

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

21. In computerised accounting system, every day business transactions are recorded with the help of computer software. Logical scheme is implied for codification of account and transaction. Every account and transaction is assigned a unique code. The grouping of accounts is done from the first stage. [Briefly explaining what is account groups and hierarchy of ledger].The hierarchy

of ledger accounts is maintained and the data is transferred into Ledger accounts automatically by the computer. In order to produce ledger accounts the stored transaction data is processed to appear as classified so that same is presented in the form of report. The preparation of financial statements is independent of producing the trial balance.

(2 marks each point)

22. Intentional manipulation of accounting records is much easier in computerised accounting due to following:

- i. Defective logical sequence at the programming stage
- ii. Prone to hacking

[ 2 points each, briefly explaining with examples)

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

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

**(2 marks each point)**