

			Marking Scheme 2018-19 Accountancy (055) Delhi- 67/1/1 Expected Answers/ Value Points	MARKS						
67 /1 /1	67 /1 /2	67 /1 /3								
1	2	5	<p>Q. Atul and Neera are in partnership....Calculate the new profit sharing ratio.</p> <p>Ans. Mitali's share in profit= 1/10</p> <p>Atul's new share= $3/5 - 1/10 = 5/10$... 1/2 mark</p> <p>Neera's new share= 2/5</p> <p>Mitali's share=1/10</p> <p>New ratio= 5:4:1.....1/2 mark</p>	<p>$\frac{1}{2}$ + $\frac{1}{2}$ = 1 mark</p>						
2	4	4	<p>Q. What is meant by 'Issued Capital'?</p> <p>Ans. Issued Capital is that part of the Authorised Capital which is offered to the public for subscription.</p> <p style="text-align: center;">OR</p> <p>Q. What is meant by 'Employees Stock Option Plan'?</p> <p>Ans. Employees Stock Option Plan means option granted by the company to its employees and directors to subscribe to the shares of the company at a price that is lower than the market price.</p>	<p>1 mark</p> <p>OR</p> <p>1 mark</p>						
3	-	-	<p>Q. Differentiate between Dissolution of Partnership and Dissolution of a Firm on the basis of 'Court's intervention'.</p> <p>Ans.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 20%;"></th> <th style="width: 40%;">Dissolution of Partnership</th> <th style="width: 40%;">Dissolution of a Firm</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Court's intervention</td> <td>The court does not intervene because partnership is dissolved by mutual agreement</td> <td>The firm can be dissolved by court's order.</td> </tr> </tbody> </table>		Dissolution of Partnership	Dissolution of a Firm	Court's intervention	The court does not intervene because partnership is dissolved by mutual agreement	The firm can be dissolved by court's order.	1 mark
	Dissolution of Partnership	Dissolution of a Firm								
Court's intervention	The court does not intervene because partnership is dissolved by mutual agreement	The firm can be dissolved by court's order.								
4	1	3	<p>Q. What is meant by 'Gaining Ratio' on retirement of a partner?</p> <p>Ans. Gaining ratio is the ratio in which the remaining partners acquire the retiring partner's share.</p> <p style="text-align: center;">OR</p> <p>Q. P, Q and R were partners rate at which interest will be paid to R</p> <p>Ans. 6% p.a.</p>	<p>1 mark</p> <p>OR</p> <p>1 mark</p>						

			Note: In case, a student has shown Income from Tournament Fund Investments as ₹24,000 instead of ₹18,000 and ₹6,000 separately and added it to the Tournament Fund, full credit should be given.																																																																																														
9	7	7	Q. Garvit Ltd. invited applications... Ltd. Ans. Journal of Garvit Ltd. <table border="1"> <thead> <tr> <th>Date</th> <th>Particulars</th> <th>Dr. (₹)</th> <th>Cr. (₹)</th> <th></th> <th></th> </tr> </thead> <tbody> <tr> <td></td> <td>Bank A/c Dr. To Debenture Application and Allotment A/c (Being application money received on 3,600 debentures)</td> <td>3,38,400</td> <td>-</td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td>-</td> <td>3,38,400</td> <td></td> <td></td> </tr> <tr> <td></td> <td>Debenture Application and Allotment A/c Dr. Discount/Loss on issue of Debentures A/c Dr. To 11% Debentures To Bank A/c (Being application money adjusted)</td> <td>3,38,400 18,000</td> <td>- -</td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td>3,00,000</td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td>56,400</td> <td></td> <td></td> </tr> </tbody> </table> <p style="text-align: center;">OR</p> Q. On 1st April 2015, P Ltd. issued Loss on issue of 12% Debentures Account. Ans. Dr. Loss on issue of 12% Debentures Account Cr. <table border="1"> <thead> <tr> <th>Date</th> <th>Particulars</th> <th>Amount (₹)</th> <th>Date</th> <th>Particulars</th> <th>Amount (₹)</th> </tr> </thead> <tbody> <tr> <td>2015 April 1</td> <td>To Premium on Redemption of Debentures A/c</td> <td>42,000</td> <td>2016 Mar 31</td> <td>By Statement of P/L</td> <td>14,000</td> </tr> <tr> <td></td> <td></td> <td></td> <td>Mar 31</td> <td>By Balance c/d</td> <td>28,000</td> </tr> <tr> <td></td> <td></td> <td>42,000</td> <td></td> <td></td> <td>42,000</td> </tr> <tr> <td>2016 April 1</td> <td>To balance b/d</td> <td>28,000</td> <td>2017 Mar 31</td> <td>By Statement of P/L</td> <td>14,000</td> </tr> <tr> <td></td> <td></td> <td></td> <td>Mar 31</td> <td>By Balance c/d</td> <td>14,000</td> </tr> <tr> <td></td> <td></td> <td>28,000</td> <td></td> <td></td> <td>28,000</td> </tr> <tr> <td>2017 April 1</td> <td>To balance b/d</td> <td>14,000</td> <td>2018 Mar 31</td> <td>By Statement of P/L</td> <td>14,000</td> </tr> <tr> <td></td> <td></td> <td>14,000</td> <td></td> <td></td> <td>14,000</td> </tr> </tbody> </table>				Date	Particulars	Dr. (₹)	Cr. (₹)				Bank A/c Dr. To Debenture Application and Allotment A/c (Being application money received on 3,600 debentures)	3,38,400	-					-	3,38,400				Debenture Application and Allotment A/c Dr. Discount/Loss on issue of Debentures A/c Dr. To 11% Debentures To Bank A/c (Being application money adjusted)	3,38,400 18,000	- -						3,00,000						56,400			Date	Particulars	Amount (₹)	Date	Particulars	Amount (₹)	2015 April 1	To Premium on Redemption of Debentures A/c	42,000	2016 Mar 31	By Statement of P/L	14,000				Mar 31	By Balance c/d	28,000			42,000			42,000	2016 April 1	To balance b/d	28,000	2017 Mar 31	By Statement of P/L	14,000				Mar 31	By Balance c/d	14,000			28,000			28,000	2017 April 1	To balance b/d	14,000	2018 Mar 31	By Statement of P/L	14,000			14,000			14,000	1 mark + 2 marks = 3 marks OR 1 x 3 = 3 marks
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			2018 Mar.31	Bank A/c To Debenture Redemption Investments A/c (Being Debenture Redemption Investments sold)	Dr.	90,000	90,000	1 mark																																				
			“	9% Debentures A/c Premium on redemption of Debentures A/c To Debenture holders A/c (Being Debentures due for redemption)	Dr.	6,00,000 48,000	6,48,000	1 mark																																				
			“	Debenture holders A/c To Bank A/c (Being Debentures redeemed)	Dr.	6,48,000	6,48,000	½ mark																																				
				Debenture Redemption Reserve A/c To General Reserve A/c (Being Debenture Redemption Reserve transferred to general reserve)	Dr.	1,50,000	1,50,000	-																																				
			<p>* Any date from April 1 to April 30 can be given for purchase of Debenture Redemption Investments</p> <p>Note: No marks to be deducted if the student has not transferred Debenture Redemption Reserve to General Reserve</p>						= 3marks																																			
11	-	-	<p>Q. Ankit, Bobby and Kartik..... is settled at ₹12,500.</p> <p>Ans. Journal</p> <table border="1"> <thead> <tr> <th>Date</th> <th>Particulars</th> <th></th> <th>Dr. (₹)</th> <th>Cr. (₹)</th> </tr> </thead> <tbody> <tr> <td>(i)</td> <td>Ankit's Capital A/c Bank/ Cash A/c To Realisation A/c (Being stock taken over by Ankit, remaining sold at a profit)</td> <td>Dr. Dr.</td> <td>32,000 52,000</td> <td>84,000</td> </tr> <tr> <td colspan="5" style="text-align: center;">or</td> </tr> <tr> <td></td> <td>Ankit's Capital A/c To Realisation A/c (Being stock taken over by Ankit)</td> <td>Dr.</td> <td>32,000</td> <td>32,000</td> </tr> <tr> <td></td> <td>Bank/ Cash A/c To Realisation A/c (Being stock sold at a profit)</td> <td>Dr.</td> <td>52,000</td> <td>52,000</td> </tr> <tr> <td>(ii)</td> <td>Realisation A/c To Bank/ Cash A/c (Being payment made to creditors)</td> <td>Dr.</td> <td>69,000</td> <td>69,000</td> </tr> <tr> <td>(iii)</td> <td>Realisation A/c To Bank/ Cash A/c</td> <td>Dr.</td> <td>22,000</td> <td>22,000</td> </tr> </tbody> </table>					Date	Particulars		Dr. (₹)	Cr. (₹)	(i)	Ankit's Capital A/c Bank/ Cash A/c To Realisation A/c (Being stock taken over by Ankit, remaining sold at a profit)	Dr. Dr.	32,000 52,000	84,000	or						Ankit's Capital A/c To Realisation A/c (Being stock taken over by Ankit)	Dr.	32,000	32,000		Bank/ Cash A/c To Realisation A/c (Being stock sold at a profit)	Dr.	52,000	52,000	(ii)	Realisation A/c To Bank/ Cash A/c (Being payment made to creditors)	Dr.	69,000	69,000	(iii)	Realisation A/c To Bank/ Cash A/c	Dr.	22,000	22,000		1 x 4 = 4 marks
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			(Being Bobby's sister's loan paid along with interest)																											
		(iv)	Kartik's loan A/c Dr. 12,000 Realisation A/c Dr. 500 To Bank/ Cash A/c (Being Kartik's loan settled) or Kartik's loan A/c Dr. 12,000 To Bank/ Cash A/c (Being Kartik's loan settled) Realisation A/c Dr. 500 To Bank / CashA/c (Being Kartik's loan settled at a loss)	12,500	12,000	500																								
12	-	-	Q. Radhika, Bani and Chitra ...above changes. Ans. JOURNAL																											
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13 14 15 Q. From the following Receipts and Payments A/c

Ans. Dr. Income and Expenditure A/c for the year ended March 31, 2018 Cr.

Particulars	Amount (₹)	Particulars	Amount (₹)
To Stationery consumed	22,400	By Subscriptions	2,00,000
To loss on sale of old furniture	2,400	By Interest on investments	800
To electricity expenses	10,600	Add interest accrued	160
To expenses on lectures	30,000	By Government Grant	17,400
To surplus	1,52,960		
	2,18,360		2,18,360

½ mark for each item
=
½ x 8
=
4 marks

Balance Sheet of Sears Club as on 31st March 2018

Liabilities	Amount (₹)	Assets	Amount (₹)
Subscriptions received in advance	7,200	Outstanding Subscriptions	1,01,000
Donations for building	40,000	Stock of Stationery	4,000
Capital Fund 62,000		Cash	50,000
Add Surplus 1,52,960	2,14,960	Investments	8,000
		Interest accrued on investments	160
		Sports Equipment	59,000
		Books	40,000
	2,62,160		2,62,160

1 mark each for liabilities and asset side
1+1
=
2 marks

Interest on 12% Investments

In case, a candidate has credited Income and Expenditure Account by Rs.800 on account of Interest on 12% Investments, it may be marked correct.

Working Notes:

Balance Sheet of Sears Club as on 31st March 2017

Liabilities	Amount (₹)	Assets	Amount (₹)
Subscriptions received in advance	25,000	Outstanding Subscriptions	60,000
Capital Fund	62,000	Stock of Stationery	3,000
		Cash	20,000
		Furniture	4,000
	87,000		87,000

=
4+2
=
6 marks

Note: In case the candidate has not prepared the Opening Balance Sheet, no marks are to be deducted.

14 15 13 Q. Girija, Yatin and Zubin Zubin's Executors Account till he is finally paid.

Ans. Dr.		Zubin's Executors Account				Cr.
Date	Particulars	Amount (₹)	Date	Particulars	Amount (₹)	
2015 Aug 1 2016 March 31	To Bank A/c To Balance c/d	10,300 83,200	2015 Aug 1 2016 Mar 31	By Zubin's Capital A/c By Interest accrued	90,300 3,200	
		93,500			93,500	
2017 Mar 31	To Bank A/c	48,000	2016 Apr 1 2017 Mar 31	By Balance b/d By Interest	83,200 4,800	
"	To Balance c/d	40,000			88,000	
		88,000			88,000	
2018 Mar 31	To Bank A/c	42,400	2017 Apr 1 2018 Mar 31	By Balance b/d By Interest	40,000 2,400	
		42,400			42,400	

2 marks

2 marks

2 marks

=
6 marks

OR

Ans. Dr.		Zubin's Executors Account				Cr.
Date	Particulars	Amount (₹)	Date	Particulars	Amount (₹)	
2015 Aug 1 2016 March 31	To Bank A/c To Bank A/c To Balance c/d	10,300 3,200 80,000	2015 Aug 1 2016 Mar 31	By Zubin's Capital A/c By Interest	90,300 3,200	
		93,500			93,500	
2017 Mar 31	To Bank A/c	44,800	2016 Apr 1 2017 Mar 31	By Balance b/d By Interest	80,000 4,800	
"	To Balance c/d	40,000			88,800	
		88,800			88,800	
2018 Mar 31	To Bank A/c	42,400	2017 Apr 1 2018 Mar 31	By Balance b/d By Interest	40,000 2,400	
		42,400			42,400	

2 marks

2 marks

2 marks
=
6 marks

OR

Ans. Dr.		Zubin's Executors Account				Cr.
Date	Particulars	Amount (₹)	Date	Particulars	Amount (₹)	
2015 Aug 1 2016 March 31	To Bank A/c To Balance c/d	10,300 83,200	2015 Aug 1 2016 Mar 31	By Zubin's Capital A/c By Interest accrued	90,300 3,200	
		93,500			93,500	
2017 Mar 31	To Bank A/c	48,192	2016 Apr 1	By Balance b/d	83,200	

OR

2 marks

			“	To Balance c/d	40,000	2017 Mar 31	By Interest	4,992	2 marks	
					88,192			88,192		
			2018 Mar 31	To Bank A/c	42,400	2017 Apr 1 2018 Mar 31	By Balance b/d	40,000	2 marks	
					42,400		By Interest	2,400	=	
								42,400	6 marks	
15	13	14	Q. Sonu and Rajat started a partnership firm ... books of Sonu and Rajat.							
			Ans. Journal							
			Date	Particulars		Dr. (₹)		Cr. (₹)		
				Profit and Loss A/c To Profit and Loss Appropriation A/c (Being profit transferred from Profit and Loss A/c to Profit and Loss Appropriation A/c)	Dr.	4,89,950		4,89,950	½ mark	
				Partner's Salary A/c To Sonu's Capital A/c (Being salary credited to Sonu's Capital A/c)	Dr.	2,40,000		2,40,000	½ mark	
				Profit and Loss Appropriation A/c To Partner's Salary A/c (Being salary transferred to Profit and Loss Appropriation A/c)	Dr.	2,40,000		2,40,000	½ mark	
				Partner's Commission A/c To Rajat's Capital A/c (Being commission credited to Rajat's Capital A/c)	Dr.	1,00,000		1,00,000	½ mark	
				Profit and Loss Appropriation A/c To Partner's Commission A/c (Being salary transferred to Profit and Loss Appropriation A/c)	Dr.	1,00,000		1,00,000	½ mark	
				Interest on Capital A/c To Sonu's Capital A/c To Rajat's Capital A/c (Being interest on capital credited to Partners' Capital A/c)	Dr.	1,12,000		64,000 48,000	½ mark	
				Profit and Loss Appropriation A/c To Interest on Capital A/c (Being Interest on Capital transferred to Profit and Loss Appropriation A/c)	Dr.	1,12,000		1,12,000	½ mark	
				Sonu's Capital A/c Rajat's Capital A/c To Interest on Drawings A/c (Being Interest on drawings charged)	Dr. Dr.	400 1,650		2,050	1 mark	

Interest on Drawings A/c To Profit and Loss Appropriation A/c (Being Interest on drawings transferred to Profit and Loss Appropriation A/c)	Dr.	2,050	2,050
Profit and Loss Appropriation A/c To Sonu's Capital A/c To Rajat's Capital A/c (Being Profit credited to Partners' Capital accounts)	Dr.	40,000	24,000 16,000

½ mark

1 mark

=
6 marks

Note: If a combined entries has been passed for Partner's commission, Partner's salary, Interest on Capital and Interest on Drawings, no mark is to be deducted.

OR

Q. Jay, Vijay and Karan.... For the year ended 31st March 2018

Ans.

Dr. Profit and Loss Appropriation A/c for the year ended 31st March 2018

Cr.

Particulars	Amount (₹)	Particulars	Amount (₹)
To salary Jay's Capital A/c 1,80,000 Vijay's Capital A/c 1,80,000	3,60,000	By Net Profit By Jay's Capital A/c (2,00,000 – 1,75,000)/ Deficiency in guaranteed fees	15,00,000 25,000
To Profit transferred to: Jay's Capital A/c 4,66,000 - guarantee to Karan (1,60,200)	3,05,800		
Vijay's Capital A/c 4,66,000 - guarantee to Karan(1,06,800)	3,59,200		
Karan's Capital A/c 2,33,000 Add guarantee 2,67,000	5,00,000		
	15,25,000		15,25,000

½ mark
for each
correct
item

=
½ x 6
=

3 marks

+

Dr. Partners' Capital Accounts Cr.

Particulars	Jay (₹)	Vijay (₹)	Karan (₹)	Particulars	Jay (₹)	Vijay (₹)	Karan (₹)
To P/L Appr. A/c To balance c/d	25,000 4,60,800	- 5,39,200	- 5,00,000	By salary By P/L Appropriation A/c- Profit	1,80,000 3,05,800	1,80,000 3,59,200	-- 5,00,000
	4,85,800	5,39,200	5,00,000		4,85,800	5,39,200	5,00,000

1 mark for
each
correct
Capital A/c

=
1 x 3
=

3 marks

=

In case, the candidate has prepared the Partners Capital accounts considering the guarantee in any other way and the closing balances in their Capital Accounts are

			same as indicated above, full credit be given.	3+3 = 6 marks																												
16	17	16	<p>Q. DF Ltd. was registered ... the necessary Journal entries in the books of DF Ltd.</p> <p>Ans. Journal of DF Ltd.</p> <table border="1"> <thead> <tr> <th>Date</th> <th>Particulars</th> <th>Dr. (₹)</th> <th>Cr. (₹)</th> </tr> </thead> <tbody> <tr> <td></td> <td>Bank A/c Dr. To Equity Share Application A/c (Being application money received on 70,000 shares)</td> <td>2,10,000</td> <td>2,10,000</td> </tr> <tr> <td></td> <td>Equity Share Application A/c Dr. To Equity Share Capital A/c To Securities premium reserve A/c To Equity Share Allotment A/c To Bank A/c (Being application money transferred to share capital, securities premium reserve, share allotment and the balance refunded)</td> <td>2,10,000</td> <td>1,00,000 50,000 15,000 45,000</td> </tr> <tr> <td></td> <td>Equity Share Allotment A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being Allotment money due on 50,000 shares)</td> <td>1,50,000</td> <td>1,00,000 50,000</td> </tr> <tr> <td></td> <td>Bank A/c Dr. To Equity Share Allotment A/c (Being allotment money received) OR Bank A/c Dr. Calls in arrears A/c Dr. To Equity Share Allotment A/c (Being allotment money received)</td> <td></td> <td></td> </tr> <tr> <td></td> <td>Equity Share First call A/c Dr. To Equity Share Capital A/c (Being First call money due on 50,000 shares)</td> <td>1,50,000</td> <td>1,50,000</td> </tr> <tr> <td></td> <td>Bank A/c Dr. To Equity Share First call A/c (Being first call money received) OR Bank A/c Dr. Calls in arrears A/c Dr. To Equity Share First call A/c (Being first call money received</td> <td>1,20,000 1,20,000 30,000</td> <td>1,20,000 1,50,000</td> </tr> </tbody> </table> <p style="text-align: center;">OR</p>	Date	Particulars	Dr. (₹)	Cr. (₹)		Bank A/c Dr. To Equity Share Application A/c (Being application money received on 70,000 shares)	2,10,000	2,10,000		Equity Share Application A/c Dr. To Equity Share Capital A/c To Securities premium reserve A/c To Equity Share Allotment A/c To Bank A/c (Being application money transferred to share capital, securities premium reserve, share allotment and the balance refunded)	2,10,000	1,00,000 50,000 15,000 45,000		Equity Share Allotment A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being Allotment money due on 50,000 shares)	1,50,000	1,00,000 50,000		Bank A/c Dr. To Equity Share Allotment A/c (Being allotment money received) OR Bank A/c Dr. Calls in arrears A/c Dr. To Equity Share Allotment A/c (Being allotment money received)				Equity Share First call A/c Dr. To Equity Share Capital A/c (Being First call money due on 50,000 shares)	1,50,000	1,50,000		Bank A/c Dr. To Equity Share First call A/c (Being first call money received) OR Bank A/c Dr. Calls in arrears A/c Dr. To Equity Share First call A/c (Being first call money received	1,20,000 1,20,000 30,000	1,20,000 1,50,000	<p>3marks</p> <p>2 marks</p> <p>3 marks</p> <p>-</p> <p>-</p> <p>-</p> <p>=</p> <p>8 marks</p> <p>OR</p>
Date	Particulars	Dr. (₹)	Cr. (₹)																													
	Bank A/c Dr. To Equity Share Application A/c (Being application money received on 70,000 shares)	2,10,000	2,10,000																													
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Q. EF Ltd. calls in arrears account wherever required.

Ans.

Journal of EF Ltd.

Date	Particulars	Dr. (₹)	Cr. (₹)
	Bank A/c Dr. To Equity Share Application A/c (Being application money received on 1,20,000 shares)	24,00,000	24,00,000
	Equity Share Application A/c Dr. To Equity Share Capital A/c To Securities premium reserve A/c To Equity Share Allotment A/c To Bank A/c (Being application money transferred to share capital, securities premium reserve, share allotment and the balance refunded)	24,00,000	12,00,000 4,00,000 4,00,000 4,00,000
	Equity Share Allotment A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being Allotment money due on 80,000 shares)	12,00,000	8,00,000 4,00,000
	Bank A/c Dr. Calls in arrears A/c Dr. To Equity Share Allotment A/c (Being allotment money received)	7,60,000 40,000	8,00,000
	Equity Share First call A/c Dr. To Equity Share Capital A/c (Being First call money due on 80,000 shares)	12,00,000	12,00,000
	Bank A/c Dr. Calls in arrears A/c (First call) Dr. To Equity Share First call A/c To Calls in Arrears A/c (Allotment) (Being first call money received)	12,10,000 30,000	12,00,000 40,000
	Equity Share Capital A/c Dr. To Share Forfeiture A/c To Calls in Arrears A/c (Being Sahaj's shares forfeited for non payment of first call)	80,000	50,000 30,000
	Bank A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being Sahaj's shares reissued for ₹60 per share)	1,20,000	1,00,000 20,000
	Share Forfeiture A/c Dr. To Capital Reserve A/c (Being balance in Share forfeiture account transferred to capital reserve)	50,000	50,000

½ mark

1 mark

½ mark

1 mark

½ mark

1 ½ marks

1 mark

1 mark

1 mark

**=
8 marks**

Note: In case a candidate has attempted one or both the alternatives and struck off one or both of them, both the answers may be evaluated and the answer in which the candidate has secured more marks may be retained.

17 16 17 Q. Akul, Bakul and Chandan of the reconstituted firm.

Ans.

Dr.		Revaluation A/c		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)		
To Provision for doubtful debts	7,000	By Plant and Machinery	20,000		
To Furniture	3,000				
To Profit transferred to:					
Akul's Capital A/c	4,000				
Bakul's Capital A/c	4,000				
Chandan's Capital A/c	2,000				
	10,000				
	20,000				20,000

½ mark for each amount
= ½ x 4
= 2 marks

In case, the student has calculated 'Provision for doubtful debts' correctly, full credit is to be given.

Dr.				Partners Capital Accounts				Cr.			
Particulars	Akul (₹)	Bakul (₹)	Chandan (₹)	Particulars	Akul (₹)	Bakul (₹)	Chandan (₹)	Particulars	Akul (₹)	Bakul (₹)	Chandan (₹)
To Bakul Capital A/c	80,000	-	40,000	By balance b/d	1,60,000	1,20,000	92,000				
To Bakul loan A/c	-	2,52,000	-	By General Reserve	8,000	8,000	4,000				
To balance c/d	92,000		58,000	By Revaluation A/c	4,000	4,000	2,000				
				By Akul Capital A/c	-	80,000	-				
				By Chandan Capital A/c	-	40,000	-				
	1,72,000	2,52,000	98,000		1,72,000	2,52,000	98,000				
To Bank A/c	-	-	8,000	By balance b/d	92,000	-	58,000				
To balance c/d	1,00,000	-	50,000	By Bank A/c	8,000	-	-				
	1,00,000	-	58,000		1,00,000	-	58,000				

1 mark for each capital A/c
+ 1 mark for capital adjustment
= 3+1
= 4 marks

Note: If the candidate has not extended the Capital Accounts but done the Capital Adjustment correctly, full credit be given.

Balance Sheet of the reconstituted firm as on 31st March 2018

Liabilities	Amount (₹)	Assets	Amount (₹)
Sundry Creditors	45,000	Cash at bank	42,000
Employees Provident Fund	13,000	Debtors	60,000
Bakul's Loan	2,52,000	Less Provision for doubtful debts	9,000
Capitals		Stock	80,000
Akul	1,00,000	Furniture	87,000
Chandan	50,000	Plant and Machinery	2,00,000
	4,60,000		4,60,000

1 mark for correct assets side
+ 1 mark for correct liability side
= 2 marks
= 2+4+2
= 8 marks

OR

OR

Q. Sanjana and Alok are partners Nidhi's admission.

Ans.

Dr.	Revaluation A/c	Cr.
-----	-----------------	-----

			<table border="1"> <tr> <th>Particulars</th> <th>Amount (₹)</th> <th>Particulars</th> <th>Amount (₹)</th> </tr> <tr> <td>To Furniture</td> <td>30,000</td> <td>By Investments</td> <td>40,000</td> </tr> <tr> <td>To Profit transferred to: Sanjana's Capital A/c 24,000 Alok's Capital A/c <u>16,000</u></td> <td>40,000</td> <td>By Stock</td> <td>30,000</td> </tr> <tr> <td></td> <td>70,000</td> <td></td> <td>70,000</td> </tr> </table>	Particulars	Amount (₹)	Particulars	Amount (₹)	To Furniture	30,000	By Investments	40,000	To Profit transferred to: Sanjana's Capital A/c 24,000 Alok's Capital A/c <u>16,000</u>	40,000	By Stock	30,000		70,000		70,000	$\frac{1}{2} \times 4$ = 2 marks																																																								
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18	-	-	Q. Mevo Finance LtdInvesting Activities. Ans. Cash Flows from Investing activities <table border="1"> <tr> <th>Particulars</th> <th>Amount (₹)</th> <th>Amount (₹)</th> </tr> <tr> <td>Sale of Machinery</td> <td>69,000</td> <td></td> </tr> <tr> <td>Purchase of machinery</td> <td><u>(9,00,000)</u></td> <td></td> </tr> <tr> <td>Net Cash used in Investing Activities</td> <td></td> <td>(8,31,000)</td> </tr> </table>	Particulars	Amount (₹)	Amount (₹)	Sale of Machinery	69,000		Purchase of machinery	<u>(9,00,000)</u>		Net Cash used in Investing Activities		(8,31,000)	1 mark																																																												
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19	-	-	Q. State the meaning of 'Cash Equivalents'. Ans. Cash Equivalents mean short term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.	1 mark																																																																								

20	21	22	<p>Q. Explain briefly any four objectives of ‘Analysis of Financial Statements’.</p> <p>Ans. Objectives of ‘Financial Statements Analysis’: (Any four)</p> <p>(i) Assessing the earning capacity or profitability (ii) Assessing the managerial efficiency (iii) Assessing the short term and the long-term solvency of the enterprise (iv) Inter- firm comparison. (v) Forecasting and preparing budgets. (vi) Ascertaining the relative importance of different components of the financial position of the firm.</p> <p>(If the candidate has not given the headings but has given the correct explanation, full credit may be given)</p> <p style="text-align: center;">OR</p> <p>Q. State under which major headings and sub-headingsdeveloped by the company.</p> <p>Ans.</p> <table border="1"> <thead> <tr> <th></th> <th>Item</th> <th>Head</th> <th>Sub-Head</th> </tr> </thead> <tbody> <tr> <td>(i)</td> <td>Prepaid Insurance</td> <td>Current Assets</td> <td>Other Current Assets</td> </tr> <tr> <td>(ii)</td> <td>Investment in Debentures</td> <td>Non Current Assets</td> <td>Non Current Investments</td> </tr> <tr> <td>(iii)</td> <td>Calls-in-arrears</td> <td>Shareholders’ Funds</td> <td>Share Capital/ Subscribed Capital</td> </tr> <tr> <td>(iv)</td> <td>Unpaid dividend</td> <td>Current Liabilities</td> <td>Other Current Liabilities</td> </tr> <tr> <td>(v)</td> <td>Capital Reserve</td> <td>Shareholders’ Funds</td> <td>Reserves and Surplus</td> </tr> <tr> <td>(vi)</td> <td>Loose Tools</td> <td>Current Assets</td> <td>Inventories</td> </tr> <tr> <td>(vii)</td> <td>Capital work-in-progress</td> <td>Non Current Assets</td> <td>Fixed Assets</td> </tr> <tr> <td>(viii)</td> <td>Patents being developed by the company</td> <td>Non Current Assets</td> <td>Fixed Assets- Intangible Assets under development</td> </tr> </tbody> </table>		Item	Head	Sub-Head	(i)	Prepaid Insurance	Current Assets	Other Current Assets	(ii)	Investment in Debentures	Non Current Assets	Non Current Investments	(iii)	Calls-in-arrears	Shareholders’ Funds	Share Capital/ Subscribed Capital	(iv)	Unpaid dividend	Current Liabilities	Other Current Liabilities	(v)	Capital Reserve	Shareholders’ Funds	Reserves and Surplus	(vi)	Loose Tools	Current Assets	Inventories	(vii)	Capital work-in-progress	Non Current Assets	Fixed Assets	(viii)	Patents being developed by the company	Non Current Assets	Fixed Assets- Intangible Assets under development	<p>$\frac{1}{2}$ mark for heading + $\frac{1}{2}$ mark for its explanation = 1 x 4 = 4 marks</p> <p style="text-align: center;">OR</p> <p>$\frac{1}{2}$ x 8 = 4 marks</p>
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21	22	21	<p>(a) Calculate Revenue from operations 25% on cost.</p> <p>Ans. Current ratio =2:1 and Current assets = ₹8,00,000 Current ratio = Current Assets/ Current Liabilities=2:1 Therefore, Current Liabilities =₹4,00,000</p> <p>Quick ratio = Quick Assets/ Current Liabilities=1.5:1 Therefore, Quick Assets =₹6,00,000</p>																																					

		<p>Inventory= Current Assets - Quick Assets =₹8,00,000 - ₹6,00,000 =₹2,00,000</p> <p>Inventory Turnover Ratio=6 times Cost of Revenue from operations/ Average Inventory = 6 times Cost of Revenue from operations/ ₹2,00,000 = 6 Cost of Revenue from operations =₹12,00,000 Gross Profit is 25% on cost =25% of ₹12,00,000 =₹3,00,000 So, Revenue from operations = ₹12,00,000 +₹3,00,000 = ₹15,00,000</p> <p>(b) The Operating ratio of a company is 60%. State whether ‘Purchase of goods costing ₹20,000’ will increase, decrease or not change the operating ratio.</p> <p>Ans. ‘Purchase of goods costing ₹20,000’ will not change the operating ratio.</p> <p style="text-align: center;">OR</p> <p>Q. Calculate ‘Total Assets to Debt.....’</p> <p>Ans. Total Assets= Total Liabilities= Equity Share Capital + Long Term borrowings + Surplus +General reserve + Current Liabilities + Long term Provisions =₹4,00,000 + ₹1,80,000 + ₹1,00,000 + ₹70,000 + ₹30,000 + ₹1,20,000 =₹9,00,000</p> <p>Debt= Long Term borrowings+ Long term Provisions = ₹1,80,000 + ₹1,20,000 = ₹3,00,000</p> <p>Total assets to debt Ratio= Total assets/ debt =₹9,00,000/₹3,00,000 =3:1</p> <p>(b) The Debt Equity ratio..... Debt Equity Ratio.</p> <p>Ans. Issue of bonus Shares will not change the ratio.</p>	<p>3 marks</p> <p>+</p> <p>1 mark =</p> <p>4 marks</p> <p>OR</p> <p>3 marks</p> <p>+</p> <p>1 mark =</p> <p>4 marks</p>
22	-	-	<p>Q. From the following information extracted from the Statement of Profit and Loss for....</p>

Ans.

**Comparative Statement of Profit and Loss
for the years ended 31st March 2017 and 31st March 2018**

Particulars	2016-17 (₹)	2017-18 (₹)	Absolute Increase/ Decrease (₹)	Percentage Increase/ Decrease (%)
Revenue from operations	5,00,000	6,00,000	1,00,000	20
Add Other income	1,00,000	1,20,000	20,000	20
Total Revenue	6,00,000	7,20,000	1,20,000	20
Less Employee benefit expenses	1,80,000	2,88,000	1,08,000	60
Profit before Tax	4,20,000	4,32,000	12,000	2.86
Less Tax	2,10,000	2,16,000	6,000	2.86
Profit after Tax	2,10,000	2,16,000	6,000	2.86

1 mark

1 mark

1 mark

1 mark

=
4 marks

23 23 23

Q. Following are the Balance Sheets of Kiero Ltd.... debentures were issued on 1st September 2017.

Ans. Cash Flow Statement of Kiero Ltd. for the year ended 31st March 2018

Particulars	Amount (₹)	Amount (₹)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit before Tax	4,58,000	
Add depreciation on Plant and Machinery	5,000	
Interest on 12% Debentures	50,000	
<i>Operating profit before Working Capital changes</i>	5,13,000	
Less Increase in Trade Receivables	(2,90,000)	
<i>Cash generated from operations</i>	2,23,000	
Less tax paid	(46,000)	
Cash Inflows from Operating activities		1,77,000
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Plant and Machinery	(3,50,000)	
Purchase of Goodwill	(98,000)	
Cash used in Investing activities		(4,48,000)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of Shares	2,10,000	
Issue of 12% Debentures	2,00,000	
Bank overdraft raised	73,000	
Interest paid on 12% Debentures	(50,000)	
Cash Inflows from Financing activities		4,33,000

2 marks

1 mark

1 ½ marks

22	21	22	<p>Q. Explain ‘Transparency control’ and ‘Scalability’ as....</p> <p>Ans. <u>Transparency and control</u> CAS provides sufficient time to plan, increases data accessibility and enhances user satisfaction. With computerised accounting, the organisation will have greater transparency for day to day business operations and access to the vital information.</p> <p>Scalability CAS enables in changing the volume of data processing in tune with the change in the size of the business. The software can be used for any size the business and type of the organisation.</p> <p style="text-align: center;">OR</p> <p>Q. Explain ‘Payroll Accounting Subsystem’ and ‘ Costing Subsystem’.</p> <p>Ans. <u>Payroll Accounting Sub-system</u> It deals with payment of wages and salary to employees. A typical was report details information about basic pay, dearness. Allowance, and other allowances and deductions from salary and wages on account of provident fund, taxes, loans, advances and other charges. The system generates reports about wage bill, overtime payment and payment on account of leave encashment, etc.</p> <p>Costing Sub-system It deals with the ascertainment of cost of goods produced. It has linkages with other accounting Sub-systems for obtaining the necessary information about cost of material, labour, and other expenses. This system generates information about changes in the cost that takes place during the period under review.</p>	<p>2 marks</p> <p style="text-align: center;">+</p> <p>2 marks =</p> <p>4 marks</p> <p style="text-align: center;">OR</p> <p>2 marks</p> <p style="text-align: center;">+</p> <p>2 marks =</p> <p>4 marks</p>
23	23	23	<p>Q. Name and explain the function which returns the future value of an investment which has constant payment and interest.</p> <p>Ans. PMT The PMT function calculates the periodic payment for an annuity assuming equal payments and a constant rate of interest. The syntax of PMT function is as follows: =PMT (rate, nper, pv, [fv], [type]) where Rate is the interest rate per period, Nper is the number of periods, Pv is the present value or the amount the future payments are worth presently, future value or cash balance that after the last payment is made (a future value of zero when we omit this optional argument) Type is the value 0 for payments made at the end of the period or the value 1 for payments made at the beginning of the period. The PMT function is often used to calculate the payment for mortgage loans that have a fixed rate of interest.</p>	<p>6 marks</p>