

MARKING SCHEME - REVISION PAPER 12

Question No: 01

1) Rs'(000)

Transaction No	Assets				Trade payable	Bank Loan	Equity	
	Property plant & equipment	Stocks	Trade Receivable	Cash			Capital	Retained earnings
B/B/F	900	100	150	100	80	200	① 850	120
01 ②		+80		-80				
02 ②		-60		+80				+20
03 ②		+100			+100			
04 ②			-50	+45				-5
05 ②		-80	+100					+20
06 ②				-54	-60			+6
07 ②			+50	-45				+5
08 ②				-12		-10		-2
09 ②				-8				-8
10 ②		+10	-12.5					-2.5

2) Statement of Profit or Loss (Rs. '000)

Sales		167.5	①
(-) Cost of Sales		(130)	①
Gross Profit		37.5	①
(+) Other Income			
Discount Received	6	6	①
(-) Other Expenses		43.5	
Discount Allowed ①	5		
Discount Allowed cancelled①	(5)		
Loan interest①	2		
Depreciation①	7.5	(9.5)	
Net Profit		34	①

(Total Marks 30)

Question No 02

1) Bank Reconciliation Statement(July)

Balance as per adjusted cash control		② 5000
(+) Un presented cheques	②25 000	25 000
		30 000
(-) Un realized cheques	②22 400	(22 400)
Balance as per Bank Statement		② 7 600

Working

Bank statement

Opening balance	-	7600
(+) Total credits	-	264 800
(-) Total Debits	-	(160 400)
Bank statement balance		112 000 ②

2)

Bank Reconciliation Statement (August)

Balance as per adjusted cash control		₹ 140 200
(+) Un presented cheques	29 000	
		29 000
(-) Un realized cheques	(33 200)	169 200
Bank error	(24 000)	(57 200)
Balance as per Bank Statement		112 000

(Total Marks 20)**Question No: 03****General Journal**

1)

(Rs. '000)

	Description	Dr.	Cr.
1	Debtors Control Dr. Sales (Correction of Sales) ②	18	18
2	Discount Received Dr. Discount allowed Dr. Suspense (Correction of Discount account) ②	27 27	54
3	Suspense Dr. Return inward (Correction of Return inward account) ②	5	5
4	Creditor control Dr. Suspense (Correction of Creditor control Account) ②	25	25
5	Suspense Dr. Rent expense Rent income (Correction of Rent income Account) ②	34	17 17

2)

Profit correction Statement (Rs. '000)

Incorrect Net Profit		147
(+) Sales	₹ 18	
Return inward	₹ 5	
Rent expense	17	} ② 57
Rent income	17	
		204
(-)		
Discount received	(27)	} ② (54)
Discount allowed	(27)	
Balance as per Debtors List		₹ 150

(Total Marks 20)

Question No: 04**Rs. '000**

$$\begin{aligned}
 \text{1) Building Depreciation} &= 7\,000 - 1\,600 \\
 &= 5\,400 + 1\,200 \\
 &= \frac{6\,600 - 3\,000}{20} = \frac{3\,600}{20} = \boxed{180} \text{ ②}
 \end{aligned}$$

$$\begin{aligned}
 \text{New M/V Depreciation} &= \frac{7\,000 - 3\,000}{10} \times \frac{3}{12} \\
 &= \boxed{100} \text{ ①}
 \end{aligned}$$

$$\begin{aligned}
 \text{Old M/V Depreciation} &= \frac{10\,000 - 2\,000}{8} \times \frac{9}{12} \\
 &= \frac{8\,000}{8} \times \frac{9}{12} \\
 &= \boxed{750} \text{ ①}
 \end{aligned}$$

2)**Motor Vehicle Disposal****Rs. '000**

M/V ①	10 000	Provision for Dep	5 250	①
P and L ①	250	Exchange price	5 000	①
	10 250		10 250	

3) Impact on net profit

Depreciation (850) ①
Disposal gain 250 ①
 (600)

profit decrease by Rs.600 000**(Total Marks 10)**