

			Marking Scheme 2019-20 Accountancy (055) 67/2/2 Expected Answers/ Value Points	Marks
7	1	5	Q. At the time of admission..... Ans. Premium for goodwill/ Premium/ Goodwill	1 mark
-	2	-	Q. Divya Ltd..... Ans. (B)/ ₹4,20,000	1 mark
9	3	7	Q. What is meant by..... Ans. Issue of debentures as a collateral security means debentures issued as secondary security when the company obtains a loan.	1 mark
-	4	-	Q. Shobha Ltd..... Ans. (C)/ ₹2,00,000	1 mark
11	5	9	Q. Interest paid..... Ans. Yes. Reason: Interest on debentures has to be paid whether the company earns profit or not.	½ mark + ½ mark = 1 mark
12	6	10	Q. From the given extracts..... Ans. ₹6,000	1 mark

-	7	-	Q. The Directors of Unim Ltd..... Ans. (C)/ ₹1,05,000	1 mark
-	8	-	Q. Sunaina, Rohan..... Ans. (D)/ 3:1	1 mark
-	9	-	Q. Which of the following..... Ans. (D)/ Legacies	1 mark
3	10	1	Q. Nominal share capital..... Ans. (D)/ The maximum amount of share capital that a company is authorized to issue.	1 mark
-	11	-	Q. Mita nd Sumit..... Ans. (A)/ ₹20,000	1 mark
-	12	-	Q. Distinguish between..... Ans. Income and Expenditure items relate only to the current period while Receipts and Payments items may relate to preceding and succeeding periods also.	1 mark
-	13	-	Q. Asha and Deepti..... Ans. (B)/ ₹8,000	1 mark
14	14	14	Q. How will the following information.....	

Ans.

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

Expenditure	Amount (₹)	Income	Amount (₹)
To Tournament expenses	30,000		

**1
mark**

Balance Sheet of Royal Sports Cub Club as on 31st March 2019

Liabilities	Amount (₹)	Assets	Amount (₹)
Tournament Fund	5,00,000		
Add Sale of Tournament tickets	1,50,000		
Add Donations for tournament	1,20,000		
Less Tournament expenses	(7,70,000)	--	

**½ mark
for each**

**=
1/2 x 4**

2 marks

**=
1+2**

3 marks

OR

Q. From the following particulars.....

OR

Dr. Receipts and Payments Account for the year ended 31st March 2019 Cr.

Receipts	₹	Payments	₹
To Balance b/d	20,000	By Rent	19,000
To Subscriptions received:		By Office Expenses	23,000
2017-18 25,000		By balance c/d	2,68,000
2018-19 1,00,000			
2019-20 15,000	1,40,000		
To Entrance Fees	45,000		
To Sale of old sports materials	5,000		
To Donations received for construction of building	1,00,000		
	<u>3,10,000</u>		<u>3,10,000</u>

3 marks

Note: If the examinee has presented Subscriptions as total of three years, full credit be

			<div> <div></div> <div><u>2,75,900</u></div> <div></div> <div><u>2,75,900</u></div> </div> <p>Note: If an examinee has calculated the Capital Fund using accounting equation, full credit be given)</p>	2 + 1 ½ + ½ = 4 marks
15	16	17	<p>Q. Yash and Karan....</p> <p>Ans.</p> <p>Goodwill = Capitalised value of the firm – Capital employed.....[1]</p> <p>Capitalised value of the firm = $\frac{\text{Average Profits} \times 100}{\text{Normal rate of return}}$</p> <p>$= \frac{₹5,00,000 \times 100}{10}$</p> <p>$= ₹50,00,000$.....[1]</p> <p>Capital employed = Yash's Capital + Karan's capital + Yash's Current Account + Karna's Current Account + General reserve</p> <p>$= ₹6,00,000 + ₹4,00,000 + ₹4,00,000 + ₹5,00,000 + ₹1,00,000$</p> <p>$= ₹20,00,000$.....[1]</p> <p>Goodwill= ₹50,00,000 - ₹20,00,000</p> <p>$= ₹30,00,000$.....[1]</p> <p style="text-align: center;">OR</p>	<p>1+1+1+1 = 4 marks</p> <p style="text-align: center;">OR</p>

Q. Samiksha, Ash and Divya.....

Ans. JOURNAL

Date	Particulars	Dr. Amount (₹)	Cr. Amount (₹)
	Samiksha's Capital A/c Dr. Ash's Capital A/c Dr. Divya's Capital A/c Dr. To Profit and Loss A/c (Undistributed loss transferred to Partners' Capital Accounts)	25,000 15,000 10,000	50,000
	Investment Fluctuation Fund A/c Dr. To Investments A/c To Samiksha's Capital A/c To Ash's Capital A/c To Divya's Capital A/c (Investments Fluctuation Fund distributed to Partners' Capital Accounts after meeting the decrease in the value of investments)	40,000	20,000 10,000 6,000 4,000
	Ash's Capital A/c Dr. Divya's Capital A/c Dr. To Samiksha's Capital A/c (Adjustment entry made for goodwill)	60,000 30,000	90,000

1 mark

1 ½ mark

1 ½ mark

=
1+1 ½ +
1 ½
=
4 marks

Calculation of sacrifice/ gain:

Samiksha = $5/10 - 2/10 = 3/10$ (sacrifice)

Ash = $3/10 - 5/10 = -2/10$ (gain)

[illegible]

			$(₹8,000 \times 6/100 \times 10/12) + (₹7,000 \times 6/100 \times 5/12) + (₹5,000 \times 6/100 \times 2/12) = ₹625$																																
-	18	-	<p>Q. Harsh, Kavya and Nitin.....</p> <p>Ans.</p> <p>Dr. Nitin's Capital Account Cr.</p> <table><thead><tr><th>Particulars</th><th>Amount (₹)</th><th>Particulars</th><th>Amount (₹)</th></tr></thead><tbody><tr><td>To Drawings A/c</td><td>20,000</td><td>By balance b/d</td><td>3,00,000</td></tr><tr><td>To Advertisement Expenditure A/c</td><td>6,000</td><td>By Profit and Loss A/c</td><td>40,000</td></tr><tr><td>To Nitin's executors A/c</td><td>4,34,000</td><td>By P&L Suspense A/c</td><td>12,000</td></tr><tr><td></td><td></td><td>By Harsh's Capital A/c</td><td>54,000</td></tr><tr><td></td><td></td><td>By Kavya's Capital A/c</td><td>54,000</td></tr><tr><td></td><td><u>4,60,000</u></td><td></td><td><u>4,60,000</u></td></tr></tbody></table> <p>. (Note: If an examinee has raised goodwill, full credit be given)</p>				Particulars	Amount (₹)	Particulars	Amount (₹)	To Drawings A/c	20,000	By balance b/d	3,00,000	To Advertisement Expenditure A/c	6,000	By Profit and Loss A/c	40,000	To Nitin's executors A/c	4,34,000	By P&L Suspense A/c	12,000			By Harsh's Capital A/c	54,000			By Kavya's Capital A/c	54,000		<u>4,60,000</u>		<u>4,60,000</u>	<p>$\frac{1}{2} \times 8$</p> <p>=</p> <p>4 marks</p>
Particulars	Amount (₹)	Particulars	Amount (₹)																																
To Drawings A/c	20,000	By balance b/d	3,00,000																																
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	<u>4,60,000</u>		<u>4,60,000</u>																																
-	19	-	<p>Q. Disha, Preeti and Ritvik.....</p> <p>Ans.</p> <p>Journal</p> <table><thead><tr><th>Date</th><th>Particulars</th><th>Dr. Amount (₹)</th><th>Cr. Amount (₹)</th></tr></thead><tbody><tr><td>(i)</td><td>Bank/ Cash A/c Dr. To Realisation A/c (Bad debts earlier written off, now recovered)</td><td>68,000</td><td>68,000</td></tr><tr><td>(ii)</td><td>Realisation A/c Dr. To Bank A/c (Payment made to creditors)</td><td>44,000</td><td>44,000</td></tr><tr><td>(iii)</td><td>Ritvik's loan A/c Dr.</td><td>21,000</td><td></td></tr></tbody></table>				Date	Particulars	Dr. Amount (₹)	Cr. Amount (₹)	(i)	Bank/ Cash A/c Dr. To Realisation A/c (Bad debts earlier written off, now recovered)	68,000	68,000	(ii)	Realisation A/c Dr. To Bank A/c (Payment made to creditors)	44,000	44,000	(iii)	Ritvik's loan A/c Dr.	21,000														
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(iii)	Ritvik's loan A/c Dr.	21,000																																	

Journal of Kati Ltd.

Date	Particulars	Dr. Amount (₹)	Cr. Amount (₹)
	Bank A/c Dr. To Debenture Application and Allotment A/c (Application money received on 9,000 debentures)	8,10,000	8,10,000
	Debenture Application and Allotment A/c Dr. Discount/Loss on issue of Debentures A/c Dr. To 9% Debentures To Bank A/c (Debentures allotted and excess application money refunded)	8,10,000 80,000	8,00,000 90,000

**1 ½ x 2
=
3 marks**

(ii) Pivot Ltd. issued.....

Journal of Pivot Ltd.

Date	Particulars	Dr. Amount (₹)	Cr. Amount (₹)
2018 Mar 31	Surplus i.e. balance in Statement of Profit and Loss Dr. To Debenture Redemption Reserve A/c (Debenture Redemption Reserve created out of profits)	10,00,000	10,00,000
Apr 30	Debenture Redemption Investments A/c Dr. To Bank A/c (Debenture Redemption Investments purchased)	3,00,000	3,00,000

1 mark

½ mark

			2019 Mar.31	Bank A/c To Debenture Redemption Investments A/c (Debenture Redemption Investments realised)	Dr.	3,00,000	3,00,000	½ mark
			“	9% Debentures A/c To Debenture holders A/c (Amount payable to Debenture holders on redemption)	Dr.	20,00,000	20,00,000	½ mark
			“	Debenture holders A/c To Bank A/c (Payment made to Debenture holders)	Dr.	20,00,000	20,00,000	½ mark
				Debenture Redemption Reserve A/c To General Reserve A/c (Proportionate amount of Debenture Redemption Reserve transferred to General Reserve)	Dr.	5,00,000	5,00,000	= 3 marks = 3+3 = 6 marks
Note: No marks have been allotted for transfer of Debenture Redemption Reserve to General Reserve								
OR								
Q. (i) Rama Ltd.....								
Ans. (i)								
Rama Ltd.								
Journal								
			Date	Particulars		Dr. Amount (₹)	Cr. Amount (₹)	
				Land and Building A/c	Dr.	50,00,000		
				Furniture A/c	Dr.	10,00,000		
				Stock A/c	Dr.	5,00,000		
				Goodwill A/c	Dr.	2,00,000		1 mark

				redeemable at a premium)																													
<div>(iii) On 1st April 2016, Canara Bank Issued.....</div> <div>Journal of Canara Bank</div> <table><tr><th>Date</th><th>Particulars</th><th>Dr. Amount (₹)</th><th>Cr. Amount (₹)</th><td></td></tr><tr><td></td><td>9% Debentures A/c Dr. Premium on redemption of debentures A/c Dr. To Debenture holders A/c (Amount payable to Debenture holders at a premium)</td><td>5,00,000 50,000</td><td>5,50,000</td><td>1 mark</td></tr><tr><td></td><td>Debenture holders A/c Dr. To Bank A/c (Payment made to Debenture holders)</td><td>5,50,000</td><td>5,50,000</td><td>1 mark</td></tr></table> <div>= 6 marks</div>									Date	Particulars	Dr. Amount (₹)	Cr. Amount (₹)			9% Debentures A/c Dr. Premium on redemption of debentures A/c Dr. To Debenture holders A/c (Amount payable to Debenture holders at a premium)	5,00,000 50,000	5,50,000	1 mark		Debenture holders A/c Dr. To Bank A/c (Payment made to Debenture holders)	5,50,000	5,50,000	1 mark										
Date	Particulars	Dr. Amount (₹)	Cr. Amount (₹)																														
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	Debenture holders A/c Dr. To Bank A/c (Payment made to Debenture holders)	5,50,000	5,50,000	1 mark																													
22	21	22	<div>Q. Madhuri and Arsh...</div> <div>Ans.</div> <table><tr><th>Dr.</th><th colspan="2">Revaluation A/c</th><th>Cr.</th><td></td></tr><tr><th>Particulars</th><th>Amount (₹)</th><th>Particulars</th><th>Amount (₹)</th><td></td></tr><tr><td>To Provision for doubtful debts</td><td>2,000</td><td>By Stock</td><td>10,000</td><td></td></tr><tr><td>To Workmen’s compensation claim</td><td>10,000</td><td>By Cash/ Bad Debts Recovered</td><td>15,000</td><td></td></tr><tr><td>To Profit transferred to: Madhuri’s Capital A/c</td><td>30,000</td><td>By Creditors</td><td>27,000</td><td>2 marks</td></tr></table>						Dr.	Revaluation A/c		Cr.		Particulars	Amount (₹)	Particulars	Amount (₹)		To Provision for doubtful debts	2,000	By Stock	10,000		To Workmen’s compensation claim	10,000	By Cash/ Bad Debts Recovered	15,000		To Profit transferred to: Madhuri’s Capital A/c	30,000	By Creditors	27,000	2 marks
Dr.	Revaluation A/c		Cr.																														
Particulars	Amount (₹)	Particulars	Amount (₹)																														
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To Workmen’s compensation claim	10,000	By Cash/ Bad Debts Recovered	15,000																														
To Profit transferred to: Madhuri’s Capital A/c	30,000	By Creditors	27,000	2 marks																													

Arsh's Capital A/c	<u>10,000</u>	40,000		
		<u>52,000</u>		<u>52,000</u>

Dr.

Partners Capital Accounts

Cr.

Particulars	Madhuri (₹)	Arsh (₹)	Jyoti (₹)	Particulars	Madhuri (₹)	Arsh (₹)	Jyoti (₹)
To				By Balance b/d	3,00,000	2,00,000	-
Investments	-	22,000	-	By Cash A/c	-	-	1,86,000
A/c				By Premium			
To Balance	3,60,000	1,98,000	1,86,000	for goodwill	30,000	10,000	-
c/d				A/c			
				By			
				Revaluation	30,000	10,000	-
				A/c			
	<u>3,60,000</u>	<u>2,20,000</u>	<u>1,86,000</u>		<u>3,60,000</u>	<u>2,20,000</u>	<u>1,86,000</u>

1 mark for each capital A/c = 1 x 3 = 3 marks

+

Balance Sheet of Madhuri, Arsh and Jyoti as on 31st March 2019

Liabilities	Amount (₹)	Assets	Amount (₹)
Capitals:		Machinery	4,70,000
Madhuri 3,60,000		Investments	88,000
Arsh 1,98,000		Debtors 1,20,000	
Jyoti <u>1,86,000</u>	7,44,000	Less Provision for	
Workmen's compensation claim	70,000	doubtful debts <u>12,000</u>	1,08,000
Creditors	1,63,000	Stock	1,50,000
Employees Provident Fund	1,10,000	Cash	2,71,000
	<u>10,87,000</u>		<u>10,87,000</u>

1 ½ mark for correct assets side

+

1 ½ mark for correct liability side = 3 marks

=

Note 1: if an examinee has raised and written off the goodwill, full credit be given.

Note 2: No marks are to be deducted for cumulative effect of an error

**2+3+3
=
8 marks
OR**

OR

Q. Anita, Gaurav and Sonu.....

Dr.		Revaluation A/c		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)		
To Bad debts	10,000	By Land and Building	1,00,000		
To Provision for doubtful debts	13,000				
To Profit transferred to:					
Anita's Capital A/c 30,800					
Gaurav's Capital A/c 30,800					
Sonu's Capital A/c 15,400	77,000				
	<u>1,00,000</u>		<u>1,00,000</u>		

2 marks

Note: If an examinee has debited Provision for doubtful debts with ₹23,000 (bad debts ₹10,000 + provision ₹13,000), full credit be given.

Dr.				Partners Capital Accounts				Cr.			
Particulars	Anita (₹)	Gaurav (₹)	Sonu (₹)	Particulars	Anita (₹)	Gaurav (₹)	Sonu (₹)	Particulars	Anita (₹)	Gaurav (₹)	Sonu (₹)
To Anita's Capital A/c	-	80,000	40,000	By balance b/d	2,00,000	2,00,000	1,00,000				
To Bank A/c	1,00,000	-	-	By General Reserve	12,000	12,000	6,000				
To Anita's loan	2,74,800	-	-	By Revaluation A/c	30,800	30,800	15,400				
To balance c/d	-	1,74,800	87,400	By Gaurav's Capital A/c	80,000	-	-				
				By Sonu's Capital A/c	40,000	-	-				

**1 mark for each capital A/c
=
1 x 3
=
3 marks**

				By Investment Fluctuation Fund	12,000	12,000	6,000	<div>1 ½ marks for correct asset side + 1 ½ marks for correct liabilities side = 3 marks = 8 marks</div>												
	<u>3,74,800</u>	<u>2,54,800</u>	<u>1,27,400</u>		<u>3,74,800</u>	<u>2,54,800</u>	<u>1,27,400</u>													
<div>Balance Sheet of the reconstituted firm as at 31st March 2019</div>																				
Liabilities		Amount (₹)	Assets		Amount (₹)															
Capitals			Land and Building		6,00,000															
Gaurav 1,74,800			Investments		1,10,000															
Sonu <u>87,400</u>		2,62,200	Debtors 1,30,000																	
Anita's Loan		2,74,800	Less Provision for																	
Sundry Creditors		4,60,000	doubtful debts <u>13,000</u>		1,17,000															
			Stock		1,00,000															
			Cash		70,000															
		<u>9,97,000</u>			<u>9,97,000</u>															
<div>Note 1: if an examinee has raised and written off the goodwill, full credit be given.</div> <div>Note 2: No marks are to be deducted for cumulative effect of an error</div>																				
21	22	21	<div>Q. V.D Ltd. invited.....</div> <div>Ans.</div> <div>Journal of VD Ltd.</div> <table><tr><td>Date</td><td>Particulars</td><td>Dr. Amount (₹)</td><td>Cr. Amount (₹)</td></tr><tr><td></td><td>Bank A/c To Equity Share Application A/c (Application money received on 2,50,000 shares)</td><td>7,50,000</td><td>7,50,000</td></tr><tr><td></td><td>Equity Share Application A/c To Equity Share Capital A/c To Securities Premium Reserve A/c To Equity Share Allotment A/c</td><td>7,50,000</td><td>4,00,000 2,00,000 1,20,000</td></tr></table>					Date	Particulars	Dr. Amount (₹)	Cr. Amount (₹)		Bank A/c To Equity Share Application A/c (Application money received on 2,50,000 shares)	7,50,000	7,50,000		Equity Share Application A/c To Equity Share Capital A/c To Securities Premium Reserve A/c To Equity Share Allotment A/c	7,50,000	4,00,000 2,00,000 1,20,000	<div>½ mark</div>
Date	Particulars	Dr. Amount (₹)	Cr. Amount (₹)																	
	Bank A/c To Equity Share Application A/c (Application money received on 2,50,000 shares)	7,50,000	7,50,000																	
	Equity Share Application A/c To Equity Share Capital A/c To Securities Premium Reserve A/c To Equity Share Allotment A/c	7,50,000	4,00,000 2,00,000 1,20,000																	

			To Bank A/c (Equity shares allotted and excess application money transferred to equity share allotment)		30,000	1 mark
			Equity Share Allotment A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Allotment money due)	14,00,000	4,00,000 10,00,000	½ mark
			Bank A/c Dr. To Equity Share Allotment A/c (Allotment money received) or Bank A/c Dr. Calls in arrears A/c Dr. To Equity Share Allotment A/c (Allotment money received)	12,73,600 12,73,600 6,400	12,73,600 12,80,000	1 mark
			Equity Share Capital A/c Dr. Securities Premium Reserve A/c Dr. To Share Forfeiture A/c To Share Allotment A/c (Agam’s shares forfeited) or Equity Share Capital A/c Dr. Securities Premium Reserve A/c Dr. To Share Forfeiture A/c To Calls in arrears A/c (Agam’s shares forfeited)	4,000 5,000 4,000 5,000	2,600 6,400 2,600 6,400	1 mark
			Equity Share First and Final call A/c Dr. To Equity Share Capital A/c (Equity Share First and final call money due)	11,94,000	11,94,000	½ mark
			Bank A/c Dr.	11,82,000		

Ans.**Journal of Konark Ltd.**

Date	Particulars	Dr. Amount (₹)	Cr. Amount (₹)
	Bank A/c Dr. To Share Application A/c (Application money received on 4,00,000 shares)	12,00,000	12,00,000
	Share Application A/c Dr. To Share Capital A/c To Share Allotment A/c (Shares allotted and excess application money transferred to equity share allotment)	12,00,000	9,00,000 3,00,000
	Share Allotment A/c Dr. To Share Capital A/c (Allotment money due)	9,00,000	9,00,000
	Bank A/c Dr. Calls in arrears A/c Dr. To Share Allotment A/c To Calls in advance A/c (Allotment money received)	6,34,000 6,000	6,00,000 40,000
or			
	Bank A/c Dr. To Share Allotment A/c To Calls in advance A/c (Allotment money received)	6,34,000	5,94,000 40,000

½ mark**1 mark****½ mark****1 mark**

			Share First and final call A/c To Share Capital A/c (First call money due)	Dr.	12,00,000	12,00,000	½ mark
			Bank A/c Calls in arrears A/c Calls in advance A/c To Share First and final call A/c (First call money received)	Dr. Dr. Dr.	11,44,000 16,000 40,000	12,00,000	1 ½ marks
			or				
			Bank A/c Calls in advance A/c To Share First and final call A/c (First call money received)	Dr. Dr.	11,44,000 40,000	11,84,000	1 mark
			Share Capital A/c To Share Forfeiture A/c To Calls in Arrears A/c (Divij's shares forfeited for non payment of allotment and first call)	Dr.	40,000	18,000 22,000	
			or				
			Share Capital A/c To Share Forfeiture A/c To Share Allotment A/c To Share first and Final Call A/c (Divij's shares forfeited for non payment of allotment and first call)	Dr.	40,000	18,000 6,000 16,000	1 mark
			Bank A/c To Share Capital A/c (Half of Divij's shares reissued for ₹10 per share fully paid)	Dr.	20,000	20,000	

			<div> <div>Share Forfeiture A/c</div> <div>Dr.</div> <div>9,000</div> <div>9,000</div> </div> <div>To Capital Reserve A/c</div> <div>(Gain on reissue of forfeited shares transferred to capital reserve)</div>	<div>1 mark</div> <div>=</div> <div>8 marks</div>
			<div>PART B</div> <div>OPTION 1</div> <div>Analysis of Financial Statements</div>	
-	23	-	<div>Q. Which of the following.....</div> <div>Ans. (B)/ Capital Advances.</div>	1 mark
-	24	-	<div>Q. 'Sale of goods.....</div> <div>Ans. No.</div> <div>Reason: Sale of goods for cash will not affect the Gross profit ratio, as the sales and gross profit will increase by the same percentage.</div> <div>(Or any other correct reason)</div>	<div>$\frac{1}{2}$</div> <div>mark</div> <div>+</div> <div>$\frac{1}{2}$</div> <div>Mark</div> <div>=</div> <div>1 mark</div>
-	25	-	<div>Q. Interest received in cash.....</div> <div>Ans. Investing</div>	1 mark
-	26	-	<div>Q. Machinery was purchased.....</div> <div>Ans. (A)/ Cash used in investing activities ₹6,00,000</div>	1 mark
25	27	29	<div>Q. Which of the following.....</div> <div>Ans. (B)/ Inter firm comparative study possible</div>	1 mark

-	28	-	<p>Q. What is meant by.....</p> <p>Ans. A Cash Flow Statement is a statement that provides information about the changes in Cash & Cash Equivalents of an enterprise during a period by classifying cash flows into Operating, Investing and Financing Activities.</p>	1 mark
-	29	-	<p>Q. 'Security Deposits.....</p> <p>Ans. (B)/ Long-term Loans and Advances</p>	1 mark
30	30	30	<p>Q. From the following information.....</p> <p>Ans.</p> <p>Return on Investment = Net profit before interest and tax/ Capital Employed x 100.....1/2</p> <p>Net profit before interest and tax = Net profit after interest and tax + tax + interest</p> <p style="text-align: center;">= ₹6,00,000 + ₹4,00,000 + ₹60,000</p> <p style="text-align: center;">= ₹10,60,000.....1/2</p> <p>Capital Employed = ₹20,00,000</p> <p>Return on Investment=₹10,60,000/₹20,00,000 x100</p> <p style="text-align: center;">=53%.....1/2</p> <p>Debt Equity Ratio = Debt/ Equity1/2</p> <p>Equity = Capital Employed – Debt</p> <p style="text-align: center;">=₹20,00,000 – ₹10,00,000</p> <p style="text-align: center;">=₹10,00,000.....1/2</p>	<p>1½ marks</p> <p style="text-align: center;">+</p> <p>1½ marks</p>

		<p>Debt Equity Ratio = ₹10,00,000/ ₹10,00,000</p> <p>=1:1.....1/2</p> <p style="text-align: center;">OR</p> <p>Q. (i) Current Liabilities ₹1,50,000.....</p> <p>(i) Quick Ratio= Quick Assets/ Current Liabilities1/2</p> <p>Quick assets= Current assets – Inventories – Advance Tax – Prepaid rent</p> <p style="padding-left: 40px;">= ₹2,80,000 - ₹40,000 - ₹30,000 – ₹10,000</p> <p style="padding-left: 40px;">= ₹2,00,000</p> <p>.....1/2</p> <p>Quick Ratio= ₹2,00,000/₹1,50,000</p> <p>Quick Ratio</p> <p>=1.33:1.....1/2</p> <p style="text-align: center;">Q. (ii) Average Inventory ₹60,000.....</p> <p>(ii) Inventory Turnover ratio= Cost of Revenue from operations / Average Inventor...1/2</p> <p>Cost of Revenue from operations = Revenue from operations + Gross Loss</p> <p>Gross Loss= 10/100 x ₹6,00,000 = ₹60,000</p>	<p>=</p> <p>3 marks</p> <p>OR</p> <p>1½ marks</p> <p>+</p> <p>1½ marks</p>
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			<p>Cost of Revenue from operations = ₹6,60,000.....1/2</p> <p>Average Inventory= ₹60,000</p> <p>Inventory Turnover ratio = ₹6,60,000/ ₹60,000</p> <p>=11 times.....1/2</p>	<p>=</p> <p>3 marks</p>																																																		
31	31	31	<p>Q. From the following particulars.....</p> <p style="text-align: center;">Mark Ltd.</p> <p style="text-align: center;">Comparative Statement of Profit and Loss</p> <p style="text-align: center;">for the years ended 31st March 2017 and 31st March 2018</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Particulars</th><th style="text-align: center;">2016-17 (₹)</th><th style="text-align: center;">2017-18 (₹)</th><th style="text-align: center;">Absolute Increase/ Decrease (₹)</th><th style="text-align: center;">Percentage Increase/ Decrease (%)</th></tr> </thead> <tbody> <tr> <td>Revenue from operations</td><td style="text-align: right;">40,00,000</td><td style="text-align: right;">50,00,000</td><td style="text-align: right;">10,00,000</td><td style="text-align: right;">25</td></tr> <tr> <td>Add Other income</td><td style="text-align: right;">2,00,000</td><td style="text-align: right;">2,50,000</td><td style="text-align: right;">50,000</td><td style="text-align: right;">25</td></tr> <tr> <td>Total Revenue</td><td style="text-align: right;">42,00,000</td><td style="text-align: right;">52,50,000</td><td style="text-align: right;">10,50,000</td><td style="text-align: right;">25</td></tr> <tr> <td>Less Expenses</td><td></td><td></td><td></td><td></td></tr> <tr> <td>Purchase of stock in trade</td><td style="text-align: right;">30,00,000</td><td style="text-align: right;">40,00,000</td><td style="text-align: right;">10,00,000</td><td style="text-align: right;">33.3</td></tr> <tr> <td>Changes in inventory</td><td style="text-align: right;">8,00,000</td><td style="text-align: right;">10,00,000</td><td style="text-align: right;">2,00,000</td><td style="text-align: right;">25</td></tr> <tr> <td>Other expenses</td><td style="text-align: right;">4,00,000</td><td style="text-align: right;">5,00,000</td><td style="text-align: right;">1,00,000</td><td style="text-align: right;">25</td></tr> <tr> <td>Total expenses</td><td style="text-align: right;">42,00,000</td><td style="text-align: right;">55,00,000</td><td style="text-align: right;">13,00,000</td><td style="text-align: right;">30.95</td></tr> <tr> <td>Profit after Tax</td><td style="text-align: center;">-</td><td style="text-align: right;">(2,50,000)</td><td style="text-align: right;">(2,50,000)</td><td style="text-align: center;">-</td></tr> </tbody> </table>	Particulars	2016-17 (₹)	2017-18 (₹)	Absolute Increase/ Decrease (₹)	Percentage Increase/ Decrease (%)	Revenue from operations	40,00,000	50,00,000	10,00,000	25	Add Other income	2,00,000	2,50,000	50,000	25	Total Revenue	42,00,000	52,50,000	10,50,000	25	Less Expenses					Purchase of stock in trade	30,00,000	40,00,000	10,00,000	33.3	Changes in inventory	8,00,000	10,00,000	2,00,000	25	Other expenses	4,00,000	5,00,000	1,00,000	25	Total expenses	42,00,000	55,00,000	13,00,000	30.95	Profit after Tax	-	(2,50,000)	(2,50,000)	-	<p>½ mark</p> <p>½ mark</p> <p>½ mark</p> <p>½ mark</p> <p>½ mark</p> <p>½ mark</p> <p>½ mark</p> <p>½ mark</p> <p>=</p>
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4 marks

OR

OR

Q. From the following Balance Sheet.....

Swaraj Ltd.

Common Size Balance Sheet

As at 31st March 2018 and 31st March 2019

Particulars	Note No.	31.3.2018 (₹)	31.3.2019 (₹)	% of Total 31.3.2018	% of Total 31.3.2019
EQUITY AND LIABILITIES					
(1) Shareholders Funds					
(a) Share capital		30,00,000	34,00,000	60	68
(b) Reserves and Surplus		10,00,000	10,00,000	20	20
(2) Non Current Liabilities					
Long Term Borrowings		3,00,000	5,00,000	6	10
(3) Current Liabilities					
Trade Payables		7,00,000	1,00,000	14	2
Total		50,00,000	50,00,000	100	100
ASSETS					
(1) Non Current Assets					
(a) Fixed assets					
(i) Tangible assets		28,00,000	36,00,000	56	72
(2) Current Assets					
(a) Inventories		20,00,000	13,00,000	40	26
(b) Cash and Cash equivalents		2,00,000	1,00,000	4	2
Total		50,00,000	50,00,000	100	100

½ mark

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32	32	32	<p>Q. Cash flow from the operating</p> <p>Ans. Cash Flow Statement of Pinnacle Ltd. for the year ended 31st March 2019</p> <table><tr><th>Particulars</th><th>Details(₹)</th><th>Amount (₹)</th></tr><tr><td colspan="3"><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></td></tr><tr><td>Cash Inflows from Operating activities</td><td></td><td>28,000</td></tr><tr><td colspan="3"><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></td></tr><tr><td>Purchase of Plant and Machinery</td><td>(3,95,000)</td><td></td></tr><tr><td>Sale of Plant and Machinery</td><td><u>1,02,000</u></td><td></td></tr><tr><td>Cash used in Investing activities</td><td></td><td>(2,93,000)</td></tr><tr><td colspan="3"><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></td></tr><tr><td>Issue of Share Capital</td><td>4,00,000</td><td></td></tr><tr><td>Issue of 9% Debentures</td><td>1,00,000</td><td></td></tr><tr><td>Interest paid on 9% Debentures</td><td><u>(27,000)</u></td><td></td></tr><tr><td>Cash Inflows from Financing activities</td><td></td><td><u>4,73,000</u></td></tr><tr><td>Net increase in Cash and Cash equivalents</td><td></td><td>2,08,000</td></tr><tr><td colspan="3"><i>Add Opening balance of Cash and Cash equivalents</i></td></tr><tr><td>Current Investments</td><td>20,000</td><td></td></tr><tr><td>Cash and Cash equivalents</td><td><u>1,40,000</u></td><td><u>1,60,000</u></td></tr><tr><td colspan="3"><i>Closing balance of Cash and Cash equivalents</i></td></tr><tr><td>Current Investments</td><td>1,30,000</td><td></td></tr><tr><td>Cash and Cash equivalents</td><td><u>2,38,000</u></td><td><u>3,68,000</u></td></tr></table>	Particulars	Details(₹)	Amount (₹)	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			Cash Inflows from Operating activities		28,000	<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			Purchase of Plant and Machinery	(3,95,000)		Sale of Plant and Machinery	<u>1,02,000</u>		Cash used in Investing activities		(2,93,000)	<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			Issue of Share Capital	4,00,000		Issue of 9% Debentures	1,00,000		Interest paid on 9% Debentures	<u>(27,000)</u>		Cash Inflows from Financing activities		<u>4,73,000</u>	Net increase in Cash and Cash equivalents		2,08,000	<i>Add Opening balance of Cash and Cash equivalents</i>			Current Investments	20,000		Cash and Cash equivalents	<u>1,40,000</u>	<u>1,60,000</u>	<i>Closing balance of Cash and Cash equivalents</i>			Current Investments	1,30,000		Cash and Cash equivalents	<u>2,38,000</u>	<u>3,68,000</u>	<p>1½ marks</p> <p>1½ marks</p> <p>1½ marks</p> <p>-</p> <p>½ mark</p>
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26	23	29	<p>Q. A ##### error happens when.....</p> <p>Ans. (d) / All of above.</p>	<p>1 mark</p>																																																							

27	24	25	<p>Q. The _____ provides real power.....</p> <p>Ans. The <u>Query</u> provides real power to database in terms of its capacities to answer complex requests involving data to be taken from <u>multiple</u> tables.</p>	<p>½ mark + ½ mark = 1 mark</p>
28	25	24	<p>Q. A code which consists of</p> <p>Ans. A code which consists of alphabet or abbreviation as symbol to codify a piece of information is known as <u>Mnemonic</u> code.</p>	1 mark
29	26	23	<p>Q. A _____ voucher is used for adjustment of</p> <p>Ans. A <u>Journal</u> voucher is used for adjustment of non cash transactions in the ledger.</p>	1 mark
23	27	26	<p>Q. Hardware refers to.....</p> <p>Ans. (b) / Computer associated peripherals their network.</p>	1 mark
24	28	27	<p>Q. To safeguard assets and optimize the use of resources.....</p> <p>Ans. (a) / Keeps internal controls.</p>	1 mark
25	29	28	<p>Q. The existence of data in a primary key.....</p> <p>Ans. (c) / Required and must be unique.</p>	1 mark
30	30	30	<p>Q. What information is provided by a salary bill?</p> <p>Ans. The following information is provided by a salary bill:</p> <p>(i) Maintaining payroll related data such as employee number, Name, Attendance, Basic Pay, applicable Dearness and other allowances and deductions to be made.</p> <p>(ii) Periodic payroll computations: The payroll computations include the calculation of various earnings and deduction heads which are to be derived from basic values such as (basic salary, number of days under leave without pay and unauthorized absence, etc) as per</p>	3 marks

			<p>the formulae.</p> <p>(iii) Preparation of salary statement and employee salary slip.</p> <p>(iv) Generation of advice to bank.</p> <p style="text-align: center;">OR</p> <p>Q. List the various attributes of a payroll database.</p> <p>Ans. (i) <u>Employees personal details</u></p> <p>(a) Employee In</p> <p>(b) Name</p> <p>(c) Designation</p> <p>(d) Location</p> <p>(ii) <u>Employees pay details</u></p> <p>(a) Basic pay</p> <p>(b) DA</p> <p>(c) HRA</p> <p>(d) TA</p> <p>(e) Provident fund</p> <p>(f) Any deduction for loan etc.</p> <p>This information helps in calculating Gross and net salary.</p>	<p style="text-align: center;">OR</p> <p>1 ½ x 2</p> <p style="text-align: center;">=</p> <p>3 marks</p>
31	31	31	<p>Q. Explain ‘closing entry’ and</p>	

		<p>Ans. <u>Closing Entry:</u></p> <p>Entries required to make trading account and profit and loss account are known as closing entries. After the Trial balance is prepared all the expenses are debited to the respective accounts to prepare trading and profit and loss account similarly income or expenditure for the trading period. These are the entries to record outstanding and prepaid.</p> <p><u>Adjusting Entry:</u> Adjusting entries are the figures related to income or expenditure for the trading period. These are the entries to record outstanding and prepaid.</p> <p style="text-align: center;">OR</p> <p>Q. Explain the four advantages.....</p> <p>Ans. <u>Any Four</u> of the following:</p> <p>(i) Flexibility</p> <p>(ii) Choice of front and application</p> <p>(iii) Powerful performance</p> <p>(iv) Scalability to handle rapidly expanding number of users.</p> <p>(v) Ease of handling huge amount of data.</p>	<p>1 ½ marks for explanation of each + ½ mark for any correct example of each = 2 x 2 = 4 marks</p> <p>OR</p> <p>½ mark for the heading + ½ mark for its explanation = 1 x 4 = 4 marks</p>
-	32	-	<p>Q. A. Ranjan Ltd, has its offices in Hyderabad.....</p> <p>Ans. Employee Name = A1 HRA = B1</p>

		<p>Basic Pay = C1</p> <p>DA = D1</p> <p>Calculation of DA</p> <p>DA = If ($C1 \leq ₹25,000$, 12%, 10%) * C1</p> <p>= If ($C1 \geq ₹30,000$, 10%, 12%) * C1</p> <p>Vishal DA = ₹4,000</p> <p>Gross Salary ₹21,000 + ₹4,000 + ₹40,000</p> <p>= ₹65,000</p> <p>Sangeeta DA = ₹2,400</p> <p>Gross Salary ($₹20,000 + ₹24,000 + ₹18,000$) $\times \frac{26}{30}$</p> <p>= ($₹40,400$) $\times \frac{26}{30}$</p> <p>= ₹35,013</p>	6 marks
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