

***-Strictly Confidential : (For Internal and Restricted Use Only)***

**Senior School Certificate Examination**

**March -2016-17**

**Marking Scheme - Accountancy (Outside Delhi) 67/1, 67/2, 67/3**

***General Instructions:-***

1. Evaluation is to be done as per instructions provided in the Marking Scheme. It should not be done according to one's own interpretation or any other consideration. Marking-Scheme should be strictly adhered to and religiously followed.
2. The Head-Examiner has to go through the first five answer scripts evaluated by each evaluator to ensure that evaluation has been carried out as per the instructions given in the Marking Scheme. The remaining answer scripts meant for evaluation shall be given only after ensuring that there is no significant variation in the marking of individual evaluators.
3. If a question has parts, please award marks on the right hand side for each part. Marks awarded for different parts of the question should then be totalled up and written in the left hand margin and encircled.
4. If a question does not have any parts, marks must be awarded in the left hand margin and encircled.
5. If a student has attempted an extra question, answer of the question deserving more marks should be retained and other answer scored out.
6. No marks to be deducted for the cumulative effect of an error. It should be penalized only once.
7. Deductions up to 25% of the marks must be made if the student has not drawn formats of the Journal and Ledger and has not given the narrations.
8. A full scale of marks 1-80 has to be used. Please do not hesitate to award full marks if the answer deserves it.
9. No marks are to be deducted or awarded for writing / not writing 'TO and BY' while preparing Journal and Ledger accounts.
10. In theory questions, credit is to be given for the content and not for the format.
11. Every Examiner should stay up to sufficiently reasonable time normally 5-6 hours every day and evaluate 20-25 answer books.
12. Avoid the following common types of errors committed by the Examiners in the past-
  - Leaving answer or part thereof unassessed in an answer script
  - Giving more marks for an answer than assigned to it or deviation from the marking scheme.
  - Wrong transference of marks from the inside pages of the answer book to the title page.
  - Wrong question wise totaling on the title page.
  - Wrong totaling of marks of the two columns on the title page
  - Wrong grand total
  - Marks in words and figures not tallying
  - Wrong transference to marks from the answer book to award list
  - Answers marked as correct but marks not awarded.
  - Half or a part of answer marked correct and the rest as wrong but no marks awarded.
13. While evaluating the answer scripts if the answer is found to be totally incorrect, it should be marked as (X) and awarded zero(0) Marks.
14. Any unassessed portion, non-carrying over of marks to the title page or totaling error detected by the candidate shall damage the prestige of all the personnel engaged in the evaluation work as also of the Board. Hence in order to uphold the prestige of all concerned, It is again reiterated that the instructions be followed meticulously and judiciously.
15. The Examiners should acquaint themselves with the guidelines given in the Guidelines for Spot Evaluation before starting the actual evaluation.
16. Every Examiner shall also ensure that all the answers are evaluated, marks carried over to the title page, correctly totaled and written in figures and words.

Q. Set No.			Marking Scheme 2016-17 Accountancy (055) <u>Outside Delhi – 67/1</u> Expected Answers / Value points	Distribution of marks															
67/1	67/2	67/3																	
1	6	5	<b>Q. Distinguish between.....credit balance.</b> <b>Ans.</b> Fixed Capital Accounts always show a credit balance while fluctuating capital accounts may show credit or debit balance.	=1 Mark															
2	5	6	<b>Q. A and B.....B's sacrifice.</b> <b>Ans.</b> A's Old Share = 5/8 A's Sacrifice = 1/5 of 5/8 = 1/8 C's Share = 3/8 B's Sacrifice = C's share – A's sacrifice = 3/8 – 1/8 = 2/8 <b>OR</b> B's Old Share = 3/8 B's new share = 2/8 B's Sacrifice = 3/8 – 2/8 = 1/8	=1 Mark															
3	4	1	<b>Q. P and Q were.....rectify the error.</b> <b>Ans.</b> <div style="text-align: center;"><b>Books of the firm Journal</b></div> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr ( )</th><th>Cr ( )</th></tr><tr><td>2016 April 1</td><td>P's Current A/c Dr. To Q's current A/c ( Being the adjustment of interest on capital omitted in previous year)</td><td></td><td>6,000</td><td>6,000</td></tr></table>	Date	Particulars	LF	Dr ( )	Cr ( )	2016 April 1	P's Current A/c Dr. To Q's current A/c ( Being the adjustment of interest on capital omitted in previous year)		6,000	6,000	=1 Mark					
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4	3	2	<b>Q. X Ltd. invited.....with applicants.</b> <b>Ans.</b> <div style="text-align: center;"><b>Books of the firm Journal</b></div> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr ( )</th><th>Cr ( )</th></tr><tr><td>2016 Jan 1</td><td>Bank A/c Dr. To 12% Debenture Application &amp; Allotment A/c ( Being application money received for 600 debentures @ ` 95 each)</td><td></td><td>57,000</td><td>57,000</td></tr><tr><td>2016 Jan 1</td><td>12% Debenture Application &amp; Allotment A/cDr. Discount on Issue of Debentures A/c Dr. To 12 % Debentures A/c To Bank A/c (Being 500, 12% debentures allotted on pro-rata basis)</td><td></td><td>57,000 2,500</td><td>50,000 9,500</td></tr></table>	Date	Particulars	LF	Dr ( )	Cr ( )	2016 Jan 1	Bank A/c Dr. To 12% Debenture Application & Allotment A/c ( Being application money received for 600 debentures @ ` 95 each)		57,000	57,000	2016 Jan 1	12% Debenture Application & Allotment A/cDr. Discount on Issue of Debentures A/c Dr. To 12 % Debentures A/c To Bank A/c (Being 500, 12% debentures allotted on pro-rata basis)		57,000 2,500	50,000 9,500	<div style="text-align: center;">½</div> <div style="text-align: center;">½</div> <div style="text-align: center;">=1 Mark</div>
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5	2	3	<b>Q. Z Ltd..... can be re-issued.</b> <b>Ans.</b> The maximum amount of discount at which these shares can be re-issued is ` 5 per share or ` 5000.	=1 Mark															
6	1	4	<b>Q. Durga and Naresh.....by them.</b> <b>Ans. Any two</b> of the following: <ul style="list-style-type: none"><li>Persons of unsound mind / Lunatics</li><li>Insolvent persons</li><li>Any other individual who have been disqualified by law</li></ul>	<div style="text-align: center;">½ x 2 =1 Mark</div>															
7	10	10	<b>Q. BPL Ltd..... equity shares.</b> <b>Ans.</b>																

			<p style="text-align: center;"><b>BPL Ltd.</b> <b>Journal</b></p> <table border="1"> <thead> <tr> <th>Date</th><th>Particulars</th><th>LF</th><th>Dr. Amt ( )</th><th>Cr. Amt ( )</th></tr> </thead> <tbody> <tr> <td></td><td>9% Debentures A/c Dr.     To Debenture holders A/c     To Discount on issue of debentures A/c (Being amount payable to debenture holders on conversion)</td><td></td><td>50,000</td><td>47,000 3,000</td></tr> <tr> <td></td><td>Debenture holders A/c Dr.     To Equity Share Capital A/c     To Securities Premium Reserve A/c (Being 9% debentures converted into equity shares)</td><td></td><td>47,000</td><td>37,600 9,400</td></tr> </tbody> </table> <p><b>Working Notes:</b> Number of equity shares to be issued = <math>47000/125 = 376</math> shares</p>	Date	Particulars	LF	Dr. Amt ( )	Cr. Amt ( )		9% Debentures A/c Dr. To Debenture holders A/c To Discount on issue of debentures A/c (Being amount payable to debenture holders on conversion)		50,000	47,000 3,000		Debenture holders A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being 9% debentures converted into equity shares)		47,000	37,600 9,400	<p style="text-align: center;"><b>1</b></p> <p style="text-align: center;"><b>1</b></p> <p style="text-align: center;"><b>1</b> <b>=</b> <b>3 Marks</b></p>															
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8	9	7	<p><b>Q. Kavi, Ravi, Kumar ..... Guru's retirement.</b> <b>Ans.</b></p> <p style="text-align: center;"><b>Books of the firm</b> <b>Journal</b></p> <table border="1"> <thead> <tr> <th>Date</th><th>Particulars</th><th>LF</th><th>Dr. Amt ( )</th><th>Cr. Amt ( )</th></tr> </thead> <tbody> <tr> <td><b>2017</b> <b>Jan 31</b></td><td>Kavi's Capital A/c Dr.     To Ravi's Capital A/c     To Kumar's Capital A/c     To Guru's Capital A/c (Being adjustment of Goodwill on Guru's retirement)</td><td></td><td>81,000</td><td>18,000 18,000 45,000</td></tr> </tbody> </table> <p><b>Working Notes:</b> 1. Calculation of Gaining Ratio:</p> <table border="1"> <thead> <tr> <th></th><th>Kavi</th><th>Ravi</th><th>Kumar</th><th>Guru</th></tr> </thead> <tbody> <tr> <td>New Ratio</td><td>3/5</td><td>1/5</td><td>1/5</td><td>-</td></tr> <tr> <td>Old Ratio</td><td>3/8</td><td>2/8</td><td>2/8</td><td>1/8</td></tr> <tr> <td></td><td>9/40 (Gain)</td><td>2/40 (Sacrifice)</td><td>2/40 (Sacrifice)</td><td>1/8 (Sacrifice)</td></tr> </tbody> </table>	Date	Particulars	LF	Dr. Amt ( )	Cr. Amt ( )	<b>2017</b> <b>Jan 31</b>	Kavi's Capital A/c Dr. To Ravi's Capital A/c To Kumar's Capital A/c To Guru's Capital A/c (Being adjustment of Goodwill on Guru's retirement)		81,000	18,000 18,000 45,000		Kavi	Ravi	Kumar	Guru	New Ratio	3/5	1/5	1/5	-	Old Ratio	3/8	2/8	2/8	1/8		9/40 (Gain)	2/40 (Sacrifice)	2/40 (Sacrifice)	1/8 (Sacrifice)	<p style="text-align: center;"><b>2</b></p> <p style="text-align: center;"><b>1</b> <b>=</b> <b>3 Marks</b></p>
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9	8	8	<p><b>Q. Disha Ltd. Purchased.....Nisha Ltd.</b> <b>Ans.</b></p> <p style="text-align: center;"><b>Disha Ltd.</b> <b>Journal</b></p> <table border="1"> <thead> <tr> <th>Date</th><th>Particulars</th><th>LF</th><th>Dr. Amt ( )</th><th>Cr. Amt ( )</th></tr> </thead> <tbody> <tr> <td>(i)</td><td>Machinery A/c Dr.     To Nisha Ltd. (Being machinery purchased from Nisha Ltd.)</td><td></td><td>1,78,000</td><td>1,78,000</td></tr> <tr> <td>(ii)</td><td>Nisha Ltd. Dr.     To Equity Share Capital A/c     To Securities Premium Reserve A/c ( Being 10,000 equity shares of ` 10 each issued at 10% premium)</td><td></td><td>1,10,000</td><td>1,00,000 10,000</td></tr> </tbody> </table>	Date	Particulars	LF	Dr. Amt ( )	Cr. Amt ( )	(i)	Machinery A/c Dr. To Nisha Ltd. (Being machinery purchased from Nisha Ltd.)		1,78,000	1,78,000	(ii)	Nisha Ltd. Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c ( Being 10,000 equity shares of ` 10 each issued at 10% premium)		1,10,000	1,00,000 10,000	<p style="text-align: center;"><math>\frac{1}{2}</math></p> <p style="text-align: center;"><b>1</b></p>															
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10	7	9	<div>Q. Ganesh Ltd. Is..... to propagate.</div> <div>Ans.</div> <div>Balance Sheet of Ganesh Ltd.</div> <div>As at .....(As per revised schedule VI)</div> <table><tr><th>Particulars</th><th>Note No.</th><th>Amount (₹) Current year</th><th>Amount (₹) Previous year</th></tr><tr><td><b>EQUITY &amp; LIABILITIES</b></td><td></td><td></td><td></td></tr><tr><td>I Shareholder's funds :</td><td></td><td></td><td></td></tr><tr><td>    a) Share Capital</td><td>1</td><td><u>6,09,96,000</u></td><td></td></tr></table> <div>Notes to Accounts :</div> <table><tr><th>Particulars</th><th>(₹)</th></tr><tr><td>(1) <b>Share Capital</b></td><td></td></tr><tr><td>    <b>Authorised Capital :</b></td><td></td></tr><tr><td>        1,00,00,000 equity shares of ₹ 10 each</td><td><u>10,00,00,000</u></td></tr><tr><td>    <b>Issued Capital</b></td><td></td></tr><tr><td>        61,00,000 equity shares of ₹ 10 each</td><td><u>6,10,00,000</u></td></tr><tr><td>    <b>Subscribed Capital</b></td><td></td></tr><tr><td>        <b>Subscribed and fully paid</b></td><td></td></tr><tr><td>            60,98,000 shares of ₹ 10 each</td><td>6,09,80,000</td></tr><tr><td>        <b>Subscribed but not fully paid</b></td><td></td></tr><tr><td>            2,000 equity shares of 10 each</td><td>20,000</td></tr><tr><td>            Less: Calls in arrears ( 2,000 X 2)</td><td><u>4,000</u></td></tr><tr><td></td><td><u>16,000</u></td></tr><tr><td></td><td><u>6,09,96,000</u></td></tr></table>	Particulars	Note No.	Amount (₹) Current year	Amount (₹) Previous year	<b>EQUITY &amp; LIABILITIES</b>				I Shareholder's funds :				a) Share Capital	1	<u>6,09,96,000</u>		Particulars	(₹)	(1) <b>Share Capital</b>		<b>Authorised Capital :</b>		1,00,00,000 equity shares of ₹ 10 each	<u>10,00,00,000</u>	<b>Issued Capital</b>		61,00,000 equity shares of ₹ 10 each	<u>6,10,00,000</u>	<b>Subscribed Capital</b>		<b>Subscribed and fully paid</b>		60,98,000 shares of ₹ 10 each	6,09,80,000	<b>Subscribed but not fully paid</b>		2,000 equity shares of 10 each	20,000	Less: Calls in arrears ( 2,000 X 2)	<u>4,000</u>		<u>16,000</u>		<u>6,09,96,000</u>	<div>½</div> <div>½</div> <div>½</div>
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			<p><b>Values (Any two):</b></p> <ul style="list-style-type: none"><li>• Providing employment opportunities to the local youth.</li><li>• Promotion of development in tribal areas.</li><li>• Promotion of skill development in Arunachal Pradesh.</li><li>• Paying attention towards regions of social unrest.</li></ul> <p><b>(Or any other suitable value)</b></p>	<p><math>\frac{1}{2} + \frac{1}{2}</math></p> <p><b>=3 Marks</b></p>																																																
11	12	11	<p><b>Q. Madhu and Neha..... premium in cash.</b></p> <p><b>Ans.</b></p> <p><b>(a) Calculation of Hidden Goodwill:</b></p> <p>Tina's share = <math>\frac{1}{4}</math></p> <p>Tina's Capital = ₹ 4,00,000</p> <p>(a) Total capital of the new firm = 4,00,000 X 4 = 16,00,000</p> <p>(b) Existing total capital of Madhu, Neha and Tina = ₹ 4,00,000 + ₹ 6,00,000 + ₹ 4,00,000 = ₹ 14,00,000</p> <p>Goodwill of the firm = 16,00,000-14,00,000 = 2,00,000</p> <p>Thus, Tina's share of goodwill = <math>\frac{1}{4}</math> X 2,00,000 = 50,000</p> <p><b>(b) Calculation of New Profit Sharing ratio :</b></p> <p>Madhu's new share = <math>\frac{3}{8}</math></p> <p>Neha's new share = <math>\frac{5}{8} - \frac{1}{4} = \frac{3}{8}</math></p> <p>Tina's share = <math>\frac{1}{4}</math> i.e. <math>\frac{2}{8}</math></p> <p>New Ratio = 3:3:2</p> <p><b>(c)</b></p> <p style="text-align: center;"><b>Books of the firm</b></p> <table><tr><th colspan="2">Dr.</th><th colspan="2">Journal</th><th>Cr.</th></tr><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr (₹)</th><th>Cr (₹)</th></tr><tr><td>2016 Apr 1</td><td>Tina's Current A/c Dr. To Neha's Current A/c (Being credit given for goodwill to Neha on Tina's admission)</td><td></td><td>50,000</td><td>50,000</td></tr></table>	Dr.		Journal		Cr.	Date	Particulars	LF	Dr (₹)	Cr (₹)	2016 Apr 1	Tina's Current A/c Dr. To Neha's Current A/c (Being credit given for goodwill to Neha on Tina's admission)		50,000	50,000	<p><b>1</b></p> <p><b>1</b></p> <p><b>2</b> <b>=</b> <b>4 Marks</b></p>																																	
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2016 Apr 1	Tina's Current A/c Dr. To Neha's Current A/c (Being credit given for goodwill to Neha on Tina's admission)		50,000	50,000																																																
12	11	12	<p><b>Q. Ashok, Babu and Chetan..... Capital Account.</b></p> <p><b>Ans.</b></p> <p style="text-align: center;"><b>Ashok's Capital A/c</b></p> <table><tr><th colspan="3">Dr</th><th colspan="3">Cr</th></tr><tr><th>Date</th><th>Particulars</th><th>Amt (₹)</th><th>Date</th><th>Particulars</th><th>Amt (₹)</th></tr><tr><td>2016 Dec 31</td><td><u>To Drawings A/c</u> <math>\frac{1}{2}</math></td><td>15,000</td><td>2016 April 1</td><td><u>By Balance b/d</u> <math>\frac{1}{2}</math></td><td>90,000</td></tr><tr><td>Dec 31</td><td><u>To Interest on Drawings A/c</u> <math>\frac{1}{2}</math></td><td>1,500</td><td>Dec 31</td><td><u>By Interest on Capital A/c</u> <math>\frac{1}{2}</math></td><td>8,100</td></tr><tr><td>Dec 31</td><td><u>To Ashok's Executor's A/c</u> <math>\frac{1}{2}</math></td><td>3,01,600</td><td>Dec 31</td><td><u>By P &amp; L Suspense A/c</u> <math>\frac{1}{2}</math></td><td>40,000</td></tr><tr><td></td><td></td><td></td><td>Dec 31</td><td><u>By Babu's Capital A/c</u> <math>\frac{1}{2}</math></td><td>90,000</td></tr><tr><td></td><td></td><td></td><td>Dec 31</td><td><u>By Chetan's Capital A/c</u> <math>\frac{1}{2}</math></td><td>90,000</td></tr><tr><td></td><td></td><td>3,18,100</td><td></td><td></td><td>3,18,100</td></tr></table>	Dr			Cr			Date	Particulars	Amt (₹)	Date	Particulars	Amt (₹)	2016 Dec 31	<u>To Drawings A/c</u> $\frac{1}{2}$	15,000	2016 April 1	<u>By Balance b/d</u> $\frac{1}{2}$	90,000	Dec 31	<u>To Interest on Drawings A/c</u> $\frac{1}{2}$	1,500	Dec 31	<u>By Interest on Capital A/c</u> $\frac{1}{2}$	8,100	Dec 31	<u>To Ashok's Executor's A/c</u> $\frac{1}{2}$	3,01,600	Dec 31	<u>By P &amp; L Suspense A/c</u> $\frac{1}{2}$	40,000				Dec 31	<u>By Babu's Capital A/c</u> $\frac{1}{2}$	90,000				Dec 31	<u>By Chetan's Capital A/c</u> $\frac{1}{2}$	90,000			3,18,100			3,18,100	<p><math>\frac{1}{2} \times 8</math></p> <p><b>=</b></p> <p><b>4 Marks</b></p>
Dr			Cr																																																	
Date	Particulars	Amt (₹)	Date	Particulars	Amt (₹)																																															
2016 Dec 31	<u>To Drawings A/c</u> $\frac{1}{2}$	15,000	2016 April 1	<u>By Balance b/d</u> $\frac{1}{2}$	90,000																																															
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		3,18,100			3,18,100																																															
13	-	-	<p><b>Q. A, B, C and D..... reconstituted firm.</b></p> <p><b>Ans.</b></p>																																																	

		<b>Revaluation A/c</b>							
<b>Dr</b>				<b>Cr</b>					
<b>Particulars</b>	<b>Amt ( ` )</b>	<b>Particulars</b>	<b>Amt ( ` )</b>						
To Claim for Workmen Compensation	5,000	By loss on revaluation transferred to Partners' Capital A/c							
To Fixed assets A/c	25,000	A 9,000							
		B 6,000							
		C 9,000							
		D <u>6,000</u>		30,000					
	<u>30,000</u>			<u>30,000</u>					
<b>Partners' Capital A/c</b>									
<b>Dr</b>				<b>Cr</b>					
<b>Particulars</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>Particulars</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>
To Revaluation A/c	9,000	6,000	9,000	6,000	By Balance b/d	2,00,000	2,50,000	2,50,000	3,10,000
To C's Capital A/c	13,500	13,500	---	---	By A's Capital A/c	---	---	13,500	13,500
To D's Capital A/c	13,500	13,500	---	---	By B's Capital A/c	---	---	13,500	13,500
To Partners' Current A/c	---	---	72,000	2,33,000	By Partners' Current A/c	2,28,000	77,000	---	---
To Balance c/d	3,92,000	2,94,000	1,96,000	98,000					
	4,28,000	3,27,000	2,77,000	3,37,000		4,28,000	3,27,000	2,77,000	3,37,000
<b>Balance Sheet of A, B, C and D as at 31<sup>st</sup> March 2016</b>									
<b>Liabilities</b>		<b>Amt ( ` )</b>		<b>Assets</b>		<b>Amt ( ` )</b>			
Sundry Creditors		90,000		Fixed Assets		8,00,000			
Partners' Capital A/c:				Current Assets		3,00,000			
A 3,92,000				Partners' Current A/c:					
B 2,94,000				A 2,28,000					
C 1,96,000				B <u>77,000</u>		3,05,000			
D <u>98,000</u>		9,80,000							
Claim for Workmen Compensation		30,000							
Partners' Current A/c:									
C 72,000									
D <u>2,33,000</u>		3,05,000							
		<u>14,05,000</u>				<u>14,05,000</u>			
<b>Q. On 1-4-2015.....year ended 31.3.2016.</b>									
<b>Ans.</b>									
<b>J.K. Ltd.</b>									
<b>Journal</b>									
<b>Date</b>	<b>Particulars</b>				<b>LF</b>	<b>Dr ( ` )</b>		<b>Cr ( ` )</b>	
2015 Apr 1	Bank A/c Dr. To 9% Debenture Application & Allotment A/c (Being application money received)					75,20,000		75,20,000	
2015 Apr 1	9% Debenture Application & Allotment A/c Dr. Discount on Issue of Debentures A/c Dr. Loss on Issue of Debentures A/c Dr. To 9 % Debentures A/c To Premium on Redemption of Debentures A/c (Being transfer of application money to					75,20,000 4,80,000 4,00,000		80,00,000 4,00,000	

			<div>debenture account issued at discount of 6%, redeemable at premium of 5%)</div> <div>Or</div> <div>9% Debenture Application &amp; Allotment A/c Dr. 75,20,000</div> <div>Loss on Issue of Debentures A/c Dr. 8,80,000</div> <div>To 9 % Debentures A/c 80,00,000</div> <div>To Premium on Redemption of Debentures A/c 4,00,000</div> <div>(Being transfer of application money to debenture account issued at discount of 6%, redeemable at premium of 5%)</div>																																									
		2015 Sep 30	Debenture Interest A/c Dr. 3,60,000	To Debenture holders A/c			3,24,000	36,000	1																																			
		2015 Sep 30	Debenture holders A/c Dr. 3,24,000	TDS Payable A/c Dr. 36,000	To Bank A/c			3,60,000	1/2																																			
		2016 Mar 31	Debenture Interest A/c Dr. 3,60,000	To Debenture holders A/c			3,24,000	36,000	1																																			
		2016 Mar 31	Debenture holders A/c Dr. 3,24,000	TDS Payable A/c Dr. 36,000	To Bank A/c			3,60,000	1/2																																			
		2016 Mar 31	Statement of Profit & Loss Dr. 7,20,000	To Debenture Interest A/c				7,20,000	1 = 6 Marks																																			
15	-	-	Q. Pass necessary..... of his debt. Ans. <div>Books of the firm</div> <div>Journal</div> <table><thead><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr ( ` )</th><th>Cr ( ` )</th></tr></thead><tbody><tr><td>(i)</td><td>Realisation A/c Dr. 800</td><td></td><td></td><td>800</td><td>1</td></tr><tr><td>(ii)</td><td>Realisation A/c Dr. 800</td><td></td><td></td><td>800</td><td>1</td></tr><tr><td>(iii)</td><td>Realisation A/c Dr. 10,000</td><td></td><td></td><td>10,000</td><td>1</td></tr><tr><td>(iv) a.</td><td>Realisation A/c Dr. 5,000</td><td></td><td></td><td>5,000</td><td>1/2</td></tr><tr><td>(iv) b.</td><td>Janki's Capital A/c Dr. 5,500</td><td></td><td></td><td>5,500</td><td>1/2</td></tr></tbody></table>							Date	Particulars	LF	Dr ( ` )	Cr ( ` )	(i)	Realisation A/c Dr. 800			800	1	(ii)	Realisation A/c Dr. 800			800	1	(iii)	Realisation A/c Dr. 10,000			10,000	1	(iv) a.	Realisation A/c Dr. 5,000			5,000	1/2	(iv) b.	Janki's Capital A/c Dr. 5,500			5,500	1/2
Date	Particulars	LF	Dr ( ` )	Cr ( ` )																																								
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(iii)	Realisation A/c Dr. 10,000			10,000	1																																							
(iv) a.	Realisation A/c Dr. 5,000			5,000	1/2																																							
(iv) b.	Janki's Capital A/c Dr. 5,500			5,500	1/2																																							

				(Being Mohan paid dissolution expenses on behalf of Janki) <b>Note:</b> If part a. Is correctly done, full credit is to be given.																																									
			(v) a.	Realisation A/c Dr. To Kavita's Capital A/c (Being remuneration given to Kavita)		9,000		9,000	½ + ½  <b>OR</b> <b>1</b>  <b>1</b> <b>=</b> <b>6 Marks</b>																																				
			(v) b.	Kavita's Capital A/c Dr. To Realisation A/c (Being furniture taken over by Kavita as remuneration)		9,000		9,000																																					
			(v) (a. + b.)	<b>OR</b> No Entry																																									
			(vi)	No Entry		--		--																																					
<b>16</b>	<b>17</b>	<b>16</b>	<b>Q. C and D are .....E's admission.</b> <b>Ans.</b> <b>Books of the firm</b> <b>Journal</b> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr ( ` )</th><th>Cr ( ` )</th></tr><tr><td><b>(i)</b></td><td>General Reserve A/c Dr. To C's Capital A/c To D's Capital A/c (Being General Reserve distributed among partners)</td><td></td><td>10,000</td><td>8,000 2,000</td></tr><tr><td><b>(ii)</b></td><td>Cash A/c Dr. To E's Capital A/c To Premium for Goodwill A/c (Being cash received as E's capital and premium for goodwill)</td><td></td><td>1,20,000</td><td>1,00,000 20,000</td></tr><tr><td><b>(iii)</b></td><td>Premium for Goodwill A/c Dr. To C's Capital A/c To D's Capital A/c (Being premium for Goodwill credited to old partner's capital account in sacrificing ratio)</td><td></td><td>20,000</td><td>16,000 4,000</td></tr><tr><td><b>(iv)</b></td><td>C's Capital A/c Dr. D's Capital A/c Dr. To Cash A/c (Being half of goodwill amount withdrawn by C and D)</td><td></td><td>8,000 2,000</td><td>10,000</td></tr><tr><td><b>(v)</b></td><td>Bad debts A/c Dr. To Debtors A/c (Being debtors ` 2,000 written off)</td><td></td><td>2,000</td><td>2,000</td></tr><tr><td><b>(vi)</b></td><td>Provision for bad and doubtful debts A/c Dr. To Bad debts A/c (Being provision utilised for writing off bad debts)</td><td></td><td>2,000</td><td>2,000</td></tr></table>							Date	Particulars	LF	Dr ( ` )	Cr ( ` )	<b>(i)</b>	General Reserve A/c Dr. To C's Capital A/c To D's Capital A/c (Being General Reserve distributed among partners)		10,000	8,000 2,000	<b>(ii)</b>	Cash A/c Dr. To E's Capital A/c To Premium for Goodwill A/c (Being cash received as E's capital and premium for goodwill)		1,20,000	1,00,000 20,000	<b>(iii)</b>	Premium for Goodwill A/c Dr. To C's Capital A/c To D's Capital A/c (Being premium for Goodwill credited to old partner's capital account in sacrificing ratio)		20,000	16,000 4,000	<b>(iv)</b>	C's Capital A/c Dr. D's Capital A/c Dr. To Cash A/c (Being half of goodwill amount withdrawn by C and D)		8,000 2,000	10,000	<b>(v)</b>	Bad debts A/c Dr. To Debtors A/c (Being debtors ` 2,000 written off)		2,000	2,000	<b>(vi)</b>	Provision for bad and doubtful debts A/c Dr. To Bad debts A/c (Being provision utilised for writing off bad debts)		2,000	2,000	1  1  1  ½  ½  ½
Date	Particulars	LF	Dr ( ` )	Cr ( ` )																																									
<b>(i)</b>	General Reserve A/c Dr. To C's Capital A/c To D's Capital A/c (Being General Reserve distributed among partners)		10,000	8,000 2,000																																									
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			<table><tr><td>(vii)</td><td>Provision for bad and doubtful debts A/c To Revaluation A/c (Being provision for bad debts decreased)</td><td>Dr.</td><td></td><td>640</td><td>640</td><td>½</td></tr><tr><td>(viii)</td><td>Revaluation A/c To Stock A/c To Furniture A/c To Plant &amp; Machinery A/c (Being decrease in assets recorded)</td><td>Dr.</td><td></td><td>14,000</td><td>2,000 4,000 8,000</td><td>1 ½</td></tr><tr><td>(ix)</td><td>Investments A/c To Revaluation A/c (Being increase in investments recorded)</td><td>Dr.</td><td></td><td>7,000</td><td>7,000</td><td>½</td></tr><tr><td>(x)</td><td>Revaluation A/c To Outstanding Repairs A/c (Being increase in liabilities recorded)</td><td>Dr.</td><td></td><td>2,300</td><td>2,300</td><td>½</td></tr><tr><td>(xi)</td><td>C's Capital A/c D's Capital A/c To Revaluation A/c (Being loss on revaluation transferred to Partner's Capital A/c)</td><td>Dr. Dr.</td><td></td><td>6,928 1,732</td><td>8,660</td><td>½ = 8 Marks</td></tr><tr><td></td><td colspan="3"><b>Note: In case an examinee has combined entry number (viii) and (x) or (vii) and (ix), full credit may be given.</b></td><td></td><td></td><td></td></tr></table>	(vii)	Provision for bad and doubtful debts A/c To Revaluation A/c (Being provision for bad debts decreased)	Dr.		640	640	½	(viii)	Revaluation A/c To Stock A/c To Furniture A/c To Plant & Machinery A/c (Being decrease in assets recorded)	Dr.		14,000	2,000 4,000 8,000	1 ½	(ix)	Investments A/c To Revaluation A/c (Being increase in investments recorded)	Dr.		7,000	7,000	½	(x)	Revaluation A/c To Outstanding Repairs A/c (Being increase in liabilities recorded)	Dr.		2,300	2,300	½	(xi)	C's Capital A/c D's Capital A/c To Revaluation A/c (Being loss on revaluation transferred to Partner's Capital A/c)	Dr. Dr.		6,928 1,732	8,660	½ = 8 Marks		<b>Note: In case an examinee has combined entry number (viii) and (x) or (vii) and (ix), full credit may be given.</b>									
(vii)	Provision for bad and doubtful debts A/c To Revaluation A/c (Being provision for bad debts decreased)	Dr.		640	640	½																																											
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16 OR	17 OR	16 OR	<b>Q. Sameer, Yasmin and Saloni were.....Sameer's retirement.</b> <b>Ans.</b> <div><b>Books of the firm</b> <b>Journal</b><table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr ( ` )</th><th>Cr ( ` )</th><td></td></tr><tr><td>(i)</td><td>General Reserve A/c To Sameer's Capital A/c To Yasmin's Capital A/c To Saloni's Capital A/c (Being General Reserve distributed among partners)</td><td>Dr.</td><td>60,000</td><td>24,000 18,000 18,000</td><td>1</td></tr><tr><td>(ii)</td><td>Sameer's Capital A/c Yasmin's Capital A/c Saloni's Capital A/c To Profit and Loss A/c (Being accumulated losses divided among partners)</td><td>Dr. Dr. Dr.</td><td>20,000 15,000 15,000</td><td>50,000</td><td>1</td></tr><tr><td>(iii)</td><td>Bad Debts A/c To Debtors A/c (Being debtors of ` 4000 written off)</td><td>Dr.</td><td>4,000</td><td>4,000</td><td>½</td></tr><tr><td>(iv)</td><td>Provision for bad and doubtful debts A/c To Bad Debts A/c (Being provision utilised for writing off bad debts)</td><td>Dr.</td><td>4,000</td><td>4,000</td><td>½</td></tr><tr><td>(v)</td><td>Provision for bad and doubtful debts A/c To Revaluation A/c (Being excess provision transferred to Revaluation A/c )</td><td>Dr.</td><td>1,700</td><td>1,700</td><td>½</td></tr><tr><td>(vi)</td><td>Revaluation A/c To Creditors A/c (Being increase in creditors recorded)</td><td>Dr.</td><td>20,000</td><td>20,000</td><td>½</td></tr></table></div>				Date	Particulars	LF	Dr ( ` )	Cr ( ` )		(i)	General Reserve A/c To Sameer's Capital A/c To Yasmin's Capital A/c To Saloni's Capital A/c (Being General Reserve distributed among partners)	Dr.	60,000	24,000 18,000 18,000	1	(ii)	Sameer's Capital A/c Yasmin's Capital A/c Saloni's Capital A/c To Profit and Loss A/c (Being accumulated losses divided among partners)	Dr. Dr. Dr.	20,000 15,000 15,000	50,000	1	(iii)	Bad Debts A/c To Debtors A/c (Being debtors of ` 4000 written off)	Dr.	4,000	4,000	½	(iv)	Provision for bad and doubtful debts A/c To Bad Debts A/c (Being provision utilised for writing off bad debts)	Dr.	4,000	4,000	½	(v)	Provision for bad and doubtful debts A/c To Revaluation A/c (Being excess provision transferred to Revaluation A/c )	Dr.	1,700	1,700	½	(vi)	Revaluation A/c To Creditors A/c (Being increase in creditors recorded)	Dr.	20,000	20,000	½	
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(v)	Provision for bad and doubtful debts A/c To Revaluation A/c (Being excess provision transferred to Revaluation A/c )	Dr.	1,700	1,700	½																																												
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			<table><tr><td>(vii)</td><td>Revaluation A/c To Patents A/c To Stock A/c To Machinery A/c To Building A/c (Being decrease in assets recorded)</td><td>Dr.</td><td></td><td>90,000</td><td></td><td>60,000 5,000 15,000 10,000</td></tr><tr><td>(viii)</td><td>Sameer's Capital A/c Yasmin's Capital A/c Saloni's Capital A/c To Revaluation A/c (Being loss on revaluation transferred to Partners' Capital A/c)</td><td>Dr. Dr. Dr.</td><td></td><td>43,320 32,490 32,490</td><td></td><td>1,08,300</td></tr><tr><td>(ix)</td><td>Yasmin's Capital A/c Saloni's Capital A/c To Sameer's Capital A/c (Being Goodwill adjusted on Sameer's retirement)</td><td>Dr. Dr.</td><td></td><td>1,62,000 54,000</td><td></td><td>2,16,000</td></tr><tr><td>(x)</td><td>Sameer's Capital A/c To Sameer's Loan A/c (Being balance of Sameer's capital transferred to Sameer's Loan A/c)</td><td>Dr.</td><td></td><td>4,76,680</td><td></td><td>4,76,680</td></tr><tr><td></td><td><b>Note: In case an examinee has combined entry number (vi) and (vii), full credit may be given.</b> <div>2 ½</div> Revaluation A/c To Patents A/c To Stock A/c To Machinery A/c To Building A/c To Creditors A/c (Being assets and liabilities revalued)</td><td>Dr.</td><td></td><td>1,10,000</td><td></td><td>60,000 5,000 15,000 10,000 20,000</td></tr></table>	(vii)	Revaluation A/c To Patents A/c To Stock A/c To Machinery A/c To Building A/c (Being decrease in assets recorded)	Dr.		90,000		60,000 5,000 15,000 10,000	(viii)	Sameer's Capital A/c Yasmin's Capital A/c Saloni's Capital A/c To Revaluation A/c (Being loss on revaluation transferred to Partners' Capital A/c)	Dr. Dr. Dr.		43,320 32,490 32,490		1,08,300	(ix)	Yasmin's Capital A/c Saloni's Capital A/c To Sameer's Capital A/c (Being Goodwill adjusted on Sameer's retirement)	Dr. Dr.		1,62,000 54,000		2,16,000	(x)	Sameer's Capital A/c To Sameer's Loan A/c (Being balance of Sameer's capital transferred to Sameer's Loan A/c)	Dr.		4,76,680		4,76,680		<b>Note: In case an examinee has combined entry number (vi) and (vii), full credit may be given.</b> <div>2 ½</div> Revaluation A/c To Patents A/c To Stock A/c To Machinery A/c To Building A/c To Creditors A/c (Being assets and liabilities revalued)	Dr.		1,10,000		60,000 5,000 15,000 10,000 20,000	<div>2</div> <div>½</div> <div>1</div> <div>½</div> <div>=</div> <div>8 Marks</div>
(vii)	Revaluation A/c To Patents A/c To Stock A/c To Machinery A/c To Building A/c (Being decrease in assets recorded)	Dr.		90,000		60,000 5,000 15,000 10,000																																	
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<b>Working Notes:</b> Amount payable to Sameer = (43,320) + 24,000 – 20,000 + 2,16,000 + 3,00,000 = ` <b>4,76,680</b>																																							
17	16	17	<b>Q. VNX Ltd. ....books of the company.</b> <b>Ans.</b> <div>VNX Ltd. Journal</div> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr. Amt ( )</th><th>Cr. Amt ( )</th></tr><tr><td>(i)</td><td>Bank A/c To Equity Share Application A/c (Being application money received)</td><td>Dr.</td><td>2,00,000</td><td>2,00,000</td></tr><tr><td>(ii)</td><td>Equity Share Application A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being application money transferred )</td><td>Dr.</td><td>2,00,000</td><td>1,00,000 1,00,000</td></tr><tr><td>(iii)</td><td>Equity Share Allotment A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being share allotment money due)</td><td>Dr.</td><td>3,00,000</td><td>1,50,000 1,50,000</td></tr><tr><td>(iv)</td><td>Bank A/c Calls in Arrears A/c To Equity Share Allotment A/c To Calls in Advance A/c</td><td>Dr. Dr.</td><td>3,02,000 1,200</td><td>3,00,000 3,200</td></tr></table>				Date	Particulars	LF	Dr. Amt ( )	Cr. Amt ( )	(i)	Bank A/c To Equity Share Application A/c (Being application money received)	Dr.	2,00,000	2,00,000	(ii)	Equity Share Application A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being application money transferred )	Dr.	2,00,000	1,00,000 1,00,000	(iii)	Equity Share Allotment A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being share allotment money due)	Dr.	3,00,000	1,50,000 1,50,000	(iv)	Bank A/c Calls in Arrears A/c To Equity Share Allotment A/c To Calls in Advance A/c	Dr. Dr.	3,02,000 1,200	3,00,000 3,200	<div>1</div> <div>1</div> <div>1</div> <div>½</div>							
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				(Being allotment money received except on 200 shares and calls in advance received) <b>OR</b> Bank A/c Dr. 3,02,000 To Equity Share Allotment A/c 2,98,800 To Calls in Advance A/c 3,200 (Being allotment money received except on 200 shares and calls in advance received)				
			(v)	Equity Share Capital A/c Dr. 1,000 Securities Premium Reserve A/c Dr. 600 To Shares Forfeited A/c 400 To Equity Share Allotment A/c/ Calls in arrears A/c 1,200 (Being 200 shares forfeited )				½
			(vi)	Equity Share First call A/c Dr. 2,49,000 To Equity Share Capital A/c 1,99,200 To Securities Premium Reserve A/c 49,800 (Being first call money due on 49,800 shares)				½
			(vii)	Bank A/c Dr. 2,47,400 Calls in arrears A/c Dr. 500 Calls in advance A/c Dr. 2,000 To Equity Share First Call A/c 2,49,000 To Calls in advance A/c 900 (Being first call money and calls in advance received, advance received earlier adjusted) <b>OR</b> Bank A/c Dr. 2,47,400 Calls in advance A/c Dr. 2,000 To Equity Share First Call A/c 2,48,500 To Calls in advance A/c 900 (Being first call money and calls in advance received, advance received earlier adjusted) <b>OR</b> <b>(a)</b> Bank A/c Dr. 2,47,400 Calls in arrears A/c Dr. 500 To Equity Share First Call A/c 2,47,000 To Calls in advance A/c 900 (Being first call money and calls in advance received) <b>(b)</b> Calls in advance A/c Dr. 2,000 To Equity Share First Call A/c 2,000 (Being advance received earlier adjusted) <b>OR</b> Bank A/c Dr. 2,47,400 Calls in arrears A/c Dr. 500 Calls in advance A/c Dr. 1,100 To Equity Share First Call A/c 2,49,000 (Being first call money received, advance received earlier on 1,000 shares adjusted and second call in advance received on 600 shares)				½

			<div>(viii) Equity Share Capital A/c Dr. 900 Securities Premium Reserve A/c Dr. 100 To Shares Forfeited A/c 500 To Calls in arrears A/c/ Equity Share First Call A/c 500 (Being 100 shares forfeited)</div> <div>(ix) Equity Share Second &amp; Final call A/c Dr. 1,49,100 To Equity Share Capital A/c 49,700 To Securities Premium Reserve A/c 99,400 (Being second call due on 49,700 shares)</div> <div>(x) Bank A/c Dr. 1,47,000 Calls in advance A/c Dr. 2,100 To Equity share second and final call A/c 1,49,100 (Being second and final call received and advance received earlier adjusted)</div> <div>(xi) Bank A/c Dr. 2,700 Shares Forfeited A/c Dr. 300 To Equity Share Capital A/c 3,000 (Being forfeited shares reissued)</div> <div>(xii) Shares Forfeited A/c Dr. 600 To Capital Reserve A/c 600 (Being gain on reissue on forfeited shares transferred to capital reserve account)</div>	<div>½</div> <div>½</div> <div>½</div> <div>1</div> <div>½ = 8 Marks</div>																														
17 OR	16 OR	17 OR	<p><b>Q. JJK Ltd..... books of the company.</b> <b>Ans.</b></p> <p style="text-align: center;"><b>Books of JJK Ltd.</b> <b>Journal</b></p> <table border="1"> <thead> <tr> <th>Date</th><th>Particulars</th><th>LF</th><th>Dr. Amt ( )</th><th>Cr. Amt ( )</th></tr> </thead> <tbody> <tr> <td>(i)</td><td>Bank A/c Dr. To Equity Share Application A/c (Being application money received on 1,50,000 shares)</td><td></td><td>3,00,000</td><td>3,00,000</td></tr> <tr> <td>(ii)</td><td>Equity Share Application A/c Dr. To Equity Share Capital A/c To Bank A/c To Equity Share Allotment A/c (Being application money transferred )</td><td></td><td>3,00,000</td><td>1,00,000 90,000 1,10,000</td></tr> <tr> <td>(iii)</td><td>Equity Share Allotment A/c Dr. To Equity Share Capital A/c (Being share allotment money due)</td><td></td><td>2,00,000</td><td>2,00,000</td></tr> <tr> <td>(iv)</td><td>Bank A/c Dr. Calls in arrears A/c Dr. To Equity share allotment a/c (Being Balance amount received on allotment) <b>OR</b> Bank A/c Dr. To Equity share allotment a/c (Being Balance amount received on allotment)</td><td></td><td>88,900 1,100 88,900</td><td>90,000 88,900</td></tr> <tr> <td>(v)</td><td>Equity Share capital A/c Dr. To Forfeited Shares A/c To Calls in arrears A/c (Being forfeited the shares on which allotment money was not received)</td><td></td><td>3,600</td><td>2,500 1,100</td></tr> </tbody> </table>	Date	Particulars	LF	Dr. Amt ( )	Cr. Amt ( )	(i)	Bank A/c Dr. To Equity Share Application A/c (Being application money received on 1,50,000 shares)		3,00,000	3,00,000	(ii)	Equity Share Application A/c Dr. To Equity Share Capital A/c To Bank A/c To Equity Share Allotment A/c (Being application money transferred )		3,00,000	1,00,000 90,000 1,10,000	(iii)	Equity Share Allotment A/c Dr. To Equity Share Capital A/c (Being share allotment money due)		2,00,000	2,00,000	(iv)	Bank A/c Dr. Calls in arrears A/c Dr. To Equity share allotment a/c (Being Balance amount received on allotment) <b>OR</b> Bank A/c Dr. To Equity share allotment a/c (Being Balance amount received on allotment)		88,900 1,100 88,900	90,000 88,900	(v)	Equity Share capital A/c Dr. To Forfeited Shares A/c To Calls in arrears A/c (Being forfeited the shares on which allotment money was not received)		3,600	2,500 1,100	<div>1</div> <div>1</div> <div>1</div> <div>1</div> <div>1</div>
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			(vi)	Equity share first and final call A/c To Equity share Capital A/c (Being First and final call money due)	Dr.		1,97,600	1,97,600	$\frac{1}{2}$																
			(vii)	Bank A/c To Equity share first and final call A/c (Being first and final call money received)	Dr.		1,97,600	1,97,600	$\frac{1}{2}$																
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			<b>PART B</b> <b>(Financial Statements Analysis)</b>																						
18	-	-	<b>Q. Normally, what..... cash equivalents?</b> <b>Ans.</b> Maximum maturity period is 90 days/ 3 months for a short term investment from the date of acquisition to be qualified as cash equivalents.							1 Mark															
19	-	-	<b>Q. State the..... cash flow statement.</b> <b>Ans.</b> To find out the inflows and outflows of cash and cash equivalents from Operating, Investing and Financing activities.							1 Mark															
20	-		<b>Q. What is meant by.....an analysis.</b> <b>Ans.</b> Analysis of Financial Statements is the process of critical evaluation of the financial information contained in the financial statements in order to understand and make decisions regarding the operations of the firm. <b>(Or any other suitable meaning)</b> <b><u>Objectives of 'Financial Statements Analysis': (Any two)</u></b> (i) <u>Assessing the earning capacity or profitability</u> of the firm as a whole as well as its different departments so as to judge the financial health of the firm. (ii) <u>Assessing the managerial efficiency</u> by using financial ratios to identify favourable and unfavourable variations in managerial performance. (iii) <u>Assessing the short term and the long term solvency</u> of the enterprise to assess the ability of the company to repay principal amount and interest. (iv) Assessing the performance of business in comparison to that of others through <u>inter firm comparison</u> . (v) Assessing developments in future by <u>forecasting and preparing budgets</u> . (vi) <u>To Ascertain the relative importance of different components of the financial position</u> of the firm.							2 +  1 X 2= 2 = 4 Marks															
21	22	21	<b>Q. The proprietary ratio..... purchased for ` 4,00,000.</b> <b>Ans.</b> <table><tr><th>Transaction</th><th>Effect on Quick Ratio</th><th>Reasons</th></tr><tr><td>(i)</td><td>Decrease</td><td>No change in Shareholders' funds but total assets will increase by ` 2,00,000</td></tr><tr><td>(ii)</td><td>No Change</td><td>No change in total assets and Shareholders' funds</td></tr><tr><td>(iii)</td><td>Decrease</td><td>Both Shareholders' funds and total assets are decreased by same amount</td></tr><tr><td>(iv)</td><td>Increase</td><td>Shareholders' funds and total assets both are increased</td></tr></table>							Transaction	Effect on Quick Ratio	Reasons	(i)	Decrease	No change in Shareholders' funds but total assets will increase by ` 2,00,000	(ii)	No Change	No change in total assets and Shareholders' funds	(iii)	Decrease	Both Shareholders' funds and total assets are decreased by same amount	(iv)	Increase	Shareholders' funds and total assets both are increased	1 X 4 =4 Marks
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22	21	22	<b>Q. Financial Statements.....Bank Overdraft.</b> <b>Ans.</b>																						

			<b>Values (Any two):</b> <ul style="list-style-type: none"> <li>• Transparency</li> <li>• Consistency</li> <li>• Following rules and regulations / Ethical code of conduct</li> <li>• Honesty and loyalty towards owners</li> <li>• Providing authentic information to users</li> </ul> <p align="center"><b>(Or any other suitable value)</b></p> <table border="1"> <thead> <tr> <th></th><th>Heads</th><th>Sub-heads</th></tr> </thead> <tbody> <tr> <td><b>Capital Reserves</b></td><td>Shareholders' funds</td><td>Reserves and Surplus</td></tr> <tr> <td><b>Calls -in-advance</b></td><td>Current Liabilities</td><td>Other Current Liabilities</td></tr> <tr> <td><b>Loose Tools</b></td><td>Current assets</td><td>Inventories</td></tr> <tr> <td><b>Bank Overdraft</b></td><td>Current Liabilities</td><td>Short term borrowings</td></tr> </tbody> </table>		Heads	Sub-heads	<b>Capital Reserves</b>	Shareholders' funds	Reserves and Surplus	<b>Calls -in-advance</b>	Current Liabilities	Other Current Liabilities	<b>Loose Tools</b>	Current assets	Inventories	<b>Bank Overdraft</b>	Current Liabilities	Short term borrowings	<p align="right"><b>1 X 2</b></p>  
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			<b>PART B</b> <b>(Computerized Accounting)</b>																																																	
18	19	19	<b>Q. What is .....Database Report'?</b> <b>Ans.</b> A database report is the formatted result of database queries and contains useful data for decision-making and analysis.	<b>1 Mark</b>																																																
19	18	18	<b>Q. What is meant.....Query'?</b> <b>Ans.</b> Queries provide the capability of combined data from multiple tables and placing specific condition for the retrieval of data. It is another tabular view of the data showing information from multiple tables, resulting in presentation of the information required, raised in the query.	<b>1 Mark</b>																																																
20	21	22	<b>Q. Explain 'Flexibility'.....accounting software.</b> <b>Ans. Flexibility: (It may include following points)</b> <ul style="list-style-type: none"><li>• Related to data entry, availability and design of various reports.</li><li>• Between users (Accountants)</li><li>• Between systems.</li></ul> <b>Cost of installation and maintainence: (It may include following points in explanation)</b> <ul style="list-style-type: none"><li>• Ability to afford hardware and software</li><li>• Cost benefit analysis and study of available options</li><li>• Training of staff, cost of updating</li></ul>	<div><div>2</div><div>2</div><div>=</div><div>4 Marks</div></div>																																																
21	22	20	<b>Q. Explain any.....'Profit and Loss'.</b> <b>Ans.</b> Any four of the following: <ul style="list-style-type: none"><li>• Sales Account</li><li>• Purchase Account</li><li>• Direct Income</li><li>• Indirect Income</li><li>• Direct Expenses</li><li>• Indirect Expenses</li></ul> (With appropriate explanation)	<div><div>1 X 4</div><div>=</div><div>4 Marks</div></div>																																																
22	20	21	<b>Q. Explain the steps.....software.</b> <b>Ans. Steps in installation of CPS:</b> 1. Insert CD in the system 2. Select C:,E:, or D: drive from my computer <b>OR</b> Start>run>type the filename E:\install.exe 3. The default directories of application, data and configuration will open in a window. Change the setting if you wish by providing desired file name and drive name. 4. Click on install. The installation process will start and a message of successful installation will appear after its completion. The CD can be removed as the application is successfully installed.	<div><div>=</div><div>4 Marks</div></div>																																																

23	-	-	<p><b>Q. What is meant.....benefits.</b></p> <p><b>Ans.</b> Conditional formatting means a format change, such as background cell shading or font colour i.e. applied to a cell when a specified condition for the data in the cell is true. Conditional formatting is often applied to worksheets to find:</p> <ol style="list-style-type: none"> <li>1. Data that is above or below a certain value.</li> <li>2. Duplicate data values.</li> <li>3. Cells containing specific text.</li> <li>4. Data that is above or below average</li> <li>5. Data that falls in the top ten or bottom ten values</li> </ol> <p>Benefits of using conditional formatting:</p> <ol style="list-style-type: none"> <li>1. Helps in answering questions which are important for taking decisions</li> <li>2. Guides with help of using visuals</li> <li>3. Helps in understanding distribution and variation of critical data.</li> </ol>	<p><b>3</b></p> <p><b>3</b></p> <p><b>=</b></p> <p><b>6 Marks</b></p>
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Q. Set No.			Marking Scheme 2016-17 Accountancy (055) <b>Outside Delhi – 67/2</b> Expected Answers / Value points	Distribution of marks															
67/1	67/2	67/3																	
6	1	4	<b>Q. Durga and Naresh.....by them.</b> <b>Ans. Any two</b> of the following: <ul style="list-style-type: none"> <li>Persons of unsound mind / Lunatics</li> <li>Insolvent persons</li> <li>Any other individual who have been disqualified by law</li> </ul>	½ x 2 =1 Mark															
5	2	3	<b>Q. Z Ltd..... can be re-issued.</b> <b>Ans.</b> The maximum amount of discount at which these shares can be re-issued is ` 5 per share or ` 5000.	=1 Mark															
4	3	2	<b>Q. X Ltd. invited.....with applicants.</b> <b>Ans.</b> <b>Books of the firm</b> <b>Journal</b> <table border="1"> <thead> <tr> <th>Date</th><th>Particulars</th><th>LF</th><th>Dr ( )</th><th>Cr ( )</th></tr> </thead> <tbody> <tr> <td>2016 Jan 1</td><td>Bank A/c Dr. To 12% Debenture Application &amp; Allotment A/c ( Being application money received for 600 debentures @ ` 95 each)</td><td></td><td>57,000</td><td>57,000</td></tr> <tr> <td>2016 Jan 1</td><td>12% Debenture Application &amp; Allotment A/c Dr. Discount on Issue of Debentures A/c Dr. To 12 % Debentures A/c To Bank A/c (Being 500, 12% debentures allotted on pro-rata basis)</td><td></td><td>57,000 2,500</td><td>50,000 9,500</td></tr> </tbody> </table>	Date	Particulars	LF	Dr ( )	Cr ( )	2016 Jan 1	Bank A/c Dr. To 12% Debenture Application & Allotment A/c ( Being application money received for 600 debentures @ ` 95 each)		57,000	57,000	2016 Jan 1	12% Debenture Application & Allotment A/c Dr. Discount on Issue of Debentures A/c Dr. To 12 % Debentures A/c To Bank A/c (Being 500, 12% debentures allotted on pro-rata basis)		57,000 2,500	50,000 9,500	½  ½ =1 Mark
Date	Particulars	LF	Dr ( )	Cr ( )															
2016 Jan 1	Bank A/c Dr. To 12% Debenture Application & Allotment A/c ( Being application money received for 600 debentures @ ` 95 each)		57,000	57,000															
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3	4	1	<b>Q. P and Q were.....rectify the error.</b> <b>Ans.</b> <b>Books of the firm</b> <b>Journal</b> <table border="1"> <thead> <tr> <th>Date</th><th>Particulars</th><th>LF</th><th>Dr ( )</th><th>Cr ( )</th></tr> </thead> <tbody> <tr> <td>2016 April 1</td><td>P's Current A/c Dr. To Q's current A/c ( Being the adjustment of interest on capital omitted in previous year)</td><td></td><td>6,000</td><td>6,000</td></tr> </tbody> </table>	Date	Particulars	LF	Dr ( )	Cr ( )	2016 April 1	P's Current A/c Dr. To Q's current A/c ( Being the adjustment of interest on capital omitted in previous year)		6,000	6,000	=1 Mark					
Date	Particulars	LF	Dr ( )	Cr ( )															
2016 April 1	P's Current A/c Dr. To Q's current A/c ( Being the adjustment of interest on capital omitted in previous year)		6,000	6,000															
2	5	6	<b>Q. A and B.....B's sacrifice.</b> <b>Ans.</b> A's Old Share = 5/8 A's Sacrifice = 1/5 of 5/8 = 1/8 C's Share = 3/8 B's Sacrifice = C's share – A's sacrifice = 3/8 – 1/8 = 2/8 <b>OR</b> B's Old Share = 3/8 B's new share = 2/8 B's Sacrifice = 3/8 – 2/8 = 1/8	=1 Mark															
1	6	5	<b>Q. Distinguish between.....credit balance.</b> <b>Ans.</b> Fixed Capital Accounts always show a credit balance while fluctuating capital accounts may show credit or debit balance.	=1 Mark															
10	7	9	<b>Q. Ganesh Ltd. Is..... to propagate.</b> <b>Ans.</b>																

Balance Sheet of Ganesh Ltd.

As at .....(As per revised schedule VI)

Particulars	Note No.	Amount ( ` ) Current year	Amount ( ` ) Previous year
<b>EQUITY &amp; LIABILITIES</b>			
I Shareholder's funds :			
b) Share Capital	1	<u>6,09,96,000</u>	

Notes to Accounts :

Particulars	( ` )
<b>(2) Share Capital</b>	
<b><u>Authorised Capital :</u></b>	
1,00,00,000 equity shares of ` 10 each	<u>10,00,00,000</u>
<b><u>Issued Capital</u></b>	
61,00,000 equity shares of ` 10 each	<u>6,10,00,000</u>
<b><u>Subscribed Capital</u></b>	
<b><u>Subscribed and fully paid</u></b>	
60,98,000 shares of ` 10 each	6,09,80,000
<b><u>Subscribed but not fully paid</u></b>	
2,000 equity shares of 10 each	20,000
Less: Calls in arrears ( 2,000 X 2 )	<u>4,000</u>
	<u>16,000</u>
	<u>6,09,96,000</u>

Values (Any two):

• Providing employment opportunities to the local youth.

• Promotion of development in tribal areas.

• Promotion of skill development in Arunachal Pradesh.

• Paying attention towards regions of social unrest.

(Or any other suitable value)

9

8

8

Q. Disha Ltd. Purchased.....Nisha Ltd.

Ans.

Disha Ltd.

Journal

Date	Particulars	LF	Dr. Amt ( ` )	Cr. Amt ( ` )
(i)	Machinery A/c Dr. To Nisha Ltd. (Being machinery purchased from Nisha Ltd.)		1,78,000	1,78,000
(ii)	Nisha Ltd. Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c ( Being 10,000 equity shares of ` 10 each issued at 10% premium)		1,10,000	1,00,000 10,000
(iii)	Nisha Ltd. Dr. Discount on Issue of Debentures A/c Dr. To 9% Debentures A/c (Being 200 9% debentures of ` 100 each issued at 10% discount)		18,000 2,000	20,000
(iv)	Nisha Ltd. Dr. To Bills Payable A/c (Being balance payment made by accepting one month bill of exchange)		50,000	50,000

			<div>OR Disha Ltd. Journal</div> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr. Amt ( )</th><th>Cr. Amt ( )</th></tr><tr><td>(i)</td><td>Machinery A/c Dr. To Nisha Ltd. (Being machinery purchased from Nisha Ltd.)</td><td></td><td>1,78,000</td><td>1,78,000</td></tr><tr><td>(ii)</td><td>Nisha Ltd. Dr. Discount on Issue of Debentures A/c Dr. To Equity Share Capital A/c To 9% Debentures A/c To Bills Payable A/c To Securities Premium Reserve A/c (Being payment made to Nisha Ltd.)</td><td></td><td>1,78,000 2,000</td><td>1,00,000 20,000 50,000 10,000</td></tr></table> <div>Working Notes: Purchase Consideration = 1,10,000 + 18,000 + 50,000 = ` 1,78,000</div>	Date	Particulars	LF	Dr. Amt ( )	Cr. Amt ( )	(i)	Machinery A/c Dr. To Nisha Ltd. (Being machinery purchased from Nisha Ltd.)		1,78,000	1,78,000	(ii)	Nisha Ltd. Dr. Discount on Issue of Debentures A/c Dr. To Equity Share Capital A/c To 9% Debentures A/c To Bills Payable A/c To Securities Premium Reserve A/c (Being payment made to Nisha Ltd.)		1,78,000 2,000	1,00,000 20,000 50,000 10,000	<div>½</div> <div>2 ½</div> <div>=</div> <div>3 Marks</div>															
Date	Particulars	LF	Dr. Amt ( )	Cr. Amt ( )																														
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8	9	7	<div>Q. Kavi, Ravi, Kumar ..... Guru's retirement. Ans.</div> <div>Books of the firm Journal</div> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr. Amt ( )</th><th>Cr. Amt ( )</th></tr><tr><td>2017 Jan 31</td><td>Kavi's Capital A/c Dr. To Ravi's Capital A/c To Kumar's Capital A/c To Guru's Capital A/c (Being adjustment of Goodwill on Guru's retirement)</td><td></td><td>81,000</td><td>18,000 18,000 45,000</td></tr></table> <div>Working Notes: 1. Calculation of Gaining Ratio:</div> <table><tr><th></th><th>Kavi</th><th>Ravi</th><th>Kumar</th><th>Guru</th></tr><tr><td>New Ratio</td><td>3/5</td><td>1/5</td><td>1/5</td><td>-</td></tr><tr><td>Old Ratio</td><td>3/8</td><td>2/8</td><td>2/8</td><td>1/8</td></tr><tr><td></td><td>9/40 (Gain)</td><td>2/40 (Sacrifice)</td><td>2/40 (Sacrifice)</td><td>1/8 (Sacrifice)</td></tr></table>	Date	Particulars	LF	Dr. Amt ( )	Cr. Amt ( )	2017 Jan 31	Kavi's Capital A/c Dr. To Ravi's Capital A/c To Kumar's Capital A/c To Guru's Capital A/c (Being adjustment of Goodwill on Guru's retirement)		81,000	18,000 18,000 45,000		Kavi	Ravi	Kumar	Guru	New Ratio	3/5	1/5	1/5	-	Old Ratio	3/8	2/8	2/8	1/8		9/40 (Gain)	2/40 (Sacrifice)	2/40 (Sacrifice)	1/8 (Sacrifice)	<div>2</div> <div>1</div> <div>=</div> <div>3 Marks</div>
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7	10	10	<div>Q. BPL Ltd..... equity shares. Ans.</div> <div>BPL Ltd. Journal</div> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr. Amt ( )</th><th>Cr. Amt ( )</th></tr><tr><td></td><td>9% Debentures A/c Dr. To Debenture holders A/c To Discount on issue of debentures A/c (Being amount payable to debenture holders on conversion)</td><td></td><td>50,000</td><td>47,000 3,000</td></tr></table>	Date	Particulars	LF	Dr. Amt ( )	Cr. Amt ( )		9% Debentures A/c Dr. To Debenture holders A/c To Discount on issue of debentures A/c (Being amount payable to debenture holders on conversion)		50,000	47,000 3,000	<div>1</div>																				
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12	11	12	<b>Q. Ashok, Babu and Chetan..... Capital Account.</b> <b>Ans.</b> <div style="text-align: center;"><b>Ashok's Capital A/c</b></div> <table><tr><th colspan="3">Dr</th><th colspan="3">Cr</th></tr><tr><th>Date</th><th>Particulars</th><th>Amt ( ₹ )</th><th>Date</th><th>Particulars</th><th>Amt ( ₹ )</th></tr><tr><td>2016</td><td></td><td></td><td>2016</td><td></td><td></td></tr><tr><td>Dec 31</td><td>To Drawings A/c <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">1/2</span></td><td>15,000</td><td>April 1</td><td>By Balance b/d <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">1/2</span></td><td>90,000</td></tr><tr><td>Dec 31</td><td>To Interest on Drawings A/c <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">1/2</span></td><td>1,500</td><td>Dec 31</td><td>By Interest on Capital A/c <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">1/2</span></td><td>8,100</td></tr><tr><td>Dec 31</td><td>To Ashok's Executor's A/c <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">1/2</span></td><td>3,01,600</td><td>Dec 31</td><td>By P &amp; L Suspense A/c <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">1/2</span></td><td>40,000</td></tr><tr><td></td><td></td><td></td><td>Dec 31</td><td>By Babu's Capital A/c <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">1/2</span></td><td>90,000</td></tr><tr><td></td><td></td><td></td><td>Dec 31</td><td>By Chetan's Capital A/c <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">1/2</span></td><td>90,000</td></tr><tr><td></td><td></td><td>3,18,100</td><td></td><td></td><td>3,18,100</td></tr></table>	Dr			Cr			Date	Particulars	Amt ( ₹ )	Date	Particulars	Amt ( ₹ )	2016			2016			Dec 31	To Drawings A/c <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">1/2</span>	15,000	April 1	By Balance b/d <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">1/2</span>	90,000	Dec 31	To Interest on Drawings A/c <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">1/2</span>	1,500	Dec 31	By Interest on Capital A/c <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">1/2</span>	8,100	Dec 31	To Ashok's Executor's A/c <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">1/2</span>	3,01,600	Dec 31	By P & L Suspense A/c <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">1/2</span>	40,000				Dec 31	By Babu's Capital A/c <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">1/2</span>	90,000				Dec 31	By Chetan's Capital A/c <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">1/2</span>	90,000			3,18,100			3,18,100	1/2 X 8  = 4 Marks
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11	12	11	<b>Q. Madhu and Neha..... premium in cash.</b> <b>Ans.</b> <u>(a) Calculation of Hidden Goodwill:</u> Tina's share = 1/4 Tina's Capital = ₹ 4,00,000 (a) Total capital of the new firm = 4,00,000 X 4 = 16,00,000 (b) Existing total capital of Madhu, Neha and Tina = ₹ 4,00,000 + ₹ 6,00 000 + ₹ 4,00,000 = ₹ 14,00,000 Goodwill of the firm = 16,00,000-14,00,000 = 2,00,000 Thus, Tina's share of goodwill = 1/4 X 2,00,000 = 50,000  <u>(b) Calculation of New Profit Sharing ratio :</u> Madhu's new share = 3/8 Neha's new share = 5/8 - 1/4 = 3/8 Tina's share = 1/4 i.e. 2/8 New Ratio = 3:3:2  <b>(c)</b> <div style="text-align: center;"><b>Books of the firm</b></div> <table><tr><th colspan="2">Dr.</th><th colspan="2">Cr.</th></tr><tr><th>Date</th><th>Particulars</th><th>Dr ( ₹ )</th><th>Cr ( ₹ )</th></tr><tr><td>2016</td><td>Tina's Current A/c Dr.</td><td>50,000</td><td></td></tr><tr><td>Apr 1</td><td>To Neha's Current A/c (Being credit given for goodwill to Neha on Tina's admission)</td><td></td><td>50,000</td></tr></table>	Dr.		Cr.		Date	Particulars	Dr ( ₹ )	Cr ( ₹ )	2016	Tina's Current A/c Dr.	50,000		Apr 1	To Neha's Current A/c (Being credit given for goodwill to Neha on Tina's admission)		50,000	1  <																																						
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		Ganesh	25,500	85,000																																																																																										
	<u>85,000</u>		<u>85,000</u>																																																																																											
			<table><tr><th colspan="10">Partners' Capital A/c</th></tr><tr><th colspan="5">Dr</th><th colspan="5">Cr</th></tr><tr><th>Particulars</th><th>Suresh</th><th>Ramesh</th><th>Mahesh</th><th>Ganesh</th><th>Particulars</th><th>Suresh</th><th>Ramesh</th><th>Mahesh</th><th>Ganesh</th></tr><tr><td>To Revaluation A/c</td><td>17,000</td><td>17,000</td><td>25,500</td><td>25,500</td><td>By Balance b/d</td><td>1,00,000</td><td>1,50,000</td><td>2,00,000</td><td>2,50,000</td></tr><tr><td>To Mahesh's Capital A/c</td><td>2,250</td><td>2,250</td><td>---</td><td>---</td><td>By Suresh's Capital A/c</td><td>---</td><td>---</td><td>2,250</td><td>2,250</td></tr><tr><td>To Ganesh's Capital A/c</td><td>2,250</td><td>2,250</td><td>---</td><td>---</td><td>By Ramesh's Capital A/c</td><td>---</td><td>---</td><td>2,250</td><td>2,250</td></tr><tr><td>To Cash A/c</td><td>---</td><td>---</td><td>25,250</td><td>75,250</td><td>By Cash A/c</td><td>75,250</td><td>25,250</td><td>---</td><td>---</td></tr><tr><td>To Balance c/d</td><td>1,53,750</td><td>1,53,750</td><td>1,53,750</td><td>1,53,750</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td></td><td>1,75,250</td><td>1,75,250</td><td>2,04,500</td><td>254,500</td><td></td><td>1,75,250</td><td>1,75,250</td><td>2,04,500</td><td>254,500</td></tr></table>	Partners' Capital A/c										Dr					Cr					Particulars	Suresh	Ramesh	Mahesh	Ganesh	Particulars	Suresh	Ramesh	Mahesh	Ganesh	To Revaluation A/c	17,000	17,000	25,500	25,500	By Balance b/d	1,00,000	1,50,000	2,00,000	2,50,000	To Mahesh's Capital A/c	2,250	2,250	---	---	By Suresh's Capital A/c	---	---	2,250	2,250	To Ganesh's Capital A/c	2,250	2,250	---	---	By Ramesh's Capital A/c	---	---	2,250	2,250	To Cash A/c	---	---	25,250	75,250	By Cash A/c	75,250	25,250	---	---	To Balance c/d	1,53,750	1,53,750	1,53,750	1,53,750							1,75,250	1,75,250	2,04,500	254,500		1,75,250	1,75,250	2,04,500	254,500	2 ½
Partners' Capital A/c																																																																																														
Dr					Cr																																																																																									
Particulars	Suresh	Ramesh	Mahesh	Ganesh	Particulars	Suresh	Ramesh	Mahesh	Ganesh																																																																																					
To Revaluation A/c	17,000	17,000	25,500	25,500	By Balance b/d	1,00,000	1,50,000	2,00,000	2,50,000																																																																																					
To Mahesh's Capital A/c	2,250	2,250	---	---	By Suresh's Capital A/c	---	---	2,250	2,250																																																																																					
To Ganesh's Capital A/c	2,250	2,250	---	---	By Ramesh's Capital A/c	---	---	2,250	2,250																																																																																					
To Cash A/c	---	---	25,250	75,250	By Cash A/c	75,250	25,250	---	---																																																																																					
To Balance c/d	1,53,750	1,53,750	1,53,750	1,53,750																																																																																										
	1,75,250	1,75,250	2,04,500	254,500		1,75,250	1,75,250	2,04,500	254,500																																																																																					
			<table><tr><th colspan="4">Balance Sheet of Suresh, Ramesh, Mahesh and Ganesh as at 31<sup>st</sup> March 2016</th></tr><tr><th>Liabilities</th><th>Amt ( ` )</th><th>Assets</th><th>Amt ( ` )</th></tr><tr><td>Partners' Capital A/c:</td><td></td><td>Fixed Assets</td><td>5,40,000</td></tr><tr><td>Suresh 1,53,750</td><td></td><td>Current Assets</td><td>3,45,000</td></tr><tr><td>Ramesh 1,53,750</td><td></td><td></td><td></td></tr><tr><td>Mahesh 1,53,750</td><td></td><td></td><td></td></tr><tr><td>Ganesh <u>1,53,750</u></td><td>6,15,000</td><td></td><td></td></tr><tr><td>Claim for Workmen Compensation</td><td>1,00,000</td><td></td><td></td></tr><tr><td>Sundry Creditors</td><td>1,70,000</td><td></td><td></td></tr><tr><td></td><td><u>8,85,000</u></td><td></td><td><u>8,85,000</u></td></tr></table>	Balance Sheet of Suresh, Ramesh, Mahesh and Ganesh as at 31 <sup>st</sup> March 2016				Liabilities	Amt ( ` )	Assets	Amt ( ` )	Partners' Capital A/c:		Fixed Assets	5,40,000	Suresh 1,53,750		Current Assets	3,45,000	Ramesh 1,53,750				Mahesh 1,53,750				Ganesh <u>1,53,750</u>	6,15,000			Claim for Workmen Compensation	1,00,000			Sundry Creditors	1,70,000				<u>8,85,000</u>		<u>8,85,000</u>	2  = 6 Marks																																																		
Balance Sheet of Suresh, Ramesh, Mahesh and Ganesh as at 31 <sup>st</sup> March 2016																																																																																														
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-	14	-	<p>Q. On 1-4-2015.....every year.</p> <p>Ans.</p> <p style="text-align: center;"><b>KVK Ltd.</b> <b>Journal</b></p> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr ( ` )</th><th>Cr ( ` )</th></tr><tr><td>2015 Apr 1</td><td>Bank A/c Dr. To 9% Debenture Application &amp; Allotment A/c (Being application money received)</td><td></td><td>13,95,000</td><td>13,95,000</td></tr><tr><td>2015 Apr 1</td><td>9% Debenture Application &amp; Allotment A/c Dr. Discount on Issue of Debentures A/c Dr. Loss on Issue of Debentures A/c Dr. To 9 % Debentures A/c To Premium on Redemption of Debentures A/c</td><td></td><td>13,95,000 1,05,000 1,50,000</td><td>15,00,000 1,50,000</td></tr></table>	Date	Particulars	LF	Dr ( ` )	Cr ( ` )	2015 Apr 1	Bank A/c Dr. To 9% Debenture Application & Allotment A/c (Being application money received)		13,95,000	13,95,000	2015 Apr 1	9% Debenture Application & Allotment A/c Dr. Discount on Issue of Debentures A/c Dr. Loss on Issue of Debentures A/c Dr. To 9 % Debentures A/c To Premium on Redemption of Debentures A/c		13,95,000 1,05,000 1,50,000	15,00,000 1,50,000	1  1																																																																											
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2015 Apr 1	Bank A/c Dr. To 9% Debenture Application & Allotment A/c (Being application money received)		13,95,000	13,95,000																																																																																										
2015 Apr 1	9% Debenture Application & Allotment A/c Dr. Discount on Issue of Debentures A/c Dr. Loss on Issue of Debentures A/c Dr. To 9 % Debentures A/c To Premium on Redemption of Debentures A/c		13,95,000 1,05,000 1,50,000	15,00,000 1,50,000																																																																																										

			(Being transfer of application money to debenture account issued at discount of 7%, but redeemable at premium of 10%) <b>Or</b> 9% Debenture Application & Allotment A/c Dr. 13,95,000 Loss on Issue of Debentures A/c Dr. 2,55,000 To 9 % Debentures A/c To Premium on Redemption of Debentures A/c (Being transfer of application money to debenture account issued at discount of 7%, but redeemable at premium of 10%)			15,00,000 1,50,000																																
		2015 Sep 30	Debenture Interest A/c Dr. To Debenture holders A/c To TDS Payable A/c (Being interest payable on 9% debentures and tax deducted at source @ 10%)		67,500	60,750 6,750	1																															
		2015 Sep 30	Debenture holders A/c Dr. TDS Payable A/c Dr. To Bank A/c (Being interest paid to debentures and TDS deposited)		60,750 6,750	67,500	½																															
		2016 Mar 31	Debenture Interest A/c Dr. To Debenture holders A/c To TDS Payable A/c (Being interest payable on 9% debentures and tax deducted at source @ 10%)		67,500	60,750 6,750	1																															
		2016 Mar 31	Debenture holders A/c Dr. TDS Payable A/c Dr. To Bank A/c (Being interest paid to debentures and TDS deposited)		60,750 6,750	67,500	½																															
		2016 Mar 31	Statement of Profit & Loss Dr. To Debenture Interest A/c (Being interest on debentures transferred to statement to P & L)		1,35,000	1,35,000	1 = 6 Marks																															
-	15	-	<b>Q. Pass necessary..... realisation account.</b> <b>Ans.</b> <div style="text-align: center;"><b>Books of the firm</b> <b>Journal</b></div> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr (₹)</th><th>Cr (₹)</th></tr><tr><td>(i)</td><td>Realisation A/c Dr.     To Cash/ Bank A/c (Being dissolution expenses paid)</td><td></td><td>9,000</td><td>9,000</td></tr><tr><td>(ii)</td><td>Realisation A/c Dr.     To Vishal's Capital A/c ( Being dissolution expenses paid by Vishal)</td><td></td><td>3,400</td><td>3,400</td></tr><tr><td>(iii) a.</td><td>Realisation A/c Dr.     To Shiv's Capital A/c (Being remuneration given to Shiv)</td><td></td><td>4,500</td><td>4,500</td></tr><tr><td>(iii) b.</td><td>Shiv's Capital A/c Dr.     To Bank A/c (Being dissolution expenses paid by firm on behalf of the partner)</td><td></td><td>3,900</td><td>3,900</td></tr><tr><td>(iv)</td><td>Realisation A/c Dr.     To Naveen's Capital A/c</td><td></td><td>3,000</td><td>3,000</td></tr></table>					Date	Particulars	LF	Dr (₹)	Cr (₹)	(i)	Realisation A/c Dr. To Cash/ Bank A/c (Being dissolution expenses paid)		9,000	9,000	(ii)	Realisation A/c Dr. To Vishal's Capital A/c ( Being dissolution expenses paid by Vishal)		3,400	3,400	(iii) a.	Realisation A/c Dr. To Shiv's Capital A/c (Being remuneration given to Shiv)		4,500	4,500	(iii) b.	Shiv's Capital A/c Dr. To Bank A/c (Being dissolution expenses paid by firm on behalf of the partner)		3,900	3,900	(iv)	Realisation A/c Dr. To Naveen's Capital A/c		3,000	3,000	1  1  ½  ½  1
Date	Particulars	LF	Dr (₹)	Cr (₹)																																		
(i)	Realisation A/c Dr. To Cash/ Bank A/c (Being dissolution expenses paid)		9,000	9,000																																		
(ii)	Realisation A/c Dr. To Vishal's Capital A/c ( Being dissolution expenses paid by Vishal)		3,400	3,400																																		
(iii) a.	Realisation A/c Dr. To Shiv's Capital A/c (Being remuneration given to Shiv)		4,500	4,500																																		
(iii) b.	Shiv's Capital A/c Dr. To Bank A/c (Being dissolution expenses paid by firm on behalf of the partner)		3,900	3,900																																		
(iv)	Realisation A/c Dr. To Naveen's Capital A/c		3,000	3,000																																		

				(Being dissolution expenses paid by Naveen and compensated by firm)																																				
			(v) a.	Realisation A/c To Vivek's Capital A/c (Being partner Vivek remunerated for dissolution expenses)	Dr.		7,000	7,000	½																															
			(v) b.	Vivek's Capital A/c To Rishi's Capital A/c (Being dissolution expenses paid by Rishi on behalf of Vivek) <b>Note:</b> If part a. Is correctly done, full credit is to be given.	Dr.		6,500	6,500	½																															
			(vi) a.	Realisation A/c To Gaurav's Capital A/c (Being remuneration given to Gaurav)	Dr.		12,500	12,500	½																															
			(vi) b.	Gaurav's Capital A/c To Realisation A/c (Being furniture taken over by Gaurav as remuneration)	Dr.		12,500	12,500	½																															
				<b>OR</b>																																				
			(vi) a.+b.	No Entry					<b>OR</b> <b>1</b> <b>=</b> <b>6 Marks</b>																															
17	16	17	<b>Q. VNX Ltd. ....books of the company.</b> <b>Ans.</b> <div><b>VNX Ltd.</b> <b>Journal</b></div> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr. Amt ( )</th><th>Cr. Amt ( )</th></tr><tr><td>(i)</td><td>Bank A/c To Equity Share Application A/c (Being application money received)</td><td>Dr.</td><td>2,00,000</td><td>2,00,000</td></tr><tr><td>(ii)</td><td>Equity Share Application A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being application money transferred )</td><td>Dr.</td><td>2,00,000</td><td>1,00,000 1,00,000</td></tr><tr><td>(iii)</td><td>Equity Share Allotment A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being share allotment money due)</td><td>Dr.</td><td>3,00,000</td><td>1,50,000 1,50,000</td></tr><tr><td>(iv)</td><td>Bank A/c Calls in Arrears A/c To Equity Share Allotment A/c To Calls in Advance A/c (Being allotment money received except on 200 shares and calls in advance received) <b>OR</b> Bank A/c To Equity Share Allotment A/c To Calls in Advance A/c (Being allotment money received except on 200 shares and calls in advance received)</td><td>Dr. Dr.</td><td>3,02,000 1,200</td><td>3,00,000 3,200</td></tr><tr><td></td><td></td><td></td><td>3,02,000</td><td>2,98,800 3,200</td></tr></table>							Date	Particulars	LF	Dr. Amt ( )	Cr. Amt ( )	(i)	Bank A/c To Equity Share Application A/c (Being application money received)	Dr.	2,00,000	2,00,000	(ii)	Equity Share Application A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being application money transferred )	Dr.	2,00,000	1,00,000 1,00,000	(iii)	Equity Share Allotment A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being share allotment money due)	Dr.	3,00,000	1,50,000 1,50,000	(iv)	Bank A/c Calls in Arrears A/c To Equity Share Allotment A/c To Calls in Advance A/c (Being allotment money received except on 200 shares and calls in advance received) <b>OR</b> Bank A/c To Equity Share Allotment A/c To Calls in Advance A/c (Being allotment money received except on 200 shares and calls in advance received)	Dr. Dr.	3,02,000 1,200	3,00,000 3,200				3,02,000	2,98,800 3,200	1  1  1  ½
Date	Particulars	LF	Dr. Amt ( )	Cr. Amt ( )																																				
(i)	Bank A/c To Equity Share Application A/c (Being application money received)	Dr.	2,00,000	2,00,000																																				
(ii)	Equity Share Application A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being application money transferred )	Dr.	2,00,000	1,00,000 1,00,000																																				
(iii)	Equity Share Allotment A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being share allotment money due)	Dr.	3,00,000	1,50,000 1,50,000																																				
(iv)	Bank A/c Calls in Arrears A/c To Equity Share Allotment A/c To Calls in Advance A/c (Being allotment money received except on 200 shares and calls in advance received) <b>OR</b> Bank A/c To Equity Share Allotment A/c To Calls in Advance A/c (Being allotment money received except on 200 shares and calls in advance received)	Dr. Dr.	3,02,000 1,200	3,00,000 3,200																																				
			3,02,000	2,98,800 3,200																																				

			(v)	Equity Share Capital A/c Securities Premium Reserve A/c To Shares Forfeited A/c To Equity Share Allotment A/c/ Calls in arrears A/c (Being 200 shares forfeited )	Dr. Dr.		1,000 600		400 1,200	$\frac{1}{2}$	
			(vi)	Equity Share First call A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being first call money due on 49,800 shares)	Dr.		2,49,000		1,99,200 49,800	$\frac{1}{2}$	
			(vii)	Bank A/c Calls in arrears A/c Calls in advance A/c To Equity Share First Call A/c To Calls in advance A/c (Being first call money and calls in advance received, advance received earlier adjusted) <b>OR</b>  Bank A/c Calls in advance A/c To Equity Share First Call A/c To Calls in advance A/c (Being first call money and calls in advance received, advance received earlier adjusted) <b>OR</b> <b>(a)</b> Bank A/c Calls in arrears A/c To Equity Share First Call A/c To Calls in advance A/c (Being first call money and calls in advance received) <b>(b)</b> Calls in advance A/c To Equity Share First Call A/c (Being advance received earlier adjusted) <b>OR</b>  Bank A/c Calls in arrears A/c Calls in advance A/c To Equity Share First Call A/c (Being first call money received, advance received earlier on 1,000 shares adjusted and second call in advance received on 600 shares)	Dr. Dr. Dr.		2,47,400 500 2,000		2,49,000 900	$\frac{1}{2}$	
					Dr. Dr.		2,47,400 2,000		2,48,500 900		
					Dr. Dr.		2,47,400 500		2,47,000 900		
					Dr.		2,000		2,000		
					Dr. Dr. Dr.		2,47,400 500 1,100		2,49,000		
			(viii)	Equity Share Capital A/c Securities Premium Reserve A/c To Shares Forfeited A/c To Calls in arrears A/c/ Equity Share First Call A/c (Being 100 shares forfeited)	Dr. Dr.		900 100		500 500	$\frac{1}{2}$	
			(ix)	Equity Share Second & Final call A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being second call due on 49,700 shares)	Dr.		1,49,100		49,700 99,400	$\frac{1}{2}$	



			<table><tr><td>(x)</td><td>Bank A/c Calls in advance A/c To Equity share second and final call A/c (Being second and final call received and advance received earlier adjusted)</td><td>Dr. Dr.</td><td>1,47,000 2,100</td><td>1,49,100</td><td rowspan="3"><math>\frac{1}{2}</math>  1  <math>\frac{1}{2}</math> = 8 Marks</td></tr><tr><td>(xi)</td><td>Bank A/c Shares Forfeited A/c To Equity Share Capital A/c (Being forfeited shares reissued)</td><td>Dr. Dr.</td><td>2,700 300</td><td>3,000</td></tr><tr><td>(xii)</td><td>Shares Forfeited A/c To Capital Reserve A/c (Being gain on reissue on forfeited shares transferred to capital reserve account)</td><td>Dr.</td><td>600</td><td>600</td></tr></table>	(x)	Bank A/c Calls in advance A/c To Equity share second and final call A/c (Being second and final call received and advance received earlier adjusted)	Dr. Dr.	1,47,000 2,100	1,49,100	$\frac{1}{2}$  1  $\frac{1}{2}$ = 8 Marks	(xi)	Bank A/c Shares Forfeited A/c To Equity Share Capital A/c (Being forfeited shares reissued)	Dr. Dr.	2,700 300	3,000	(xii)	Shares Forfeited A/c To Capital Reserve A/c (Being gain on reissue on forfeited shares transferred to capital reserve account)	Dr.	600	600																																									
(x)	Bank A/c Calls in advance A/c To Equity share second and final call A/c (Being second and final call received and advance received earlier adjusted)	Dr. Dr.	1,47,000 2,100	1,49,100	$\frac{1}{2}$  1  $\frac{1}{2}$ = 8 Marks																																																							
(xi)	Bank A/c Shares Forfeited A/c To Equity Share Capital A/c (Being forfeited shares reissued)	Dr. Dr.	2,700 300	3,000																																																								
(xii)	Shares Forfeited A/c To Capital Reserve A/c (Being gain on reissue on forfeited shares transferred to capital reserve account)	Dr.	600	600																																																								
17 OR	16 OR	17 OR	<p><b>Q. JJK Ltd..... books of the company.</b></p> <p><b>Ans.</b></p> <p style="text-align: center;"><b>Books of JJK Ltd.</b> <b>Journal</b></p> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr. Amt ( )</th><th>Cr. Amt ( )</th><th></th></tr><tr><td>(i)</td><td>Bank A/c To Equity Share Application A/c (Being application money received on 1,50,000 shares)</td><td>Dr.</td><td>3,00,000</td><td>3,00,000</td><td>1</td></tr><tr><td>(ii)</td><td>Equity Share Application A/c To Equity Share Capital A/c To Bank A/c To Equity Share Allotment A/c (Being application money transferred )</td><td>Dr.</td><td>3,00,000</td><td>1,00,000 90,000 1,10,000</td><td>1</td></tr><tr><td>(iii)</td><td>Equity Share Allotment A/c To Equity Share Capital A/c (Being share allotment money due)</td><td>Dr.</td><td>2,00,000</td><td>2,00,000</td><td>1</td></tr><tr><td>(iv)</td><td>Bank A/c Calls in arrears A/c To Equity share allotment a/c (Being Balance amount received on allotment) <b>OR</b> Bank A/c To Equity share allotment a/c (Being Balance amount received on allotment)</td><td>Dr. Dr.</td><td>88,900 1,100 88,900</td><td>90,000 88,900</td><td>1</td></tr><tr><td>(v)</td><td>Equity Share capital A/c To Forfeited Shares A/c To Calls in arrears A/c (Being forfeited the shares on which allotment money was not received)</td><td>Dr.</td><td>3,600</td><td>2,500 1,100</td><td>1</td></tr><tr><td>(vi)</td><td>Equity share first and final call A/c To Equity share Capital A/c (Being First and final call money due)</td><td>Dr.</td><td>1,97,600</td><td>1,97,600</td><td><math>\frac{1}{2}</math></td></tr><tr><td>(vii)</td><td>Bank A/c To Equity share first and final call A/c (Being first and final call money received)</td><td>Dr.</td><td>1,97,600</td><td>1,97,600</td><td><math>\frac{1}{2}</math></td></tr><tr><td>(viii)</td><td>Bank A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being forfeited shares reissued)</td><td>Dr.</td><td>6,600</td><td>6,000 600</td><td>1</td></tr></table>				Date	Particulars	LF	Dr. Amt ( )	Cr. Amt ( )		(i)	Bank A/c To Equity Share Application A/c (Being application money received on 1,50,000 shares)	Dr.	3,00,000	3,00,000	1	(ii)	Equity Share Application A/c To Equity Share Capital A/c To Bank A/c To Equity Share Allotment A/c (Being application money transferred )	Dr.	3,00,000	1,00,000 90,000 1,10,000	1	(iii)	Equity Share Allotment A/c To Equity Share Capital A/c (Being share allotment money due)	Dr.	2,00,000	2,00,000	1	(iv)	Bank A/c Calls in arrears A/c To Equity share allotment a/c (Being Balance amount received on allotment) <b>OR</b> Bank A/c To Equity share allotment a/c (Being Balance amount received on allotment)	Dr. Dr.	88,900 1,100 88,900	90,000 88,900	1	(v)	Equity Share capital A/c To Forfeited Shares A/c To Calls in arrears A/c (Being forfeited the shares on which allotment money was not received)	Dr.	3,600	2,500 1,100	1	(vi)	Equity share first and final call A/c To Equity share Capital A/c (Being First and final call money due)	Dr.	1,97,600	1,97,600	$\frac{1}{2}$	(vii)	Bank A/c To Equity share first and final call A/c (Being first and final call money received)	Dr.	1,97,600	1,97,600	$\frac{1}{2}$	(viii)	Bank A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being forfeited shares reissued)	Dr.	6,600	6,000 600	1
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16	17	16	Q. C and D are .....E's admission. Ans. <div>Books of the firm Journal</div> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr ( )</th><th>Cr ( )</th><th></th></tr><tr><td>(i)</td><td>General Reserve A/c To C's Capital A/c To D's Capital A/c (Being General Reserve distributed among partners)</td><td>Dr.</td><td>10,000</td><td>8,000 2,000</td><td>1</td></tr><tr><td>(ii)</td><td>Cash A/c To E's Capital A/c To Premium for Goodwill A/c (Being cash received as E's capital and premium for goodwill)</td><td>Dr.</td><td>1,20,000</td><td>1,00,000 20,000</td><td>1</td></tr><tr><td>(iii)</td><td>Premium for Goodwill A/c To C's Capital A/c To D's Capital A/c (Being premium for Goodwill credited to old partner's capital account in sacrificing ratio)</td><td>Dr.</td><td>20,000</td><td>16,000 4,000</td><td>1</td></tr><tr><td>(iv)</td><td>C's Capital A/c D's Capital A/c To Cash A/c (Being half of goodwill amount withdrawn by C and D)</td><td>Dr. Dr.</td><td>8,000 2,000</td><td>10,000</td><td>½</td></tr><tr><td>(v)</td><td>Bad debts A/c To Debtors A/c (Being debtors ` 2,000 written off)</td><td>Dr.</td><td>2,000</td><td>2,000</td><td>½</td></tr><tr><td>(vi)</td><td>Provision for bad and doubtful debts A/c To Bad debts A/c (Being provision utilised for writing off bad debts)</td><td>Dr.</td><td>2,000</td><td>2,000</td><td>½</td></tr><tr><td>(vii)</td><td>Provision for bad and doubtful debts A/c To Revaluation A/c (Being provision for bad debts decreased)</td><td>Dr.</td><td>640</td><td>640</td><td>½</td></tr><tr><td>(viii)</td><td>Revaluation A/c To Stock A/c To Furniture A/c To Plant &amp; Machinery A/c (Being decrease in assets recorded)</td><td>Dr.</td><td>14,000</td><td>2,000 4,000 8,000</td><td>1 ½</td></tr><tr><td>(ix)</td><td>Investments A/c To Revaluation A/c (Being increase in investments recorded)</td><td>Dr.</td><td>7,000</td><td>7,000</td><td>½</td></tr><tr><td>(x)</td><td>Revaluation A/c To Outstanding Repairs A/c (Being increase in liabilities recorded)</td><td>Dr.</td><td>2,300</td><td>2,300</td><td>½</td></tr><tr><td>(xi)</td><td>C's Capital A/c D's Capital A/c To Revaluation A/c (Being loss on revaluation transferred to Partner's Capital A/c)</td><td>Dr. Dr.</td><td>6,928 1,732</td><td>8,660</td><td>½ = 8 Marks</td></tr></table>							Date	Particulars	LF	Dr ( )	Cr ( )		(i)	General Reserve A/c To C's Capital A/c To D's Capital A/c (Being General Reserve distributed among partners)	Dr.	10,000	8,000 2,000	1	(ii)	Cash A/c To E's Capital A/c To Premium for Goodwill A/c (Being cash received as E's capital and premium for goodwill)	Dr.	1,20,000	1,00,000 20,000	1	(iii)	Premium for Goodwill A/c To C's Capital A/c To D's Capital A/c (Being premium for Goodwill credited to old partner's capital account in sacrificing ratio)	Dr.	20,000	16,000 4,000	1	(iv)	C's Capital A/c D's Capital A/c To Cash A/c (Being half of goodwill amount withdrawn by C and D)	Dr. Dr.	8,000 2,000	10,000	½	(v)	Bad debts A/c To Debtors A/c (Being debtors ` 2,000 written off)	Dr.	2,000	2,000	½	(vi)	Provision for bad and doubtful debts A/c To Bad debts A/c (Being provision utilised for writing off bad debts)	Dr.	2,000	2,000	½	(vii)	Provision for bad and doubtful debts A/c To Revaluation A/c (Being provision for bad debts decreased)	Dr.	640	640	½	(viii)	Revaluation A/c To Stock A/c To Furniture A/c To Plant & Machinery A/c (Being decrease in assets recorded)	Dr.	14,000	2,000 4,000 8,000	1 ½	(ix)	Investments A/c To Revaluation A/c (Being increase in investments recorded)	Dr.	7,000	7,000	½	(x)	Revaluation A/c To Outstanding Repairs A/c (Being increase in liabilities recorded)	Dr.	2,300	2,300	½	(xi)	C's Capital A/c D's Capital A/c To Revaluation A/c (Being loss on revaluation transferred to Partner's Capital A/c)	Dr. Dr.	6,928 1,732	8,660	½ = 8 Marks
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				Note: In case an examinee has combined entry number (viii) and (x) or (vii) and (ix), full credit may be given.						
16 OR	17 OR	16 OR	Q. Sameer, Yasmin and Saloni were.....Sameer's retirement. Ans.							
Books of the firm Journal										
			Date	Particulars	LF	Dr ( )	Cr ( )			
			(i)	General Reserve A/c Dr. To Sameer's Capital A/c To Yasmin's Capital A/c To Saloni's Capital A/c (Being General Reserve distributed among partners)		60,000	24,000 18,000 18,000	1		
			(ii)	Sameer's Capital A/c Dr. Yasmin's Capital A/c Dr. Saloni's Capital A/c Dr. To Profit and Loss A/c (Being accumulated losses divided among partners)		20,000 15,000 15,000	50,000	1		
			(iii)	Bad Debts A/c Dr. To Debtors A/c (Being debtors of ` 4000 written off)		4,000	4,000	½		
			(iv)	Provision for bad and doubtful debts A/c Dr. To Bad Debts A/c (Being provision utilised for writing off bad debts)		4,000	4,000	½		
			(v)	Provision for bad and doubtful debts A/c Dr. To Revaluation A/c (Being excess provision transferred to Revaluation A/c )		1,700	1,700	½		
			(vi)	Revaluation A/c Dr. To Creditors A/c (Being increase in creditors recorded)		20,000	20,000	½		
			(vii)	Revaluation A/c Dr. To Patents A/c To Stock A/c To Machinery A/c To Building A/c (Being decrease in assets recorded)		90,000	60,000 5,000 15,000 10,000	2		
			(viii)	Sameer's Capital A/c Dr. Yasmin's Capital A/c Dr. Saloni's Capital A/c Dr. To Revaluation A/c (Being loss on revaluation transferred to Partners' Capital A/c)		43,320 32,490 32,490	1,08,300	½		
			(ix)	Yasmin's Capital A/c Dr. Saloni's Capital A/c Dr. To Sameer's Capital A/c (Being Goodwill adjusted on Sameer's retirement)		1,62,000 54,000	2,16,000	1		
			(x)	Sameer's Capital A/c Dr. To Sameer's Loan A/c (Being balance of Sameer's capital		4,76,680	4,76,680	½		

			transferred to Sameer's Loan A/c)				=		
			<b>Note: In case an examinee has combined entry number (vi) and (vii), full credit may be given.</b> <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">2 ½</span>				<b>8 Marks</b>		
			Revaluation A/c To Patents A/c To Stock A/c To Machinery A/c To Building A/c To Creditors A/c (Being assets and liabilities revalued)	Dr.	1,10,000	60,000 5,000 15,000 10,000 20,000			
			<b>Working Notes:</b> Amount payable to Sameer = (43,320) + 24,000 – 20,000 + 2,16,000 + 3,00,000 = ₹ 4,76,680						
			<b>PART B</b> <b>(Financial Statements Analysis)</b>						
-	18	-	<b>Q. State whether.....by ₹ 2,000.</b> <b>Ans.</b> (i) Decrease (ii) Decrease						½ ½ <b>=1 Mark</b>
-	19	-	<b>Q. Will 'acquisition.....your answer.</b> <b>Ans. No</b> <b>Reason:</b> It is a non- cash transaction which doesn't result in any inflow or outflow of cash.						½ ½ <b>=1 Mark</b>
-	20	-	<b>Q. State the objectives.....statements.</b> <b>Ans. Objectives of 'Financial Statements Analysis': (Any four)</b> (i) To Assess the earning capacity or profitability of the firm as a whole as well as its different departments so as to judge the financial health of the firm. (ii) To Assess the managerial efficiency by using financial ratios. (iii) To Assess the short term and the long term solvency of the enterprise. (iv) To Assess their own performance as well as of others through inter firm comparison. (v) To Assess developments in future by forecasting and preparing budgets. (vi) To ascertain the relative importance of different components of the financial position of the firm.						<b>1 X 4</b> <b>=</b> <b>4 Marks</b>
22	21	22	<b>Q. Financial Statements.....Bank Overdraft.</b> <b>Ans.</b> <b>Values (Any two):</b> <ul style="list-style-type: none"><li>• Transparency</li><li>• Consistency</li><li>• Following rules and regulations / Ethical code of conduct</li><li>• Honesty and loyalty towards owners</li><li>• Providing authentic information to users</li></ul> <b>(Or any other suitable value)</b>						<b>1 X 2</b>
				<b>Heads</b>	<b>Sub-heads</b>				
			<b>Capital Reserves</b>	Shareholders' funds	Reserves and Surplus				
			<b>Calls -in-advance</b>	Current Liabilities	Other Current Liabilities				
			<b>Loose Tools</b>	Current assets	Inventories				
			<b>Bank Overdraft</b>	Current Liabilities	Short term borrowings				
21	22	21	<b>Q. The proprietary ratio..... purchased for ₹ 4,00,000.</b> <b>Ans.</b>						<b>½ X 4</b> <b>=</b> <b>4 Marks</b>



			<table><tr><th colspan="4">Machinery A/c</th></tr><tr><th>Particulars</th><th></th><th>Particulars</th><th></th></tr><tr><td>To Balance b/d</td><td>5,22,500</td><td>By Cash A/c</td><td>15,000</td></tr><tr><td>To Cash A/c (Purchase)</td><td>3,55,000</td><td>By Statement of P/L (Bal fig.)</td><td>5,000</td></tr><tr><td></td><td></td><td>By Accumulated Depreciation A/c</td><td>20,000</td></tr><tr><td></td><td></td><td>By Balance c/d</td><td>8,37,500</td></tr><tr><td></td><td><u>8,77,500</u></td><td></td><td><u>8,77,500</u></td></tr><tr><th colspan="4">Accumulated Depreciation A/c</th></tr><tr><th>Particulars</th><th></th><th>Particulars</th><th></th></tr><tr><td>To Machinery A/c</td><td>20,000</td><td>By Balance b/d</td><td>70,000</td></tr><tr><td>To Balance c/d</td><td>1,05,000</td><td>By Statement of P/L</td><td>55,000</td></tr><tr><td></td><td><u>1,25,000</u></td><td></td><td><u>1,25,000</u></td></tr></table>	Machinery A/c				Particulars		Particulars		To Balance b/d	5,22,500	By Cash A/c	15,000	To Cash A/c (Purchase)	3,55,000	By Statement of P/L (Bal fig.)	5,000			By Accumulated Depreciation A/c	20,000			By Balance c/d	8,37,500		<u>8,77,500</u>		<u>8,77,500</u>	Accumulated Depreciation A/c				Particulars		Particulars		To Machinery A/c	20,000	By Balance b/d	70,000	To Balance c/d	1,05,000	By Statement of P/L	55,000		<u>1,25,000</u>		<u>1,25,000</u>	<div><div>+</div><div><math>\frac{1}{2}</math></div><div>=</div><div>6 Marks</div></div>
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			<b>PART B</b> <b>(Computerized Accounting)</b>																																																	
19	18	18	<b>Q. What is meant.....Query'?</b> <b>Ans.</b> Queries provide the capability of combined data from multiple tables and placing specific condition for the retrieval of data. It is another tabular view of the data showing information from multiple tables, resulting in presentation of the information required, raised in the query.	1 Mark																																																
18	19	19	<b>Q. What is .....Database Report'?</b> <b>Ans.</b> A database report is the formatted result of database queries and contains useful data for decision-making and analysis.	1 Mark																																																
22	20	21	<b>Q. Explain the steps.....software.</b> <b>Ans. Steps in installation of CPS:</b> 1. Insert CD in the system 2. Select C:,E:, or D: drive from my computer <b>OR</b> Start>run>type the filename E:\install.exe 3. The default directories of application, data and configuration will open in a window. Change the setting if you wish by providing desired file name and drive name. 4. Click on install. The installation process will start and a message of successful installation will appear after its completion. The CD can be removed as the application is successfully installed.	<div><div>=</div><div>4 Marks</div></div>																																																
20	21	22	<b>Q. Explain 'Flexibility'.....accounting software.</b> <b>Ans. Flexibility: (It may include following points)</b> <ul style="list-style-type: none"><li>• Related to data entry, availability and design of various reports.</li><li>• Between users (Accountants)</li><li>• Between systems.</li></ul> <b>Cost of installation and maintainence: (It may include following points in explanation)</b> <ul style="list-style-type: none"><li>• Ability to afford hardware and software</li><li>• Cost benefit analysis and study of available options</li><li>• Training of staff, cost of updating</li></ul>	<div><div>2</div><div>2</div><div>=</div><div>4 Marks</div></div>																																																
21	22	20	<b>Q. Explain any.....'Profit and Loss'.</b> <b>Ans.</b> Any four of the following: <ul style="list-style-type: none"><li>• Sales Account</li><li>• Purchase Account</li><li>• Direct Income</li><li>• Indirect Income</li><li>• Direct Expenses</li><li>• Indirect Expenses</li></ul> (With appropriate explanation)	<div><div>1 X 4</div><div>=</div><div>4 Marks</div></div>																																																

-	23	-	<b>Q. Explain the various.....Graphs.</b> <b>Ans.</b> Different elements of Chart/ Graph are (with explanation): 1. The chart area 2. The plot area 3. The data points 4. The horizontal (Category) and Vertical (Value) axis. 5. The Legend 6. A Chart and axis title. 7. A data label	= <b>6 Marks</b>	
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Q. Set No.			Marking Scheme 2016-17 Accountancy (055) <u>Outside Delhi – 67/3</u> Expected Answers / Value points					Distribution of marks															
67/1	67/2	67/3																					
3	4	1	<b>Q. P and Q were.....rectify the error.</b> <b>Ans.</b> <div>Books of the firm Journal</div> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr ( )</th><th>Cr ( )</th></tr><tr><td>2016 April 1</td><td>P's Current A/c Dr. To Q's current A/c ( Being the adjustment of interest on capital omitted in previous year)</td><td></td><td>6,000</td><td>6,000</td></tr></table>					Date	Particulars	LF	Dr ( )	Cr ( )	2016 April 1	P's Current A/c Dr. To Q's current A/c ( Being the adjustment of interest on capital omitted in previous year)		6,000	6,000	=1 Mark					
Date	Particulars	LF	Dr ( )	Cr ( )																			
2016 April 1	P's Current A/c Dr. To Q's current A/c ( Being the adjustment of interest on capital omitted in previous year)		6,000	6,000																			
4	3	2	<b>Q. X Ltd. invited.....with applicants.</b> <b>Ans.</b> <div>Books of the firm Journal</div> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr ( )</th><th>Cr ( )</th></tr><tr><td>2016 Jan 1</td><td>Bank A/c Dr. To 12% Debenture Application &amp; Allotment A/c ( Being application money received for 600 debentures @ ` 95 each)</td><td></td><td>57,000</td><td>57,000</td></tr><tr><td>2016 Jan 1</td><td>12% Debenture Application &amp; Allotment A/cDr. Discount on Issue of Debentures A/c Dr. To 12 % Debentures A/c To Bank A/c (Being 500, 12% debentures allotted on pro-rata basis)</td><td></td><td>57,000 2,500</td><td>50,000 9,500</td></tr></table>					Date	Particulars	LF	Dr ( )	Cr ( )	2016 Jan 1	Bank A/c Dr. To 12% Debenture Application & Allotment A/c ( Being application money received for 600 debentures @ ` 95 each)		57,000	57,000	2016 Jan 1	12% Debenture Application & Allotment A/cDr. Discount on Issue of Debentures A/c Dr. To 12 % Debentures A/c To Bank A/c (Being 500, 12% debentures allotted on pro-rata basis)		57,000 2,500	50,000 9,500	<div>½</div> <div>½</div> <div>=1 Mark</div>
Date	Particulars	LF	Dr ( )	Cr ( )																			
2016 Jan 1	Bank A/c Dr. To 12% Debenture Application & Allotment A/c ( Being application money received for 600 debentures @ ` 95 each)		57,000	57,000																			
2016 Jan 1	12% Debenture Application & Allotment A/cDr. Discount on Issue of Debentures A/c Dr. To 12 % Debentures A/c To Bank A/c (Being 500, 12% debentures allotted on pro-rata basis)		57,000 2,500	50,000 9,500																			
5	2	3	<b>Q. Z Ltd..... can be re-issued.</b> <b>Ans.</b> The maximum amount of discount at which these shares can be re-issued is ` 5 per share or ` 5000.					=1 Mark															
6	1	4	<b>Q. Durga and Naresh.....by them.</b> <b>Ans. Any two</b> of the following: <ul style="list-style-type: none"><li>Persons of unsound mind / Lunatics</li><li>Insolvent persons</li><li>Any other individual who have been disqualified by law</li></ul>					<div>½ x 2</div> <div>=1 Mark</div>															
1	6	5	<b>Q. Distinguish between.....credit balance.</b> <b>Ans.</b> Fixed Capital Accounts always show a credit balance while fluctuating capital accounts may show credit or debit balance.					=1 Mark															
2	5	6	<b>Q. A and B.....B's sacrifice.</b> <b>Ans.</b> A's Old Share = 5/8 A's Sacrifice = 1/5 of 5/8 = 1/8 C's Share = 3/8 B's Sacrifice = C's share – A's sacrifice = 3/8 – 1/8 = 2/8 <b>OR</b> B's Old Share = 3/8 B's new share = 2/8 B's Sacrifice = 3/8 – 2/8 = 1/8					=1 Mark															
8	9	7	<b>Q. Kavi, Ravi, Kumar ..... Guru's retirement.</b> <b>Ans.</b>																				





			<div> <div>(ii)</div> <div> <div>Nisha Ltd.</div> <div>Dr.</div> <div>1,78,000</div> </div> <div>Discount on Issue of Debentures A/c</div> <div>Dr.</div> <div>2,000</div> <div>To Equity Share Capital A/c</div> <div></div> <div>1,00,000</div> <div>To 9% Debentures A/c</div> <div></div> <div>20,000</div> <div>To Bills Payable A/c</div> <div></div> <div>50,000</div> <div>To Securities Premium Reserve A/c</div> <div></div> <div>10,000</div> <div>(Being payment made to Nisha Ltd.)</div> </div>
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			<table><tr><th colspan="5">Revaluation A/c</th><th colspan="5"></th></tr><tr><th colspan="5">Dr</th><th colspan="5">Cr</th></tr><tr><th colspan="2">Particulars</th><th colspan="2">Amt ( ₹ )</th><th colspan="2">Particulars</th><th colspan="2">Amt ( ₹ )</th><th colspan="2"></th></tr><tr><td colspan="2">To Claim for Workmen Compensation</td><td colspan="2">20,000</td><td colspan="2">By loss on revaluation transferred to Partners' Capital A/c</td><td colspan="2"></td><td colspan="2"></td></tr><tr><td colspan="2">To fixed assets A/c</td><td colspan="2">80,000</td><td colspan="2">Kapil</td><td colspan="2">50,000</td><td colspan="2"></td></tr><tr><td colspan="2"></td><td colspan="2"></td><td colspan="2">Mohit</td><td colspan="2">20,000</td><td colspan="2"></td></tr><tr><td colspan="2"></td><td colspan="2"></td><td colspan="2">Roshan</td><td colspan="2">20,000</td><td colspan="2"></td></tr><tr><td colspan="2"></td><td colspan="2"></td><td colspan="2">Rakesh</td><td colspan="2"><u>10,000</u></td><td colspan="2">1,00,000</td></tr><tr><td colspan="2"></td><td colspan="2"><u>1,00,000</u></td><td colspan="2"></td><td colspan="2"><u>1,00,000</u></td><td colspan="2"></td></tr></table>	Revaluation A/c										Dr					Cr					Particulars		Amt ( ₹ )		Particulars		Amt ( ₹ )				To Claim for Workmen Compensation		20,000		By loss on revaluation transferred to Partners' Capital A/c						To fixed assets A/c		80,000		Kapil		50,000								Mohit		20,000								Roshan		20,000								Rakesh		<u>10,000</u>		1,00,000				<u>1,00,000</u>				<u>1,00,000</u>				1 ½
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			<table><tr><th colspan="10">Partners' Capital A/c</th></tr><tr><th colspan="5">Dr</th><th colspan="5">Cr</th></tr><tr><th>Particulars</th><th>Kapil</th><th>Mohit</th><th>Roshan</th><th>Rakesh</th><th>Particulars</th><th>Kapil</th><th>Mohit</th><th>Roshan</th><th>Rakesh</th></tr><tr><td>To Revaluation A/c</td><td>50,000</td><td>20,000</td><td>20,000</td><td>10,000</td><td>By Balance b/d</td><td>3,50,000</td><td>3,00,000</td><td>2,50,000</td><td>2,00,000</td></tr><tr><td>To Kapil's Capital A/c</td><td>---</td><td>3,600</td><td>3,600</td><td>10,800</td><td>By Mohit's Capital A/c</td><td>3,600</td><td>---</td><td>---</td><td>---</td></tr><tr><td>To Partners' Current A/c</td><td>68,000</td><td>26,400</td><td>---</td><td>---</td><td>By Roshan's Capital A/c</td><td>3,600</td><td>---</td><td>---</td><td>---</td></tr><tr><td>To Balance c/d</td><td>2,50,000</td><td>2,50,000</td><td>2,50,000</td><td>2,50,000</td><td>By Rakesh's Capital A/c</td><td>10,800</td><td>---</td><td>---</td><td>---</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td>By Partners' Current A/c</td><td>---</td><td>---</td><td>23,600</td><td>70,800</td></tr><tr><td></td><td>3,68,000</td><td>3,00,000</td><td>2,73,600</td><td>2,70,800</td><td></td><td>3,68,000</td><td>3,00,000</td><td>2,73,600</td><td>2,70,800</td></tr></table>	Partners' Capital A/c										Dr					Cr					Particulars	Kapil	Mohit	Roshan	Rakesh	Particulars	Kapil	Mohit	Roshan	Rakesh	To Revaluation A/c	50,000	20,000	20,000	10,000	By Balance b/d	3,50,000	3,00,000	2,50,000	2,00,000	To Kapil's Capital A/c	---	3,600	3,600	10,800	By Mohit's Capital A/c	3,600	---	---	---	To Partners' Current A/c	68,000	26,400	---	---	By Roshan's Capital A/c	3,600	---	---	---	To Balance c/d	2,50,000	2,50,000	2,50,000	2,50,000	By Rakesh's Capital A/c	10,800	---	---	---						By Partners' Current A/c	---	---	23,600	70,800		3,68,000	3,00,000	2,73,600	2,70,800		3,68,000	3,00,000	2,73,600	2,70,800	2 ½
Partners' Capital A/c																																																																																														
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			<table><tr><th colspan="4">Balance Sheet of P, Q, R and S as at 31<sup>st</sup> March 2016</th></tr><tr><th colspan="2">Liabilities</th><th>Amt ( ₹ )</th><th>Assets</th><th>Amt ( ₹ )</th></tr><tr><td colspan="2">Partners' Capital A/c:</td><td></td><td>Fixed Assets</td><td>7,20,000</td></tr><tr><td>Kapil</td><td>2,50,000</td><td></td><td>Current Assets</td><td>4,00,000</td></tr><tr><td>Mohit</td><td>2,50,000</td><td></td><td>Partners' Current A/c:</td><td></td></tr><tr><td>Roshan</td><td>2,50,000</td><td></td><td>Roshan</td><td>23,600</td></tr><tr><td>Rakesh</td><td><u>2,50,000</u></td><td>10,00,000</td><td>Rakesh</td><td><u>70,800</u></td></tr><tr><td>Claim for Workmen Compensation</td><td></td><td>70,000</td><td></td><td>94,400</td></tr><tr><td>Sundry Creditors</td><td></td><td>50,000</td><td></td><td></td></tr><tr><td>Partners' Current A/c:</td><td></td><td></td><td></td><td></td></tr><tr><td>Kapil</td><td>68,000</td><td></td><td></td><td></td></tr><tr><td>Mohit</td><td><u>26,400</u></td><td>94,400</td><td></td><td></td></tr><tr><td></td><td></td><td><u>12,14,400</u></td><td></td><td><u>12,14,400</u></td></tr></table>	Balance Sheet of P, Q, R and S as at 31 <sup>st</sup> March 2016				Liabilities		Amt ( ₹ )	Assets	Amt ( ₹ )	Partners' Capital A/c:			Fixed Assets	7,20,000	Kapil	2,50,000		Current Assets	4,00,000	Mohit	2,50,000		Partners' Current A/c:		Roshan	2,50,000		Roshan	23,600	Rakesh	<u>2,50,000</u>	10,00,000	Rakesh	<u>70,800</u>	Claim for Workmen Compensation		70,000		94,400	Sundry Creditors		50,000			Partners' Current A/c:					Kapil	68,000				Mohit	<u>26,400</u>	94,400					<u>12,14,400</u>		<u>12,14,400</u>	2  = 6 Marks																										
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-	-	14	<p>Q. On 1-4-2015.....ended 31.3.2016.</p> <p>Ans.</p> <p style="text-align: center;"><b>MKM Ltd.</b> <b>Journal</b></p> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr ( ₹ )</th><th>Cr ( ₹ )</th></tr><tr><td>2015 Apr 1</td><td>Bank A/c Dr. To 11% Debenture Application &amp; Allotment A/c (Being application money received)</td><td></td><td>11,04,000</td><td>11,04,000</td></tr></table>	Date	Particulars	LF	Dr ( ₹ )	Cr ( ₹ )	2015 Apr 1	Bank A/c Dr. To 11% Debenture Application & Allotment A/c (Being application money received)		11,04,000	11,04,000	1																																																																																
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			2015 Apr 1	11% Debenture Application & Allotment A/c Dr. Discount on Issue of Debentures A/c Dr. Loss on Issue of Debentures A/c Dr. To 11 % Debentures A/c To Premium on Redemption of Debentures A/c (Being transfer of application money to debenture account issued at discount of 8%, but redeemable at premium of 10%) <b>Or</b> 11% Debenture Application & Allotment A/c Dr. Loss on Issue of Debentures A/c Dr. To 11 % Debentures A/c To Premium on Redemption of Debentures A/c (Being transfer of application money to debenture account issued at discount of 8%, but redeemable at premium of 10%)		11,04,000 96,000 1,20,000	12,00,000 1,20,000	<b>1</b>																					
			2015 Sep 30	Debenture Interest A/c Dr. To Debenture holders A/c To TDS Payable A/c (Being interest payable on 11% debentures and tax deducted at source @ 10%)		66,000	59,400 6,600	<b>1</b>																					
			2015 Sep 30	Debenture holders A/c Dr. TDS Payable A/c Dr. To Bank A/c (Being interest paid to debentures and TDS deposited)		59,400 6,600	66,000	<b>½</b>																					
			2016 Mar 31	Debenture Interest A/c Dr. To Debenture holders A/c To TDS Payable A/c (Being interest payable on 11% debentures and tax deducted at source @ 10%)		66,000	59,400 6,600	<b>1</b>																					
			2016 Mar 31	Debenture holders A/c Dr. TDS Payable A/c Dr. To Bank A/c (Being interest paid to debentures and TDS deposited)		59,400 6,600	66,000	<b>½</b>																					
			2016 Mar 31	Statement of Profit & Loss Dr. To Debenture Interest A/c (Being interest on debentures transferred to statement to P & L )		1,32,000	1,32,000	<b>1</b> <b>=</b> <b>6 Marks</b>																					
-	-	15	<b>Q. Pass necessary..... R 5,000.</b> <b>Ans.</b> <div><b>Books of the firm</b> <b>Journal</b><table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr ( ` )</th><th>Cr ( ` )</th></tr><tr><td>(i)</td><td>Realisation A/c Dr. To John's Capital A/c (Being remuneration given to John)</td><td></td><td>500</td><td>500</td></tr><tr><td>(ii)</td><td>Realisation A/c Dr. To Joney's Capital A/c (Being dissolution expenses paid by partner)</td><td></td><td>750</td><td>750</td></tr><tr><td>(iii) a.</td><td>Realisation A/c Dr. To Bony's Capital A/c (Being remuneration given to Bony)</td><td></td><td>3,700</td><td>3,700</td></tr></table></div>						Date	Particulars	LF	Dr ( ` )	Cr ( ` )	(i)	Realisation A/c Dr. To John's Capital A/c (Being remuneration given to John)		500	500	(ii)	Realisation A/c Dr. To Joney's Capital A/c (Being dissolution expenses paid by partner)		750	750	(iii) a.	Realisation A/c Dr. To Bony's Capital A/c (Being remuneration given to Bony)		3,700	3,700	<b>1</b> <b>1</b> <b>½</b>
Date	Particulars	LF	Dr ( ` )	Cr ( ` )																									
(i)	Realisation A/c Dr. To John's Capital A/c (Being remuneration given to John)		500	500																									
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			<table><tr><td>(iii) b.</td><td>Bony's Capital A/c To Bank/ Cash A/c (Being the dissolution expenses paid by the firm on behalf of partner)</td><td>Dr.</td><td></td><td>4,200</td><td>4,200</td><td>½</td></tr><tr><td>(iv)a.</td><td>Realisation A/c To Sony's Capital A/c (Being remuneration given to Sony)</td><td>Dr.</td><td></td><td>10,000</td><td>10,000</td><td>½</td></tr><tr><td>(iv) b.</td><td>Sony's Capital A/c To Realisation A/c (Being stock taken over by Sony as remuneration)</td><td>Dr.</td><td></td><td>10,000</td><td>10,000</td><td>½</td></tr><tr><td>(iv) a.+b.</td><td colspan="2"><b>OR</b> No Entry</td><td></td><td></td><td></td><td></td></tr><tr><td>(v) a.</td><td>Realisation A/c To Vikky's Capital A/c (Being partner Vikky remunerated for dissolution expenses)</td><td>Dr.</td><td></td><td>12,000</td><td>12,000</td><td>½</td></tr><tr><td>(v) b.</td><td>Vikky's Capital A/c To Clive's Capital A/c (Being the dissolution expenses paid by the Clive on behalf of the partner debited to his capital A/c) <b>Note:</b> If part a. Is correctly done, full credit is to be given.</td><td>Dr.</td><td></td><td>12,500</td><td>12,500</td><td>½</td></tr><tr><td>(vi)</td><td>Realisation A/c To Bank/ Cash A/c (Being dissolution expenses paid)</td><td>Dr.</td><td></td><td>5,000</td><td>5,000</td><td>1 = 6 Marks</td></tr></table>	(iii) b.	Bony's Capital A/c To Bank/ Cash A/c (Being the dissolution expenses paid by the firm on behalf of partner)	Dr.		4,200	4,200	½	(iv)a.	Realisation A/c To Sony's Capital A/c (Being remuneration given to Sony)	Dr.		10,000	10,000	½	(iv) b.	Sony's Capital A/c To Realisation A/c (Being stock taken over by Sony as remuneration)	Dr.		10,000	10,000	½	(iv) a.+b.	<b>OR</b> No Entry						(v) a.	Realisation A/c To Vikky's Capital A/c (Being partner Vikky remunerated for dissolution expenses)	Dr.		12,000	12,000	½	(v) b.	Vikky's Capital A/c To Clive's Capital A/c (Being the dissolution expenses paid by the Clive on behalf of the partner debited to his capital A/c) <b>Note:</b> If part a. Is correctly done, full credit is to be given.	Dr.		12,500	12,500	½	(vi)	Realisation A/c To Bank/ Cash A/c (Being dissolution expenses paid)	Dr.		5,000	5,000	1 = 6 Marks	
(iii) b.	Bony's Capital A/c To Bank/ Cash A/c (Being the dissolution expenses paid by the firm on behalf of partner)	Dr.		4,200	4,200	½																																															
(iv)a.	Realisation A/c To Sony's Capital A/c (Being remuneration given to Sony)	Dr.		10,000	10,000	½																																															
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(v) a.	Realisation A/c To Vikky's Capital A/c (Being partner Vikky remunerated for dissolution expenses)	Dr.		12,000	12,000	½																																															
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16	17	16	<b>Q. C and D are .....E's admission.</b> <b>Ans.</b> <div><b>Books of the firm</b> <b>Journal</b></div> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr ( ` )</th><th>Cr ( ` )</th><td></td></tr><tr><td>(i)</td><td>General Reserve A/c To C's Capital A/c To D's Capital A/c (Being General Reserve distributed among partners)</td><td>Dr.</td><td>10,000</td><td>8,000 2,000</td><td>1</td></tr><tr><td>(ii)</td><td>Cash A/c To E's Capital A/c To Premium for Goodwill A/c (Being cash received as E's capital and premium for goodwill)</td><td>Dr.</td><td>1,20,000</td><td>1,00,000 20,000</td><td>1</td></tr><tr><td>(iii)</td><td>Premium for Goodwill A/c To C's Capital A/c To D's Capital A/c (Being premium for Goodwill credited to old partner's capital account in sacrificing ratio)</td><td>Dr.</td><td>20,000</td><td>16,000 4,000</td><td>1</td></tr></table>				Date	Particulars	LF	Dr ( ` )	Cr ( ` )		(i)	General Reserve A/c To C's Capital A/c To D's Capital A/c (Being General Reserve distributed among partners)	Dr.	10,000	8,000 2,000	1	(ii)	Cash A/c To E's Capital A/c To Premium for Goodwill A/c (Being cash received as E's capital and premium for goodwill)	Dr.	1,20,000	1,00,000 20,000	1	(iii)	Premium for Goodwill A/c To C's Capital A/c To D's Capital A/c (Being premium for Goodwill credited to old partner's capital account in sacrificing ratio)	Dr.	20,000	16,000 4,000	1																							
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(i)	General Reserve A/c To C's Capital A/c To D's Capital A/c (Being General Reserve distributed among partners)	Dr.	10,000	8,000 2,000	1																																																
(ii)	Cash A/c To E's Capital A/c To Premium for Goodwill A/c (Being cash received as E's capital and premium for goodwill)	Dr.	1,20,000	1,00,000 20,000	1																																																
(iii)	Premium for Goodwill A/c To C's Capital A/c To D's Capital A/c (Being premium for Goodwill credited to old partner's capital account in sacrificing ratio)	Dr.	20,000	16,000 4,000	1																																																

			<table><tr><td>(iv)</td><td>C's Capital A/c D's Capital A/c To Cash A/c (Being half of goodwill amount withdrawn by C and D)</td><td>Dr. Dr.</td><td>8,000 2,000</td><td>10,000</td><td>½</td></tr><tr><td>(v)</td><td>Bad debts A/c To Debtors A/c (Being debtors ` 2,000 written off)</td><td>Dr.</td><td>2,000</td><td>2,000</td><td>½</td></tr><tr><td>(vi)</td><td>Provision for bad and doubtful debts A/c To Bad debts A/c (Being provision utilised for writing off bad debts)</td><td>Dr.</td><td>2,000</td><td>2,000</td><td>½</td></tr><tr><td>(vii)</td><td>Provision for bad and doubtful debts A/c To Revaluation A/c (Being provision for bad debts decreased)</td><td>Dr.</td><td>640</td><td>640</td><td>½</td></tr><tr><td>(viii)</td><td>Revaluation A/c To Stock A/c To Furniture A/c To Plant &amp; Machinery A/c (Being decrease in assets recorded)</td><td>Dr.</td><td>14,000</td><td>2,000 4,000 8,000</td><td>1 ½</td></tr><tr><td>(ix)</td><td>Investments A/c To Revaluation A/c (Being increase in investments recorded)</td><td>Dr.</td><td>7,000</td><td>7,000</td><td>½</td></tr><tr><td>(x)</td><td>Revaluation A/c To Outstanding Repairs A/c (Being increase in liabilities recorded)</td><td>Dr.</td><td>2,300</td><td>2,300</td><td>½</td></tr><tr><td>(xi)</td><td>C's Capital A/c D's Capital A/c To Revaluation A/c (Being loss on revaluation transferred to Partner's Capital A/c)</td><td>Dr. Dr.</td><td>6,928 1,732</td><td>8,660</td><td>½ = 8 Marks</td></tr><tr><td></td><td colspan="2"><b>Note: In case an examinee has combined entry number (viii) and (x) or (vii) and (ix), full credit may be given.</b></td><td></td><td></td><td></td></tr></table>	(iv)	C's Capital A/c D's Capital A/c To Cash A/c (Being half of goodwill amount withdrawn by C and D)	Dr. Dr.	8,000 2,000	10,000	½	(v)	Bad debts A/c To Debtors A/c (Being debtors ` 2,000 written off)	Dr.	2,000	2,000	½	(vi)	Provision for bad and doubtful debts A/c To Bad debts A/c (Being provision utilised for writing off bad debts)	Dr.	2,000	2,000	½	(vii)	Provision for bad and doubtful debts A/c To Revaluation A/c (Being provision for bad debts decreased)	Dr.	640	640	½	(viii)	Revaluation A/c To Stock A/c To Furniture A/c To Plant & Machinery A/c (Being decrease in assets recorded)	Dr.	14,000	2,000 4,000 8,000	1 ½	(ix)	Investments A/c To Revaluation A/c (Being increase in investments recorded)	Dr.	7,000	7,000	½	(x)	Revaluation A/c To Outstanding Repairs A/c (Being increase in liabilities recorded)	Dr.	2,300	2,300	½	(xi)	C's Capital A/c D's Capital A/c To Revaluation A/c (Being loss on revaluation transferred to Partner's Capital A/c)	Dr. Dr.	6,928 1,732	8,660	½ = 8 Marks		<b>Note: In case an examinee has combined entry number (viii) and (x) or (vii) and (ix), full credit may be given.</b>					
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16 OR	17 OR	16 OR	<p><b>Q. Sameer, Yasmin and Saloni were.....Sameer's retirement.</b></p> <p><b>Ans.</b></p> <p style="text-align: center;"><b>Books of the firm</b></p> <p style="text-align: center;"><b>Journal</b></p> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr ( ` )</th><th>Cr ( ` )</th><th></th></tr><tr><td>(i)</td><td>General Reserve A/c To Sameer's Capital A/c To Yasmin's Capital A/c To Saloni's Capital A/c (Being General Reserve distributed among partners)</td><td>Dr.</td><td>60,000</td><td>24,000 18,000 18,000</td><td>1</td></tr><tr><td>(ii)</td><td>Sameer's Capital A/c Yasmin's Capital A/c Saloni's Capital A/c To Profit and Loss A/c (Being accumulated losses divided among partners)</td><td>Dr. Dr. Dr.</td><td>20,000 15,000 15,000</td><td>50,000</td><td>1</td></tr><tr><td>(iii)</td><td>Bad Debts A/c To Debtors A/c (Being debtors of ` 4000 written off)</td><td>Dr.</td><td>4,000</td><td>4,000</td><td>½</td></tr></table>				Date	Particulars	LF	Dr ( ` )	Cr ( ` )		(i)	General Reserve A/c To Sameer's Capital A/c To Yasmin's Capital A/c To Saloni's Capital A/c (Being General Reserve distributed among partners)	Dr.	60,000	24,000 18,000 18,000	1	(ii)	Sameer's Capital A/c Yasmin's Capital A/c Saloni's Capital A/c To Profit and Loss A/c (Being accumulated losses divided among partners)	Dr. Dr. Dr.	20,000 15,000 15,000	50,000	1	(iii)	Bad Debts A/c To Debtors A/c (Being debtors of ` 4000 written off)	Dr.	4,000	4,000	½																												
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			<b>Working Notes:</b> Amount payable to Sameer = (43,320) + 24,000 – 20,000 + 2,16,000 + 3,00,000 = ` <b>4,76,680</b>											
17	16	17	<b>Q. VNX Ltd. ....books of the company.</b> <b>Ans.</b> <div style="text-align: center;"><b>VNX Ltd.</b> <b>Journal</b></div> <table border="1"> <thead> <tr> <th>Date</th><th>Particulars</th><th>LF</th><th>Dr. Amt ( )</th><th>Cr. Amt ( )</th></tr> </thead> <tbody> <tr> <td>(i)</td><td>Bank A/c Dr. To Equity Share Application A/c (Being application money received)</td><td></td><td>2,00,000</td><td>2,00,000</td></tr> </tbody> </table>	Date	Particulars	LF	Dr. Amt ( )	Cr. Amt ( )	(i)	Bank A/c Dr. To Equity Share Application A/c (Being application money received)		2,00,000	2,00,000	1
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			(ii)	Equity Share Application A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being application money transferred )	Dr.		2,00,000	1,00,000 1,00,000			1
			(iii)	Equity Share Allotment A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being share allotment money due)	Dr.		3,00,000	1,50,000 1,50,000			1
			(iv)	Bank A/c Calls in Arrears A/c To Equity Share Allotment A/c To Calls in Advance A/c (Being allotment money received except on 200 shares and calls in advance received) <b>OR</b> Bank A/c To Equity Share Allotment A/c To Calls in Advance A/c (Being allotment money received except on 200 shares and calls in advance received)	Dr. Dr.		3,02,000 1,200	3,00,000 3,200			½
			(v)	Equity Share Capital A/c Securities Premium Reserve A/c To Shares Forfeited A/c To Equity Share Allotment A/c/ Calls in arrears A/c (Being 200 shares forfeited )	Dr. Dr.		1,000 600	400 1,200			½
			(vi)	Equity Share First call A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being first call money due on 49,800 shares)	Dr.		2,49,000	1,99,200 49,800			½
			(vii)	Bank A/c Calls in arrears A/c Calls in advance A/c To Equity Share First Call A/c To Calls in advance A/c (Being first call money and calls in advance received, advance received earlier adjusted) <b>OR</b> Bank A/c Calls in advance A/c To Equity Share First Call A/c To Calls in advance A/c (Being first call money and calls in advance received, advance received earlier adjusted) <b>OR</b> <b>(a)</b> Bank A/c Calls in arrears A/c To Equity Share First Call A/c To Calls in advance A/c (Being first call money and calls in advance received) <b>(b)</b> Calls in advance A/c To Equity Share First Call A/c (Being advance received earlier adjusted)	Dr. Dr. Dr.		2,47,400 500 2,000	2,49,000 900			½
					Dr. Dr.		2,47,400 2,000	2,48,500 900			
					Dr. Dr.		2,47,400 500	2,47,000 900			
					Dr.		2,000	2,000			

			<p style="text-align: center;"><b>OR</b></p> <table> <tr> <td></td><td>Bank A/c Calls in arrears A/c Calls in advance A/c To Equity Share First Call A/c (Being first call money received, advance received earlier on 1,000 shares adjusted and second call in advance received on 600 shares)</td><td>Dr. Dr. Dr.</td><td>2,47,400 500 1,100</td><td>2,49,000</td></tr> <tr> <td>(viii)</td><td>Equity Share Capital A/c Securities Premium Reserve A/c To Shares Forfeited A/c To Calls in arrears A/c/ Equity Share First Call A/c (Being 100 shares forfeited)</td><td>Dr. Dr.</td><td>900 100</td><td>500 500</td></tr> <tr> <td>(ix)</td><td>Equity Share Second &amp; Final call A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being second call due on 49,700 shares)</td><td>Dr.</td><td>1,49,100</td><td>49,700 99,400</td></tr> <tr> <td>(x)</td><td>Bank A/c Calls in advance A/c To Equity share second and final call A/c (Being second and final call received and advance received earlier adjusted)</td><td>Dr. Dr.</td><td>1,47,000 2,100</td><td>1,49,100</td></tr> <tr> <td>(xi)</td><td>Bank A/c Shares Forfeited A/c To Equity Share Capital A/c (Being forfeited shares reissued)</td><td>Dr. Dr.</td><td>2,700 300</td><td>3,000</td></tr> <tr> <td>(xii)</td><td>Shares Forfeited A/c To Capital Reserve A/c (Being gain on reissue on forfeited shares transferred to capital reserve account)</td><td>Dr.</td><td>600</td><td>600</td></tr> </table>		Bank A/c Calls in arrears A/c Calls in advance A/c To Equity Share First Call A/c (Being first call money received, advance received earlier on 1,000 shares adjusted and second call in advance received on 600 shares)	Dr. Dr. Dr.	2,47,400 500 1,100	2,49,000	(viii)	Equity Share Capital A/c Securities Premium Reserve A/c To Shares Forfeited A/c To Calls in arrears A/c/ Equity Share First Call A/c (Being 100 shares forfeited)	Dr. Dr.	900 100	500 500	(ix)	Equity Share Second & Final call A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being second call due on 49,700 shares)	Dr.	1,49,100	49,700 99,400	(x)	Bank A/c Calls in advance A/c To Equity share second and final call A/c (Being second and final call received and advance received earlier adjusted)	Dr. Dr.	1,47,000 2,100	1,49,100	(xi)	Bank A/c Shares Forfeited A/c To Equity Share Capital A/c (Being forfeited shares reissued)	Dr. Dr.	2,700 300	3,000	(xii)	Shares Forfeited A/c To Capital Reserve A/c (Being gain on reissue on forfeited shares transferred to capital reserve account)	Dr.	600	600	<p style="text-align: center;"><math>\frac{1}{2}</math></p> <p style="text-align: center;"><math>\frac{1}{2}</math></p> <p style="text-align: center;"><math>\frac{1}{2}</math></p> <p style="text-align: center;"><b>1</b></p> <p style="text-align: center;"><math>\frac{1}{2}</math> = <b>8 Marks</b></p>
	Bank A/c Calls in arrears A/c Calls in advance A/c To Equity Share First Call A/c (Being first call money received, advance received earlier on 1,000 shares adjusted and second call in advance received on 600 shares)	Dr. Dr. Dr.	2,47,400 500 1,100	2,49,000																														
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<b>17 OR</b>	<b>16 OR</b>	<b>17 OR</b>	<p><b>Q. JJK Ltd..... books of the company.</b></p> <p><b>Ans.</b></p> <p style="text-align: center;"><b>Books of JJK Ltd.</b></p> <p style="text-align: center;"><b>Journal</b></p> <table> <tr> <th>Date</th><th>Particulars</th><th>LF</th><th>Dr. Amt ( )</th><th>Cr. Amt ( )</th></tr> <tr> <td>(i)</td><td>Bank A/c To Equity Share Application A/c (Being application money received on 1,50,000 shares)</td><td>Dr.</td><td>3,00,000</td><td>3,00,000</td></tr> <tr> <td>(ii)</td><td>Equity Share Application A/c To Equity Share Capital A/c To Bank A/c To Equity Share Allotment A/c (Being application money transferred )</td><td>Dr.</td><td>3,00,000</td><td>1,00,000 90,000 1,10,000</td></tr> <tr> <td>(iii)</td><td>Equity Share Allotment A/c To Equity Share Capital A/c (Being share allotment money due)</td><td>Dr.</td><td>2,00,000</td><td>2,00,000</td></tr> <tr> <td>(iv)</td><td>Bank A/c Calls in arrears A/c To Equity share allotment a/c (Being Balance amount received on allotment)</td><td>Dr. Dr.</td><td>88,900 1,100</td><td>90,000</td></tr> </table>	Date	Particulars	LF	Dr. Amt ( )	Cr. Amt ( )	(i)	Bank A/c To Equity Share Application A/c (Being application money received on 1,50,000 shares)	Dr.	3,00,000	3,00,000	(ii)	Equity Share Application A/c To Equity Share Capital A/c To Bank A/c To Equity Share Allotment A/c (Being application money transferred )	Dr.	3,00,000	1,00,000 90,000 1,10,000	(iii)	Equity Share Allotment A/c To Equity Share Capital A/c (Being share allotment money due)	Dr.	2,00,000	2,00,000	(iv)	Bank A/c Calls in arrears A/c To Equity share allotment a/c (Being Balance amount received on allotment)	Dr. Dr.	88,900 1,100	90,000	<p style="text-align: center;"><b>1</b></p> <p style="text-align: center;"><b>1</b></p> <p style="text-align: center;"><b>1</b></p> <p style="text-align: center;"><b>1</b></p>					
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			<p style="text-align: center;"><b>OR</b></p> <div> <div>Bank A/c Dr.</div> <div>To Equity share allotment a/c</div> <div>(Being Balance amount received on allotment)</div> </div> <div>88,900</div> <div>88,900</div>				
			<div>(v) Equity Share capital A/c Dr.</div> <div>To Forfeited Shares A/c</div> <div>To Calls in arrears A/c</div> <div>(Being forfeited the shares on which allotment money was not received)</div>		3,600	2,500 1,100	1
			<div>(vi) Equity share first and final call A/c Dr.</div> <div>To Equity share Capital A/c</div> <div>(Being First and final call money due)</div>		1,97,600	1,97,600	½
			<div>(vii) Bank A/c Dr.</div> <div>To Equity share first and final call A/c</div> <div>(Being first and final call money received)</div>		1,97,600	1,97,600	½
			<div>(viii) Bank A/c Dr.</div> <div>To Equity Share Capital A/c</div> <div>To Securities Premium Reserve A/c</div> <div>(Being forfeited shares reissued)</div>		6,600	6,000 600	1
			<div>(ix) Shares Forfeited A/c Dr.</div> <div>To Capital Reserve A/c</div> <div>(Being gain on reissue on forfeited shares transferred to capital reserve account)</div>		2,500	2,500	1
			<p style="text-align: center;"><b>PART B</b></p> <p style="text-align: center;"><b>(Financial Statements Analysis)</b></p>				<b>8 Marks</b>
-	-	18	<p><b>Q. What is meant by..... statement?</b></p> <p><b>Ans.</b> A cash flow statement shows inflows and outflows of cash and cash equivalents from various activities of a company during a specified period.</p>				1 Mark
-	-	19	<p><b>Q. Will 'Net decrease.....your answer.</b></p> <p><b>Ans. Increase</b></p> <p><b>Reason:</b> Net decrease in working capital implies inflow of cash and cash equivalents.</p>				½ ½ = 1 Mark
-	-	20	<p><b>Q. State any four.....statements.</b></p> <p><b>Ans. <u>Limitations of 'Financial Statements Analysis': (Any four)</u></b></p> <p>(i) It is a <u>historical Analysis</u> as it analyses what has happened till date. It doesn't reflect the future.</p> <p>(ii) It <u>ignores price level changes</u> as a change in price level makes analysis of financial statements of different accounting years invalid.</p> <p>(iii) It <u>ignores qualitative aspect</u> as the quality of management, quality of staff etc. are ignored while carrying out the analysis of financial statements.</p> <p>(iv) It <u>suffers from the limitations of financial statements</u> as the analysis is based on the information given in the financial statements.</p> <p>(v) It is <u>not free from bias</u> of accountants such as method of inventory valuation , method of depreciation etc.</p> <p>(vi) It <u>may lead to window dressing</u> i.e. showing a better financial position than what actually is by manipulating the books of accounts.</p> <p>(vii) It <u>may be misleading</u> without the knowledge of the changes in accounting procedure by a firm.</p>				1 X 4  = <b>4 Marks</b>

21	22	21	<p><b>Q. The proprietary ratio..... purchased for ` 4,00,000.</b></p> <p><b>Ans.</b></p> <table><tr><th>Transaction</th><th>Effect on Quick Ratio</th><th>Reasons</th></tr><tr><td>(i)</td><td>Decrease</td><td>No change in Shareholders' funds but total assets will increase by ` 2,00,000</td></tr><tr><td>(ii)</td><td>No Change</td><td>No change in total assets and Shareholders' funds</td></tr><tr><td>(iii)</td><td>Decrease</td><td>Both Shareholders' funds and total assets are decreased by same amount</td></tr><tr><td>(iv)</td><td>Increase</td><td>Shareholders' funds and total assets both are increased</td></tr></table>	Transaction	Effect on Quick Ratio	Reasons	(i)	Decrease	No change in Shareholders' funds but total assets will increase by ` 2,00,000	(ii)	No Change	No change in total assets and Shareholders' funds	(iii)	Decrease	Both Shareholders' funds and total assets are decreased by same amount	(iv)	Increase	Shareholders' funds and total assets both are increased	<p><b>1 X 4 =4 Marks</b></p>
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(iii)	Decrease	Both Shareholders' funds and total assets are decreased by same amount																	
(iv)	Increase	Shareholders' funds and total assets both are increased																	
22	21	22	<p><b>Q. Financial Statements.....Bank Overdraft.</b></p> <p><b>Ans.</b></p> <p><b>Values (Any two):</b></p> <ul style="list-style-type: none"><li>• Transparency</li><li>• Consistency</li><li>• Following rules and regulations / Ethical code of conduct</li><li>• Honesty and loyalty towards owners</li><li>• Providing authentic information to users</li></ul> <p><b>(Or any other suitable value)</b></p> <table><tr><th></th><th>Heads</th><th>Sub-heads</th></tr><tr><td><b>Capital Reserves</b></td><td>Shareholders' funds</td><td>Reserves and Surplus</td></tr><tr><td><b>Calls -in-advance</b></td><td>Current Liabilities</td><td>Other Current Liabilities</td></tr><tr><td><b>Loose Tools</b></td><td>Current assets</td><td>Inventories</td></tr><tr><td><b>Bank Overdraft</b></td><td>Current Liabilities</td><td>Short term borrowings</td></tr></table>		Heads	Sub-heads	<b>Capital Reserves</b>	Shareholders' funds	Reserves and Surplus	<b>Calls -in-advance</b>	Current Liabilities	Other Current Liabilities	<b>Loose Tools</b>	Current assets	Inventories	<b>Bank Overdraft</b>	Current Liabilities	Short term borrowings	<p><b>1 X 2</b></p> <p><b>½ X 4 = 4 Marks</b></p>
	Heads	Sub-heads																	
<b>Capital Reserves</b>	Shareholders' funds	Reserves and Surplus																	
<b>Calls -in-advance</b>	Current Liabilities	Other Current Liabilities																	
<b>Loose Tools</b>	Current assets	Inventories																	
<b>Bank Overdraft</b>	Current Liabilities	Short term borrowings																	
23	23	23	<p><b>Q. From the following..... loss of ` 5,000.</b></p> <p><b>Ans.</b></p>																

**Cash flow statement of SRS Ltd.**  
**For the year ended 31<sup>st</sup> March 2016 as per AS-3 (Revised)**

Particulars	Details (₹)	Amount (₹)
<b><u>A. Cash Flows from Operating Activities:</u></b>		
Net Profit before tax & extraordinary items (note 1)	1,75,000	
<b><u>Add: Non cash and non-operating charges</u></b>		
Goodwill written off	25,000	
Depreciation on machinery	55,000	
Interest on debentures	21,000	
Loss on sale of machinery	5,000	
<i>Operating profit before working capital changes</i>	2,81,000	
<b><u>Less: Increase in Current Assets</u></b>		
Increase in inventories	(25,000)	
Net Cash generated from Operating Activities		<b>2,56,000</b>
<b><u>B. Cash flows from Investing Activities :</u></b>		
Purchase of machinery	(3,55,000)	
Sale of machinery	15,000	
Purchase of non current investments	(25,000)	
Net Cash used in investing activities		<b>(3,65,000)</b>
<b><u>C. Cash flows from Financing Activities:</u></b>		
Issue of share capital	1,00,000	
Issue of 12% debentures	50,000	
Interest on debentures paid	(21,000)	
Dividend paid	(62,500)	
Bank overdraft raised	37,500	
Net Cash flow from financing activities		<b>1,04,000</b>
Net decrease in cash & cash equivalents (A+B+C)		<b>(5,000)</b>
<b><u>Add: Opening balance of cash &amp; cash equivalents</u></b>		
Current Investments	35,000	
Cash and Cash Equivalents	26,500	
Closing Balance of cash & cash equivalents		<b>61,500</b>
Current Investments	20,000	
Cash and Cash Equivalents	36,500	
		<b>56,500</b>

**Notes:**

**Calculation of Net Profit before tax:**

Net profit as per statement of Profit & Loss	75,000
Add: Proposed Dividend	1,00,000
Net Profit before tax & extraordinary items	1,75,000

**Machinery A/c**

Particulars	₹	Particulars	₹
To Balance b/d	5,22,500	By Cash A/c	15,000
To Cash A/c	3,55,000	By Statement of P/L	5,000
(Purchase)		(Bal fig.)	
		By Accumulated Depreciation A/c	20,000
		By Balance c/d	8,37,500
	<b>8,77,500</b>		<b>8,77,500</b>

**Accumulated Depreciation A/c**

Particulars	₹	Particulars	₹
To Machinery A/c	20,000	By Balance b/d	70,000
To Balance c/d	1,05,000	By Statement of P/L	55,000
	<b>1,25,000</b>		<b>1,25,000</b>

1 ½

+

1

+

1 ½

+

1

+

½

+

½

=

**6 Marks**

			<b>PART B</b> <b>(Computerized Accounting)</b>	
19	18	18	<b>Q. What is meant.....Query'?</b> <b>Ans.</b> Queries provide the capability of combined data from multiple tables and placing specific condition for the retrieval of data. It is another tabular view of the data showing information from multiple tables, resulting in presentation of the information required, raised in the query.	1 Mark
18	19	19	<b>Q. What is .....Database Report'?</b> <b>Ans.</b> A database report is the formatted result of database queries and contains useful data for decision-making and analysis.	1 Mark
21	22	20	<b>Q. Explain any.....'Profit and Loss'.</b> <b>Ans.</b> Any four of the following: <ul style="list-style-type: none"> <li>• Sales Account</li> <li>• Purchase Account</li> <li>• Direct Income</li> <li>• Indirect Income</li> <li>• Direct Expenses</li> <li>• Indirect Expenses</li> </ul> (With appropriate explanation)	1 X 4 = 4 Marks
22	20	21	<b>Q. Explain the steps.....software.</b> <b>Ans. Steps in installation of CPS:</b> <ol style="list-style-type: none"> <li>1. Insert CD in the system</li> <li>2. Select C:,E:, or D: drive from my computer</li> </ol> <b>OR</b> Start>run>type the filename E:\install.exe <ol style="list-style-type: none"> <li>3. The default directories of application, data and configuration will open in a window. Change the setting if you wish by providing desired file name and drive name.</li> <li>4. Click on install. The installation process will start and a message of successful installation will appear after its completion.</li> </ol> The CD can be removed as the application is successfully installed.	= 4 Marks
20	21	22	<b>Q. Explain 'Flexibility'.....accounting software.</b> <b>Ans. Flexibility: (It may include following points)</b> <ul style="list-style-type: none"> <li>• Related to data entry, availability and design of various reports.</li> <li>• Between users (Accountants)</li> <li>• Between systems.</li> </ul> <b>Cost of installation and maintenance: (It may include following points in explanation)</b> <ul style="list-style-type: none"> <li>• Ability to afford hardware and software</li> <li>• Cost benefit analysis and study of available options</li> <li>• Training of staff, cost of updating</li> </ul>	2  2 = 4 Marks
-	-	23	<b>Q. Identify the error.....be removed? Explain.</b> <b>Ans.</b> The error is #NUM!Error. Following steps can be taken to correct the error: <ol style="list-style-type: none"> <li>1. Optionally, click a cell that displays the error, click the button that appears, and then click show calculation steps if it appears.</li> <li>2. Review the following possible causes and solutions.</li> <li>3. Using an unacceptable argument in a function that requires a numeric argument.</li> <li>4. Make sure that arguments used in the function are numbers</li> <li>5. Use a different starting value for worksheet function.</li> </ol>	1  5 = 6 Marks