

Central Board of School Education

Marking Scheme 2016

[Official]

- -Strictly Confidential : (For Internal and Restricted Use Only)
Senior School Certificate Examination
March -2015-16

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

General Instructions:-

1. The Marking scheme provides general guidelines to reduce subjectivity in the marking. The answers for theory questions given in the marking scheme are suggested answers. The content is thus indicative. If a student has given any other answer which is different from the one given in the marking scheme but conveys the same meaning, such answers should be given full weightage.
2. 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.
3. 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.
4. 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.
5. If a question does not have any parts, marks must be awarded in the left hand margin and encircled.
6. If a student has attempted an extra question, answer of the question deserving more marks should be retained and other answer scored out.
7. No marks to be deducted for the cumulative effect of an error. It should be penalized only once.
8. 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.
9. In theory questions, credit is to be given for the content and not for the format.
10. A full scale of marks 1-80 has to be used. Please do not hesitate to award full marks if the answer deserves it.
11. No marks are to be deducted or awarded for writing / not writing 'TO and BY' while preparing Journal and Ledger accounts.
12. In compliance to the judgment of the Hon'ble Supreme Court of India, Board has decided to provide photocopy of the answer book(s) to the candidates who will apply for it along with the requisite fee from 2012 examination. Therefore, it is all the more important that the evaluation is done strictly as per the value points given in the marking scheme so that the Board could be in a position to defend the evaluation at any forum.
13. In the light of the above judgment instructions have been incorporated in the guidelines for Centre Superintendents to ensure that the answer books of all the appeared candidates have been sent to the Board's office and in the Guidelines for spot evaluation for the Examiners that they have to evaluate the answer books strictly in accordance with the value points given in the marking scheme and the correct set of the question paper. The examiner(s) shall also have to certify this.
14. Every Examiner should stay up to sufficiently reasonable time normally 5-6 hours every day and evaluate 20-25 answer books.
15. In the past it has been observed that the following are the common types of errors committed by the Examiners-
 - 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.
16. 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.
17. 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.
18. The Examiners should acquaint themselves with the guidelines given in the Guidelines for Spot Evaluation before starting the actual evaluation.
19. 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 2015-16 Accountancy (055) Outside Delhi – 67/1 Expected Answers / Value points	Distribution of marks										
67/1	67/2	67/3												
1	5	6	Q. A group.....it is given. Ans. <ul style="list-style-type: none"> Maximum number of partners : 50 The Companies Act, 2013 	$\frac{1}{2}$ $\frac{1}{2}$ =1 Mark										
2	6	5	Q. P, Q and R..... R and S. Ans. P's share = $\frac{3}{6} - \frac{1}{16} = \frac{21}{48}$ Q's share = $\frac{2}{6} - \frac{1}{16} = \frac{13}{48}$ } $\frac{1}{2}$ R's share = $\frac{1}{6} \times \frac{8}{8} = \frac{8}{48}$ S's share = $\frac{1}{8} \times \frac{6}{6} = \frac{6}{48}$ Thus, the New Profit sharing ratio for P, Q, R and S will be 21:13:8:6 } $\frac{1}{2}$	= 1 Mark										
3	1	4	Q. On 28.2.2016 the first call.....books of the company. Ans. <p style="text-align: center;">Kumar Ltd. Journal</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Date</th> <th style="width: 50%;">Particulars</th> <th style="width: 5%;">LF</th> <th style="width: 15%;">Dr (R)</th> <th style="width: 15%;">Cr (R)</th> </tr> </thead> <tbody> <tr> <td>Feb 28 2016</td> <td>Bank A/c Calls in Arrears A/c To Equity Share first call A/c To Calls in advance A/c (Being call money received except on 1,000 shares and received advance on 750 shares)</td> <td style="text-align: center;">Dr. Dr.</td> <td style="text-align: right;">1,01,000 2,000</td> <td style="text-align: right;">1,00,000 3,000</td> </tr> </tbody> </table>	Date	Particulars	LF	Dr (R)	Cr (R)	Feb 28 2016	Bank A/c Calls in Arrears A/c To Equity Share first call A/c To Calls in advance A/c (Being call money received except on 1,000 shares and received advance on 750 shares)	Dr. Dr.	1,01,000 2,000	1,00,000 3,000	1 Mark
Date	Particulars	LF	Dr (R)	Cr (R)										
Feb 28 2016	Bank A/c Calls in Arrears A/c To Equity Share first call A/c To Calls in advance A/c (Being call money received except on 1,000 shares and received advance on 750 shares)	Dr. Dr.	1,01,000 2,000	1,00,000 3,000										
4	2	3	Q. Distinguish between.....Economic relationship. Ans. <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 25%;">Basis</th> <th style="width: 35%;">Dissolution of partnership</th> <th style="width: 40%;">Dissolution of partnership firm</th> </tr> </thead> <tbody> <tr> <td>Economic relationship</td> <td>Economic relationship between the partners continues though in a changed form.</td> <td>Economic relationship between the partners comes to an end.</td> </tr> </tbody> </table>	Basis	Dissolution of partnership	Dissolution of partnership firm	Economic relationship	Economic relationship between the partners continues though in a changed form.	Economic relationship between the partners comes to an end.	1 Mark				
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Economic relationship	Economic relationship between the partners continues though in a changed form.	Economic relationship between the partners comes to an end.												
5	3	2	Q. State the.....Redemption Reserve. Ans. According to the provisions of the Companies Act, 2013, the companies are required to create Debenture Redemption Reserve of <u>at least 25% of the face value of debentures before the redemption of debentures commences.</u>	1 Mark										
6	4	1	Q. Tom and Harry.....were fluctuating. Ans. <p style="text-align: center;">Journal</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Date</th> <th style="width: 50%;">Particulars</th> <th style="width: 5%;">LF</th> <th style="width: 15%;">Dr (R)</th> <th style="width: 15%;">Cr (R)</th> </tr> </thead> <tbody> <tr> <td>2015 Mar 31</td> <td>Tom's Capital A/c To Interest on Drawings A/c (Being Interest on drawings charged)</td> <td style="text-align: center;">Dr.</td> <td style="text-align: right;">2,000</td> <td style="text-align: right;">2,000</td> </tr> </tbody> </table>	Date	Particulars	LF	Dr (R)	Cr (R)	2015 Mar 31	Tom's Capital A/c To Interest on Drawings A/c (Being Interest on drawings charged)	Dr.	2,000	2,000	1 Mark
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2015 Mar 31	Tom's Capital A/c To Interest on Drawings A/c (Being Interest on drawings charged)	Dr.	2,000	2,000										
7	10	9	Q. On 2.3.2016.....at 6% premium. Ans. (a)											

			L & B Ltd. Journal																										
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Date	Particulars	LF	Dr (R)	Cr (R)																									
2016 Mar 2	Bank A/c Dr. To 9% Debenture Application & Allotment A/c (Being application money received)		3,55,600	3,55,600																									
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8	9	10	<p>Q. State any three.....may arise.</p> <p>Ans.</p> <p>In addition to the stated circumstances, the need for the valuation of goodwill in partnership arises in the following circumstances:</p> <ul style="list-style-type: none"> • Change in the profit sharing ratio amongst the existing partners. • Dissolution of a firm involving sale of business as a going concern • Amalgamation of partnership firms. 	<p>1 x 3</p> <p>=</p> <p>3 Marks</p>																									
9	8	7	<p>Q. K Ltd..... books of K Ltd.</p> <p>Ans.</p>																										

			K Ltd. Journal																							
			Date	Particulars	LF	Dr (R)	Cr (R)																			
			(i)	Sundry Assets A/c Goodwill A/c To Sundry liabilities A/c To P Ltd. A/c (Being Assets & Liabilities acquired)	Dr. Dr.	15,00,000 3,68,500	5,00,000 13,68,500	1 ½																		
			(ii)	P Ltd. A/c To Bills Payable A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being draft accepted and equity shares issued at a premium of 25%) OR P Ltd. A/c To Bills Payable A/c (Being draft accepted)	Dr. Dr.	13,68,500 25,500	25,500 10,74,400 2,68,600 25,500	1 ½																		
				P Ltd. A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being equity shares issued at a premium of 25%)	Dr.	13,43,000	10,74,400 2,68,600	= 3 Marks																		
10	7	8	Q. To provide employment.....to propagate. Ans. <div style="text-align: center;">Jyoti Power Ltd. Journal</div> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Date</th> <th style="width: 45%;">Particulars</th> <th style="width: 5%;">LF</th> <th style="width: 15%;">Dr (R)</th> <th style="width: 15%;">Cr (R)</th> <th style="width: 5%;"></th> </tr> </thead> <tbody> <tr> <td></td> <td>Bank A/c To Equity Share Application and allotment A/c (Being application & allotment money received for 20,00,000 shares)</td> <td>Dr.</td> <td>2,60,00,000</td> <td>2,60,00,000</td> <td style="text-align: center;">½</td> </tr> <tr> <td></td> <td>Equity Share Application and Allotment A/c To Equity Share Capital A/c To Securities Premium Reserve A/c To Bank A/c (Being share application and allotment money adjusted)</td> <td>Dr.</td> <td>2,60,00,000</td> <td>85,00,000 25,50,000 1,49,50,000</td> <td style="text-align: center;">½</td> </tr> </tbody> </table> <p>Values (Any Two):</p> <ol style="list-style-type: none"> 1. Providing employment opportunities 2. Development of backward areas 3. Helping the young people to undertake developmental activities and promoting peace and harmony. <p style="text-align: center;">(Or Any other correct value)</p>					Date	Particulars	LF	Dr (R)	Cr (R)			Bank A/c To Equity Share Application and allotment A/c (Being application & allotment money received for 20,00,000 shares)	Dr.	2,60,00,000	2,60,00,000	½		Equity Share Application and Allotment A/c To Equity Share Capital A/c To Securities Premium Reserve A/c To Bank A/c (Being share application and allotment money adjusted)	Dr.	2,60,00,000	85,00,000 25,50,000 1,49,50,000	½	2 = 3 Marks
Date	Particulars	LF	Dr (R)	Cr (R)																						
	Bank A/c To Equity Share Application and allotment A/c (Being application & allotment money received for 20,00,000 shares)	Dr.	2,60,00,000	2,60,00,000	½																					
	Equity Share Application and Allotment A/c To Equity Share Capital A/c To Securities Premium Reserve A/c To Bank A/c (Being share application and allotment money adjusted)	Dr.	2,60,00,000	85,00,000 25,50,000 1,49,50,000	½																					
11	12	11	Q. Vikas and Vivek.....year ended 31-3-2015. Ans.																							

Profit & Loss Appropriation A/c of Vikas, Vivek & Vandana
For the year ended 31st March 2015

Dr.		Cr.	
Particulars	Amount (R)	Particulars	Amount (R)
To Partners' Capital A/c: (transfer of profit)		By Profit and loss A/c (net profit) (1)	9,00,000
Vikas - 4,72,500			
Less Deficiency- <u>22,500</u>	(1) 4,50,000		
Vivek- 3,15,000			
Less Deficiency- <u>15,000</u>	(1) 3,00,000		
Vandana- 1,12,500			
Add from Vikas 22,500			
From Vivek <u>15,000</u>	(1) 1,50,000		
	<u>9,00,000</u>		<u>9,00,000</u>

= 4 Marks

Alternative Solution:

Profit & Loss Appropriation A/c of Vikas, Vivek & Vandana
For the year ended 31st March 2015

Dr.		Cr.	
Particulars	Amount (R)	Particulars	Amount (R)
To Profit transferred to Partners' Capital A/c:		By Profit and loss A/c (net profit) (1)	9,00,000
Vikas - 4,72,500			
Less Deficiency- <u>15,000</u>	(1) 4,57,500		
Vivek- 3,15,000			
Less Deficiency- <u>22,500</u>	(1) 2,92,500		
Vandana- 1,12,500			
Add from Vikas 15,000			
From Vivek <u>22,500</u>	(1) 1,50,000		
	<u>9,00,000</u>		<u>9,00,000</u>

12 11 12

Q. Manav, Nath and Narayan.....Nath's Death.
Ans.

**Books of the firm
Journal**

Date	Particulars	LF	Dr (R)	Cr (R)
30.09.2015	Manav's Capital A/c Dr. Narayan's Capital A/c Dr. To Nath's Capital A/c (Being Nath's share of goodwill adjusted in the capital A/c of the existing partners in their gaining ratio i.e. 1:1)		95,000 95,000	1,90,000
30.09.2015	Nath's Capital A/c Dr. To Profit & Loss A/c (Being Nath's share in debit balance of Profit & Loss A/c transferred)		15,000	15,000
	OR			
	Manav's Capital A/c Dr. Nath's Capital A/c Dr. Narayan's Capital A/c Dr. To Profit & Loss A/c (Being Nath's share in debit balance of Profit & Loss A/c transferred)		7,500 15,000 7,500	30,000

1

1

			30.09.2015	Profit & Loss Suspense A/c To Nath's Capital A/c (Being Nath's share of profit upto the date of death is transferred)	Dr.		22,500	22,500	1
			30.09.2015	Nath's Capital A/c To Nath's executors' A/c (Being amount due to Nath transferred to his executors' A/c)	Dr.		1,92,500	1,92,500	1 = 4 Marks

13 - - **Q. Lal and Pal were..... made by cheque.**
Ans.

Journal of Lal and Pal

Date	Particulars	LF	Dr (R)	Cr (R)	
2015 Apr 1	Bank A/c To Realisation A/c (Being payment received from creditors)	Dr.	1,40,000	1,40,000	1 ½
2015 Apr 1	No Entry				1 ½
2015 Apr 1	Realisation A/c To Bank A/c (Being partial payment made to creditors through cheque)	Dr.	45,000	45,000	1 ½
2015 Apr 1	Lal's Capital A/c Pal's Capital A/c To Realisation A/c (Being loss on realisation transferred to partners' capital A/c)	Dr. Dr.	4,500 10,500	15,000	1 ½ = 6 Marks

14 - - **Q. R, S and T.....the reconstituted firm.**
Ans.

Dr. Revaluation A/c

Particulars		Amt (R)	Particulars		Amt (R)
To Building A/c	½	3,000	By Land A/c	½	30,000
To Partners' Capital A/c: (transfer of profit)			By Creditors A/c	½	6,000
R	5,500	} ½			
S	11,000				
T	16,500				
		33,000			
		<u>36,000</u>			<u>36,000</u>

Dr. Partner's Capital A/c

Particulars	R			Particulars	T		
	R	S	T		R	S	T
To T's Capital A/c	25,000	---	---	By Balance b/d	1,00,000	50,000	25,000
To Balance c/d	85,500	71,000	81,500	By Revaluation A/c	5,500	11,000	16,500
				By General Reserve A/c	5,000	10,000	15,000
				By R's Capital A/c	---	---	25,000
	<u>1,10,500</u>	<u>71,000</u>	<u>81,500</u>		<u>1,10,500</u>	<u>71,000</u>	<u>81,500</u>

**Balance Sheet of R, S and T
as at 1st April 2015**

Liabilities		Amt (R)	Assets		Amt (R)
Creditors	} (½)	44,000	Land	} (½)	80,000
Bills Payable		20,000	Building		47,000
Capitals:			Plant	} (½)	1,00,000
R	85,500		Stock		40,000
S	71,000		Debtors	} (½)	30,000
T	<u>81,500</u>	2,38,000	Bank		5,000
		<u>3,02,000</u>			<u>3,02,000</u>

Working notes:

R's Sacrifice/ Gain = $1/6 - 1/3 = -1/6$ (Gain)

S's Sacrifice/ Gain = $2/6 - 1/3 = \text{Nil}$

T's Sacrifice/ Gain = $3/6 - 1/3 = 1/6$ (Sacrifice)

2

15

Q. On 1-4-2013.....books of the company.

Ans.

(i)

JJJ Ltd.

Journal

Date	Particulars	LF	Dr. Amt (R)	Cr. Amt (R)
2014 Apr 1	Own Debentures A/c Dr. To Bank A/c (Being purchase of 30000 own debentures for R 99 each)		29,70,000	29,70,000
2014 Apr 1	10% Debenture A/c Dr. To Own Debenture A/c To Profit on Redemption of Debentures A/c (Being redemption of own debentures)		30,00,000	29,70,000 30,000
2014 Apr 1	Profit on Redemption of Debentures A/c Dr. To Capital Reserve A/c (Being transfer of profit on redemption of debentures to capital reserve)		30,000	30,000

½

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½

(ii)

JJJ Ltd.

Journal

Date	Particulars	LF	Dr. Amt (R)	Cr. Amt (R)
2015 Feb 28	10% Debentures A/c Dr. To Debenture holders A/c (Being payment due to debenture holders on redemption)		50,00,000	50,00,000
2015 Feb 28	Debenture holders A/c Dr. To Bank A/c (Being payment due to debenture holders discharged)		50,00,000	50,00,000

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1

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1

(iii)

**JJJ Ltd.
Journal**

Date	Particulars	LF	Dr. Amt (R)	Cr. Amt (R)
2016 Jan31	Own Debenture A/c To Bank A/c (Being purchase of own debentures)	Dr.	19,99,000	19,99,000
2016 Jan31	10% Debenture A/c To Own Debenture A/c To Profit on Redemption of Debentures A/c (Being redemption of own debentures)	Dr.	20,00,000	19,99,000 1,000
2016 Jan31	Profit on Redemption of Debentures A/c To Capital Reserve A/c (Being transfer of profit on redemption of debentures to capital reserve)	Dr.	1,000	1,000

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½

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1

+

½

=
6 Marks

16 17 16

**Q. SK Ltd.....books of SK Ltd.
Ans.**

**SK Ltd.
Journal**

Date	Particulars	LF	Dr. Amt (R)	Cr. Amt (R)
i.	Bank A/c To Equity Share Application A/c (Being application money received on shares)	Dr.	12,00,000	12,00,000
ii.	Equity Share Application A/c To Equity Share Capital A/c To Securities Premium Reserve A/c To Equity Share Allotment A/c To Bank A/c (Being application money transferred to share capital A/c)	Dr.	12,00,000	6,40,000 3,20,000 1,20,000 1,20,000
iii.	Equity Share Allotment A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being share allotment made due)	Dr.	16,00,000	9,60,000 6,40,000
iv.	Bank A/c To Equity Share Allotment a/c (Being allotment money received except on 800 shares)	Dr.	14,76,300	14,76,300
OR				
	Bank A/c Calls in Arrears A/c To Equity Share Allotment A/c (Being allotment money received except on 800 shares)	Dr. Dr.	14,76,300 3,700	14,80,000

½

1

½

1

			v.	Equity Share Capital A/c Securities Premium Reserve A/c To Share Forfeited A/c To Equity Share Allotment A/c/ Calls in arrear A/c (Being 800 shares of Jeevan forfeited after allotment)	Dr. Dr.	4,000 1,600		1,900 3,700		1
			vi.	Equity Share First & Final call A/c To Equity Share Capital A/c To Securities Premium Reserve A/c (Being first & final call due on 3,19,200 shares)	Dr.	22,34,400		15,96,000 6,38,400		½
			vii.	Bank A/c To Equity share First and Final call a/c (Being first & final call money received except on 2400 shares) OR Bank A/c Calls in arrears A/c To Equity share First and Final call A/c (Being first & final call money received except on 2,400 shares)	Dr. Dr.	22,17,600 22,17,600 22,17,600 16,800		22,17,600 22,34,400		½
			viii.	Equity Share Capital A/c Securities Premium Reserve A/c To Share Forfeited A/c To Equity Share First and Final call /Calls in arrears A/c (Being 2,400 shares of Ganesh forfeited)	Dr. Dr.	24,000 4,800		12,000 16,800		1
			ix.	Bank A/c Share Forfeited A/c To Equity Share Capital A/c (Being 1,500 shares reissued for R 8 per share fully paid up)	Dr. Dr.	12,000 3,000		15,000		1
			x.	Share Forfeited A/c To Capital Reserve A/c (Being gain on reissue on forfeited shares transferred to capital reserve account)	Dr.	2,400		2,400		1 = 8 Marks

16 OR	17 OR	16 OR	<p>Q. BBG Ltd. Had.....blanks. Ans.</p> <p style="text-align: center;">Books of BBG Ltd. Journal</p> <table border="1"> <thead> <tr> <th>Date</th> <th>Particulars</th> <th>LF</th> <th>Dr. Amt (R)</th> <th>Cr. Amt (R)</th> <th></th> </tr> </thead> <tbody> <tr> <td>2015 Jan05</td> <td>Bank A/c Dr. To Equity Share Application A/c (Amount received on application 1,40,000 shares @ R 6 per share including premium)</td> <td></td> <td>8,40,000</td> <td>8,40,000</td> <td>½</td> </tr> <tr> <td>Jan17</td> <td>Equity Share Application A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c To Bank A/c To Equity Share Allotment A/c (Application money transferred to share capital, securities premium, money refunded for 20,000 shares for rejected, applications and balance adjusted towards amount due on allotment as shares were allotted on pro rata basis)</td> <td></td> <td>8,40,000</td> <td>3,00,000 3,00,000 1,20,000 1,20,000</td> <td>1</td> </tr> <tr> <td>Jan17</td> <td>Equity Share Allotment A/c Dr. To Equity Share Capital A/c (Amount due on allotment @ R 4 per share)</td> <td></td> <td>4,00,000</td> <td>4,00,000</td> <td>1</td> </tr> <tr> <td>Feb20</td> <td>Bank A/c Dr. To Equity Share allotment a/c (Balance allotment amount received)</td> <td></td> <td>2,80,000</td> <td>2,80,000</td> <td>1</td> </tr> <tr> <td>Apr01</td> <td>Equity Share First and Final call A/c Dr. To Equity share Capital A/c (First and final call money due)</td> <td></td> <td>3,00,000</td> <td>3,00,000</td> <td>½</td> </tr> <tr> <td>Apr20</td> <td>Bank A/c Dr. Calls in arrears A/c Dr. To Equity Share First and Final call A/c (First and final call money received)</td> <td></td> <td>2,97,000 3,000</td> <td>3,00,000</td> <td>1</td> </tr> <tr> <td>May20</td> <td>Equity Share Capital A/c Dr. To Share Forfeited A/c To Calls in Arrears A/c (Forfeited the shares on which First & Final call was not received)</td> <td></td> <td>10,000</td> <td>7,000 3,000</td> <td>1</td> </tr> <tr> <td>Jun15</td> <td>Bank A/c Dr. Share Forfeited A/c Dr. To Equity Share Capital A/c (Forfeited shares re-issued)</td> <td></td> <td>7,000 3,000</td> <td>10,000</td> <td>1</td> </tr> <tr> <td>2016 Mar31</td> <td>Share Forfeited A/c Dr. To Capital Reserve A/c (Being gain on reissue on forfeited shares transferred to capital reserve account)</td> <td></td> <td>4,000</td> <td>4,000</td> <td>1 = 8 Marks</td> </tr> </tbody> </table>	Date	Particulars	LF	Dr. Amt (R)	Cr. Amt (R)		2015 Jan05	Bank A/c Dr. To Equity Share Application A/c (Amount received on application 1,40,000 shares @ R 6 per share including premium)		8,40,000	8,40,000	½	Jan17	Equity Share Application A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c To Bank A/c To Equity Share Allotment A/c (Application money transferred to share capital, securities premium, money refunded for 20,000 shares for rejected, applications and balance adjusted towards amount due on allotment as shares were allotted on pro rata basis)		8,40,000	3,00,000 3,00,000 1,20,000 1,20,000	1	Jan17	Equity Share Allotment A/c Dr. To Equity Share Capital A/c (Amount due on allotment @ R 4 per share)		4,00,000	4,00,000	1	Feb20	Bank A/c Dr. To Equity Share allotment a/c (Balance allotment amount received)		2,80,000	2,80,000	1	Apr01	Equity Share First and Final call A/c Dr. To Equity share Capital A/c (First and final call money due)		3,00,000	3,00,000	½	Apr20	Bank A/c Dr. Calls in arrears A/c Dr. To Equity Share First and Final call A/c (First and final call money received)		2,97,000 3,000	3,00,000	1	May20	Equity Share Capital A/c Dr. To Share Forfeited A/c To Calls in Arrears A/c (Forfeited the shares on which First & Final call was not received)		10,000	7,000 3,000	1	Jun15	Bank A/c Dr. Share Forfeited A/c Dr. To Equity Share Capital A/c (Forfeited shares re-issued)		7,000 3,000	10,000	1	2016 Mar31	Share Forfeited A/c Dr. To Capital Reserve A/c (Being gain on reissue on forfeited shares transferred to capital reserve account)		4,000	4,000	1 = 8 Marks
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17	16	17	<p>Q. L, M and N.....of the new firm. Ans.</p>																																																												

Revaluation A/c

Dr	Amt (R)	Particulars	Amt (R)	Cr
To Investments A/c	24,000	By Creditors A/c	6,000	
To Machinery A/c	12,000	By Partners' Capital A/c: (transfer of loss)		
		L	15,000	
		M	10,000	
		N	5,000	
	<u>36,000</u>		<u>36,000</u>	

2

Partner's Capital A/c

Dr					Cr				
Particulars	L	M	N	O	Particulars	L	M	N	O
To Revaluation A/c	15,000	10,000	5,000	---	By Balance b/d	1,20,000	80,000	40,000	---
To Balance c/d	1,56,000	84,000	42,000	56,400	By General Reserve A/c	21,000	14,000	7,000	---
					By premium for goodwill A/c	30,000	---	---	---
					By Bank A/c	---	---	---	56,400
	<u>1,71,000</u>	<u>94,000</u>	<u>47,000</u>	<u>56,400</u>		<u>1,71,000</u>	<u>94,000</u>	<u>47,000</u>	<u>56,400</u>

3

**Balance Sheet of L, M, N and O
as at 31st March 2015**

Liabilities	Amt (R)	Assets	Amt (R)
Creditors	1,62,000	Bank	1,20,400
Partners' Capitals:		Debtors	46,000
L	1,56,000	Investment	36,000
M	84,000	Machinery	58,000
N	42,000	Furniture & Fittings	20,000
O	56,400	Stock	2,20,000
	<u>3,38,400</u>		<u>5,00,400</u>
	<u>5,00,400</u>		<u>5,00,400</u>

3

=

8 Marks

17 OR 16 OR 17 OR

**Q. J, H and K.....of the new firm.
Ans.**

Revaluation A/c

Dr	Amt (R)	Particulars	Amt (R)	Cr
To Claim for workmen compensation A/c	8,000	By Provision for bad debts A/c	2,000	
		By Partners' Capital A/c: (transfer of loss)		
		J	3,000	
		H	1,800	
		K	1,200	
	<u>8,000</u>		<u>6,000</u>	
	<u>8,000</u>		<u>8,000</u>	

2

Partner's Capital A/c							
Dr				Cr			
Particulars	J (R)	H (R)	K (R)	Particulars	J (R)	H (R)	K (R)
To Revaluation A/c	3,000	1,800	1,200	By Balance b/d	1,00,000	80,000	40,000
To H's Capital A/c	10,200	---	20,400	By Investment Fluctuation Fund	10,000	6,000	4,000
To Cash A/c	---	14,000	---	By Profit & Loss A/c	40,000	24,000	16,000
To H's Loan A/c	---	1,24,800	---	By J's capital A/c	---	10,200	---
To J's Current A/c	31,680	---	---	By K's Capital A/c	---	20,400	---
To Balance c/d	1,05,120	---	70,080	By K's Current A/c	---	---	31,680
	<u>1,50,000</u>	<u>1,40,600</u>	<u>91,680</u>		<u>1,50,000</u>	<u>1,40,600</u>	<u>91,680</u>

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½ } **3**
½ }
½ }

**Balance Sheet of J, K and H
As at 31st March 2015**

Liabilities	Amt (R)	Assets	Amt (R)
Creditors	42,000	Land & Building	1,24,000
Claim for Workmen Compensation	8,000	Motor Van	40,000
H's Loan A/c	1,24,800	Investment	38,000
J's Current A/c	31,680	Machinery	24,000
Partners' Capitals:		Stock	30,000
J	1,05,120	Debtors	80,000
K	<u>70,080</u>	Less: Provision	<u>4,000</u>
		Cash	18,000
		K's Current A/c	31,680
	<u>3,81,680</u>		<u>3,81,680</u>

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1 } **1**
3
 = **8 Marks**

PART B

(Financial Statements Analysis)

18	-	-	Q. Give the meaning.....Cash flow statement. Ans. A cash flow statement shows inflows and outflows of cash and cash equivalents due to Operating, Investing and Financing Activities of a company during a specified period.	= 1 Mark
19	19	-	Q. 'An enterprise.....Cash flow statement. Ans. <ul style="list-style-type: none"> • Yes, the statement is correct. • Operating Activity 	= 1 Mark
20	-	-	Q. (a) One of the..... of this analysis. Ans. (a) (a) Objectives of 'Financial Statements Analysis': (Any two) (i) <u>Assessing the earning capacity or profitability</u> of the firm as a whole as well as its different	

			<p>departments so as to judge the financial health of the firm. (ii) <u>Assessing the managerial efficiency</u> by using financial ratios. (iii) Assessing their own performance as well as of others through <u>inter firm comparison</u>. (iv) Assessing developments in future by <u>forecasting and preparing budgets</u>. (v) <u>Ascertain the relative importance of different components of the financial position</u> of the firm. (vi) <u>Understanding complicated matter in a simplified manner</u>.</p> <p>Q. (b) List any two.....Companies Act, 2013. <u>Other Current Liabilities (Any Two)</u> (i) Current maturities of long term debts (ii) Interest accrued but not due on borrowings (iii) Interest accrued and due on borrowings (iv) Income received in advance (v) Unpaid Dividend (vi) Application money received for allotment of securities and due for refund and interest due there on. (vii) Unpaid matured deposits and interest accrued there on. (viii) Unpaid matured debentures and interest accrued thereon. (ix) Calls in advance (x) Other payables(outstanding expenses, calls in advance, provident fund payable, ESI payable, CST payable, VAT payable etc.)</p> <p><u>Other Current Assets (Any two)</u> (i) Unamortised expenses/losses (to be written off within 12 months from the date of balance sheet) (ii) Prepaid expenses (iii) Dividend receivable (iv) Advance Taxes</p>	<p>1x2 =2 Marks</p> <p>+</p> <p>½ x 2 =1 Mark</p> <p>+</p> <p>½ x 2 =1 mark = 4 Marks</p>
21	-	22	<p>Q. (a) What is meant 'Activity Ratios'? Ans. (a) (Any relevant meaning, full credit to be given)</p> <ul style="list-style-type: none"> Activity ratios refers to the ratios that are calculated for measuring the efficiency of operations of business based on effective utilisation of resources. <p>Q. (b) From the following.....Gross Loss Ratio 5%. Ans. <u>Calculation of Inventory Turnover Ratio</u></p> <p>Inventory Turnover Ratio = $\frac{\text{Cost of Revenue from Operations}}{\text{Average Inventory}}$</p> <p>Cost of Revenue from Operations = Revenue from Operations + Gross Loss = R 16,00,000 + R 80,000 = R 16,80,000</p> <p>Average Inventory = R 2,20,000 Inventory Turnover ratio = $\frac{\text{R } 16,80,000}{\text{R } 2,20,000}$ = 7.64 times</p>	<p>2</p> <p>½</p> <p>1</p> <p>½ = 4 Marks</p>
22	22	21	<p>Q. Following is the.....to the society. Ans.</p>	

COMPARATIVE STATEMENT OF PROFIT & LOSS
For the years ended 31st March 2014 and 2015

Particulars	Note No.	Absolute Figures 2013-14 (R)	Absolute Figures 2014-15 (R)	Absolute Change Increase / Decrease	Absolute Change (%)
I) Revenue from Operations		40,00,000	50,00,000	10,00,000	25
II) Add: other income		10,00,000	2,00,000	(8,00,000)	(80)
III) Total Revenue (I + II)		50,00,000	52,00,000	2,00,000	4
IV) Less: Expenses		25,00,000	31,20,000	6,20,000	24.87
Employee Benefit Expenses					
Other Expenses		5,00,000	3,12,000	(1,88,000)	(37.6)
Total Expenses		30,00,000	34,32,000	4,32,000	14.4
V) Profit before Tax (III – IV)		20,00,000	17,68,000	(2,32,000)	(11.6)
VI) Less: Tax		8,00,000	8,84,000	84,000	10.5
VII) Profit after tax		12,00,000	8,84,000	(3,16,000)	(26.33)

Values (any two):

1. Promoting economic friendly ways of supplying energy
2. Development of rural areas
3. Infrastructural development in rural areas to increase accessibility
4. Promoting use of indigenous resources
5. Providing employment opportunities

(or any other correct value)

1

1

1

½ + ½

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4 Marks

23 23 23

Q. Following is the.....prepare a Cash flow Statement.
Ans.

Cash flow statement of M.M. Ltd.
For the year ended 31st March 2015 as per AS-3 (Revised)

Particulars	Details (R)	Amount (R)
<u>A. Cash Flows from Operating Activities:</u>		
Net Profit before tax & extraordinary items (note 1)	3,00,000	
<u>Add: Non cash and non-operating charges</u>		
Goodwill written off	10,000	
Depreciation on machinery	99,000	
Interest on debentures	<u>60,000</u>	
<i>Operating profit before working capital changes</i>	4,69,000	
<u>Less: Increase in Current Assets</u>		
Increase in stock in trade	<u>(62,000)</u>	
<i>Cash from operations</i>	4,07,000	
Less: tax paid	<u>(70,000)</u>	
Net Cash generated from Operating Activities		3,37,000
<u>B. Cash flows from Investing Activities :</u>		
Purchase of machinery	(3,82,000)	
Purchase of non current investments	<u>(25,000)</u>	
Net Cash used in investing activities		(4,07,000)
<u>C. Cash flows from Financing Activities:</u>		
Issue of share capital	1,00,000	
Redemption of 12% debentures	(50,000)	
Interest on debentures paid	(60,000)	
Bank overdraft raised	<u>1,00,000</u>	
Net Cash flow from financing activities		90,000
Net increase in cash & cash equivalents (A+B+C)		20,000
<u>Add: Opening balance of cash & cash equivalents</u>		
Current Investments	60,000	
Cash and Cash Equivalents	<u>60,000</u>	
		<u>1,20,000</u>
Closing Balance of cash & cash equivalents		
Current Investments	50,000	
Cash and Cash Equivalents	<u>90,000</u>	
		<u>1,40,000</u>

Notes:

Calculation of Net Profit before tax:

Net profit as per statement of Profit & Loss	2,50,000	
Add: Provision for tax made	<u>50,000</u>	
Net Profit before tax & extraordinary items	<u>3,00,000</u>	

Dr.		Provision for tax A/c		Cr.	
Particulars	R	Particulars	R		
To Bank A/c (Paid)	70,000	By Balance b/d	90,000		
To balance c/d	70,000	By Statement of P/L (Bal fig.)	50,000		
	<u>1,40,000</u>		<u>1,40,000</u>		

1 ½
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 2
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6 Marks

PART C (Computerized Accounting)				
18	19	19	<p>Q. List the steps.....Processing Cycle'. Ans. Data capturing, Input, Processing and generating information needed by the users.</p>	1 mark
19	18	18	<p>Q. How is Accounting.....software? Ans. Accounting data is captured by identification of source documents, by feeding it into the device. Storing and generating desired reports.</p>	1 Mark
20	21	22	<p>Q. State the steps.....software tally. Ans. The following are the steps to construct BRS in tally: 1. Bring up the monthly summary of bank book. 2. Bring your cursor to the first month and press enter. This brings up the vouchers for the month. Since this is a bank account, an additional button F5: reconcile will be visible on the right Press F5. 3. The display now becomes an Edit screen in Reconciliation mode. The primary components are: A column for the 'Bankers Date' 4. Amounts not reflected in banks 5. Balance as per bank</p>	1 X 4 = 4 Marks
21	22	20	<p>Q. Internal manipulation.....accounting. How? Ans. Internal manipulation of accounting records is much easier due to following reasons: • Defective logical sequence at programming stage. • Prone to hacking. (with example and explanation)</p>	2 X 2 = 4 Marks
22	20	21	<p>Q. Explain any four.....Management System (DBMS). Ans. Advantages of DBMS (Any four) with explanation: 1. Reduce data redundancy 2. Information protection 3. Data dictionary management 4. Greater consistency 5. Reduced cost 6. Backup and recovery facility 7. Conditionality of data is maintained</p>	1 X 4 = 4 Marks
23	-	-	<p>Q. Rohit Kumar.....per month. Ans. 1. = E11XF11/31 Where E11 is basic pay and F11 is number of effective working days which are 30.5 in this case. 2. =G11X45% Where G11 is the basic pay earned in part 1 3. = IF(C11="Nsup",G11X12%,IF(C11="Sup"X25%,0)) 4. =IF(C11"Nsup",1000,IF(C11="Sup",2000,0))</p>	1 ½ X 4 = 6 Marks