Accountancy with Analysis of Financial statements SET - A SCORING KEY

Qn. No.	Sub. Qn.	Scoring Indicators	Score	Total
		PART A		
1		b. Old ratio	1	1
2		b. Rs.47000	1	1
3		c. Surplus or Deficit	1	1
4		b. Debited to old partners	1	1
5	a	Value of stock reduced by Rs.1200	1	
	b	Value of land increased by Rs.5000	1	2
6		New ratio is 4:4:1	2	2
7		Capital receipts : Legacy, Life membership fees etc	1	2
		Revenue receipts : Subscriptions, Sale of old news papers etc	1	
8		Interest on capital Rs.3375	2	2
9		Machinery a/cDr50000Furniture a/cDr15000Stock a/cDr10000Cash a/cDr12000To Jasim's Capital a/c77000To Premium a/c10000	2	3
		Premium a/cDr 10000To Shafi capital a/c5000To Sinan capital a/c5000	1	
10		Divisible profits Rs.23100	Int. On Cap – 1 Int. On Draw – 1 For answer - 1	3
	a	Value of goodwill = 18000 x 2 = 36000	2	
11	b	X's capital a/c Dr 3600 Y's capital a/c Dr 2400	2	4

		To Z's capital a/c 6000		
	a	Sacrificing ratio	1	
12	b	Gaining ratio	1	4
		For any two differences	2	
	a	Revaluation a/cDr 3000To Inventory a/c3000	1	
13	b	Revaluation a/cDr 2000To Patents2000	1	
	c	Creditors a/cDr 1000To Revaluation a/c1000	1	5
	d	Cash a/cDr 3600Revaluation a/cDr 400To Furniture a/c4000	1	
	e	Revaluation a/cDr 700To Liability for damages700	1	
		Interest on capital – Rs.1250	1	
14		Share in GR – Rs.4800	1	5
		Profit to date of retirement – Rs.3000 Amount transferred to Loan a/c Rs.35000	2 1	
		Revaluation a/c – Profit Rs.1475	3	
15		Capital a/c – Rs.50885, Rs.45590, Rs.20000	3	8
		Balance Sheet – Rs.170975	2	
16		Explanation of various methods of goodwill	4 x 2	8

PART B Analysis of Financial statements

Qn No	Value Points			Total	
1	C) Rs. 750		1	1	
2	A) Trade payables(others are current assets		1/2+1/	1	
3	C) Comply with legal requirements			1	
4	C) Machinery		1	1	
5	C) Vertical Analysis			1	
6	(a) Balance Sheet Balance sheet is only a financial statement, but others are tools used for analysing the financial statements.				
				2	
7					
	Liabilities	nount	2	2	
	Loan from Canara Bank12(Issued1200, 10% debenture of Rs100 each)12	0000	2	2	

	Particulars2015-162016-17Absolute IncreasePercenta ge			
16	(a)Preparation of Comparative Statement of Profit or Loss			
	 Management: To know the profitability, liquidity and solvency position; to measure the effectiveness of its own decisions taken and to take corrective measure in future. Investors: Investors want to know the earning capacity and future growth prospects of the business which helps in assessing the safety of their investment and reasonable return. Creditors: Short-term creditors want to know the liquidity position of the business where as long term creditors want to know about the solvency position and ability to pay the interest consistently or any meaningful 3 uses. 			
15	 (a) Parties inside the firm- Finance Manager, Top management etc. Parties outside the firm- Lenders, Investors etc. (2 score) (b) Uses of financial statement analysis to the above parties (3 Score) 			
14	 (a) Top management-Performance of the enterprise as a whole (b) Lenders-Assess future solvency (c) Investors-Present and future profitability (d) Labour unions-Better remunerations (e)Government-Price regulation and Taxation(1 score each) 	1 x 5	5	
13	(a) Common Size Statements, Comparative Statements, Trend analysis, and Ratio Analysis.(b) Explain the limitations of financial analysis.			
12	a)Calls in arrears amount received b)Issue of equity shares to promoters c)Issued 12% debentures to Vendor Co ABC Ltd			
11	Any meaningful explanation about (a) inter-firm comparison (b) Trend analysis			
10	 (i) Outstanding Expenses -Current liabilities (ii) Prepaid Rent -Current Asset (iii) Patents - Non current asset (iv) Bank overdraft- Current Liabilities 			
9	 (i) First year is taken as the base year (ii) Trend percentage = present year value / base year value * 100 			
	Siva Ltd A/c2500000b) Siva Ltd A/c Dr2500000Equity Share Capital A/c2500000	1	2	
8	a) Land a/c Dr 2500000	1		

			(Decrease)	Increase (Decreas e)		
(a) Sales	6,00,000	8,00,000	2,00,000	33.33%	-	
(b)Cost of goods sold	3,00,000	6,00,000	3,00,000	100.00%	6	
(c) Gross Profit(a-b)	3,00,000	200000	-100000	(33.33%)	-	8
(d) Indirect Expenses	1,80,000	90,000	(90,000)	(50.00%)	-	0
(e) Net Profit(c-d)	1,20,000	110000	10000	8.33%	-	
(f) Income Tax	36,000	44000	8000	22.22%	-	
(g) Profit after Tax(e- f)	84000	66000	-18000	(21.43%)	2	
 *The sales of the decreased by 33.33% because of decreased by 33.33% because of decrease of decrease of the text of the second second decrease of the decrease of the	 (a) 95%, (b) 11%, (c) 65%, (d) 73%, (e) 15%, (f) 9% (b) *The investment in fixed assets are more in ABC Ltd. (95%) than that of XYZ Ltd (89%). But both the companies are suffering from shortage of working 					