

**DIRECTORATE OF GOVERNMENT EXAMINATIONS, CHENNAI-6**  
**HIGHER SECONDARY SECOND YEAR EXAMINATION – MAY-2022**  
**ACCOUNTANCY KEY ANSWER**

**NOTE :**

1. Answers written with Blue or Black ink only to be evaluated.
2. Choose the correct answer and write with option code.

**MAXIMUM MARKS : 90**

**20×1=20**

**PART - I**

<b>I. Choose the Correct Answer</b>					
A			B		
1.	<b>b</b>	5.5 months	1	<b>a</b>	capital
2.	<b>d</b>	Ratio	2	<b>d</b>	Capital receipt
3.	<b>a</b>	surplus or deficit	3	<b>d</b>	Ratio
4.	<b>c</b>	The existing agreement does not come to an end	4	<b>a</b>	Super profit= Average profit – Normal profit
5.	<b>d</b>	Special purpose report	5	<b>d</b>	Nominal Account
6.	<b>d</b>	In case of under subscription, issued capital will be less than the subscribed capital	6	<b>d</b>	Special purpose report
7.	<b>c</b>	Reserve capital	7	<b>a</b>	Loss
8.	<b>d</b>	statement of assets and liabilities	8	<b>c</b>	The existing agreement does not come to an end
9.	<b>d</b>	Capital receipt	9	<b>a</b>	Equal ratio
10.	<b>a</b>	Equal ratio	10	<b>b</b>	Non-monetary data
11.	<b>a</b>	capital	11	<b>d</b>	Journal voucher
12.	<b>c</b>	Rs 4,000	12	<b>c</b>	Quick assets
13.	<b>b</b>	Securities premium account	13	<b>a</b>	Trend analysis refers to the study of movement of figures for one year
14.	<b>b</b>	Non-monetary data	14	<b>b</b>	Securities premium account
15.	<b>d</b>	Journal voucher	15	<b>c</b>	Rs 4,000
16.	<b>a</b>	Super profit= Average profit – Normal profit	16	<b>d</b>	statement of assets and liabilities
17.	<b>c</b>	Quick assets	17	<b>a</b>	surplus or deficit
18.	<b>d</b>	Nominal Account	18	<b>b</b>	5.5months
19.	<b>a</b>	Trend analysis refers to the study of movement of figures for one year	19	<b>c</b>	Reserve capital
20.	<b>a</b>	Loss	20	<b>d</b>	In case of under subscription, issued capital will be less than the subscribed capital

PART – II

Answer any **SEVEN** questions in which question **No.30 is compulsory**.

7×2=14

Q.No	CONTENT	MARKS																														
21	Statement of affairs is a statement showing the balances of assets and liabilities on a particular date.	2																														
22	A gift made to a not-for-profit organisation by a will, is called legacy.	2																														
23	Interest on drawings = Total amount of drawing X Rate of interest X Average period /12 Interest on drawings = 30,000 X 4/100 X 6.5/12 = Rs 650	1 1																														
24	Super profit is the excess of average profit over the normal profit of a business.	2																														
25	Sacrificing ratio is the proportion of the profit which is sacrificed or foregone by the old partners in favour of the new partner.	2																														
26	When a partner may leaves from a partnership firm, it is known as retirement.	2																														
27	<table border="1"> <thead> <tr> <th>Date</th> <th>Particular</th> <th>Debit (Rs)</th> <th>Credit (Rs)</th> </tr> </thead> <tbody> <tr> <td></td> <td>Bank A/c Dr     To Equity share application A/c</td> <td>6,50,000</td> <td>6,50,000</td> </tr> <tr> <td></td> <td>Equity share application A/c Dr     To Equity share capital A/c     To Securities Premium A/c</td> <td>6,50,000</td> <td>5,00,000 1,50,000</td> </tr> </tbody> </table>	Date	Particular	Debit (Rs)	Credit (Rs)		Bank A/c Dr To Equity share application A/c	6,50,000	6,50,000		Equity share application A/c Dr To Equity share capital A/c To Securities Premium A/c	6,50,000	5,00,000 1,50,000	1 1																		
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28	Quick ratio = $\frac{\text{Quick assets}}{\text{Current liabilities}}$ Quick ratio = $\frac{3,60,000}{2,40,000} = 1.5 : 1$	1 1																														
29	Automated accounting system is an approach to maintain up to date accounting records with the aid of accounting software.	2																														
30	<p style="text-align: center;">Comparative Income Statement</p> <table border="1"> <thead> <tr> <th>Particular</th> <th>2016-17</th> <th>2017-18</th> <th>Amount (+) or(-)</th> <th>Percentage (+) or (-)</th> </tr> </thead> <tbody> <tr> <td>Revenue from operation</td> <td>1,00,000</td> <td>1,25,000</td> <td>+25,000</td> <td>+25</td> </tr> <tr> <td>Add: Other Income</td> <td>25,000</td> <td>20,000</td> <td>-5,000</td> <td>-20</td> </tr> <tr> <td>Total revenue</td> <td>1,25,000</td> <td>1,45,000</td> <td>+20,000</td> <td>+16</td> </tr> <tr> <td>Less : Expenses</td> <td>75,000</td> <td>60,000</td> <td>-15,000</td> <td>-20</td> </tr> <tr> <td>Profit before Tax</td> <td>50,000</td> <td>85,000</td> <td>+35,000</td> <td>+70</td> </tr> </tbody> </table>	Particular	2016-17	2017-18	Amount (+) or(-)	Percentage (+) or (-)	Revenue from operation	1,00,000	1,25,000	+25,000	+25	Add: Other Income	25,000	20,000	-5,000	-20	Total revenue	1,25,000	1,45,000	+20,000	+16	Less : Expenses	75,000	60,000	-15,000	-20	Profit before Tax	50,000	85,000	+35,000	+70	2
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**PART - III**

Answer any SEVEN questions in which question No.40 is compulsory.

7×3=21

Q,NO	CONTENT	MARKS																								
31	<p align="center">Total debtors account</p> <table border="1"> <thead> <tr> <th align="center">Particulars</th> <th align="center">Rs.</th> <th align="center">Particulars</th> <th align="center">Rs.</th> </tr> </thead> <tbody> <tr> <td>To Balance b/d</td> <td align="right">1,30,000</td> <td>By Cash A/c</td> <td align="right">4,20,000</td> </tr> <tr> <td>To Sales A/c (Credit)</td> <td align="right">5,40,000</td> <td>By Sales return A/c</td> <td align="right">35,000</td> </tr> <tr> <td></td> <td></td> <td>By Bad debts A/c</td> <td align="right">15,000</td> </tr> <tr> <td></td> <td></td> <td>By Balance c/d</td> <td align="right">2,00,000</td> </tr> <tr> <td></td> <td align="right"><b>6,70,000</b></td> <td></td> <td align="right"><b>6,70,000</b></td> </tr> </tbody> </table> <p>Total Sales = Rs.4,60,000 + Rs.5,40,000 = Rs. 10,00,000</p>	Particulars	Rs.	Particulars	Rs.	To Balance b/d	1,30,000	By Cash A/c	4,20,000	To Sales A/c (Credit)	5,40,000	By Sales return A/c	35,000			By Bad debts A/c	15,000			By Balance c/d	2,00,000		<b>6,70,000</b>		<b>6,70,000</b>	2  1
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32	<p>i. No interest on capital is payable to any partner. ii. Profit should be distributed equally. iii. Interest on loan is payable at 6% per annum.</p>	1 1 1																								
33	<p>Goodwill = Average profit x Number of years of purchase</p> <p>Average Profit = <math>\frac{15,000 + 17,000 - 6,000 + 14,000}{4}</math>  <math>= \frac{40,000}{4} = 10,000</math></p> <p>Goodwill = 10,000 x 5 = Rs.50,000</p>	1  1  1																								
34	<p>1. Distribution of accumulated profits, reserves and losses 2. Revaluation of assets and liabilities 3. Determination of new profit sharing ratio and sacrificing ratio 4. Adjustment for goodwill 5. Adjustment of capital on the basis of new profit sharing ratio</p>	3																								
35	<table border="1"> <thead> <tr> <th align="center">Basis</th> <th align="center">Sacrificing ratio</th> <th align="center">Gaining ratio</th> </tr> </thead> <tbody> <tr> <td>1. Meaning</td> <td>It is the proportion of the profit which is sacrificed by the old partners in favour of new partner</td> <td>It is the proportion of the profit which is gained by the continuing partners from the retiring partner.</td> </tr> <tr> <td>2. Purpose</td> <td>It is calculated to determine the amount to be adjusted towards goodwill for the sacrificing partners</td> <td>It is calculated to determine the amount to be adjusted towards goodwill for the gaining partners</td> </tr> <tr> <td>3. Time of calculation</td> <td>At the time of admission of a new partner.</td> <td>At the time of retirement of a partner.</td> </tr> <tr> <td>4. Method of calculation</td> <td>It is the difference between the old ratio and the new ratio <b>(or)</b> Sacrificing ratio = Old profit sharing ratio – New profit sharing ratio</td> <td>It is the difference between the new ratio and the old ratio. <b>(or)</b> Gaining ratio = New Profit sharing ratio - Old profit sharing ratio</td> </tr> </tbody> </table>	Basis	Sacrificing ratio	Gaining ratio	1. Meaning	It is the proportion of the profit which is sacrificed by the old partners in favour of new partner	It is the proportion of the profit which is gained by the continuing partners from the retiring partner.	2. Purpose	It is calculated to determine the amount to be adjusted towards goodwill for the sacrificing partners	It is calculated to determine the amount to be adjusted towards goodwill for the gaining partners	3. Time of calculation	At the time of admission of a new partner.	At the time of retirement of a partner.	4. Method of calculation	It is the difference between the old ratio and the new ratio <b>(or)</b> Sacrificing ratio = Old profit sharing ratio – New profit sharing ratio	It is the difference between the new ratio and the old ratio. <b>(or)</b> Gaining ratio = New Profit sharing ratio - Old profit sharing ratio	3									
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36	<p>i) When shares are issued at par :</p> <table border="1"> <thead> <tr> <th>Date</th> <th>Particulars</th> <th>Debit Rs.</th> <th>Credit Rs.</th> </tr> </thead> <tbody> <tr> <td></td> <td>Machinery A/c Dr. To Jagan Traders A/c</td> <td>6,00,000</td> <td>6,00,000</td> </tr> <tr> <td></td> <td>Jagan Traders A/c Dr. To Equity share capital A/c</td> <td>6,00,000</td> <td>6,00,000</td> </tr> </tbody> </table> <p>ii) When Shares are issued at a premium of 50%</p> <table border="1"> <thead> <tr> <th>Date</th> <th>Particulars</th> <th>Debit Rs.</th> <th>Credit Rs.</th> </tr> </thead> <tbody> <tr> <td></td> <td>Machinery A/c Dr. To Jagan Traders A/c</td> <td>6,00,000</td> <td>6,00,000</td> </tr> <tr> <td></td> <td>Jagan Traders A/c Dr. To Equity share capital A/c To Security premium A/c</td> <td>6,00,000</td> <td>4,00,000 2,00,000</td> </tr> </tbody> </table>	Date	Particulars	Debit Rs.	Credit Rs.		Machinery A/c Dr. To Jagan Traders A/c	6,00,000	6,00,000		Jagan Traders A/c Dr. To Equity share capital A/c	6,00,000	6,00,000	Date	Particulars	Debit Rs.	Credit Rs.		Machinery A/c Dr. To Jagan Traders A/c	6,00,000	6,00,000		Jagan Traders A/c Dr. To Equity share capital A/c To Security premium A/c	6,00,000	4,00,000 2,00,000	1½  1½														
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37	<p>Common size Income Statement for the Maria and Kala Ltd.,</p> <table border="1"> <thead> <tr> <th rowspan="3">Particulars</th> <th colspan="2">Maria Ltd</th> <th colspan="2">Kala Ltd</th> </tr> <tr> <th>Amount</th> <th>Percentage of revenue from operation</th> <th>Amount</th> <th>Percentage of revenue from operation</th> </tr> <tr> <th>Rs.</th> <th></th> <th>Rs.</th> <th></th> </tr> </thead> <tbody> <tr> <td>Revenue form operation</td> <td>1,00,000</td> <td>100</td> <td>2,00,000</td> <td>100</td> </tr> <tr> <td>Add : Other income</td> <td>10,000</td> <td>10</td> <td>30,000</td> <td>15</td> </tr> <tr> <td>Total Revenue</td> <td>1,10,000</td> <td>110</td> <td>2,30,000</td> <td>115</td> </tr> <tr> <td>Less : Expenses</td> <td>70,000</td> <td>70</td> <td>1,20,000</td> <td>60</td> </tr> <tr> <td>Profit before Tax</td> <td>40,000</td> <td>40</td> <td>1,10,000</td> <td>55</td> </tr> </tbody> </table>	Particulars	Maria Ltd		Kala Ltd		Amount	Percentage of revenue from operation	Amount	Percentage of revenue from operation	Rs.		Rs.		Revenue form operation	1,00,000	100	2,00,000	100	Add : Other income	10,000	10	30,000	15	Total Revenue	1,10,000	110	2,30,000	115	Less : Expenses	70,000	70	1,20,000	60	Profit before Tax	40,000	40	1,10,000	55	3
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39	Voucher is a document which contains details of transactions. Transactions are to be recorded through voucher entries. Tally has a set of predefined vouchers such a Purchase, Sales, Payment, Receipt and Contra.	3																																						
40	<p>Dr Income and Expenditure Account Cr</p> <table border="1"> <thead> <tr> <th>Expenditure</th> <th>Rs.</th> <th>Rs.</th> <th>Income</th> <th>Rs.</th> </tr> </thead> <tbody> <tr> <td>To Sports materials consumed :</td> <td></td> <td></td> <td>By Sale of Old Sports materials</td> <td>1,000</td> </tr> <tr> <td>Opening Stock</td> <td>32,000</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Add : Purchased</td> <td>1,68,000</td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td>2,00,000</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Less : Closing Stock</td> <td>20,000</td> <td>1,80,000</td> <td></td> <td></td> </tr> </tbody> </table> <p>Balance Sheet</p> <table border="1"> <thead> <tr> <th>Liabilities</th> <th>Rs.</th> <th>Assets</th> <th>Rs.</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td>Stock of sports materials</td> <td>20,000</td> </tr> </tbody> </table>	Expenditure	Rs.	Rs.	Income	Rs.	To Sports materials consumed :			By Sale of Old Sports materials	1,000	Opening Stock	32,000				Add : Purchased	1,68,000					2,00,000				Less : Closing Stock	20,000	1,80,000			Liabilities	Rs.	Assets	Rs.			Stock of sports materials	20,000	3
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**PART - IV**

**Answer all the Questions:**

**7×5=35**

Q.No	CONTENT	MAR KS																																										
41 a)	<p align="center"><b>Bills Payable Account</b></p> <table border="1"> <thead> <tr> <th align="center">Particulars</th> <th align="center">Rs.</th> <th align="center">Particulars</th> <th align="center">Rs.</th> </tr> </thead> <tbody> <tr> <td>To Cash A/c</td> <td align="right">1,00,000</td> <td>By Balance b/d</td> <td align="right">60,000</td> </tr> <tr> <td>To Balance c/d</td> <td align="right">80,000</td> <td>By sundry creditors A/c</td> <td align="right">1,20,000</td> </tr> <tr> <td></td> <td align="right">1,80,000</td> <td></td> <td align="right">1,80,000</td> </tr> </tbody> </table> <p align="center"><b>Total creditors account</b></p> <table border="1"> <thead> <tr> <th align="center">Particulars</th> <th align="center">Rs.</th> <th align="center">Particulars</th> <th align="center">Rs.</th> </tr> </thead> <tbody> <tr> <td>To Cash A/c</td> <td align="right">3,70,000</td> <td>By Balance b/d</td> <td align="right">75,000</td> </tr> <tr> <td>To Purchase return A/c</td> <td align="right">15,000</td> <td>By purchase A/c (Credit)</td> <td align="right">4,80,000</td> </tr> <tr> <td>To Bills payable A/c</td> <td align="right">1,20,000</td> <td></td> <td></td> </tr> <tr> <td>To Balance c/d</td> <td align="right">50,000</td> <td></td> <td></td> </tr> <tr> <td></td> <td align="right">5,55,000</td> <td></td> <td align="right">5,55,000</td> </tr> </tbody> </table> <p align="center">Total Purchase = 3,20,000+4,80,000= Rs.8,00,000 (Or)</p>	Particulars	Rs.	Particulars	Rs.	To Cash A/c	1,00,000	By Balance b/d	60,000	To Balance c/d	80,000	By sundry creditors A/c	1,20,000		1,80,000		1,80,000	Particulars	Rs.	Particulars	Rs.	To Cash A/c	3,70,000	By Balance b/d	75,000	To Purchase return A/c	15,000	By purchase A/c (Credit)	4,80,000	To Bills payable A/c	1,20,000			To Balance c/d	50,000				5,55,000		5,55,000	2  2  1		
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41 b)	<p>Debt equity ratio = <math>\frac{\text{Long term debt}}{\text{Shareholder's Funds}}</math></p> <p align="center">4,00,000</p> <p>Debt equity ratio = <math>\frac{4,00,000}{5,00,000} = 0.8 : 1</math></p> <p>(ii) Proprietary ratio = <math>\frac{\text{Shareholder's Funds}}{\text{Total assets}}</math></p> <p align="center">= <math>\frac{5,00,000}{10,00,000} = 0.5:1</math></p> <p>(iii) Capital gearing ratio = <math>\frac{\text{Funds bearing fixed interest and dividend}}{\text{Equity Shareholders' funds}}</math></p> <p align="center">= <math>\frac{6,00,000}{3,00,000} = 2:1</math></p>	2  1  2																																										
42 a)	<p align="center"><b>Receipts and Payments Account</b></p> <table border="1"> <thead> <tr> <th align="center">Dr</th> <th align="center">Receipts</th> <th align="center">Rs</th> <th align="center">Cr</th> <th align="center">Payments</th> <th align="center">Rs</th> </tr> </thead> <tbody> <tr> <td></td> <td>To Balance b/d Cash in hand</td> <td align="right">18,000</td> <td></td> <td>By Rent paid</td> <td align="right">6,000</td> </tr> <tr> <td></td> <td>To Entrance fees</td> <td align="right">18,500</td> <td></td> <td>By Scholarship given</td> <td align="right">15,200</td> </tr> <tr> <td></td> <td>To subscription received</td> <td align="right">2,65,000</td> <td></td> <td>By Building purchased</td> <td align="right">2,10,000</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>By Staff salary</td> <td align="right">55,000</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>By Balance c/d cash in hand</td> <td align="right">15,300</td> </tr> <tr> <td></td> <td></td> <td align="right"><b>3,01,500</b></td> <td></td> <td></td> <td align="right"><b>3,01,500</b></td> </tr> </tbody> </table> <p align="center">(or)</p>	Dr	Receipts	Rs	Cr	Payments	Rs		To Balance b/d Cash in hand	18,000		By Rent paid	6,000		To Entrance fees	18,500		By Scholarship given	15,200		To subscription received	2,65,000		By Building purchased	2,10,000					By Staff salary	55,000					By Balance c/d cash in hand	15,300			<b>3,01,500</b>			<b>3,01,500</b>	5
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				By Balance c/d cash in hand	15,300																																							
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42 b)	<p align="center"><b>Journal Entry</b></p> <table border="1"> <thead> <tr> <th align="center">Date</th> <th align="center">Particulars</th> <th align="center">Debit Rs.</th> <th align="center">Credit Rs.</th> </tr> </thead> <tbody> <tr> <td></td> <td>Profit and Loss appropriation A/c</td> <td align="right">12,000</td> <td></td> </tr> <tr> <td></td> <td>General reserve A/c</td> <td align="right">24,000</td> <td></td> </tr> <tr> <td></td> <td>Workmen compensation fund A/c</td> <td align="right">18,000</td> <td></td> </tr> <tr> <td></td> <td>To Akash Capital A/c</td> <td></td> <td align="right">27,000</td> </tr> <tr> <td></td> <td>To Mugesh Capital A/c</td> <td></td> <td align="right">18,000</td> </tr> <tr> <td></td> <td>To Sanjay Capital A/c</td> <td></td> <td align="right">9,000</td> </tr> </tbody> </table> <p><b>Note :- 1. If they are writing separate entry give full marks. 2. Capital Account is not needed. Full marks can be awarded for journal entries only.</b></p>	Date	Particulars	Debit Rs.	Credit Rs.		Profit and Loss appropriation A/c	12,000			General reserve A/c	24,000			Workmen compensation fund A/c	18,000			To Akash Capital A/c		27,000		To Mugesh Capital A/c		18,000		To Sanjay Capital A/c		9,000	5														
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43 a)	Normal Profit = 2,00,000 × 15/100 =30,000 Super Profit = 42,000 - 30,000 =12,000 Goodwill = Super profit × Number of years of purchase Goodwill = 12,000 × 3 = Rs.36,000 <b>(Or)</b>	1 2 2																																																																																										
43 b)	<p style="text-align: center;">In the books of Joy Company Journal Entry</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: 10%;"></th> <th style="width: 10%;">Debit Rs.</th> <th style="width: 10%;">Credit Rs.</th> </tr> </thead> <tbody> <tr> <td></td> <td>Bank A/c</td> <td style="text-align: right;">Dr</td> <td style="text-align: right;">45,000</td> <td></td> </tr> <tr> <td></td> <td style="padding-left: 20px;">To Equity share application A/c</td> <td></td> <td></td> <td style="text-align: right;">45,000</td> </tr> <tr> <td></td> <td>Equity share application A/c</td> <td style="text-align: right;">Dr</td> <td style="text-align: right;">45,000</td> <td></td> </tr> <tr> <td></td> <td style="padding-left: 20px;">To Equity share capital A/c</td> <td></td> <td></td> <td style="text-align: right;">45,000</td> </tr> <tr> <td></td> <td>Equity share allotment A/c</td> <td style="text-align: right;">Dr</td> <td style="text-align: right;">27,000</td> <td></td> </tr> <tr> <td></td> <td style="padding-left: 20px;">To Equity share capital A/c</td> <td></td> <td></td> <td style="text-align: right;">27,000</td> </tr> <tr> <td></td> <td>Bank A/c</td> <td style="text-align: right;">Dr</td> <td style="text-align: right;">27,000</td> <td></td> </tr> <tr> <td></td> <td style="padding-left: 20px;">To Equity share allotment A/c</td> <td></td> <td></td> <td style="text-align: right;">27,000</td> </tr> <tr> <td></td> <td>Equity share first and final call A/c</td> <td style="text-align: right;">Dr</td> <td style="text-align: right;">18,000</td> <td></td> </tr> <tr> <td></td> <td style="padding-left: 20px;">To Equity share capital A/c</td> <td></td> <td></td> <td style="text-align: right;">18,000</td> </tr> <tr> <td></td> <td>Bank A/c</td> <td style="text-align: right;">Dr</td> <td style="text-align: right;">18,000</td> <td></td> </tr> <tr> <td></td> <td style="padding-left: 20px;">To Equity share first and final call A/c</td> <td></td> <td></td> <td style="text-align: right;">18,000</td> </tr> </tbody> </table> <p style="text-align: center;">( If Journal entry alone is correct , 2 Marks can be awarded )</p>	Date	Particulars		Debit Rs.	Credit Rs.		Bank A/c	Dr	45,000			To Equity share application A/c			45,000		Equity share application A/c	Dr	45,000			To Equity share capital A/c			45,000		Equity share allotment A/c	Dr	27,000			To Equity share capital A/c			27,000		Bank A/c	Dr	27,000			To Equity share allotment A/c			27,000		Equity share first and final call A/c	Dr	18,000			To Equity share capital A/c			18,000		Bank A/c	Dr	18,000			To Equity share first and final call A/c			18,000	5																									
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44 a)	<p style="text-align: center;">Comparative balance sheet of Malar Ltd</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 40%;">Particulars</th> <th style="width: 10%;">2015-16</th> <th style="width: 10%;">2016-17</th> <th style="width: 10%;">Amount (+) or (-)</th> <th style="width: 10%;">percentage (+) or (-)</th> </tr> </thead> <tbody> <tr> <td>I) Equity and Liabilities</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>1. Shareholder's Fund</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>a) Share capital</td> <td style="text-align: right;">2,00,000</td> <td style="text-align: right;">2,50,000</td> <td style="text-align: right;">+ 50,000</td> <td style="text-align: right;">+ 25</td> </tr> <tr> <td>b) Reserves and surplus</td> <td style="text-align: right;">50,000</td> <td style="text-align: right;">50,000</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> </tr> <tr> <td>2. Non-current liabilities</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Long-term borrowings</td> <td style="text-align: right;">30,000</td> <td style="text-align: right;">60,000</td> <td style="text-align: right;">+ 30,000</td> <td style="text-align: right;">+ 100</td> </tr> <tr> <td>3. Current liabilities</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Trade payables</td> <td style="text-align: right;">20,000</td> <td style="text-align: right;">60,000</td> <td style="text-align: right;">+ 40,000</td> <td style="text-align: right;">+ 200</td> </tr> <tr> <td style="text-align: right;"><b>Total</b></td> <td style="text-align: right;"><b>3,00,000</b></td> <td style="text-align: right;"><b>4,20,000</b></td> <td style="text-align: right;"><b>+ 1,20,000</b></td> <td style="text-align: right;"><b>+ 40</b></td> </tr> <tr> <td>II) Assets</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>1. Non-current assets</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>(a) Fixed assets</td> <td style="text-align: right;">1,00,000</td> <td style="text-align: right;">1,50,000</td> <td style="text-align: right;">+ 50,000</td> <td style="text-align: right;">+ 50</td> </tr> <tr> <td>(b) Non-current investments</td> <td style="text-align: right;">50,000</td> <td style="text-align: right;">75,000</td> <td style="text-align: right;">+ 25,000</td> <td style="text-align: right;">+ 50</td> </tr> <tr> <td>2. Current assets</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Inventories</td> <td style="text-align: right;">75,000</td> <td style="text-align: right;">1,50,000</td> <td style="text-align: right;">+ 75,000</td> <td style="text-align: right;">+ 100</td> </tr> <tr> <td>Cash and cash equivalents</td> <td style="text-align: right;">75,000</td> <td style="text-align: right;">45,000</td> <td style="text-align: right;">- 30,000</td> <td style="text-align: right;">- 40</td> </tr> <tr> <td style="text-align: right;"><b>Total</b></td> <td style="text-align: right;"><b>3,00,000</b></td> <td style="text-align: right;"><b>4,20,000</b></td> <td style="text-align: right;"><b>+ 1,20,000</b></td> <td style="text-align: right;"><b>+ 40</b></td> </tr> </tbody> </table> <p style="text-align: center;"><b>(Or)</b></p>	Particulars	2015-16	2016-17	Amount (+) or (-)	percentage (+) or (-)	I) Equity and Liabilities					1. Shareholder's Fund					a) Share capital	2,00,000	2,50,000	+ 50,000	+ 25	b) Reserves and surplus	50,000	50,000	-	-	2. Non-current liabilities					Long-term borrowings	30,000	60,000	+ 30,000	+ 100	3. Current liabilities					Trade payables	20,000	60,000	+ 40,000	+ 200	<b>Total</b>	<b>3,00,000</b>	<b>4,20,000</b>	<b>+ 1,20,000</b>	<b>+ 40</b>	II) Assets					1. Non-current assets					(a) Fixed assets	1,00,000	1,50,000	+ 50,000	+ 50	(b) Non-current investments	50,000	75,000	+ 25,000	+ 50	2. Current assets					Inventories	75,000	1,50,000	+ 75,000	+ 100	Cash and cash equivalents	75,000	45,000	- 30,000	- 40	<b>Total</b>	<b>3,00,000</b>	<b>4,20,000</b>	<b>+ 1,20,000</b>	<b>+ 40</b>	5
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44 b)	<p style="text-align: center;">In the books of Ooty Recreation Club Income and Expenditure Account</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">Expenditure</th> <th style="width: 10%;">Rs.</th> <th style="width: 30%;">Income</th> <th style="width: 10%;">Rs.</th> </tr> </thead> <tbody> <tr> <td>To Sports materials purchased</td> <td style="text-align: right;">10,000</td> <td>By Rent received</td> <td style="text-align: right;">10,000</td> </tr> <tr> <td>To Stationary paid</td> <td style="text-align: right;">7,000</td> <td>By Subscription received</td> <td style="text-align: right;">54,000</td> </tr> <tr> <td>To Salaries</td> <td style="text-align: right;">20,000</td> <td></td> <td></td> </tr> <tr> <td>To Surplus</td> <td style="text-align: right;">27,000</td> <td></td> <td></td> </tr> <tr> <td></td> <td style="text-align: right;"><b>64,000</b></td> <td></td> <td style="text-align: right;"><b>64,000</b></td> </tr> </tbody> </table>	Expenditure	Rs.	Income	Rs.	To Sports materials purchased	10,000	By Rent received	10,000	To Stationary paid	7,000	By Subscription received	54,000	To Salaries	20,000			To Surplus	27,000				<b>64,000</b>		<b>64,000</b>	5																																																																		
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45 a)	Journal Entry				1  1  1	
	<b>Date</b>	<b>Particulars</b>	<b>Rs.</b>	<b>Rs.</b>		
		Stock A/c Investment To Revaluation A/c	Dr Dr 	5,000 7,000 		12,000
		Revaluation A/c To Office equipment A/c To outstanding wages A/c	Dr 	19,500 		10,000 9,500
		Sriram's capital Raj's capital To Revaluation A/c	Dr Dr 	5,000 2,500 		7,500
	Revaluation Account					
		Particulars	Rs	Particulars		Rs
		To Office equipments A/c	10,000	By Stock A/c		5,000
		To Outstanding wages A/c	9,500	By Investment A/c		7,000
				By Loss on revaluation		
			Sriram's capital A/c	5,000		
			Raj's capital A/c	2,500		
		<b>19,500</b>		<b>19,500</b>		
(or)						
45 b)	Bills receivable account				2  2	
		Particulars	Rs.	Particulars		Rs.
		To balance b/d	60,000	By cash A/c		1,60,000
		To debtors A/c	2,05,000	By debtors A/c		15,000
				By balance c/d		90,000
			<b>2,65,000</b>			<b>2,65,000</b>
	Total debtors account					
		Particulars	Rs.	Particulars		Rs.
		To balance b/d	2,50,000	By Cash A/c		7,25,000
		To bills receivable A/c	15,000	By Return inward A/c		50,000
			By Bills receivable A/c	2,05,000		
	To Credit sales A/c	9,85,000	By Bad debts A/c	30,000		
			By Balance c/d	2,40,000		
		<b>12,50,000</b>		<b>12,50,000</b>		
Total Sales = 3,15,000+9,85,000= Rs.13,00,000						
46 a)	i). Calculating gaining ratio: Share gained = New share - Old share				2  1  2	
	Mala = $3/5 - 2/5 = 1/5$ Neela = $2/5 - 1/5 = 1/5$ The gaining ratio of Mala and Neela = 1 : 1					
	ii). Calculating new profit sharing ratio and gaining ratio: New share of continuing partner = Old share + Share gained					
	Share gained by Sunil = $4/10$ Gaining ratio = $4/10 : 0$ That is 4 : 0					
	Sunil = $3/10 + 4/10 = 7/10$ Sumathi = $3/10 + 0 = 3/10$					
	New profit sharing ratio of Sunil and Sumathi = $\frac{7}{10} : \frac{3}{10}$ That is 7 : 3					
<b>Note</b> : Marks can be awarded to alternative method (Or)						

46 b)	Common-size balance sheet of Yasmin Ltd and Sakthi Ltd					5
	Particulars	Yasmin Ltd		Sakthi Ltd		
		Amount Rs.	Percentage of total assets	Amount Rs.	Percentage of total assets	
I) Equity and Liabilities						
1. Shareholder's Fund						
a) Share capital	2,00,000	40	3,00,000	50		
b) Reserves and surplus	50,000	10	60,000	10		
2. Non-current liabilities						
Long-term borrowings	1,50,000	30	1,80,000	30		
3. Current liabilities						
Trade payables	1,00,000	20	60,000	10		
<b>Total</b>	<b>5,00,000</b>	<b>100</b>	<b>6,00,000</b>	<b>100</b>		
II) Assets						
1. Non-current assets						
(a) Fixed assets	2,00,000	40	3,00,000	50		
(b) Non-current investments	50,000	10	1,20,000	20		
2. Current assets						
Inventories	2,00,000	40	90,000	15		
Cash and cash equivalents	50,000	10	90,000	15		
<b>Total</b>	<b>5,00,000</b>	<b>100</b>	<b>6,00,000</b>	<b>100</b>		
47 a)	i) Gross profit ratio = $\frac{\text{Gross profit}}{\text{Revenue from operation}} \times 100$ Gross profit = 2,50,000 - 1,00,000 = 1,50,000 Gross profit ratio = $\frac{1,50,000}{2,50,000} \times 100 = 60\%$					3
	ii) Net profit ratio = $\frac{\text{Net profit after tax}}{\text{Revenue from operation}} \times 100$ Net profit ratio = $\frac{75,000}{2,50,000} \times 100 = 30\%$ (Or)					2
47 b)	1. Maintaining accounting record 2. Inventory management 3. Pay roll preparation 4. Report generation 5. Data import / export 6. Taxation (Explain Any Five)					5