

CBSE

Model Answer Sheet 2014

केन्द्रीय माध्यमिक शिक्षा बोर्ड, दिल्ली
सैनियर स्कूल सर्टिफिकेट परीक्षा (कक्षा बारहवीं)
परीक्षार्थी प्रवेश-पत्र के अनुसार भरे

विषय Subject : Accountancy

परीक्षा का दिन एवं तिथि
Day & Date of the Examination : 01.04.2014 (Tuesday)

उत्तर देने का माध्यम
Medium of answering the paper : English

प्रश्न पत्र के ऊपर लिखे कोड को दर्शाए
Write Code No. as written on the top of the Question paper : 67/2

अतिरिक्त उत्तर-पुस्तिका (ओं) की संख्या
No. of supplementary answer-book(s) used :

किसी शारीरिक अक्षमता से प्रभावित हो तो संबंधित वर्ग में ✓ का निशान लगाएँ।
If physically challenged, tick the category

☐ B ☐ D ☐ H ☐ S ☐ C

B = दृष्टिहीन, D = गूँघ एवं बधिर, H = शारीरिक रूप से विकलांग, S = स्पास्टिक, C = डिस्लेक्सिक
B= Blind, D=Deaf & Dumb, H=Physically Handicapped, S=Spastic, C=Dyslexic

क्या लेखन - लिपिक उपलब्ध करवाया गया : हाँ / नहीं
Whether writer provided : Yes / No No

एक खाने में एक अक्षर लिखें। नाम के प्रत्येक भाग के बीच एक खाना रिक्त छोड़ दें। यदि परीक्षार्थी का नाम 24 अक्षरों से अधिक है, तो केवल नाम के प्रथम 24 अक्षर ही लिखें।
Each letter be written in one box and one box be left blank between each part of the name. In case Candidate's Name exceeds 24 letters, write first 24 letters.

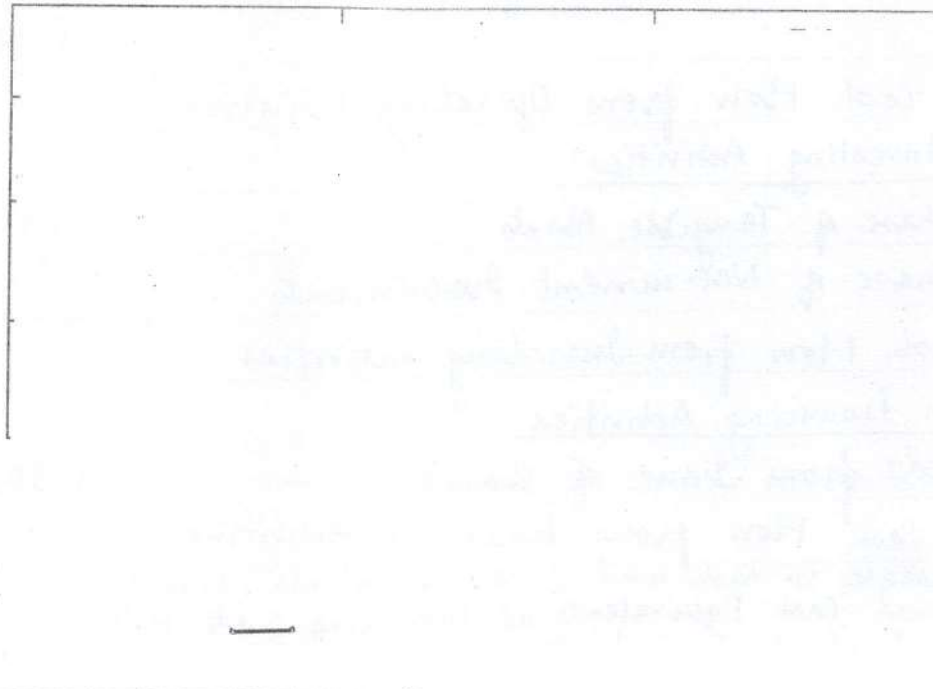
कार्यालय उपयोग के लिए
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सीनियर स्कूल सर्टिफिकेट परीक्षा (कक्षा बारहवीं)
SENIOR SCHOOL CERTIFICATE EXAMINATION (CLASS XII) केन्द्रीय माध्यमिक शिक्षा बोर्ड, दिल्ली
CENTRAL BOARD OF SECONDARY EDUCATION, DELHI



प्रमाणित किया जाता है कि मैंने/हमने इस उत्तर-पुस्तिका का मूल्यांकन प्रश्न पत्र के समुचित सेट के अनुसार और पूर्ण रूप से मूल्यांकन पद्धति के अनुसार किया है।

Certified that I/we have evaluated this answer book according to the correct set of question paper and strictly as per the marking scheme.



CASH FLOW STATEMENT

for the year ended 31st March, 2013

PARTICULARS	DETAILS (₹)	AMOUNT (₹)
I Cash from Operating Activities:		
Profit before Tax (90,000 - 75,000)	15,000	
Operating Profit before Working Capital Changes	15,000	
Add: Decrease in Inventories	1,500	
Decrease in Trade Receivables	13,500	
	30,000	
Less: Decrease in Trade Payables	(66,000)	
	(36,000)	
(A) Net Cash Flow from Operating Activities		(36,000)
II Cash from Investing Activities:		
Purchase of Tangible Assets	(47,500)	
Purchase of Non-current Investments	(3,000)	
(B) Net Cash Flow from Investing Activities		(50,500)
III Cash from Financing Activities:		
Proceeds from Issue of Shares	50,000	
Net Cash Flow from Financing Activities		50,000
Net Decrease in Cash and Cash Equivalents (A+B+C)		(36,500)
Add: Cash and Cash Equivalents at beginning (1.4.2012)		117,500
Cash and Cash Equivalents at the end (31.3.2013)		81,000

WORKING NOTES :

1)

Cash and Cash Equivalents at the beginning

Balance in Cash and Cash Equivalents + Balance of Marketable Securities

$$\rightarrow \text{₹ } 84,000 + \text{₹ } 33,500$$

$$= \text{₹ } 117,500$$

2)

Cash and cash equivalents at the end

$$\rightarrow \text{₹ } 68,500 + \text{₹ } 12,500$$

$$= \text{₹ } 81,000$$

Q24. (a) (1) Rent paid in advance will decrease the quick ratio as it leads to reduction in cash and increase in prepaid expenses. Prepaid expenses are not part of liquid assets and reduction in cash ^{£ 3,000} will lead to decrease in Quick Ratio.

(2) Receipt of ~~not~~ cash from debtor will lead to no change in quick ratio as debtors decrease by the same amount as increase in cash (£ 9,700).

$$(b) \text{ Proprietary Ratio} = \frac{\text{Proprietors' Funds}}{\text{Total Assets}}$$

$$\text{Total Assets} = 360,000 + 90,000 = \text{£ } 4,50,000$$

$$\begin{aligned} \text{Proprietors' Funds} &= \text{Total Assets} - (\text{Long-Term Borrowings} + \text{Long-term provisions} + \text{current liabilities}) \\ &= \text{£ } 4,50,000 - (3,50,000) = \text{£ } 1,00,000 \end{aligned}$$

$$\text{Proprietary Ratio (in ratio form)} = \frac{1,00,000}{4,50,000} = 0.22 : 1$$

$$\text{Proprietary Ratio (in percentage)} = 22.22\%$$

Q23.

COMPARATIVE INCOME STATEMENT

in the books of LOREX LTD.

for the years ending 31st March, 2012 and 31st March, 2013

PARTICULARS	31-03-2012 (₹)	31-03-2013 (₹)	Absolute change (₹)	Percentage change (%)
			(Increase/Decrease)	(Increase/Decrease)
I. Revenue from Operations	11,00,000	14,00,000	3,00,000	27.27
II. Other Incomes	1,40,000	2,00,000	60,000	42.85
III. Total Revenue	12,40,000	16,00,000	3,60,000	29.03
IV. Expenses	9,00,000	8,00,000	(1,00,000)	(11.11)
V. Profit before Tax (III-IV)	3,40,000	8,00,000	4,60,000	135.29
Less: Tax @ 40%	1,36,000	3,20,000	1,84,000	135.29
VI. Profit after Tax	2,04,000	4,80,000	2,76,000	135.29

Q22.	ITEMS	MAIN HEADING	SUB-HEADING
i)	Capital Reserve	Shareholders' Funds	Reserves & Surplus
ii)	Bonds	Non-Current Liabilities	Long-Term Borrowings
iii)	loans repayable on demand	Current Liabilities	Short-Term Borrowings
iv)	Vehicles	Non-Current Assets	Fixed Assets (Tangible Assets)
v)	Goodwill	Non-Current Assets	Fixed Assets (Intangible Assets)
vi)	Loose Tools	Current Assets	Inventories

Q21.

Financial Statement Analysis refers to the analysis of ^{the items in} the financial statements of an enterprise i.e. Balance sheet and Statement of Profit & Loss with a view to analyse the strengths and weaknesses of the enterprise.

One of the objectives of financial statement analysis is
 • To Assessment of short-term and long-term position of the enterprise :-

It helps in finding the short-term and long-term solvency of the business with ratio analysis

- Provide a basis for forecasting
- Pinpoint the strengths and weaknesses.

Q20.

Specific Disclosure of cash flow from financing activities is important as financing activities are the activities of an enterprise which lead to change in size and composition of owners' capital. These activities are separate from operating and investing activities and hence, the cash flow from these activities needs to be specifically disclosed according to AS-3 (Revised).

Q19: 'Cash Flow' refers to the movement of Cash and Cash equivalents. Inflows and Outflows of cash and cash equivalents lead to 'cash flow'.

Q18

II

JOURNAL of JY Ltd.

S.No.	PARTICULARS	Lf	Debit Amt (₹)	Credit Amt (₹)
i)	Bank A/c Dr. To Share Application and Allotment A/c (Being application money received on 2,00,000 shares @ ₹ 4 per share)		8,00,000	8,00,000
ii)	Share Application and Allotment A/c Dr. Discount on Issue of Shares A/c Dr. To Share Capital A/c To Share First and Final Call A/c To Bank A/c (Being money received on application adjusted towards share capital on pro-rata basis and excess amount refunded)		8,00,000 70,000	3,50,000 2,80,000 2,40,000
iii)	Share First and Final Call A/c Dr. To Share Capital A/c (Being final call amount due on 70,000 shares @ ₹ 5 per share)		3,50,000	3,50,000

S.No.	PARTICULARS	Debit Amt (₹)	Credit Amt (₹)
iv)	Bank A/c (3,50,000 - 2,80,000 - 700) Dr. To Share First and Final Call A/c (Being money received except on 700 shares)	69,300	69,300
v)	Share Capital A/c (700 x 10) Dr. To Discount on Issue of Shares A/c To Share First and Final Call A/c To Forfeited Shares A/c (Being 700 shares held by Naresh forfeited on non-payment of final call money)	7,000	700 700 5,600
vi)	Bank A/c Dr. Discount on Issue of Shares A/c Dr. Forfeited Shares A/c Dr. To Share Capital A/c (Being reissue of forfeited shares at maximum permissible discount)	700 700 5,600	7,000

WORKING NOTES:

	Applied	Allotted
i)	60,000	NIL
ii)	1,40,000	70,000
	<u>2,00,000</u>	<u>70,000</u>

Application & Allotment - 4+1 disc.
First and Final Call - 5

Naresh - applied - 1400 shares
allotted - 700 shares
unpaid amount - ₹ 700

Amount recd. on application = 200000×4

Required amount = $70,000 \times 4$

Excess amount ₹ 5,20,000

less: refund ₹ 2,40,000

Surplus amount adjusted towards call - ₹ 2,80,000

Call money due - $70000 \times 5 = 3,50,000$

less: excess on application 2,80,000

amount unpaid. 70,000

NOTE: It is assumed that discount is allowed at the time of application and allotment.

Q17.

WORKING NOTES:I

i)	General Reserve	Dr.	1,00,000	
	To Shikhar's Capital A/c			70,000
	To Rohit's Capital A/c			30,000
	(Being general reserve distributed in old ratio)			

ii)	Workmen's Compensation Fund	Dr.	1,00,000	
	To Claim on Workmen's Compensation A/c			50,000
	To Shikhar's Capital A/c			35,000
	To Rohit's Capital A/c			15,000
	(Being workmen's compensation fund distributed in old ratio after adjustment of claim)			

iii)	Cash A/c	Dr.	4,55,000	
	To Kari's Capital A/c			4,30,000
	To Premium for Goodwill A/c			25,000
	(Being capital and goodwill premium brought in by Kari)			

iv)	Premium for Goodwill A/c	Dr.	25,000	
	To Shikhar's Capital A/c			17,500
	To Rohit's Capital A/c			7,500
	(Being goodwill premium distributed in sacrificing ratio)			

Capital brought in for $\frac{1}{4}$ share = ₹ 4,30,000

Total capital of firm = $4,30,000 \times 4 = ₹ 17,20,000$

New Ratio

$$\text{Shikhar} - \frac{3 \times 7}{4 \times 10} = \frac{21}{40}$$

$$\text{Rohit} - \frac{3 \times 3}{4 \times 10} = \frac{9}{40}$$

$$\text{Kani} - \frac{10}{40}$$

New Ratio: 21:9:10

Cash Balance:

1,50,000

+ 4,55,000

- 60,000

5,45,000

$$\text{Shikhar's share} - \frac{21 \times 17,20,000}{40} = ₹ 9,03,000$$

$$\text{Rohit's share} - \frac{9 \times 17,20,000}{40} = ₹ 3,87,000$$

Ans:

Dr

REVALUATION A/c

Cr.

PARTICULARS	AMOUNT	PARTICULARS	AMOUNT
To Machinery A/c	45,000	By Land and Building A/c	70,000
To Profit on Revaluation transferred to Capital A/cs:			
Shikhar	17,500		
Rohit	7,500		
	25,000		
	70,000		70,000

Dr.

CAPITAL A/c

Cr

PARTICULARS	SHIKHA	ROHIT	KAVI	PARTICULARS	SHIKHA	ROHIT	KAVI
To Bank Cash A/c	37,000	23,000		By Balance b/d	8,00,000	3,50,000	
To Balance c/d	9,03,000	3,87,000	4,30,000	By General Reserve	70,000	30,000	
				By Workmen's Compensation fund	35,000	15,000	
				By cash A/c			4,30,000
				By Premium for Goodwill A/c	17,500	7,500	
				By Revaluation A/c (profit)	17,500	7,500	
	9,40,000	4,10,000	4,30,000		9,40,000	4,10,000	4,30,000

Cr.

BALANCE SHEET of New firm as at 1st April, 2013

Dr

LIABILITIES	AMOUNT (₹)	ASSETS	AMOUNT (₹)
Capital A/cs:		Land and Building	3,50,000
Shikhar	9,03,000	Add: Appreciation	+ 70,000
Rohit	3,87,000	Machinery	4,50,000
Kavi	4,30,000	less: Depreciation	- 45,000
Claim on account of Workmen's compensation	50,000	Debtors	2,20,000
Creditors	1,50,000	less: Provision	- 20,000
	19,20,000	Stock	3,50,000
		Cash (see W.N.)	5,45,000
			19,00,000

Q16.

Dr.

REALISATION A/c

Cr.

PARTICULARS	AMOUNT (£)	PARTICULARS	AMOUNT (£)
To Sundry Assets: (transfer)		By Creditors	1,50,000
Debtors 3,40,000		By Bank A/c (assets realised):	
Stock 1,50,000		Debtors 3,23,000	
Furniture 4,60,000		Stock 65,000	
Machinery 8,20,000	17,70,000	Machinery 74,000	4,62,000
To Bank A/c (creditors paid)	1,50,000	By Jubed's Capital A/c (Furniture)	1,35,000
To Hanif's Capital A/c (expenses)	8,000	By Hanif's Capital A/c (stock)	67,500
		By loss on Realisation	
		transferred to Capital A/cs:	
		Hanif 742333	
		Jubed 371167	11,13,500
	19,28,000		19,28,000

Q15.

WORKING NOTES:Interest on Drawings:

$$\text{Anju} - 30,000 \times \frac{6}{100} \times \frac{8}{12}$$

$$= ₹ 1,200$$

$$\text{Manju} - 25,000 \times \frac{6}{100} \times \frac{6}{12}$$

$$= ₹ 750$$

$$\text{Ruchi} - 1,50,000 \times \frac{6}{100} \times \frac{4}{12}$$

$$= ₹ 3,000$$

Ans:

ADJUSTMENT TABLE:

PARTICULARS	ANJU	MANJU	RUCHI	TOTAL
Items to be debited:				
Interest on Drawings	1,200	750	3,000	4,950
Items to be credited:				
Excess profits in profit-sharing ratio	2,475	1,485	990	4,950
Net effect	1,275 (Cr)	735 (Cr)	2,010 (Dr)	

Adjustment Entry:

Ruchi's Capital A/c Dr. 2,010
 To Anju's Capital A/c 1,275
 To Manju's Capital A/c 735
 (Being interest on drawings omitted to be charged, now rectified)

Two values which the partners have communicated to society are:

- i) Value of welfare of society and improving the standard of living of those people who have been affected in disaster
- ii) Empathy and compassion for less fortunate people.
- iii) Help and charity given to needy people
- iv) Providing basic amenities like medicines, items of daily use to the people affected by natural disasters.

Q14.

a)

EXTRACT from BALANCE SHEET
of BLUE HEAVEN LTD. as at 31st March, 2013

PARTICULARS	NOTE NO.	AMOUNT (₹)
1. EQUITY AND LIABILITIES		
a) Shareholders' Funds		
i) Share Capital	1	13,54,000

b) NOTES TO ACCOUNTS:

PARTICULARS	£
1. Share Capital	
<u>Authorised share capital</u>	
2,00,000 equity shares of £10 each	<u>20,00,000</u>
<u>Issued share capital</u>	
1,80,000 equity shares of £10 each	<u>18,00,000</u>
<u>Subscribed share capital</u>	
Subscribed but not fully paid-up:	
1,80,000 equity shares of £10 each, 8 called-up	13,52,000
Less: Calls-in-Arrears	- 4,000
	<u>13,48,000</u>
Add: Forfeited Shares. (1000 x 6)	<u>6,000</u>
	<u>13,54,000</u>

Q13. Dr.

SONIKA'S CAPITAL A/c as on 30th June, 2013

Cr.

PARTICULARS	AMOUNT	PARTICULARS	AMOUNT
To Sonika's Executors A/c	4,74,500	By Balance b/d	1,50,000
		By Monika's Capital A/c (1)	1,60,000
		By Mansha's Capital A/c (1)	80,000
		By Interest on Capital (2)	4,500
		By Profit & Loss Suspense A/c (3)	20,000
		By Reserve Fund (4)	60,000
	4,74,500		4,74,500

WORKING NOTES:

1) Goodwill = $200000 \times 3 = 600000$

Sonika's share = $6,00,000 \times \frac{2}{5} = 2,40,000$

Gaining ratio - 2:1

2) JOC = $1,50,000 \times \frac{12 \times 3}{100 \times 12} = ₹ 4500$

3) Profits = $200000 \times \frac{2 \times 3}{5 \times 12} = 20,000$

4) Share in R.F.

= $150000 \times \frac{2}{5} = 60,000$

Q12. (a) Values which the firm wants to communicate are in the followings:

- i) Providing employment opportunities to differently-abled people
- ii) ~~Preser~~ Conservation of environment by manufacturing jute bags instead of plastic bags.

(b) WORKING NOTES:

Interest on Capital:

i) Singh $1,00,000 \times \frac{6}{100} = 6,000$

$$+ 25000 \times \frac{6}{100} \times \frac{6}{12} = 750 \quad = ₹ 6,750$$

ii) Gupta

$$50,000 \times \frac{6}{100} = 3,000$$

$$+ 10,000 \times \frac{6}{100} \times \frac{3}{12} = 150 \quad = ₹ 3,150$$

PROFIT & LOSS APPROPRIATION A/c
for the year ended 31st March, 2013

Dr		Cr	
PARTICULARS	AMOUNT (₹)	PARTICULARS	AMOUNT (₹)
To Interest on Capital:		By Net Profit transferred from P & L A/c	1,68,900
Singh	6,750		
Gupta	3,150		
	9,900		
To Profit transferred to Capital A/c:			
Singh	63,600		
Gupta	63,600		
Shakti	31,800		
	1,59,000		
	1,68,900		1,68,900

Q11.

JOURNAL of GOPAL LTD.

S. NO.	PARTICULARS	LF	Debit Amt	Credit Amt
i) a)	Furniture A/c Dr. To M/s Furniture Mart (Being furniture purchased on credit)		2,50,000	2,50,000
b)	M/s Furniture Mart Dr. To Equity Share Capital A/c (i) To Securities Premium Reserve A/c (Being shares issued for consideration other than cash)		2,50,000	2,00,000 50,000
ii) a)	Plant A/c Dr. Stock A/c Dr. Land and Building A/c Dr. Goodwill A/c (b/f) Dr. To Aman Ltd. To Sundry Creditors (Being business purchased from Aman Ltd.)		3,50,000 4,50,000 6,00,000 2,00,000	15,00,000 1,00,000
b)	Aman Ltd. Dr. To Equity Share Capital A/c To Bank A/c (Being shares issued for consideration other than cash and balance paid by bank draft)		15,00,000	12,00,000 3,00,000

WORKING NOTES:

$$1) \text{ No. of shares issued} = \frac{250000}{12.5} = 20,000$$

JOURNAL of TATA LTD.

Sl. No.	DATE	PARTICULARS	Dr	Debit Amt	Credit Amt
2013	March 31	Debentures' Interest A/c $(50000 \times 100 \times \frac{10}{100} \times \frac{6}{12})$	Dr	25,000	
		To 10% Debentureholders' A/c			22,500
		To TDS A/c			2,500
		(Being interest being made due and 10% TDS)			
	March 31	TDS A/c	Dr	2,500	
		10% Debentureholders' A/c	Dr	22,500	
		To Bank A/c			25,000
		(Being interest & tax paid by company)			
	March 31	Statement of Profit & Loss	Dr	25,000	
		To Debentures' Interest A/c			25,000
		(Being balance of interest account transferred to Statement of P&L)			

Q2.

~~Goodwill~~ Total capital of firm = $1,20,000 \times 5 = 6,00,000$
 Less: Capitals of partners ($1,60,000 + 1,20,000 + 1,00,000$)
 = 3,80,000

Goodwill of firm

2,20,000

Somesh's Share of goodwill = $2,20,000 \times \frac{1}{5} = 44,000$
 Sacrificing ratio - 3:2

JOURNAL

S.No	PARTICULARS	Dr	Debit Amt	Credit Amt
i)	Cash A/c	Dr	1,20,000	
	To Somesh's Capital A/c			1,20,000
	(Being capital brought in at time of admission)			
ii)	Somesh's Capital A/c	Dr	44,000	
	To Hemant's Capital A/c			26,400
	To Nishant's Capital A/c			17,600
	(Being goodwill adjusted to old partners' capital A/c in sacrificing ratio)			

Q8.

JOURNAL

S.No	PARTICULARS	Dr.	Debit Amt	Credit Amt
i) a)	9% Debentures A/c	Dr.	50,000	
	To Discount on Issue of Debentures A/c			5,000
	To 9% Debentureholders' A/c			45,000
	(Being amount made due to debentureholders)			
ii) b)	9% Debentureholders' A/c	Dr.	45,000	
	To Equity share Capital A/c			36,000
	To Securities Premium Reserve A/c			9,000
	(Being debentures converted into equity shares)			
iii) a)	12% Debentures A/c	Dr.	3,00,000	
	To Discount on Issue of Debentures A/c			30,000
	To 12% Debentureholders' A/c			2,70,000
	To Equity 12% Debentureholders' A/c			
	(Being amount made due to debentureholders)			
b)	12% Debentureholders' A/c	Dr.	2,70,000	
	To Equity Share Capital A/c			2,70,000
	(Being debentures being converted into shares)			

Q7. At ₹ 7 per share i.e. ₹ 700

Q6. A Newly admitted partner has the right to:

- i) share profits of the firm
- ii) share assets of the firm
- iii) make decisions on behalf of other partners

Q5. 'Reconstitution of a partnership firm' refers to dissolution of partnership due to change in profit-sharing ratio of the partners. The old partnership deed is cancelled and a new deed is made up.

Q4. OR 5:3:2

Gaining ratio of Y and Z = 3:2

Q3. Court intervention is not applied in case of 'dissolution of partnership'. AND
Court may intervene at the time of 'dissolution of

firm.

Q2.

The company cannot proceed with allotment as minimum subscription amount has not been ~~subscrip~~ applied for by the public.

Minimum Subscription = 90% of issue size

At least 9,00,000 applications should have been received

Q1.

When debentures are issued as ~~at~~ supplementary / additional security in addition to primary security to the lender, it is called issue of debentures as collateral security (additional security). Interest is not paid on such debentures. ~~and they are shown in balance sheet~~