

Class XII
Accountancy
Sample Question Paper 2018-19

Time allowed : 3 Hours

Maximum Marks : 80

General Instructions:

- 1) This question paper contains two parts- A and B.
- 2) All parts of a question should be attempted at one place.

Part – A Accounting for Not-for-Profit Organizations, Partnership Firms and Companies		
	Questions	Marks
1	Land and Building (book value) ₹ 1,60,000 sold for ₹ 3,00,000 through a broker who charged 2% commission on the deal. Journalise the transaction, at the time of dissolution of the firm.	1
2	Why is it necessary to revalue assets and liabilities of a firm in case of admission of a partner?	1
	Or	
	State any two reasons for the preparation of ‘Revaluation Account’ at time of admission of a partner.	
3	State the basis of accounting on which ‘Receipt and Payment Account’ is prepared in case of Not-for Profit Organisation.	1
	Or	
	What will be the treatment of ‘Subscription received in advance’ during the current year in the Balance Sheet of a Not-For-Profit Organisation?	
4	One of the partners in a partnership firm has withdrawn ₹ 9,000 at the end of each quarter, throughout the year. Calculate interest on drawings at the rate of 6% per annum.	1
5	A, B and C are partners in a firm sharing profit and losses in the ratio of 3:2:1. B died on 1 st April, 2018. C, son of B, is of the opinion that he is the rightful owner of his father’s share of profits, and the profits of the firm should be now shared between A and C equally. A does not agree. Settle the dispute between A and C by giving reason.	1
6	Differentiate between ‘Equity Share’ and ‘Debenture’ on the basis of risk involved.	1
	Or	
	What is meant by ‘Employee Stock Option Plan’?	

7	On April 1, 2018, a firm had assets of ₹1,00,000 excluding stock of ₹20,000. The current liabilities were ₹ 10,000 and the balance constituted Partners' Capital Accounts. If the normal rate of return is 8%, the Goodwill of the firm is valued at ₹60,000 at four years purchase of super profit, find the actual profits of the firm.	3															
8	Jan Dhan Bank, an All India Financial Institution, had 10,000, 12 % debentures of ₹ 100 each, outstanding as at 31 st March, 2017. These debentures were due for redemption on 30 th June, 2018. Pass necessary Journal Entries for redemption of debentures. Also, state the amount of Debenture Redemption Reserve to be created for the purpose of redemption.	3															
9	<div>Complete the following Journal Entries</div> <table><tr><th>Date</th><th>Particulars</th><th>L.F.</th><th>Amount (₹)</th><th>Amount (₹)</th></tr><tr><td>2018 April 1</td><td>Sundry Assets A/c Dr ----- Dr To Sundry Liabilities A/c To Shiv Shankar Ltd. (Being Shiv Shankar Ltd. was taken over by Parvati Ltd. for a purchase consideration of ₹18,20,000)</td><td></td><td>25,00,000</td><td>7,80,000 18,20,000</td></tr><tr><td></td><td>Shiv Shankar Ltd. Dr ----- Dr To ----- To 8% Debentures A/c (For paying Shiv Shankar Ltd. by issuing a bill of ₹ 20,000 and the balance was paid by issue of 8% Debentures of ₹ 100 each at a discount of 10%)</td><td></td><td>18,20,000</td><td>20,000</td></tr></table> <div>Or</div> <div>S. Singh Limited obtained a loan of ₹ 5,00,000 from State Bank of India @ 10 % interest. The company issued ₹ 7,50,000, 10 % debentures of ₹ 100/- each, in favor of State Bank of India as collateral security. Pass necessary journal entries for the above transactions: i. When company decided not to record the issue of 10 % Debentures as collateral security. ii. When company decided to record the issue of 10 % Debentures as collateral security.</div>	Date	Particulars	L.F.	Amount (₹)	Amount (₹)	2018 April 1	Sundry Assets A/c Dr ----- Dr To Sundry Liabilities A/c To Shiv Shankar Ltd. (Being Shiv Shankar Ltd. was taken over by Parvati Ltd. for a purchase consideration of ₹18,20,000)		25,00,000	7,80,000 18,20,000		Shiv Shankar Ltd. Dr ----- Dr To ----- To 8% Debentures A/c (For paying Shiv Shankar Ltd. by issuing a bill of ₹ 20,000 and the balance was paid by issue of 8% Debentures of ₹ 100 each at a discount of 10%)		18,20,000	20,000	<div>3</div> <div>1+2</div>
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	Shiv Shankar Ltd. Dr ----- Dr To ----- To 8% Debentures A/c (For paying Shiv Shankar Ltd. by issuing a bill of ₹ 20,000 and the balance was paid by issue of 8% Debentures of ₹ 100 each at a discount of 10%)		18,20,000	20,000													

10	<p>Calculate the amount of sports material to be transferred to Income and Expenditure account of Raman Bhalla Sports Club, Ludhiana, for the year ended 31st March, 2018:-</p> <table><tr><th></th><th>Particulars</th><th>Amount (₹)</th></tr><tr><td>i.</td><td>Sports Material sold during the year (Book Value ₹ 50,000)</td><td>56,000</td></tr><tr><td>ii.</td><td>Amount paid to creditors for sports material</td><td>91,000</td></tr><tr><td>iii.</td><td>Cash purchase of sports material</td><td>40,000</td></tr><tr><td>iv.</td><td>Sports material as on 31.3.17</td><td>50,000</td></tr><tr><td>v.</td><td>Sports Material as on 31.3.18</td><td>55,000</td></tr><tr><td>vi.</td><td>Creditors for sports material as on 31.3.17</td><td>37,000</td></tr><tr><td>vii.</td><td>Creditors for sports material as on 31.3.18</td><td>45,000</td></tr></table>		Particulars	Amount (₹)	i.	Sports Material sold during the year (Book Value ₹ 50,000)	56,000	ii.	Amount paid to creditors for sports material	91,000	iii.	Cash purchase of sports material	40,000	iv.	Sports material as on 31.3.17	50,000	v.	Sports Material as on 31.3.18	55,000	vi.	Creditors for sports material as on 31.3.17	37,000	vii.	Creditors for sports material as on 31.3.18	45,000	3																
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11	<p>Bhavya and Sakshi are partners in a firm, sharing profits and losses in the ratio of 3:2. On 31st March, 2018 their Balance Sheet was as under:</p> <p style="text-align: center;">Balance Sheet of Bhavya and Sakshi As at 31st March, 2018</p> <table><tr><th>Liabilities</th><th>Amount (₹)</th><th>Assets</th><th>Amount (₹)</th></tr><tr><td>Sundry Creditors</td><td>13,800</td><td>Furniture</td><td>16,000</td></tr><tr><td>General Reserve</td><td>23,400</td><td>Land and Building</td><td>56,000</td></tr><tr><td>Investment Fluctuation Fund</td><td>20,000</td><td>Investments</td><td>30,000</td></tr><tr><td>Bhavya's Capital</td><td>50,000</td><td>Trade Receivables</td><td>18,500</td></tr><tr><td>Sakshi's Capital</td><td>40,000</td><td>Cash in Hand</td><td>26,700</td></tr><tr><td></td><td>1,47,200</td><td></td><td>1,47,200</td></tr></table> <p>The partners have decided to change their profit sharing ratio to 1: 1 with immediate effect. For the purpose, they decided that:</p> <ol style="list-style-type: none">Investments to be valued at ₹ 20,000Goodwill of the firm valued at ₹ 24,000General Reserve not to be distributed between the partners. <p>You are required to pass necessary journal entries in the books of the firm. Show workings.</p>	Liabilities	Amount (₹)	Assets	Amount (₹)	Sundry Creditors	13,800	Furniture	16,000	General Reserve	23,400	Land and Building	56,000	Investment Fluctuation Fund	20,000	Investments	30,000	Bhavya's Capital	50,000	Trade Receivables	18,500	Sakshi's Capital	40,000	Cash in Hand	26,700		1,47,200		1,47,200	4												
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12	<p>Dinesh, Alvin and Pramod are partners in a firm sharing profits and losses in the ratio of 5:3:2. Their Balance Sheet as at March 31, 2018 was as follows: -</p> <p style="text-align: center;">Balance Sheet of Dinesh, Alvin and Pramod As at 31st March, 2018</p> <table><tr><th>Liabilities</th><th>Amount (₹)</th><th>Assets</th><th>Amount (₹)</th></tr><tr><td>Sundry Creditors</td><td>50,000</td><td>Debtors</td><td>15,000</td></tr><tr><td>General Reserve</td><td>40,000</td><td>Fixed Assets</td><td>67,000</td></tr><tr><td>Bills Payable</td><td>10,000</td><td>Investments</td><td>40,000</td></tr><tr><td>Dinesh's Capital</td><td>30,000</td><td>Stock</td><td>25,500</td></tr><tr><td>Alvin's Capital</td><td>40,000</td><td>Cash in Hand</td><td>36,000</td></tr><tr><td>Pramod's Capital</td><td>30,000</td><td>Deferred Revenue</td><td></td></tr><tr><td></td><td></td><td>Expenditure</td><td>14,000</td></tr><tr><td></td><td></td><td>Dinesh's Loan Account</td><td>2,500</td></tr><tr><td></td><td>2,00,000</td><td></td><td>2,00,000</td></tr></table> <p>Dinesh died on July 1, 2018, The executors of Dinesh are entitled to:-</p> <ol style="list-style-type: none">His share of goodwill. The total goodwill of the firm valued at ₹50,000.His share of profit up to his date of death on the basis of actual sales till date of death. Sales for the year ended March 31, 2018 was ₹ 12, 00,000 and profit for	Liabilities	Amount (₹)	Assets	Amount (₹)	Sundry Creditors	50,000	Debtors	15,000	General Reserve	40,000	Fixed Assets	67,000	Bills Payable	10,000	Investments	40,000	Dinesh's Capital	30,000	Stock	25,500	Alvin's Capital	40,000	Cash in Hand	36,000	Pramod's Capital	30,000	Deferred Revenue				Expenditure	14,000			Dinesh's Loan Account	2,500		2,00,000		2,00,000	4
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	<p>the same year was ₹ 2,00,000. Sales shows a growth trend of 20% and percentage of profit earning remains the same.</p> <p>iii. Investments were sold at par. Half of the amount due to Dinesh was paid to his executors and for the balance, they accepted a Bills Payable.</p> <p>Prepare Dinesh's Capital account to be rendered to his executors.</p>																																																									
13	<p>Prepare Income and Expenditure Account from the following particulars of Youth Club for the year ended on 31st March,2018:</p> <p style="text-align: center;">Receipts and Payments A/c for the year ended on 31st March, 2018</p> <table><tr><th>Receipts</th><th>Amount (₹)</th><th>Payments</th><th>Amount (₹)</th></tr><tr><td>To Balance b/d</td><td>32,500</td><td>By Salaries</td><td>31,500</td></tr><tr><td>To Subscription</td><td></td><td>By Postage</td><td>1,250</td></tr><tr><td>2016-17 1,500</td><td></td><td>By Rent</td><td>9,000</td></tr><tr><td>2017-18 60,000</td><td></td><td>By Printing and</td><td></td></tr><tr><td>2018-19 <u>1,800</u></td><td>63,300</td><td>Stationery</td><td>14,000</td></tr><tr><td>To Donations</td><td></td><td>By Sports Material</td><td>11,500</td></tr><tr><td>(Billiards table)</td><td>90,000</td><td>By Miscellaneous</td><td></td></tr><tr><td></td><td></td><td>Expenses</td><td>3,100</td></tr><tr><td>To Entrance Fees</td><td>1,100</td><td>By Furniture (1.10.2017)</td><td>20,000</td></tr><tr><td>To Sale of old</td><td></td><td>By 10% investment</td><td></td></tr><tr><td>magazines</td><td>450</td><td>(1.10.2017)</td><td>70,000</td></tr><tr><td></td><td></td><td>By Balance c/d (31.3.18)</td><td>27,000</td></tr><tr><td></td><td>1,87,350</td><td></td><td>1,87,350</td></tr></table> <p>Additional Information:</p> <p>i. Subscription outstanding as at March 31st 2018 ₹ 16,200</p> <p>ii. ₹ 1200 is still in arrears for the year 2016-17 for subscription</p> <p>iii. Value of sports material at the beginning and at the end of the year was ₹ 3,000 and ₹ 4,500 respectively.</p> <p>iv. Depreciation to be provided @ 10% p.a. on furniture.</p>	Receipts	Amount (₹)	Payments	Amount (₹)	To Balance b/d	32,500	By Salaries	31,500	To Subscription		By Postage	1,250	2016-17 1,500		By Rent	9,000	2017-18 60,000		By Printing and		2018-19 <u>1,800</u>	63,300	Stationery	14,000	To Donations		By Sports Material	11,500	(Billiards table)	90,000	By Miscellaneous				Expenses	3,100	To Entrance Fees	1,100	By Furniture (1.10.2017)	20,000	To Sale of old		By 10% investment		magazines	450	(1.10.2017)	70,000			By Balance c/d (31.3.18)	27,000		1,87,350		1,87,350	6
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14	<p>Pradeep and Rajesh were partners in a firm sharing profits and losses in the ratio of 3:2. They decided to dissolve their partnership firm on 31st March, 2018. Pradeep was deputed to realize the assets and to pay off the liabilities. He was paid ₹ 1,000 as commission for his services. The financial position of the firm on 31st March, 2018 was as follows:</p> <p style="text-align: center;">Balance Sheet As at March 31, 2018</p> <table><tr><th>Liabilities</th><th>Amount (₹)</th><th>Assets</th><th>Amount (₹)</th></tr><tr><td>Creditors</td><td>80,000</td><td>Building</td><td>1,20,000</td></tr><tr><td>Mrs Pradeep's Loan</td><td>40,000</td><td>Investment</td><td>30,600</td></tr><tr><td>Rajesh's loan</td><td>24,000</td><td>Debtors 34,000</td><td></td></tr><tr><td></td><td></td><td>Less : Provision for</td><td></td></tr><tr><td></td><td></td><td>Doubtful Debts <u>4,000</u></td><td>30,000</td></tr><tr><td>Investment Fluctuation</td><td>8,000</td><td>Bills Receivable</td><td>37,400</td></tr><tr><td>Fund</td><td></td><td>Bank</td><td>6,000</td></tr><tr><td>Capitals:</td><td></td><td>Profit and Loss A/c</td><td>8,000</td></tr><tr><td>Pradeep 42,000</td><td></td><td>Goodwill</td><td>4,000</td></tr><tr><td>Rajesh <u>42,000</u></td><td>84,000</td><td></td><td></td></tr><tr><td></td><td>2,36,000</td><td></td><td>2,36,000</td></tr></table>	Liabilities	Amount (₹)	Assets	Amount (₹)	Creditors	80,000	Building	1,20,000	Mrs Pradeep's Loan	40,000	Investment	30,600	Rajesh's loan	24,000	Debtors 34,000				Less : Provision for				Doubtful Debts <u>4,000</u>	30,000	Investment Fluctuation	8,000	Bills Receivable	37,400	Fund		Bank	6,000	Capitals:		Profit and Loss A/c	8,000	Pradeep 42,000		Goodwill	4,000	Rajesh <u>42,000</u>	84,000				2,36,000		2,36,000	6								
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	<p>Following terms and conditions were agreed upon:</p> <ol style="list-style-type: none"> Pradeep agreed to pay off his wife's loan. Half of the debtor's realized ₹ 12,000 and remaining debtors were used to pay off 25% of the creditors. Investment sold to Rajesh for ₹ 27,000 Building realized ₹ 1,52,000 Remaining creditors were to be paid after two months, they were paid immediately at 10% p.a. discount Bill receivables were settled at a loss of ₹ 1,400 Realization expenses amounted to ₹ 2,500 <p>Prepare Realization Account.</p>	
15	<p>Mudit, Sudhir and Uday are partners in a firm sharing profits in the ratio of 3:1:1. Their fixed capital balances are ₹ 4,00,000, ₹ 1,60,000 and ₹ 1,20,000 respectively. Net profit for the year ended 31st March, 2018 distributed amongst the partners was ₹ 1,00,000, without taking into account the following adjustments:</p> <ol style="list-style-type: none"> Interest on capitals @ 2.5% p.a.; Salary to Mudit ₹ 18,000 p.a. and commission to Uday ₹ 12,000 Mudit was allowed a commission of 6% of divisible profit after charging such commission. <p>Pass a rectifying journal entry in the books of the firm. Show workings clearly.</p> <p style="text-align: center;">Or</p> <p>The partners of a firm, Alia, Bhanu and Chand distributed the profits for the year ended 31st March, 2017, ₹ 80,000 in the ratio of 3:3:2 without providing for the following adjustments:</p> <ol style="list-style-type: none"> Alia and Chand were entitled to a salary of ₹ 1,500 each p.a. Bhanu was entitled for a commission of ₹ 4,000 Bhanu and Chand had guaranteed a minimum profit of ₹ 35,000 p.a. to Alia any deficiency to borne equally by Bhanu and Chand. <p>Pass the necessary Journal entry for the above adjustments in the books of the firm. Show workings clearly.</p>	6
16	<p>Anshika Ltd. issued applications for 2,00,000 equity shares of ₹ 10 each, at a premium of ₹ 4 per share. The amount was payable as follows:</p> <p style="padding-left: 40px;">On application ₹ 6 (including ₹ 2 premium)</p> <p style="padding-left: 40px;">On allotment ₹ 7 (including ₹ 2 premium)</p> <p style="padding-left: 40px;">Balance on first and final call</p> <p>Applications for 3,00,000 shares were received. Allotment was made to all the applicants on pro-rata basis. Mehak to whom 400 shares were allotted, failed to pay allotment and call money. Khushboo who had applied for 300 shares failed to pay call money. These shares were forfeited after Final call. 400 of the forfeited shares (including all shares of Khushboo) were reissued @ ₹ 8 per share as fully paid up. Pass necessary journal entries in the books of Anshika Ltd. for the above transactions by opening calls in arrears and calls in advance account wherever necessary.</p> <p style="text-align: center;">Or</p>	8

Khyati Ltd. issued a prospectus inviting applications for 80,000 equity shares of ₹10 each payable as follows:

₹2 on application

₹3 on allotment

₹2 on first call

₹3 on final call

Applications were received for 1,20,000 equity shares. It was decided to adjust the excess amount received on account of over subscription till allotment only.

Hence allotment was made as under:

- (i) To applicants for 20,000 shares – in full
- (ii) To applicants for 40,000 shares – 10,000 shares
- (iii) To applicants for 60,000 shares – 50,000 shares

Allotment was made and all shareholders except Tammana, who had applied for 2,400 shares out of the group (iii), could not pay allotment money. Her shares were forfeited immediately, after allotment. Another shareholder Chaya, who was allotted 500 shares out of group (ii), failed to pay first call. 50% of Tamanna's shares were reissued to Satnaam as ₹ 7 paid up for payment of ₹ 9 per share.

Pass necessary journal entries in the books of Khyati Ltd. for the above transactions by opening calls in arrears and calls in advance account wherever necessary.

17

Divya, Yasmin and Fatima are partners in a firm, sharing profits and losses in 11:7:2 respectively. The balance sheet of the firm as on 31st March 2018 was as follows:

Balance Sheet
As at 31.3.2018

Liabilities	Amount (₹)	Assets	Amount (₹)
Sundry Creditors	70,000	Factory Building	7,35,000
Public Deposits	1,19,000	Plant and Machinery	1,80,000
Reserve fund	90,000	Furniture	2,60,000
Outstanding Expenses	10,000	Stock	1,45,000
Capital accounts		Debtors	1,50,000
Divya	5,10,000	Less: Provision	(30,000)
Yasmin	3,00,000	Cash at bank	1,59,000
Fatima	5,00,000		
	15,99,000		15,99,000

On 1.4.2018, Aditya is admitted as a partner for one-fifth share in the profits with a capital of ₹4,50,000 and necessary amount for his share of goodwill on the following terms:

- i. Furniture of ₹2,40,000 were to be taken over Divya, Yasmin and Fatima equally.
- ii. A creditor of ₹ 7,000 not recorded in books to be taken into account.
- iii. Goodwill of the firm is to be valued at 2.5 years purchase of average profits of last two years. The profit of the last three years were:
2015-16 ₹6,00,000; 2016-17 ₹2,00,000; 2017-18 ₹6,00,000
- iv. At time of Aditya's admission Yasmin also brought in 50,000 as fresh capital
- v. Plant and Machinery is re-valued to ₹2,00,000 and expenses outstanding were brought down to ₹ 9,000. Prepare Revaluation Account, Partners Capital Account and the balance sheet of the reconstituted firm.

Or

8

The Balance Sheet of Adil, Bhavya and Cris as at 31st March 2018 was as under:

Balance Sheet

As at 31.3.18

Liabilities	Amount(₹)	Assets	Amount (₹)
Capital Accounts:		Buildings	1,20,000
Adil	40,000	Motor car	18,000
Bhavya	30,000	Stock	20,000
Cris	20,000	Investments	20,000
General Reserve	10,000	Debtors	40,000
Investment		Cash at Bank	12,000
Fluctuation Reserve	7,000		
Sundry creditors	1,23,000		
	2,30,000		2,30,000

The partners share profits in the ratio of 5:3:2. On 1-4-2018, Cris retires from the firm on the following terms and conditions:

- i. 20% of the General Reserve is to remain as a reserve for bad and doubtful debts
- ii. Motor car is to be reduced by 5%
- iii. Stock is to be revalued at ₹ 17,500 and investment to be re-valued at ₹ 18,000
- iv. Goodwill is to be valued at 3 years' purchase of the average profits of last 4 years. Profits of the last four years were:

2014-15 ₹13,000; 2015-16 ₹11,000; 2016-17 ₹16,000 and 2017-18 ₹24,000

Cris was paid in full. Adil and Bhavya borrowed the necessary amount from the Bank on the security of Building to pay off Cris.

Pass necessary journal entries.

Part B: Analysis of Financial Statements

Option-I

18	Under which type of activity will you classify 'Rent received' while preparing cash flow statement?	1										
19	State any one advantage of preparing Cash Flow Statement.	1										
20	Under which major heads and subheads of the Balance Sheet of a company, will the following items be shown:- i) Loose Tools ii) Retirement Benefits Payable to employees iii) Patents iv) Interest on Calls in Advance	4										
21	Calculate amount of Opening Trade Receivables and Closing Trade Receivables from the following figures: <table><tr><td>Trade Receivable Turnover ratio</td><td>5 times</td></tr><tr><td>Cost of Revenue from Operations</td><td>₹ 8,00,000</td></tr><tr><td>Gross Profit ratio</td><td>20%</td></tr><tr><td>Closing Trade Receivables were ₹ 40,000 more than in the beginning</td><td></td></tr><tr><td>Cash sales being 1/4 times of Credit sales</td><td></td></tr></table> <p style="text-align: center;">Or</p>	Trade Receivable Turnover ratio	5 times	Cost of Revenue from Operations	₹ 8,00,000	Gross Profit ratio	20%	Closing Trade Receivables were ₹ 40,000 more than in the beginning		Cash sales being 1/4 times of Credit sales		4
Trade Receivable Turnover ratio	5 times											
Cost of Revenue from Operations	₹ 8,00,000											
Gross Profit ratio	20%											
Closing Trade Receivables were ₹ 40,000 more than in the beginning												
Cash sales being 1/4 times of Credit sales												

	<div>From the following data, calculate Current ratio and Liquid Ratio</div> <table><tr><td>Liquid Assets</td><td>₹ 75,000</td></tr><tr><td>Inventories(Includes Loose Tools of ₹20,000)</td><td>₹ 35,000</td></tr><tr><td>Prepaid expenses</td><td>₹10,000</td></tr><tr><td>Working Capital</td><td>₹ 60,000</td></tr></table>	Liquid Assets	₹ 75,000	Inventories(Includes Loose Tools of ₹20,000)	₹ 35,000	Prepaid expenses	₹10,000	Working Capital	₹ 60,000																																																																																						
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22	<div>From the following Balance Sheet of R Ltd., Prepare a Common Size Statement Balance Sheet As at 31st March, 2018.</div> <table><tr><th>Particulars</th><th>Note no.</th><th>31.3.2018 (₹)</th><th>31.3.2017 (₹)</th></tr><tr><td>I EQUITY AND LIABILITIES</td><td></td><td></td><td></td></tr><tr><td>1. Shareholder's Funds:</td><td></td><td></td><td></td></tr><tr><td> a. Share Capital</td><td></td><td>2,50,000</td><td>2,00,000</td></tr><tr><td> b. Reserve and Surplus</td><td></td><td>80,000</td><td>60,000</td></tr><tr><td>2. Current Liabilities:</td><td></td><td></td><td></td></tr><tr><td> a. Trade Payable</td><td></td><td>70,000</td><td>40,000</td></tr><tr><td>Total</td><td></td><td>4,00,000</td><td>3,00,000</td></tr><tr><td>II ASSETS</td><td></td><td></td><td></td></tr><tr><td>1. Non-Current Assets:</td><td></td><td></td><td></td></tr><tr><td> a. Fixed Assets:</td><td></td><td></td><td></td></tr><tr><td> i. Tangible Assets</td><td></td><td>1,60,000</td><td>1,20,000</td></tr><tr><td> ii. Intangible Assets</td><td></td><td>20,000</td><td>30,000</td></tr><tr><td>2. Current Assets</td><td></td><td></td><td></td></tr><tr><td> a. Inventories</td><td></td><td>80,000</td><td>30,000</td></tr><tr><td> b. Trade Receivables</td><td></td><td>1,20,000</td><td>1,00,000</td></tr><tr><td> c. Cash and Cash Equivalents</td><td></td><td>20,000</td><td>20,000</td></tr><tr><td>Total</td><td></td><td>4,00,000</td><td>3,00,000</td></tr></table> <div>Or</div> <div>From the following Statement of Profit and Loss of the Sakhi Ltd. for the year ended 31st March 2018, prepare Comparative Statement of Profit & Loss.</div> <div>Statement of Profit & Loss for the year ended 31st March, 2018</div> <table><tr><th>Particulars</th><th>2016-17 (₹)</th><th>2017-18(₹)</th></tr><tr><td>Revenue from Operations</td><td>25,00,000</td><td>40,00,000</td></tr><tr><td>Expenses:</td><td></td><td></td></tr><tr><td>a) Employee benefit expenses</td><td>7,00,000</td><td>10,00,000</td></tr><tr><td>b) Other Expenses</td><td>3,00,000</td><td>2,00,000</td></tr><tr><td>Rate of Tax - 40%</td><td></td><td></td></tr><tr><td></td><td></td><td></td></tr></table>	Particulars	Note no.	31.3.2018 (₹)	31.3.2017 (₹)	I EQUITY AND LIABILITIES				1. Shareholder's Funds:				a. Share Capital		2,50,000	2,00,000	b. Reserve and Surplus		80,000	60,000	2. Current Liabilities:				a. Trade Payable		70,000	40,000	Total		4,00,000	3,00,000	II ASSETS				1. Non-Current Assets:				a. Fixed Assets:				i. Tangible Assets		1,60,000	1,20,000	ii. Intangible Assets		20,000	30,000	2. Current Assets				a. Inventories		80,000	30,000	b. Trade Receivables		1,20,000	1,00,000	c. Cash and Cash Equivalents		20,000	20,000	Total		4,00,000	3,00,000	Particulars	2016-17 (₹)	2017-18(₹)	Revenue from Operations	25,00,000	40,00,000	Expenses:			a) Employee benefit expenses	7,00,000	10,00,000	b) Other Expenses	3,00,000	2,00,000	Rate of Tax - 40%						4
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23	<div>From the following Balance Sheets of Vishva Ltd., prepare Cash Flow Statement as per AS-3 (revised) for the year ending 31st March, 2018</div> <table><tr><th>Particulars</th><th>Note No.</th><th>31.3.2018 (₹)</th><th>31.3.2017 (₹)</th></tr><tr><td>I EQUITY AND LIABILITIES</td><td></td><td></td><td></td></tr><tr><td>1. Shareholder's Funds:</td><td></td><td></td><td></td></tr><tr><td> a. Share Capital</td><td></td><td>1,02,000</td><td>84,000</td></tr><tr><td> b. Reserve and Surplus</td><td>1</td><td>36,000</td><td>22,560</td></tr><tr><td>2. Non-Current Liabilities</td><td></td><td></td><td></td></tr></table>	Particulars	Note No.	31.3.2018 (₹)	31.3.2017 (₹)	I EQUITY AND LIABILITIES				1. Shareholder's Funds:				a. Share Capital		1,02,000	84,000	b. Reserve and Surplus	1	36,000	22,560	2. Non-Current Liabilities				6																																																																					
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	a. Long Term Borrowings	2	60,000	48,000	
	3. Current Liabilities:				
	a. Short term Borrowings	3	10,000	5,000	
	b. Trade Payable		28,800	36,000	
	c. Short Term provisions	4	16,800	18,000	
	Total		253,600	2,13,560	
	II ASSETS				
	1. Non-Current Assets:				
	a. Fixed Assets:				
	i. Tangible Assets	5	1,18,800	1,32,000	
	2. Current Assets				
	a. Inventories		61,800	45,600	
	b. Trade Receivables	6	33,600	27,600	
	c. Cash and Cash Equivalents		39,400	8,360	
	Total		253,600	2,13,560	
	Notes to Accounts				
Note No.	Particulars		31.3.2018(₹)	31.3.2017(₹)	
1	Reserve and Surplus				
	Balance in Statement of Profit and Loss		15,600	5,760	
	General Reserve		20,400	16,800	
			36,000	22,560	
2	Long Term Borrowings				
	10% Debentures		60,000	48,000	
			60,000	48,000	
3	Short- term Borrowings				
	Bank Overdraft		10,000	5,000	
			10,000	5,000	
4	Short-term Provisions				
	Provision for Income Tax		16,800	18,000	
			16,800	18,000	
5	Tangible assets				
	Land and Building		96,000	97,200	
	Plant and Machinery		22,800	34,800	
			1,18,800	1,32,000	
6	Trade Receivables				
	Debtors		19,200	24,000	
	Bills Receivables		14,400	3,600	
			33,600	27,600	
	Additional Information: (a) Tax paid during the year 2017-18 ₹14,400 (b) Depreciation on plant charged during the year 2017-18 was ₹14,400 (c) Additional debentures were issued on March 31,2018				
	Part B: Computerised Accounting Option II				
18	Which function is used to compute loan repayment schedule?				1
19	What is data validation?				1
20	Differentiate between desktop database and server database.				4
21	Explain the steps in installation of computerised accounting system.				4

22	Give any four features of computerized accounting system.	4
	Or	
	Give any four limitations of computerized accounting system	
23	Explain any six features of Tally 9.0 software.	6

Maximum Marks : 80

Part A																
Accounting for Not-for-Profit Organizations, Partnership Firms and Companies																
	Question					Marks										
1	<p style="text-align: center;">Journal</p> <table border="1" style="width: 100%;"> <thead> <tr> <th>Date</th> <th>Particulars</th> <th>L.F</th> <th>Amount (₹)</th> <th>Amount (₹)</th> </tr> </thead> <tbody> <tr> <td></td> <td>Cash A/c Dr. To Realisation A/c (Being land and building sold through broker, paid 2% of realisable value to broker)</td> <td></td> <td>2,94,000</td> <td>2,94,000</td> </tr> </tbody> </table>					Date	Particulars	L.F	Amount (₹)	Amount (₹)		Cash A/c Dr. To Realisation A/c (Being land and building sold through broker, paid 2% of realisable value to broker)		2,94,000	2,94,000	1
Date	Particulars	L.F	Amount (₹)	Amount (₹)												
	Cash A/c Dr. To Realisation A/c (Being land and building sold through broker, paid 2% of realisable value to broker)		2,94,000	2,94,000												
2	<p>It is necessary to revalue assets and liabilities of a firm in case of admission of a partner so that the incoming partner is neither put to an advantage nor to disadvantage due to change in the market value of assets and liabilities.</p> <p style="text-align: center;">Or</p> <p>Two reasons for preparation of 'Revaluation Account' at time of admission of a partner are:-</p> <ul style="list-style-type: none"> i) To record the effect of revaluation of assets and liabilities. ii) To ensure that the profits or losses on revaluation of assets and liabilities may be divided amongst the old partners. 					<p>1</p> <p>½</p> <p>½</p>										
3	<p>'Receipt and Payment Account' in case of Not-for-Profit Organisation is prepared on Cash Basis of Accounting.</p> <p style="text-align: center;">Or</p> <p>Subscription received in advance during the current year is recorded on the liability side of current year's Balance Sheet.</p>					<p>1</p> <p>1</p>										
4	<p>Interest on drawings = ₹ 9,000 X 4 X (6/100) X (4.5/12)</p> <p>Interest on drawings = ₹ 810</p>					1										
5	<p>C is not correct in his claim, unless agreed; new profit sharing ratio of the continuing partners remains same as their old profit- sharing ratio i.e. 3:1.</p>					1										
6	<table border="1" style="width: 100%;"> <thead> <tr> <th>Basis</th> <th>Equity Shares</th> <th>Debentures</th> </tr> </thead> <tbody> <tr> <td>Risk involved</td> <td>Shareholders are at a greater risk. They can even lose the amount invested in shares.</td> <td>Debentures are relatively safe and secured. Debentures are almost risk free.</td> </tr> </tbody> </table> <p style="text-align: center;">Or</p> <p>Employee Stock Option Plan means option granted by the company to its employees and employee directors to subscribe the shares of the company at a price that is lower than the market price but it is not an obligation on the employee to subscribe for it.</p>					Basis	Equity Shares	Debentures	Risk involved	Shareholders are at a greater risk. They can even lose the amount invested in shares.	Debentures are relatively safe and secured. Debentures are almost risk free.	1				
Basis	Equity Shares	Debentures														
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7	<p>Total Assets= ₹1,20,000</p> <p>Capital Employed = Total Assets – Current Liabilities</p> <p style="padding-left: 40px;">= 1,20,000 - 10,000</p> <p style="padding-left: 40px;">= ₹1,10,000 1/2</p> <p>Normal Profits = 8% of 1,10,000</p> <p style="padding-left: 40px;">= ₹8,800 1/2</p> <p>Goodwill = Super Profits X No. of Years Purchase 1/2</p> <p style="padding-left: 40px;">Super Profits = Actual Average Profits – Normal Profits 1/2</p> <p>Given Goodwill = ₹ 60,000</p> <p>60,000 = 4 (Average Actual Profits – Normal Profits)</p> <p style="padding-left: 40px;">15000 = Average Actual Profits – 8,800 1/2</p> <p style="padding-left: 40px;">Average Actual Profits= 15,000 + 8,800= ₹23,800 1/2</p>	<p>½ X 6=</p> <p>3</p> <p>Marks</p>
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8	JOURNAL					1 1 1
	Date	Particulars	L.F	Amount (₹)	Amount (₹)	
	2018 June 30	12% Debentures A/c Dr To Debenture holders A/c (Being amount due for redemption)		10,00,000	10,00,000	
	June 30	Debenture holders A/c Dr To Bank A/c (Being payment made to debenture holders on redemption)		10,00,000	10,00,000	
	Note: According to Section 71(4) of the Companies Act, 2013 and Rule 18(7)(b) of Companies Rules, 2014, an All India Financial Institution is not required to create Debenture Redemption Reserve.					1
9	JOURNAL					½ X 6=3 Marks
	Date	Particulars	L.F.	Amount (₹)	Amount (₹)	
	2018 April 1	Sundry Assets A/c Dr Goodwill A/c Dr To Sundry Liabilities A/c To Shiv Shankar Ltd. (Being Shiv Shankar Ltd. was taken over by Parvati Ltd. for a purchase consideration of ₹18,20,000)		25,00,000 1,00,000	7,80,000 18,20,000	
	April 1	Shiv Shankar Ltd. Dr Discount on issue of Debentures A/c Dr To Bills Payable A/c To 8% Debentures A/c (For paying Shiv Shankar Ltd. by issuing a bill of ₹ 20,000 and the balance was paid by issue of 8% Debentures of ₹ 100 each at a discount of 10%)		18,20,000 2,00,000	20,000 20,00,000	
	Or					
	(i) Journal					
	Date	Particulars	L F	Dr. Amount (₹)	Cr. Amount (₹)	1
		Bank Account Dr. To Bank Loan Account (Being loan obtained from State Bank of India @ 10 % p.a. interest, against collateral security of 7,500 10 % debentures of ₹100 each)		5,00,000	5,00,000	

	(ii)																								
	Date	Particulars	L F	Dr. Amount (₹)	Cr. Amount (₹)																				
		Bank Account Dr. To Bank Loan Account (Being loan obtained from State Bank of India @ 10 % p.a. interest, against collateral security of 7,500 10 % debentures of ₹100 each)		5,00,000	5,00,000		1																		
		Debenture Suspense Account Dr. 10 %Debentures Account (Being 10 % Debentures issued as collateral security in favour of State Bank of India)		7,50,000	7,50,000	1																			
10	Calculation of amount of sports material to be transferred to Income and Expenditure Account of Raman Bhalla Sports Club, Ludhiana for the year ended on 31 st March, 2018					1.5 Marks for total purchases and 1.5 marks For final amount=3 Marks																			
<table><tr><th>Particulars</th><th>Amount (₹)</th></tr><tr><td>Payment to creditors of sports material</td><td>91,000</td></tr><tr><td>Add: Closing creditors of sports material</td><td>45,000</td></tr><tr><td>Less: Opening creditors of sports material</td><td>(37,000)</td></tr><tr><td>Add: Cash purchases of sports material</td><td>40,000</td></tr><tr><td>Total purchases</td><td>1,39,000</td></tr><tr><td>Less: Sports material sold during the year (Book Value)</td><td>(50,000)</td></tr><tr><td>Add: Opening stock of sports material</td><td>50,000</td></tr><tr><td>Less: Closing stock of sports material</td><td>(55,000)</td></tr><tr><td>Amount to be shown to Income and Expenditure Account</td><td>84,000</td></tr></table>					Particulars		Amount (₹)	Payment to creditors of sports material	91,000	Add: Closing creditors of sports material	45,000	Less: Opening creditors of sports material	(37,000)	Add: Cash purchases of sports material	40,000	Total purchases	1,39,000	Less: Sports material sold during the year (Book Value)	(50,000)	Add: Opening stock of sports material	50,000	Less: Closing stock of sports material	(55,000)	Amount to be shown to Income and Expenditure Account	84,000
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	Bhavya's = $3/5 - 1/2 = 1/10$ Sacrifice Sakshi's = $2/5 - 1/2 = (1/10)$ Gain	1																																																												
12	<table> <tr> <th colspan="4">Dinesh's Capital A/c</th></tr> <tr> <th>Dr</th><th></th><th></th><th>Cr</th></tr> <tr> <th>Particulars</th><th>Amount (₹)</th><th>Particulars</th><th>Amount (₹)</th></tr> <tr> <td>To Deferred Revenue Expenditure $\frac{1}{2}$</td><td>7,000</td><td>By Balance b/d</td><td>30,000</td></tr> <tr> <td>To Dinesh's Loan A/c $\frac{1}{2}$</td><td>2,500</td><td>By General Reserve $\frac{1}{2}$</td><td>20,000</td></tr> <tr> <td>To Dinesh's Executor's A/c</td><td>95,500</td><td>By Alwin's Capital A/c $\frac{1}{2}$</td><td>15,000</td></tr> <tr> <td></td><td></td><td>By Pramod's Capital A/c $\frac{1}{2}$</td><td>10,000</td></tr> <tr> <td></td><td></td><td>By Profit and Loss Suspense A/c $\frac{1}{2}$</td><td>30,000</td></tr> <tr> <td></td><td>1,05,000</td><td></td><td>1,05,000</td></tr> </table> <table> <tr> <th colspan="4">Dinesh's Executor's A/c</th></tr> <tr> <th>Dr</th><th></th><th></th><th>Cr</th></tr> <tr> <th>Particulars</th><th>Amount (₹)</th><th>Particulars</th><th>Amount (₹)</th></tr> <tr> <td>To Cash A/c $\frac{1}{2}$</td><td>47,750</td><td>By Dinesh's Capital A/c</td><td>95,500</td></tr> <tr> <td>To Bills payable A/c $\frac{1}{2}$</td><td>47,750</td><td></td><td></td></tr> <tr> <td></td><td>95,500</td><td></td><td>95,500</td></tr> </table> <p>Working Note :- Share of Profit = ₹ 3,60,000 X $\frac{1}{6}$ X $\frac{5}{10}$ = ₹ 30,000</p>	Dinesh's Capital A/c				Dr			Cr	Particulars	Amount (₹)	Particulars	Amount (₹)	To Deferred Revenue Expenditure $\frac{1}{2}$	7,000	By Balance b/d	30,000	To Dinesh's Loan A/c $\frac{1}{2}$	2,500	By General Reserve $\frac{1}{2}$	20,000	To Dinesh's Executor's A/c	95,500	By Alwin's Capital A/c $\frac{1}{2}$	15,000			By Pramod's Capital A/c $\frac{1}{2}$	10,000			By Profit and Loss Suspense A/c $\frac{1}{2}$	30,000		1,05,000		1,05,000	Dinesh's Executor's A/c				Dr			Cr	Particulars	Amount (₹)	Particulars	Amount (₹)	To Cash A/c $\frac{1}{2}$	47,750	By Dinesh's Capital A/c	95,500	To Bills payable A/c $\frac{1}{2}$	47,750				95,500		95,500	$\frac{1}{2} \times 8 = 4$
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13	<table> <tr> <th colspan="4">Income And Expenditure A/c For the year ended 31st March, 2018</th></tr> <tr> <th>Dr</th><th></th><th></th><th>Cr</th></tr> <tr> <th>Particulars</th><th>Amount (₹)</th><th>Particulars</th><th>Amount (₹)</th></tr> <tr> <td>To Salaries</td><td>31,500</td><td>By Subscription 60,000</td><td></td></tr> <tr> <td>To Postage</td><td>1,250</td><td>Add Outstanding Subscription <u>15,000</u></td><td>75,000</td></tr> <tr> <td>To Rent</td><td>9,000</td><td>By Entrance Fees</td><td>1,100</td></tr> <tr> <td>To Printing and Stationery</td><td>14,000</td><td>By Sale of old magazines</td><td>450</td></tr> <tr> <td>To Miscellaneous Expenses</td><td>3,100</td><td>By Interest on Investment</td><td>3,500</td></tr> <tr> <td>To Consumption of Sports Material</td><td>10,000</td><td></td><td></td></tr> <tr> <td>To Depreciation on Furniture</td><td>1,000</td><td></td><td></td></tr> <tr> <td>To Surplus</td><td>10,200</td><td></td><td></td></tr> <tr> <td></td><td>80,050</td><td></td><td>80,050</td></tr> </table> <p>Working Notes:-</p> <p>i) Consumption of Sports Material = Opening stock of sports material+ Purchases of sports material during the year – Closing stock of sports material = ₹ 3,000 + ₹ 11,500 – ₹ 4,500= ₹ 10,000</p> <p>ii) Depreciation of Furniture = ₹ 20,000 X $(\frac{6}{12})$ X $(\frac{10}{100})$ = ₹ 1,000</p> <p>iii) Interest on Investment = ₹ 70,000 X $(\frac{10}{100})$ X $(\frac{6}{12})$ = ₹ 3,500</p>	Income And Expenditure A/c For the year ended 31 st March, 2018				Dr			Cr	Particulars	Amount (₹)	Particulars	Amount (₹)	To Salaries	31,500	By Subscription 60,000		To Postage	1,250	Add Outstanding Subscription <u>15,000</u>	75,000	To Rent	9,000	By Entrance Fees	1,100	To Printing and Stationery	14,000	By Sale of old magazines	450	To Miscellaneous Expenses	3,100	By Interest on Investment	3,500	To Consumption of Sports Material	10,000			To Depreciation on Furniture	1,000			To Surplus	10,200				80,050		80,050	$\frac{1}{2}$ $\frac{1}{2}$ $\frac{1}{2}$												
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Particulars	Amount (₹)	Particulars	Amount (₹)																																																											
To Building	1,20,000	By Provision on Debtors	4,000																																																											

To Investment	30,600	By Creditors	80,000
To Debtors	34,000	By Mrs Pradeep's Loan	40,000
To Bills Receivable	37,400	By Investment Fluctuation Fund	8,000
To Goodwill	4,000	By Bank A/c $1\frac{1}{2}$	
To Pradeep's Capital A/c $1\frac{1}{2}$	40,000	Debtors	12,000
To Bank A/c (expenses) $1\frac{1}{2}$	2,500	Building	1,52,000
To Bank A/c (creditors) $1\frac{1}{2}$	59,000	Bill Recievable <u>36,000</u>	2,00,000
To Pradeep's Capital A/c $1\frac{1}{2}$	1,000	By Cash A/c $1\frac{1}{2}$	27,000
To Partner's Capital A/cs: 1			
Pradeep 18,300			
Rajesh 12,200	30,500		
	3,59,000		3,59,000

Working Notes :-

- i) Payment to creditors = $(\text{₹}80,000 - \text{₹}20,000) - \{ \text{₹}60,000 \times (10/100) \times (2/12) \}$
 $= \text{₹}60,000 - \text{₹}1,000$
 $= \text{₹}59,000$

* $\frac{1}{2}$ mark each for transferring assets and liabilities to realization account

15

Adjustment Table:

Firm's		Particular's	Mudit's		Sudhir's		Uday's	
Dr	Cr		Dr	Cr	Dr	Cr	Dr	Cr
	1,00,000	Profits Given	60,000		20,000		20,000	
17,000		Interest on Capital		10,000		4,000		3,000
18,000		Salary		18,000				
15,000		Commission		3,000				12,000
50,000		Profit to be credited		30,000		10,000		10,000
			60,000	61,000	20,000	14,000	20,000	25,000

Mudit's Commission = $(53,000 \times 6/106) = 3,000$

RECTIFYING JOURNAL ENTRY

Date	Particulars	L.F.	Amount (₹)	Amount (₹)
	Sudhir's Current A/c Dr To Mudit's Current A/c To Uday's Current A/c (Being interest on capital, salary and commission to partners missed in distributing profits, now adjusted)		6,000	1,000 5,000

Or

$\frac{1}{2}$
 $1\frac{1}{2}$
 $\frac{1}{2}$
 $1\frac{1}{2}$
 $\frac{1}{2}$

$1\frac{1}{2}$

$\frac{1}{2}$
1
 $\frac{1}{2}$

										1 ½
Firm's		Particular's	Alia's		Bhanu's		Chand's			
Dr	Cr		Dr	Cr	Dr	Cr	Dr	Cr		
	80,000	Profits Given	30,000		30,000		20,000			1
36,000		Salary		18,000					18,000	
4,000		Commission				4,000				
40,000		Profit to be credited		35,000		5,000				
			30,000	53,000	30,000	9,000	20,000	18,000		1 ½
Divisible profits = ₹ 80,000 – ₹ 36,000 – ₹ 4,000 = ₹ 40,000										
Alia's Share = ₹ 15,000 + ₹ 20,000 = ₹ 35,000										
Bhanu's share = ₹ 15,000 - ₹ 10,000 = ₹ 5,000										
Chand's share ₹ 10,000 – ₹ 10,000 = nil										
JOURNAL ENTRY										
Date	Particulars			L.F.	Amount (₹)		Amount (₹)			
	Bhanu's Capital A/c Dr				21,000					
	Chand's Capital A/c Dr				2,000					
	To Alia's Capital A/c						23,000			
	(Being Salary, Commission to partners missed in distribution of profit, guarantee to Alia, now adjusted)									

16	JOURNAL						8
	Date	Particulars	L.F.	Amount (₹)	Amount (₹)		
		Bank A/c Dr		18,00,000			
		To Equity Share Application A/c			18,00,000		½
		(Being application money received on 3,00,000 shares)					
		Equity Share Application A/c Dr		18,00,000			
		To Equity Share Capital A/c			8,00,000		1
		To Securities Premium Reserve A/c			4,00,000		
		To Equity Share Allotment A/c			6,00,000		
		(Being 2,00,000 shares allotted, excess amount transferred to allotment)					
		Equity Share Allotment A/c Dr		14,00,000			
		To Equity Share Capital A/c			10,00,000		1
		To Securities Premium Reserve A/c			4,00,000		
		(Being allotment due on 2,00,000 shares)					
		Bank A/c Dr		7,98,400			
		Calls in Arrears A/c Dr		1,600			1
		To Equity Share Allotment A/c			8,00,000		
		(Being allotment money received on 199,600 shares)					
		Equity Share First and Final Call A/c Dr.		2,00,000			½
		To Equity Share Capital A/c			2,00,000		
		(Being share 1 st call due on 2,00,000 shares)					
		Bank A/c Dr		1,99,400			1
		Calls in Arrears A/c Dr		600			
		To Equity Share First and Final Call A/c			2,00,000		
		(Being first call received on 199,400 shares)					

	<div>Equity Share Capital A/c Dr</div> <div>Securities Premium Reserve A/c Dr</div> <div>To Calls in Arrears A/c</div> <div>To Share Forfeited A/c</div> <div>(Being forfeiture of 600 shares executed)</div>		6,000		1																																																																																																
			800	2,200																																																																																																	
				4,600																																																																																																	
	<div>Bank A/c Dr</div> <div>Equity Share Forfeited A/c Dr</div> <div>To Equity Share Capital A/c</div> <div>(Being 400 shares reissued @ Rs 8, as fully called up)</div>		3,200		1																																																																																																
			800	4,000																																																																																																	
	<div>Equity Share Forfeited A/c Dr</div> <div>To Capital Reserve A/c</div> <div>(Being gain on reissue of forfeited shares transferred to Capital Reserve)</div>		2,400	2,400	1																																																																																																
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		To Capital Reserve A/c (Being gain on reissue of forfeited shares transferred to Capital Reserve)			2,400					1																																																																																																																																													
17		<div> <div>Dr</div> <div>Revaluation Account</div> <div>Cr</div> <table> <tr> <th>Particulars</th><th>Amount (₹)</th><th>Particulars</th><th>Amount (₹)</th></tr> <tr> <td>To Creditors</td><td>7,000</td><td>By Machinery</td><td>20,000</td></tr> <tr> <td>To Partner's Capital A/c</td><td></td><td>By Outstanding Expenses</td><td>1,000</td></tr> <tr> <td> Divya 7,700</td><td></td><td></td><td></td></tr> <tr> <td> Yasmin 4,900</td><td></td><td></td><td></td></tr> <tr> <td> Fatima <u>1,400</u></td><td>14,000</td><td></td><td></td></tr> <tr> <td></td><td>21,000</td><td></td><td>21,000</td></tr> </table> </div> <div> <div>Dr</div> <div>Partner's Capital Account</div> <div>Cr</div> <table> <tr> <th>Particulars</th><th>Divy a</th><th>Yasm in</th><th>Fati ma</th><th>Adity a</th><th>Particulars</th><th>Divya</th><th>Yasm in</th><th>Fati ma</th><th>Adity a</th></tr> <tr> <td>To Furniture A/c</td><td>80,000</td><td>80,000</td><td>80,000</td><td></td><td>By Balance b/d</td><td>5,10,000</td><td>3,00,000</td><td>5,00,000</td><td></td></tr> <tr> <td>To Balance C/d</td><td>5,97,200</td><td>3,76,400</td><td>4,50,400</td><td>4,50,000</td><td>By Bank A/c</td><td></td><td>50,000</td><td></td><td>4,50,000</td></tr> <tr> <td></td><td></td><td></td><td></td><td></td><td>By Reserve Fund</td><td>49,500</td><td>31,500</td><td>9,000</td><td></td></tr> <tr> <td></td><td></td><td></td><td></td><td></td><td>By Premium for goodwill A/c</td><td>1,10,000</td><td>70,000</td><td>20,000</td><td></td></tr> <tr> <td></td><td></td><td></td><td></td><td></td><td>By Revaluation A/c</td><td>7,700</td><td>4,900</td><td>1,400</td><td></td></tr> <tr> <td></td><td>6,77,200</td><td>4,56,400</td><td>5,30,400</td><td>4,50,000</td><td></td><td>6,77,200</td><td>4,56,400</td><td>5,30,400</td><td>4,50,000</td></tr> </table> </div> <div> <div>Balance Sheet</div> <div>As at 1.4.2018</div> <table> <tr> <th>Liabilities</th><th>Amount (₹)</th><th>Assets</th><th>Amount (₹)</th></tr> <tr> <td>Sundry creditors</td><td>77,000</td><td>Factory building</td><td>7,35,000</td></tr> <tr> <td>Public deposits</td><td>1,19,000</td><td>Plant and Machinery</td><td>2,00,000</td></tr> <tr> <td>Outstanding Expenses</td><td>9,000</td><td>Furniture</td><td>20,000</td></tr> <tr> <td>Capital accounts</td><td></td><td>Stock</td><td>1,45,000</td></tr> <tr> <td>Divya 5,97,200</td><td></td><td>Debtors 1,50,000</td><td></td></tr> <tr> <td>Yasmin 3,76,400</td><td></td><td>Less: Provision <u>(30,000)</u></td><td>1,20,000</td></tr> <tr> <td>Fatima 4,50,400</td><td></td><td>Cash at bank</td><td>8,59,000</td></tr> <tr> <td>Aditya <u>4,50,000</u></td><td>18,74,000</td><td></td><td></td></tr> <tr> <td></td><td>20,79,000</td><td></td><td>20,79,000</td></tr> </table> </div> <div> <div>Working Notes:</div> <div>1. Goodwill = 2.5 X {(₹ 60,000 + ₹ 20,00)/2} = ₹ 10,00,000</div> <div>2.Dr</div> <div>Bank Account</div> <div>Cr</div> <table> <tr> <th>Particulars</th><th>Amount (₹)</th><th>Particulars</th><th>Amount (₹)</th></tr> <tr> <td>To Balance B/d</td><td>1,59,000</td><td>By balance c/d</td><td>8,59,000</td></tr> </table> </div>	Particulars	Amount (₹)	Particulars	Amount (₹)	To Creditors	7,000	By Machinery	20,000	To Partner's Capital A/c		By Outstanding Expenses	1,000	Divya 7,700				Yasmin 4,900				Fatima <u>1,400</u>	14,000				21,000		21,000	Particulars	Divy a	Yasm in	Fati ma	Adity a	Particulars	Divya	Yasm in	Fati ma	Adity a	To Furniture A/c	80,000	80,000	80,000		By Balance b/d	5,10,000	3,00,000	5,00,000		To Balance C/d	5,97,200	3,76,400	4,50,400	4,50,000	By Bank A/c		50,000		4,50,000						By Reserve Fund	49,500	31,500	9,000							By Premium for goodwill A/c	1,10,000	70,000	20,000							By Revaluation A/c	7,700	4,900	1,400			6,77,200	4,56,400	5,30,400	4,50,000		6,77,200	4,56,400	5,30,400	4,50,000	Liabilities	Amount (₹)	Assets	Amount (₹)	Sundry creditors	77,000	Factory building	7,35,000	Public deposits	1,19,000	Plant and Machinery	2,00,000	Outstanding Expenses	9,000	Furniture	20,000	Capital accounts		Stock	1,45,000	Divya 5,97,200		Debtors 1,50,000		Yasmin 3,76,400		Less: Provision <u>(30,000)</u>	1,20,000	Fatima 4,50,400		Cash at bank	8,59,000	Aditya <u>4,50,000</u>	18,74,000				20,79,000		20,79,000	Particulars	Amount (₹)	Particulars	Amount (₹)	To Balance B/d	1,59,000	By balance c/d	8,59,000	2 ½	3	2 ½
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To Aditya's Capital A/c		4,50,000				1
To Premium for Goodwill A/c		2,00,000				
To Yasmin's Capital A/c		50,000				
		8,59,000			8,59,000	
OR						
JOURNAL						
Date	Particulars	L.F.	Amount (₹)	Amount (₹)		
	Revaluation A/c Dr		3,400			1
	To Motor Car A/c			900		
	To Stock a/c			2,500		
	(Being assets revalued at the time of retirement)					
	Adil's Capital A/c Dr		1,700			
	Bhavya's Capital A/c Dr		1,020			
	Cris Capital A/c Dr		680			
	To revaluation A/c			3,400		1.5
	(Being loss on revaluation transferred to all partner's capital A/c)					
	General Reserve A/c Dr		10,000			
	To Provision for bad debts A/c			2,000		
	To Adil's Capital A/c			4,000		
	To Bhavya's Capital A/c			2,400		
	To Cris Capital A/c			1,600		1
	(Being 20% of general reserve provided as provision for bad and doubtful debts and remaining distributed among old partners)					
	Investment Fluctuation Reserve A/c Dr		7,000			
	To Investments A/c			2,000		
	To Adil's Capital A/c			2,500		
	To Bhavya's Capital A/c			1,500		
	To Cris's Capital A/c			1,000		
	(Being Investment Fluctuation Reserve amount distributed among the partners after adjusting the fluctuation in Investment's Value)					1.5
	Adil's Capital A/c Dr		6,000			
	Bhavya's Capital A/c Dr		3,600			
	To Cris's Capital A/c			9,600		1
	(Being adjustment of goodwill between partners made due to retirement of a partner)					
	Bank A/c Dr		19,520			
	To Bank Loan A/c			19,520		1
	(Being amount borrowed from the Bank on the security of Building to pay off retiring partner)					
	Cris's Capital A/c Dr		31,520			
	To Bank A/c			31,520		
	(Being retiring partner paid off the necessary amount)					

Part B: Analysis of Financial Statements Option-I				
18	Rent received is inflow of cash from Investing Activities			1
19	<p>An advantage of preparing Cash Flow Statement is:-</p> <ol style="list-style-type: none"> Cash flow statement when used along with other financial statements provides information that enable users to evaluate changes in net assets of the enterprises, its financial structure and its ability to affect the amount and the timings of cash flows in order to adapt to changing circumstances and opportunities. Cash flow information is useful in assessing the ability of enterprise to generate cash and cash equivalents and enable users to develop models to assess and compare the present value of the future cash flows of different enterprises It also enhances the comparability of the reporting of operating performance by different enterprises because it eliminates the effects of using different accounting treatments for the same transactions and events. It also helps in balancing the cash inflow and cash outflow, keeping in response to changing conditions. It is also helpful in checking the accuracy of the past assessment of future cash flows and in examining the relationship between profitability and net cash flow and impact of changing prices. <p>(any one)</p>			1
20		Items	Major Head of Balance Sheet	Sub Head of Balance Sheet
	i)	Loose Tools	Current Assets	Inventories
	ii)	Retirement Benefits Payable to employees	Non-Current Liabilities	Long Term Provisions
	iii)	Patents	Non-Current Assets	Fixed Asset (Intangible)
	iv)	Interest on Calls in Advance	Current Liabilities	Other current Liabilities
				1/2X8 =4

21	<p>Sales = Cost of Revenue from Operations + Profit If Sales is 100; Gross Profit = ₹ 20 Cost of Revenue from Operations = ₹ 100 - ₹ 20 = ₹ 80 Applying Unitary Method If Cost of Revenue of Operation is ₹ 80, then Revenue from Operations = ₹ 100 If Cost of Revenue of Operation is ₹ 8,00,000 Then, Revenue from Operations = (₹ 8,00,000 X 100) / 80 = ₹ 10,00,000 1 Revenue from Operations = Cash Revenue from Operations + Credit Revenue from Operations (i) Let Cash Revenue from Operations be x; Credit Revenue from Operations = 4x Substituting in (i) $\text{₹ } 10,00,000 = x + 4x$ $x = \text{₹ } 10,00,000 / 5 = \text{₹ } 2,00,000$ Credit Revenue from Operations = ₹ 8,00,000 1 Trade Receivable Turnover ratio = Credit Revenue from Operations / Average Trade Receivables (ii) Average Trade Receivables = (Opening Trade Receivables + Closing Trade Receivables) / 2 Let Opening Trade Receivables be y; Closing Trade Receivables = y + ₹ 40,000 Substituting in (ii) $5 = \text{₹ } 8,00,000 / (y + y + \text{₹ } 40,000) / 2$ $5 = \text{₹ } 8,00,000 / (y + \text{₹ } 20,000)$ $5y + \text{₹ } 1,00,000 = \text{₹ } 8,00,000$ $y = \text{₹ } 7,00,000 / 5$ $y = \text{₹ } 1,40,000$ (Opening Trade Receivables) 1 Opening Trade Receivables = ₹ 1,40,000 Closing Trade Receivables = Opening Trade Receivables + ₹ 40,000 $= \text{₹ } 1,40,000 + \text{₹ } 40,000$ Closing Trade Receivables = ₹ 1,80,000 1</p>	1 X4=4 Marks
	<p>Or</p>	
	<p>Current Assets = Liquid Assets + Inventories (excluding loose tools) + Prepaid Expenses $= \text{₹ } 75,000 + \text{₹ } 15,000 + \text{₹ } 10,000$ $= \text{₹ } 1,00,000$ 1 Working Capital = Current Assets – Current Liabilities Current Liabilities = Current Assets – Working Capital $= \text{₹ } 1,00,000 - \text{₹ } 60,000$ $= \text{₹ } 40,000$ 1 Current Ratio = Current Assets / Current Liabilities $= \text{₹ } 1,00,000 / \text{₹ } 40,000$ $= 2.5 : 1$ 1 Liquid Ratio = Liquid Assets / Current Liabilities $= \text{₹ } 75,000 / \text{₹ } 40,000$ $= 1.875 : 1$ 1</p>	

Common Size Balance Sheet of R Ltd.

As at 31st March, 2017 and 2018

Particulars	Not e no.	Absolute Amounts		Percentage of Balance sheet Total	
		31.3.2017 (₹)	31.3.2018 (₹)	31.3.2017 (%)	31.3.2018 (%)
I EQUITY AND LIABILITIES					
1. Shareholder's Funds:					
a. Share Capital		2,00,000	2,50,000	66.7	62.5
b. Reserve and Surplus		60,000	80,000	20	20
2. Current Liabilities:					
a. Trade Payable		40,000	70,000	13.3	17.5
Total		3,00,000	4,00,000	100	100
II ASSETS					
1. Non-Current Assets:					
a. Fixed Assets:					
i. Tangible Assets		1,20,000	1,60,000	40	40
ii. Intangible Assets		30,000	20,000	10	5
2. Current Assets					
a. Inventories		30,000	80,000	10	20
b. Trade Receivables		1,00,000	1,20,000	33.3	30
c. Cash and Cash Equivalents		20,000	20,000	6.7	5
Total		3,00,000	4,00,000	100	100

Or

**Comparative Statement of
Profit and Loss of Sakhi Ltd.**

For the year ending 31st March 2017 and 2018

Particulars	Not e No.	Absolute amounts		Absolute change	Percentage change
		31 st March 2017	31 st March 2018		
Revenue from operations		20,00,000	25,00,000	5,00,000	25%
Less: Expenses Employee Benefit Expenses					
Other Expenses		7,00,000	10,00,000	3,00,000	42.85%
		3,00,000	2,00,000	1,00,000	33.33%
Total Expenses		10,00,000	12,00,000	2,00,000	20%
Profit before Tax		10,00,000	13,00,000	3,00,000	30%
Less Tax@40%		4,00,000	5,20,000	1,20,000	30%
Profit after Tax		6,00,000	7,80,000	1,80,000	30%

Vishva Ltd

Cash Flow Statement for the year ended on 31st March, 2018

Particulars	Details	Amount (₹)
I. Cash Flow from Operating Activities		
Net profit before tax and Extraordinary Items (W.N. 1) ¹		26,640
Adjustment for Non cash and non-operating Expenses		
Add: Interest on Debentures	4,800	
Depreciation on Land and Building	1,200	
Depreciation on Plant and Machinery ¹	14,400	20,400
Operating Profit before Working Capital changes		47,040
Add: Increase in Current Liability and decrease in Current Assets		
Debtors	4,800	4,800
Less: Decrease in Current Liability and increase in Current Assets		
Trade Payables	(7,200)	
Inventories	(16,200)	
Bills Receivables	(10,800)	(34,200)
Cash Flow from Operating Activities before payment of Tax		17,640
Less : Tax paid		(14,400)
Cash Flow from Operating Activities ¹		3,240
II Cash Flow from Investing Activities		
Purchase of Plant and Machinery		(2,400)
Cash used in Investing Activity ¹		(2,400)
III Cash Flow from Financing Activities		
Issue of Equity Shares	18,000	
10 % Debentures raised	12,000	
Interest on Debenture Paid	(4,800)	
Proceeds from Bank Overdraft	5,000	30,200
Cash Flow from Financing Activities ^{1.5}		
IV Increase in Cash and Cash Equivalents (I +II+ III)		31,040
V Opening Cash and Cash Equivalents		8,360
Closing Cash and Cash Equivalents (IV + V) ^{1/2}		39,400

Working Notes:

Calculation of Net Profit before Tax and Extraordinary items:

Surplus i.e. Balance in Statement of Profit and Loss	9,840
Add: Transfer to General Reserve	3,600
Add: Provision for Tax	13,200
Net profit before tax and Extraordinary Item	26,640

Dr		Provision For Income Tax Account		Cr	
Particulars	Amount (₹)	Particulars	Amount (₹)		
To Bank A/c (Tax Paid)	14,400	By Balance b/d	18,000		
To Balance C/d	16,800	By Profit and Loss A/c	13,200		
	31,200		31,200		

	<table><tr><th colspan="2">Dr</th><th colspan="2">Machinery Account</th><th colspan="2">Cr</th></tr><tr><th>Particulars</th><th>Amount (₹)</th><th>Particulars</th><th>Amount (₹)</th><th></th><th></th></tr><tr><td>To Balance B/d</td><td>34,800</td><td>By depreciation A/c</td><td>14,400</td><td></td><td></td></tr><tr><td>To Bank A/c</td><td>2,400</td><td>By Balance C/d</td><td>22,800</td><td></td><td></td></tr><tr><td></td><td>37,200</td><td></td><td>37,200</td><td></td><td></td></tr></table>	Dr		Machinery Account		Cr		Particulars	Amount (₹)	Particulars	Amount (₹)			To Balance B/d	34,800	By depreciation A/c	14,400			To Bank A/c	2,400	By Balance C/d	22,800				37,200		37,200			
Dr		Machinery Account		Cr																												
Particulars	Amount (₹)	Particulars	Amount (₹)																													
To Balance B/d	34,800	By depreciation A/c	14,400																													
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	37,200		37,200																													
Part B: Computerised Accounting																																
Option II																																
18.	The function PMT is used to compute the loan repayment schedule.					1																										
19	Data validation is a feature to define restrictions on type of data entered into a cell. We can configure data validation rules for cells data that will not allow users to enter invalid data.					1																										
20	(Any four differences) 1. Application : Desktop database can be used by a single user server data base can be used by many users at the same time. 2. Additional provision for reliability: Desktop database doesn't present this but these provisions are available in server based database. 3. Cost: Desktop database tend to cost less than the server database. 4. Flexibility regarding the performance in front ends applications: It is not present in desktop database but server database provide this flexibility. 5. Suitability: Desktop database are suitable for small/home offices and server database are more suitable for large business organizations.					1X4=4																										
21	For installation of computerised accounting system, the following steps are required: 1. Insert CD in the system . 2. After inserting CD select the option in following steps ; a. Select any (C: or E: or D:) from My Computer icon on the desktop. Double click on install.exe OR b. Select start > run > type the file name E:\install.exe 3. After the above process the default directories of application , data and Configuration opens in a window. In case, the user wants to change the default directories then it can be changed by providing the desired drive and file name/directory name for example : D:\software name, instead of C :\accounting software (default name) 4. Click on install and installation process begins, accounting software displays the Message of successful installation, then this CD can be removed.					1X4=4																										
22	Following are the salient features of computerized accounting system : (any four) 1. It is designed to automate, integrate and simplify all the business operations, such as sales, finance, purchase, inventory and manufacturing. CAS is integrated to provide accurate, up-to-date business information rapidly in a cost effective manner. 2. It provides sufficient time to plan, increases data accessibility and enhances user satisfaction. With computerised accounting, the organisation will have greater transparency for day-to-day business operations and access to the vital information. 3 .It provides user -definable templates (data entry screens or forms) for fast, accurate data entry of the transactions. It also helps in generalizing desired documents and reports. 4. It enables in changing the volume of data processing in tune with the change in the size of the business. The software can be used for any size of the business and type of the organisation. 5. It makes sure that the generalised critical financial information is accurate, controlled and secured.					1x4=4																										
OR																																
Limitations of Computerised accounting system : Following are the limitation of CAS software:																																

	1. Faster obsolescence of technology necessitates investment in shorter period of time. 2. Data may be lost or corrupted due to power interruptions. 3. Data are prone to hacking. 4. Un-programmed and un-specified reports cannot be generated.	
23	<p>Features of Tally 9.0 software are (any six)</p> <ul style="list-style-type: none"> i) Gateway - Gateway is the starting of Tally. In other words we can say that gateway is the gate to enter in Tally. ii) Company creation - Before inputting accounting transactions, first we create a company through company creation. iii) Chart of accounts - Chart of accounts is the segmentation of Liabilities and Assets of Balance Sheet and preparation of Profit and Loss account. iv) Account master - Account master basically used for account group and ledger. v) Voucher entry - After creation of account user inputs accounting voucher entry in the book of accounts. In computerized accounting system all entries are inputted through a voucher entry. vi) Trial Balance - Trial balance is the statement of different closing balances of ledger. vii) Balance Sheet - The balance sheet is constructed by simply posting all items of liabilities and assets for the finalization of journal entry. 	1x6=6