

**SYLLABUS
ACCOUNTANCY (055)
CLASS XII (March-2014)**

3 Hours

One Paper

80 Marks +20 Marks

| Unit | Period | Marks |
|---------------------------------------------------------------------|---------------------|-----------|
| Part A: Accounting for Partnership Firms and Companies | | |
| 1. Accounting for Partnership Firms –Fundamentals | 20 | 10 |
| 2. Accounting for Partnership Firms –Reconstitution and Dissolution | 52 | 25 |
| 3. Accounting for Share Capital | 38 | 18 |
| 4. Accounting for Debentures | 14 | 7 |
| | ----- | ----- |
| | 124 | 60 |
| | ----- | ----- |
| Part B: Financial Statement Analysis | | |
| 5. Analysis of Financial Statements | 24 | 12 |
| 6. Cash Flow Statement | 20 | 8 |
| 7. <u>Project Work</u> | 42 | |
| Unit 1: Project File | 4 marks | |
| Unit 2 : Written Test | 12 marks (one hour) | |
| Unit 3: Viva Voce | 4 marks | |
| | ----- | ----- |
| | 20 marks | 80 |
| | ----- | ----- |
| OR | | |
| Part C: Computerized Accounting | | |
| 5. Overview of Computerized Accounting System | 12 | 4 |
| 6. Accounting Applications of Electronic Spread Sheet | 24 | 6 |
| 7. Using Computerized Accounting System | 12 | 4 |
| 8. Data Base Management System | 12 | 6 |
| 9. <u>Practical Work</u> | 26 | 20 |
| Unit 1: File | 4 marks | |
| Unit 2: Practical Examination | 12 marks (one hour) | |
| Unit 3: Viva Voce' | 4 marks | |
| | ----- | ----- |
| | 20 Marks | 86 |
| | ----- | ----- |
| | | 80 |

| |
|----------------------------------------------------------------------------------------------------|
| <p>The question paper will include values based question(s) to the extent of 3-5 marks.</p> |
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CLASS XII

PART A: Accounting for Partnership Firms and Companies

Unit 1. Accounting for Partnership firms – Fundamentals

- . Partnership: features, partnership deed.
- . Provisions of the Indian Partnership Act 1932 in the absence of partnership deed.
- . Fixed v/s fluctuating capital accounts, division of profit among partners, guarantee of profits, past adjustments (relating to interest on capital, interest on drawing, salary and profit sharing ratio), preparation of P&L Appropriation Account.
- . Goodwill: nature, factors affecting and methods of valuation - average profit, super profit, and capitalization.

Unit 2. Accounting for Partnership firms –Reconstitution and Dissolution

- . Change in the Profit Sharing Ratio among the existing partners – sacrificing ratio, gaining ratio. Accounting for revaluation of assets and re-assessment of liabilities and distribution of reserves and accumulated profits.
- . Admission of a partner. Effect of admission of a partner on change in the profit sharing ratio, treatment of goodwill (as per AS 26), treatment for revaluation of assets and re-assessment of liabilities, treatment of reserves and accumulated profits, adjustment of capital accounts and preparation of balance sheet.
- . Retirement and death of a partner: Effect of retirement/death of a partner on change in profit sharing ratio, treatment of goodwill, treatment for revaluation of assets and re-assessment of liabilities, adjustment of accumulated profits and reserves. Calculation of deceased partner's share of profit till the date of death. Preparation of deceased partner's capital account, executor's account, adjustment of capital accounts and preparation of balance sheet.
- . Dissolution of partnership firms: types of dissolution of firm. Settlement of account – preparation of realization account, and other related accounts (excluding piecemeal distribution, sale to a company and insolvency of partners' firm).

Unit 3. Accounting for Share Capital

- . Share and share capital : nature and types .
- . Accounting for share capital: issue and allotment of equity shares, private placement of shares, Public subscription of shares-over subscription and under

subscription of shares; Issue at par, at premium and at discount, calls in advance and arrears, issue of shares for consideration other than cash.

- . Accounting treatment of forfeiture and re-issue of shares.
- . Disclosure of share capital in company's Balance Sheet only.

Unit 4. Accounting for Debentures

- . Debentures: Issue of debentures at par, 'at premium and at discount. Issue of debentures for consideration other than cash, debentures as collateral security, interest on debentures
- . Redemption of debentures: Lump sum, draw of lots and conversion.

PART B: Financial Statement Analysis

Unit 5. Analysis of Financial Statements

- . Financial statements of a company: balance sheet of a company in the prescribed form with major headings and sub headings (as per Schedule VI to the Companies Act 1956).
- . Financial Statement Analysis: objectives and limitations.
- . Tools for Financial Statement Analysis: comparative statements, common size statements, cash flow analysis, ratio analysis.
- . Accounting Ratios: objectives and classification
- . Liquidity ratios: current ratio and quick ratio.
- . Solvency Ratios: Debt to Equity Ratio, Total Asset to Debt Ratio, Proprietary Ratio, Interest Coverage Ratio.
- . Activity ratios: Stock Turnover Ratio, Debtors Turnover Ratio, Creditors Turnover Ratio, Working Capital Turnover Ratio.
- . Profitability Ratios: Gross Profit Ratio, Operating Ratio, Operating Profit Ratio, Net Profit Ratio and Return on Investment.

Unit 6. Cash Flow Statement

- . Meaning, objectives and preparation (as per AS 3 revised) (Indirect Method)

Unit 7. Project work

Refer to the Guidelines published by the CBSE.

OR

Part C: Computerised Accounting

Unit 5 Overview of Computerised Accounting System

- . Introduction: Application in Accounting
- . Features of Computerised Accounting System
- . Structure of CAS
- . Software Packages:
 - . Generic
 - . Specific
 - . Tailored

Unit 6 Accounting Application of Electronic Spread Sheet

- . Concept of Electronic Spreadsheet
- . Features offered by Electronic Spreadsheet
- . Application in Generating Accounting Information I
- . Payroll
- . Data Presentation
- . Graphs, Charts and diagrams

Unit 7 Using Computerized Accounting System

- . Steps in installation of CAS, codification and Hierarchy of account heads, creation of accounts.
- . Data: Entry, Validation and Verification
- . Adjusting entries, preparation of balance sheet, profit and loss account with closing entries and opening entries
- . Need and security features of the system

Unit 8 Database Management System (DBMS)

- . Concept and Features of DBMS
- . DBMS in Business Application
- . Generating Accounting Information 1
 - o Payroll
- . Generating Accounting Information 2
 - o Debtors and Creditors
 - o Bank Reconciliation Statement
 - o Asset Accounting
 - o Inventory Accounting

Unit 9. Practical Work

Refer to the guidelines published by CBSE.

DESIGN OF QUESTION PAPER
ACCOUNTANCY (055)
CLASS – XII (2013-2014)

Time Allowed – 3 Hrs.

Max. Marks – 80

The weightage to marks over different dimensions of the question paper shall be as under

A. Weightage to Content/ Subject units

| S.No. | Content Unit | Marks |
|---------------------------------------------------------------|----------------------------------------------------------------|--------------|
| Part A: Accounting for Partnership Firms and Companies | | |
| 1. | Accounting for Partnership Firms-Fundamentals | 10 |
| 2. | Accounting for Partnership Firms-Reconstitutions & Dissolution | 25 |
| 3. | Accounting for Share Capital | 18 |
| 4. | Accounting for Debentures | 7 |
| | Total | 60 |
| Part B: Financial Statement Analysis | | |
| 5. | Analysis of Financial Statements | 12 |
| 6. | Cash flow Statement | 8 |
| | Total | 20 |
| OR | | |
| Part C: Computerised Accounting | | |
| 5. | Overview of Computerised Accounting system | 4 |
| 6. | Accounting Application of Electronic Spread sheet | 6 |
| 7. | Using Computerised Accounting System | 4 |
| 8. | DBMS | 6 |
| | Total | 20 |
| | Grand total (A+B)/(A+C) | 80 |

B. Weightage to forms of Questions

| S.No. | Forms of Questions | Marks for each question | No. of question | Total Marks |
|-------|------------------------------|-------------------------|-----------------|-------------|
| 1. | Very short answer type (VSA) | 1 | 10 | 10 |
| 2. | Short answer type (SAI) | 3 | 4 | 12 |
| 3. | Short answer type (SAII) | 4 | 6 | 24 |
| 4. | Long answer type (LAI) | 6 | 3 | 18 |
| 5. | Long answer type (LAII) | 8 | 2 | 16 |
| | Total | | 25 | 80 |

C. No. of Sections

The question paper will have three sections A, B and C. The students will have choice between sections B and C.

D. Scheme of Options

There will be no overall choice. However, there is an internal choice in the questions of 8 Marks.

E. Weightage of difficulty level of questions

| S.No. | Estimated difficulty level of questions | Percentage |
|-------|-----------------------------------------|------------|
| 1. | Easy | 20% |
| 2. | Average | 60% |
| 3. | Difficult | 20% |

F. The Question paper will include question(s) based on values to the extent of 3-5 marks.

SAMPLE QUESTION PAPER
ACCOUNTANCY (055), CLASS-XII
(2013-14)

Time Allowed – 3Hrs.

Max. Marks – 80

General Instructions:-

1. *This question paper contains three parts A, B and C*
2. *Part A is compulsory for all.*
3. *Attempt only one part of the remaining parts B and C.*
4. *All parts of a question should be attempted at one place.*

PART ‘A’

1. Alka, Barkha and Charu are partners in a firm having no partnership agreement. Alka, Barkha and Charu contributed `2,00,000, `3,00,000 and `1,00,000 respectively. Alka and Barkha desire that the profits should be divided in the ratio of capital contribution. Charu does not agree to this. Is Charu correct? Give reason. (1)
2. Pawan and Jayshree are partners. Bindu is admitted for 1/4th share. State the ratio in which Pawan and Jayshree will sacrifice their share in favour of Bindu? (1)
3. State any two occasions on which a firm may be reconstituted. (1)
4. When is ‘Partner’s Executors’ Account prepared? (1)
5. What is the maximum amount of discount at which forfeited shares can be re-issued? (1)
6. Give the meaning of ‘Subscribed and fully paid-up capital’. (1)
7. State an exception to the creation of Debenture Redemption Reserve as per SEBI Guidelines. (1)
8. A, B and C are partners in a firm. They had omitted interest on capital @10% p.a. for three years ended 31st March, 2013. Their fixed capitals on which interest was to be calculated throughout were:

| | |
|---|-----------|
| A | `1,00,000 |
| B | ` 80,000 |
| C | ` 70,000 |

Give the necessary adjusting journal entry with working notes. (3)
9. On 1st April, 2011, Rhythm Limited issued 1,000 10% debentures of `500 each at par. Debentures were redeemable after 7 years. However, the company gave an option to debenture holders to get their debentures converted into equity shares of `100 each at a premium of `25 per share anytime after the expiry of one year. Shivansh, holder of 200 debentures, informed on April 1, 2013 that he wanted to exercise the option of conversion of debentures into equity shares. The company accepted his request and converted debentures into equity shares. Pass necessary journal entries to record the issue of debentures on April 1, 2011 and conversion of debentures on April 1, 2013. (3)

10. Pass necessary journal entries for 'issue of debentures' for the following:
- Jain Ltd. issued 750, 12% Debentures of `100 each at a discount of 10% redeemable at a premium of 5%.
 - Sohan Ltd. issued 800, 9% Debentures of `100 each at a premium of `20 per Debenture redeemable at a premium of `10 per Debenture.
- (3)

11. Shabir and David were partners in a firm supplying school uniforms. They shared profits in the ratio of 4:3. Their capitals as on 1st April, 2013 were `1,00,000 and `50,000 respectively. On this date Shabir suggested David to start supplying low cost school uniforms to the students who belonged to low income group and admitted to the private schools of the city as per the provisions of Rights to Education Act 2009. David agreed and requested to admit into the firm his friend Charu, a specially abled unemployed person having good knowledge of cost-reduction methods. However, it was agreed that Charu will not contribute any capital. Shabir agreed to it. They were in need of more capital. Shabir, therefore persuaded a rich friend of his, Rafiq, to be a partner.
- Rafiq contributed `7,00,000 in cash, delivery van of `2,75,000 and furniture of `25,000 as his capital.
 - The new profit sharing ratio will be 3:2:1:1
- (a) **Identify any four values which the partners want to communicate to the society.**
- (b) Pass necessary journal entry for capital contributed by Rafiq in the form of cash and assets.
- (4)

12. A, B and C are partners sharing profits in the ratio of 5:3:2. Their Balance-Sheet as on March 31st, 2013 was as follows:

Balance-sheet of A,B & C as at March 31st, 2013

| Liabilities | Amount , | Assets | Amount , |
|--------------------------|-----------------|-----------|-----------------|
| Creditors | 20,000 | Cash | 16,000 |
| Employees Provident Fund | 26,000 | Debtors | 16,000 |
| Capitals: | | Stock | 80,000 |
| A 1,00,000 | | Furniture | 34,000 |
| B 70,000 | | Building | 1,20,000 |
| C 50,000 | 2,20,000 | | |
| | 2,66,000 | | 2,66,000 |

C retired on the above date and it was agreed that:

- C's share of Goodwill was `8,000;
- 5% provision for doubtful debts was to be made on debtors;
- Sundry creditors were valued `4,000 more than the book value.

Pass necessary journal entries for the above transactions on C's retirement. (4)

13. Raghav limited purchased a running business from Krishna Traders for a sum of `15,00,000. `3,00,000 were paid by cheque and for the balance Raghav Ltd. issued equity shares of `100 each at a premium of 20%.

The assets and liabilities consisted of the following:

| | |
|---------------------|----------|
| Plant and Machinery | 4,00,000 |
| Building | 6,00,000 |
| Stock | 5,00,000 |
| Sundry Debtors | 3,00,000 |
| Sundry creditors | 2,00,000 |

Record necessary journal entries in the books of Raghav limited. (4)

14. Janta Ltd. had an authorized capital of `2,00,000 divided into equity shares of `10 each. The company offered for subscription of `10,000 shares. The issue was fully subscribed. The amount payable on application was `2 per share. `4 per share were payable each on allotment and first and final call. A share holder holding 100 shares failed to pay the allotment money. His shares were forfeited. The company did not make the final call. How the 'share capital' will be presented in the company's balance-sheet?

Also prepare Notes to Accounts for the same.

(4)

15. X, Y and Z were partners in a firm. Their capitals on 1st April, 2012 were: X `2,00,000; Y `2,50,000 and Z `3,00,000. The partnership deed provided for the following:

- (i) They will share profits in the ratio of 2:3:3
- (ii) X will be allowed a salary of `12,000 p.a.
- (iii) Interest on capital will be allowed @ 12% p.a.

During the year X withdrew `28,000; Y `30,000 and Z `18,000. For the year ended 31.3.2013 the firm earned a profit of `5,00,000.

Prepare Profit and Loss Appropriation Account and Partner's Capital Accounts. (6)

16. Ram, Mohan and Sohan were partners sharing profits and losses in the ratio of 5:3:2.

On 31st March, 2012 their Balance Sheet was as under:

| Liabilities | | ₹ | Assets | | ₹ |
|------------------------|----------|-----------------|--------------|--|-----------------|
| Capital: | | | Land | | 1,25,000 |
| Ram | 1,50,000 | | Patents | | 30,000 |
| Mohan | 1,25,000 | | Machinery | | 1,50,000 |
| Sohan | 75,000 | | Stock | | 1,90,000 |
| | ----- | 3,50,000 | Cash at Bank | | 40,000 |
| Workmen's Compensation | | 30,000 | | | |
| Reserve | | 1,55,000 | | | |
| Creditors | | 5,35,000 | | | |
| | | | | | 5,35,000 |

| | | | |
|--|------------|--|-------------|
| | ----- - | | ----- -- |
|--|------------|--|-------------|

Sohan died on 1st August, 2012. It was agreed that:

- (i) Goodwill of the firm was valued at `1,75,000.
- (ii) Machinery was valued at `1,40,000; Patents at `40,000 and Land at `1,50,000 on this date.
- (iii) For the purpose of calculating Sohan's share in the profits of 2012-2013, the profits should be taken to have accrued on the same scale as in 2011-12, which were `75,000.
- (iv) Sohan mentioned in his will that the amount payable to his legal representatives should be used for welfare of the society.

Prepare Revaluation Account and Sohan's Capital Account. **Suggest any two ways by which the amount payable to Sohan's legal representative may be utilized for welfare of the society.**

(6)

17. Srijan Limited issued `10,000 new capital divided into 100 shares of ` 100 each at a premium of `20 per share, payable as under:

| | |
|-------------------------|-------------------------------------------------------|
| On Application | `10 per share |
| On Allotment | `40 per share (including Premium of `10 per share) |
| On First and Final Call | Balance |

Over-payments on application were to be applied towards sums due on allotment and first and final call. Where no allotment was made, money was to be refunded in full.

The issue was oversubscribed to the extent of 13,000 shares. Applicants for 12,000 shares were allotted only 2,000 shares and applicants for 3,000 shares were sent letters of regret. Shares were allotted in full to the remaining applicants.

Give Journal Entries to record the above transactions (including cash transactions) in the books of the company

(8)

OR

Sangita Limited invited applications for issuing 60,000 shares of ₹10 each at par. The amount was payable as follows:

| | |
|-------------------------|--------------|
| On Application | ₹2 per Share |
| On Allotment | ₹3 per Share |
| On First and Final Call | ₹5 per Share |

Applications were received for 92,000 shares. Allotment was made on the following basis:

- (i) To applicants for 40,000 shares – Full
- (ii) To applicants for 50,000 shares -40%
- (iii) To applicants for 2,000 shares – nil.

₹1,08,000 was realized on account of allotment (excluding the amount carried from application money) and ₹2,50,000 on account of call.

The directors decided to forfeit shares of applicants belonging to category (i) on which allotment money was overdue Give Journal Entries to record the above transactions in the books of the company.

(8)

18. L and M share profits of a business in the ratio of 5:3. They admit N into the firm on 1st April, 2013 for a fourth share in the profits to be contributed equally by L and M. On the date of admission the Balance Sheet of L and M was as follows:

Balance Sheet as at March 31st, 2013

| Liabilities | ₹ | Assets | ₹ |
|--------------|--------|-----------|--------|
| L's Capital | 30,000 | Machinery | 26,000 |
| M's Capital | 20,000 | Furniture | 18,000 |
| Reserve Fund | 4,000 | Stock | 10,000 |
| Bank Loan | 12,000 | Debtors | 8,000 |
| Creditors | 2,000 | Cash | 6,000 |
| | 68,000 | | 68,000 |

Terms of N's admission were as follows:

- (i) N will bring ₹25,000 as his capital.
- (ii) Goodwill of the firm is to be valued at 4 years' purchase of the super profits of the last three years. Average profits of the last three years are ₹20,000; while the normal profits that can be earned on the capital employed are ₹12,000.
- (iii) Furniture is to be revalued at ₹24,000 and the value of stock to be reduced by 20% . Prepare Revaluation Account, Partners' Capital Accounts and the Balance Sheet of the firm after admission of N.

(8)

OR

Following is the Balance Sheet of X and Y, who share profits and losses in the ratio of 4:1, as at 31st March, 2013:

| Liabilities | Amount , | Assets | Amount , |
|-----------------------------|-----------------|-----------------------------|-----------------|
| Sundry Creditors | 8,000 | Bank | 20,000 |
| Bank overdraft | 6,000 | Debtors 17,000 | |
| X's Brother's Loan | 8,000 | Less Provision <u>2,000</u> | |
| Y's loan | 3,000 | | 15,000 |
| Investment Fluctuation Fund | 5,000 | Stock | 15,000 |
| Capital: X 50,000 | | Investments | 25,000 |
| Y 40,000 | | Buildings | 25,000 |
| <hr/> | 90,000 | Goodwill | 10,000 |
| | | Profit and Loss A/c | 10,000 |
| | 1,20,000 | | 1,20,000 |

The firm was dissolved on the above date and the following arrangements were decided upon:

- (i) X agreed to pay off his brother's loan
- (ii) Debtors of `5,000 proved bad
- (iii) Other assets realized – Investments 20% less; and goodwill at 60%.
- (iv) One of the creditors for `5,000 was paid only `3,000.
- (v) Buildings were auctioned for `30,000 and the auctioneer's commission amounted to `1,000.
- (vi) Y took over part of stock at `4,000 (being 20% less than the book value). Balance stock realized 50%.
- (vii) Realisation expenses amounted to `2,000.

Prepare:

- i) Realisation A/c
 - ii) Partners' Capital accounts
 - iii) Bank A/c
- (8)

Part-B

Financial Statement Analysis

19. X Ltd. has a Debt-Equity Ratio at 3:1. According to the management it should be maintained at 1:1. What are the two choices to do so? (1)
20. State whether cash deposited in bank will result in inflow, outflow or no flow of cash. (1)
21. Interest received by a finance company is classified under which kind of activity while preparing a cash flow statement? (1)
22. List the items which are shown under the heading, 'Current Assets' in the Balance sheet of a company as per provisions of Schedule VI of the Companies Act, 1956. (3)

23. Prepare a 'Comparative Statement of Profit & Loss' with the help of the following information

| Particulars | 2012-2013 | 2011- 2012 | |
|-------------------------|-----------|------------|-----|
| Revenue from operations | 30,00,000 | 20,00,000 | |
| Expenses | 21,00,000 | 12,00,000 | |
| Other Incomes | 3,60,000 | 4,00,000 | |
| Income Tax | 50% | 50% | (4) |

24. Find the value of current liabilities and current assets, if current Ratio is 2.5:1, liquid ratio is 1.2:1 and the value of inventory of the firm is `78,000. (4)

25. Following are the Balance Sheets of Delta Ltd., as on 31st March 2012 and 2013: (6)

| Particulars | Note No. | 2011-12 (₹) | 2012-13 (₹) |
|------------------------------------|----------|----------------|----------------|
| EQUITY AND LIABILITIES | | | |
| (1) Shareholders Funds | | | |
| (a) Share capital | | 6,00,000 | 7,00,000 |
| (b) Reserves and Surplus | 1 | 1,10,000 | 2,00,000 |
| (2) Non Current Liabilities | | | |
| (a) Long term borrowings | | 2,25,000 | 3,30,000 |
| Total | | 9,35,000 | 12,30,000 |
| ASSETS | | | |
| (1) Non Current Assets | | | |
| (a) Fixed assets | | | |
| (i) Tangible assets | 2 | 8,00,000 | 11,00,000 |
| (2) Current Assets | | | |
| (a) Inventories | | 60,000 | 70,000 |
| (b) Trade Receivables | | 40,000 | 32,000 |
| (c) Cash and Cash equivalents | | 35,000 | 28,000 |
| Total | | 9,35,000 | 12,30,000 |

Notes to Accounts:

| Note No. | Particulars | As on 31 st March, 2012 (₹) | As on 31 st March, 2013 (₹) |
|----------|----------------------------------------------------------------------------------|----------------------------------------------|----------------------------------------------|
| 1. | Reserves and Surplus Surplus (balance in Statement of profit and Loss) | 1,10,000 | 2,00,000 |
| 2. | Tangible assets Plant and Machinery | 8,00,000 | 11,00,000 |

Adjustment:

A piece of machinery of the book value of `80,000 was sold for `65,000 at the beginning of the year. Depreciation provided on Plant and Machinery during the year amounted to `2,00,000.

Prepare a Cash Flow Statement.

OR

PART 'C'
Computerized Accounting System

19. State the five components of Computerised Accountancy System. (1)
20. What is grouping of accounts? (1)
21. What is meant by the terms 'Back-end' and Front-end' as used in data applications? (1)
22. State the features of Computerized Accounting system. (3)
23. Explain the security features associated with CAS software. (4)
24. What is DBMS? Explain its two advantages. (4)
25. Anjana Ltd. calculates conveyance allowance on the basis of the sales made by its employees.
Write the formula in MS Excel for calculating:
 - (i) The difference between the expected sale and actual sale.
 - (ii) The conveyance allowance will be `5,000 if the employee meets the expected sales target and for every extra unit sold he would get `50.
 - (iii) `1,000 even if expected units are not sold. (6)

**MARKING SCHEME
SAMPLE QUESTION PAPER
ACCOUNTANCY
CLASS-XII**

**Part A
Accounting for Partnership Firms and Companies**

1. Charu is correct.
Reason: In the absence of partnership deed profits are shared equally.
($\frac{1}{2} + \frac{1}{2} = 1$ Mark)
2. Old Ratio i.e. 1:1
3. A partnership firm may be reconstituted in the following circumstances: (Any two)
1 Mark
 - (i) Change in the profit sharing ratio among the existing partners.
 - (ii) Admission of a new partner;
 - (iii) Retirement of an existing partner and
 - (iv) Death of a partner ($\frac{1}{2} \times 2 = 1$ Mark)
4. Partner's executors account is prepared at the time of death of a partner. (1 Mark)
5. Maximum amount of discount at which the forfeited shares can be re-issued is the amount forfeited on such shares. (1 Mark)
6. When the entire face value of a share is called by the company and is also paid by the shareholder, it is said to be subscribed and fully paid-up capital. (1 Mark)
7. Any one of the following: 1 Mark
 - (i) Creation of Debenture Redemption Reserve is not required for issue of debentures with a maturity period of 18 months or less.
 - (ii) Infrastructure companies (i.e. companies wholly engaged in developing, maintaining and operating infrastructure facilities).

8 Journal

| Date | Particulars | L. F. | Dr. Amount , | Cr. Amount , |
|---------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|----------|--------------------|--------------------|
| 2013, 31 st March | B's Current A/c Dr. C's Current A/c Dr. To A's Current A/c (Being omission of interest on capital for three years rectified) | | 1,000/- 4,000/- | 5,000 |

Working Note: Statement showing adjustments to be made:

| Particulars | A | B | C | Total |
|-------------------------------------------------------------------|--------------|--------------|--------------|--------|
| 1.Total Amount of interest on capital omitted, to be credited now | 30,000 | 24,000 | 21,000 | 75,000 |
| 2.Total amount of profit already credited, now to be debited | 25,000 | 25,000 | 25,000 | 75,000 |
| 3.Balance | 5,000 Cr. | 1,000 Dr. | 4,000 Dr. | |

9. Journal

| Date | Particulars | L.F | Dr. Amount | Cr. Amount | |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|------------|------------------|----------|
| 2011 1 st April | Bank A/c Dr. To 10% Debenture Application and Allotment A/c (Being application money received on 1000 debentures @ `500) | | 5,00,000 | 5,00,000 | (½ Mark) |
| 2011 1 st April | 10% Debenture Application and Allotment A/c Dr. To 10% Debentures A/c (Being application money transferred to 10% Debentures account consequent upon allotment) | | 5,00,000 | 5,00,000 | (1 Mark) |
| 2013 1 st April | 10% Debentures A/c Dr. To Debenture holders A/c (Being amount due to Debenture holder on conversion) | | 1,00,000 | 1,00,000 | (½ Mark) |
| 2013 1 st April | Debenture holders A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Being the issue of 800 equity shares of `100 each at a premium of `25 per share) | | 1,00,000 | 80,000 20,000 | (1 Mark) |

(3 Marks)

10. Journal

| Date | Particulars | L.F. | Dr. Amount | Cr. Amount | |
|------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|--------------------------|---------------------------|----------|
| (i) | Bank A/c Dr. To 12% Debenture Application and Allotment A/c (Being Debenture application and allotment money received on 750 debentures @ 90 each) | | 67,500 | 67,500 | (½ Mark) |
| | 12% Debenture Application and Allotment A/c Dr. Discount on Issue of Debentures A/c Dr. Loss on Issue of Debentures A/c Dr. To 12% Debentures A/c To Premium on redemption of Debenture (Being issue of 750 debentures of ₹ 100 each a discount of 10% redeemable at a premium of 5%) | | 67,500 7,500 3,750 | 75,000 3,750 | (1 Mark) |
| (ii) | Bank A/c Dr. To 9% Debenture Application & Allotment A/c (Being application and allotment money received on 800 debentures @ ₹ 120 each.) | | 96,000 | 96,000 | (½ Mark) |
| | 9% Debenture Application & Allotment A/C Dr. Loss on Issue of Debenture A/c Dr. To 9% Debentures A/c To Securities Premium Reserve A/c To Premium on Redemption of Debentures A/c (Being issue of debentures at premium Redeemable at premium). | | 96,000 8,000 | 80,000 16,000 8,000 | (1 Mark) |

(3 Marks)

11. (a) Values: (Any four)

- (i) Secularism
- (ii) Supporting the implementation of “Right to Education Act, 2009”.
- (iii) Sensitivity towards differently abled individuals.
- (iv) Empowering women entrepreneurship
- (v) Providing entrepreneurial opportunities to people from different areas of the country.

(2 Marks)

(b) **Journal entry**

| | | | |
|------------------------------------------------|------------------------|----------|----------|
| | | Dr. | Cr. |
| | | Amount ` | Amount ` |
| Cash A/c | Dr. | 7,00,000 | |
| Delivery Van A/c | Dr. | 2,75,000 | |
| Furniture A/c | Dr. | 25,000 | |
| | To Rafiq's Capital A/c | | 1,00,000 |
| (Capital worth `10,00,000 brought in by Rafiq) | | | |

½ Mark for each entry (2 Marks)

12.

JOURNAL

| Date | Particulars | Dr. Amount | Cr. Amount | |
|---------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|--------------|----------|
| 2013 March, 31 st | Revaluation A/c Dr. To Provision for Doubtful Debts A/c To Sundry Creditors A/c (Being decrease in the value of debtors and increase in the value of creditors transferred to Revaluation A/c) | 4,800 | 800 4,000 | (1 Mark) |
| | A's Capital A/c Dr. B's Capital A/c Dr. C's Capital A/c Dr. To Revaluation A/c (Being loss on revaluation transferred to Capital A/cs) | 2,400 1,440 960 | 4,800 | (1 Mark) |
| | A's Capital A/c Dr. B's Capital A/c Dr. To C's Capital A/c (Being C's share of goodwill adjusted to the accounts of the continuing partners in their gaining ratio 5:3) | 5,000 3,000 | 8,000 | (1 Mark) |
| | C's Capital A/c Dr. To C's loan A/c (Being Balance of C's capital A/c transferred to C's loan A/c) | 57,040 | 57,040 | (1 Mark) |

Working Note:

| | | | | |
|-----------------|---|--------------------------------|---|---------------|
| C's Capital A/c | = | Opening balance in Capital A/c | ` | 50,000 |
| | + | Share of Goodwill | ` | 8,000 |
| | - | Loss on Revaluation | ` | 960 |
| | | | | <u>57,040</u> |

(1+1+1+1= 4 Marks)

13.

Journal

| Date | Particulars | L.F. | Dr. Amount | Cr. Amount |
|-------------|---------------------------------------------------------------------------------------|-------------|-----------------------|-----------------------|
| | Plant and Machinery A/c Dr. | | 4,00,000 | |
| | Building A/c Dr. | | 6,00,000 | |
| | Stock A/c Dr. | | 5,00,000 | |
| | Sundry Debtors A/c Dr. | | 3,00,000 | |
| | To Sundry Creditors A/c | | | 2,00,000 |
| | To Krishna Traders A/c | | | 15,00,000 |
| | To Capital Reserve A/c | | | 1,00,000 |
| | (Being the purchase of assets and liabilities of Krishna Traders) | | | |
| | Krishna Traders A/c Dr. | | 3,00,000 | |
| | To Bank A/c | | | 3,00,000 |
| | (Being `3,00,000 paid to Krishna Traders by cheque) | | | |
| | Krishna Traders A/c | | 12,00,000 | |
| | To Share Capital A/c | | | 10,00,000 |
| | To Securities Premium Reserve A/c | | | 2,00,000 |
| | (Being the balance of `12,00,000 discharged by issue of equity shares at 20% premium) | | | |

(2 Mark)

(1 Mark)

14.

Balance Sheet of Janta Ltd. As at.....

| | Particulars | Note No. | Amount Current year | Amount Previous year |
|---|-------------------------------|-----------------|------------------------------------|---------------------------------|
| I | Equity and Liabilities | | | |
| | Shareholders funds | 1 | 59,400 | |
| | (a) Share capital | | | |

Notes to Accounts**Note No. 1****Share Capital**

Authorised Capital

20,000 equity shares of `10 each

Issued Capital

10,000 equity shares of `10 each

Subscribed Capital

Subscribed, but not fully paid

9,900 shares of `10 each `6 called up = `59400

Amount

2,00,000

1,00,000

Add forfeited shares

+200

59,600
(1+3 =4 marks)

15. Books of X,Y and Z

**Profit and Loss Appropriation Account
For the year ended 31.3.13**

| Dr | | Cr. | |
|-------------------------------------------|---------------|----------------------|---------------|
| Particulars | Amount (₹) | Particulars | Amount (₹) |
| To interest on Capital: | | By Profit & Loss A/c | 5,00,000 |
| X- 24,000 | | | |
| Y- 30,000 | | | |
| Z- 36,000 | 90,000 | | |
| To Salary of X | 12,000 | | |
| To Profit transferred to Capital A/c : | | | |
| X-` 99,500 | | | |
| Y-` 1,49,250 | | | |
| Z-` 1,49,250 | 3,98,000 | | |
| | 5,00,000 | | 5,00,000 |

(1 mark for each item on debit side) 1x3=3 marks

| Dr. | | | | Cr. | | | |
|-----------------------------------|----------|----------|----------|------------------------------------|----------|----------|----------|
| Partner's Capital Accounts | | | | | | | |
| Particulars | X , | Y , | Z , | Particulars | X , | Y , | Z , |
| To Drawing | 28,000 | 30,000 | 18,000 | By Balance b/d | 2,00,000 | 2,50,000 | 3,00,000 |
| | | | | By Interest on Capital | 24,000 | 30,000 | 36,000 |
| To balance c/d | 3,07,500 | 3,99,250 | 4,67,250 | By Salary-X | 12,000 | - | - |
| | | | | By P&L Appropriation Account | 99,500 | 1,49,250 | 1,49,250 |
| | 3,35,500 | 4,29,250 | 4,85,250 | | 3,35,500 | 4,29,250 | 4,85,250 |

(1 mark for each capital A/c 1x3 = 3 marks 3+3=6 marks)

| Dr. | | Revaluation Account | | Cr. | |
|-------------------------------------------------------------|--------|---------------------|--------|-----|--------|
| Particulars | ₹ | Particulars | ₹ | | |
| To Machinery | 10,000 | By Land | 25,000 | | |
| To Profit Transferred to Capital A/c's : Ram : 12,500 | | By Patents | 10,000 | | |
| Mohan : 7,500 | 25,000 | | | | |
| Sohan : 5,000 | 35,000 | | | | 35,000 |

(1)

| Dr. | | Sohan's Capital Account | | Cr. | |
|---------------------------|----------|-----------------------------------------|--------|-------------------|----------|
| Particulars | ₹ | Particulars | ₹ | | |
| To Sohan's Executor's A/c | 1,26,000 | By Balance b/d | 75,000 | | |
| | | By Revaluation A/c | 5,000 | | |
| | | By Ram's Capital A/c | 21,875 | ($\frac{1}{2}$) | |
| | | $(\text{₹ } 35,000 \times \frac{5}{8})$ | | | |
| | | By Mohan's Capital A/c | 13,125 | ($\frac{1}{2}$) | |
| | | $(\text{₹ } 35,000 \times \frac{3}{8})$ | | | |
| | | By P&L Suspense A/c | 5,000 | (1) | |
| | | By Workmen's Compensation Reserve A/c | 0 | ($\frac{1}{2}$) | |
| | | | 6,000 | | |
| | | | 0 | | |
| | 1,26,000 | | | | 1,26,000 |

(3)

The amount may be utilized for any of the following purposes:

- Opening a charitable Dispensary/Hospital
- Donation to an orphanage
- Development of parks
- Opening a play school without fee (or any other)

(2)

Working Notes:

- Sohan's share of Goodwill: $\frac{1}{5}$ of ₹1,75,000 = ₹35,000
The amount for Goodwill to be contributed by Ram and Mohan in the ratio of 5:3.
- Profit of Sohan till the time of death that is upto 31.07.2006 (for 4 months)
₹75,000 $\times \frac{4}{12} \times \frac{2}{10}$ = ₹5,000

(1+3+2=6 marks)

17. Journal of Srijan Ltd.

| Date | Particulars | LF. | Dr. Amount , | Cr. Amount ` |
|-------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|--------------------|----------------------------------------|
| (i) | Bank A/c Dr. To Share Application A/c (Being Application money received on 23000 shares @ `10 per share) | | 2,30,000 | 2,30,000 |
| (ii) | Share Application A/c Dr. To Share Capital A/c To Share Allotment A/c To calls-in-advance A/c To Bank A/c (Being application money adjusted and balance refunded) | | 2,30,000 | 1,00,000 80,000 20,000 30,000 |
| (iii) | Share Allotment A/c Dr. To Share Capital A/c To Securities Premium Reserve A/c (Being allotment money Reserve due) | | 4,00,000 | 3,00,000 1,00,000 |
| (iv) | Bank A/c Dr. To Share Allotment A/c (Being allotment money due) | | 3,20,000 | 3,20,000 |
| (v) | Share First & Final Call A/c Dr. To Share Capital A/c To Securities Premium Reserve A/c (Being Call money due) | | 7,00,000 | 6,00,000 1,00,000 |
| (vi) | Bank A/c Dr. Call in advance A/c Dr. To Share First & Final Call A/c (Being call money received) | | 6,80,000 20,000 | 7,00,000 |

(i), (iii), (iv) & (vi) = 1x4 = 4 marks 4+4 = 8 marks
(ii) & (v) = 2x2 = 4 marks

Working Notes:

- (i) Total amount received on application = `10x23,000 = ` 2,30,0000
(ii) Pro rata category applied 12,000 : Allotted 2,000 (i.e. 6:1)
Money received on application 12,000 x `10 = `1,20,000
Money required on application 2,000 x `10 = `20,000
Excess money received on application = `1,00,000
Money required on allotment 2,000 x `40 = `80,000

So entire amount due on allotment is already received. Excess `20,000 is transferred to calls in advance. This amount will be credited to Calls in Advance A/c. In that case, Calls in Advance

A/c will be debited in entry No. 6 along with Bank A/c and Share First and Final Call A/c will be credited with full amount of `7,00,000.

OR
Journal of Sangita Ltd.

| Date | Particulars | LF. | Dr. Amount | Cr. Amount |
|-------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|--------------------|-----------------------------|
| (i) | Bank A/c Dr. To Share Application A/c (Being application money received on 92,000 shares @ `2 per share) | | 1,84,000 | 1,84,000 |
| (ii) | Share Application A/c. Dr To Share Capital A/c To Bank A/c To Share Allotment A/c (Being the application money adjusted towards share capital, share allotment and surplus refunded) | | 1,84,000 | 1,20,000 4,000 60,000 |
| (iii) | Share Allotment A/c Dr. To Share Capital A/c (Being allotment money due on 60,000 shares @ ` 3 per Share) | | 1,80,000 | 1,80,000 |
| (iv) | Bank A/c Dr. To Share Allotment A/c (Being allotment money received) | | 1,08,000 | 1,08,000 |
| (v) | Share First & Final Call A/c Dr. To Share Capital A/c (Being first and final call money due on 60,000 Shares @ ` 5 per Share) | | 3,00,000 | 3,00,000 |
| (vi) | Bank A/c Dr. To Share First and Final Call A/c (Being first and final call money received) | | 2,50,000 40,000 | 2,50,000 |
| (vii) | Share Capital A/c Dr. To Share Allotment A/c To Share first and final call A/c To Share forfeited A/c (Being 4,000 shares forfeited due to non-payment of allotment and first and final call) | | | 12,000 20,000 8,000 |

(i), (ii), (iv), (v) & (vi) – 1 mark each (5)
(iii) and (vii) 1 ½ mark each (3)
(5+3 = 8 marks)

18.

| Dr. | | Revaluation A/c | | Cr. | |
|------------------------------------------------|--------------|------------------|-------|-----|--------------|
| Particulars | | Particulars | | | |
| To Stock A/c | 2,000 | By Furniture A/c | 6,000 | | |
| To Profit transferred to Partners' Capital A/c | | | | | |
| L 2,500 | 4,000 | | | | |
| M 1,500 | <u>6,000</u> | | | | <u>6,000</u> |

(1½)

Partners' Capital A/c

| Dr | | | | Cr. | | | |
|--------------------|---------------|---------------|--------|--------------------|---------------|---------------|---------------|
| Particulars | L | M | N | Particulars | L | M | N |
| To L's Capital A/c | | | 4,000 | By Balance b/d | 30,000 | 20,000 | |
| To M's Capital A/c | | | 4,000 | By Reserve Fund | 2,500 | 1,500 | |
| To Balance c/d | 39,000 | 27,000 | 17,000 | By Revaluation A/c | 2,500 | 1,500 | |
| | | | | By Cash A/c | - | - | |
| | | | | By N's Capital A/C | 4,000 | 4,000 | |
| | | | | | | | 25,000 |
| | <u>39,000</u> | <u>27,000</u> | 25,000 | | <u>39,000</u> | <u>27,000</u> | <u>25,000</u> |

(4½)

Balance Sheet as at 1st April, 2013

| Liabilities | | | Liabilities | | |
|-------------|--|---------------|-------------|--------|---------------|
| Capital | | | Machinery | 26,000 | |
| L 39,000 | | | Furniture | 24,000 | |
| M 27,000 | | | Stock | 8,000 | |
| N 17,000 | | 83,000 | Debtors | 8,000 | |
| Bank Loan | | 12,000 | Cash | 31,000 | |
| Creditors | | 2,000 | | | |
| | | <u>97,000</u> | | | <u>97,000</u> |

(2)

***Working Notes**

| | |
|--------------------|-----------|
| N's Capital A/c | Dr. 8,000 |
| To L's Capital A/c | 4,000 |
| To M's Capital A/c | 4,000 |

(1 ½+4 ½ +2 =8 marks)

OR

| Dr. | | Realisation Account | | Cr. | |
|--------------------------------------------|-----------------|-------------------------------------|--|------------|-----------------|
| Particulars | | Particulars | | | |
| To Goodwill A/c | 10,000 | By Investment Fluctuation Fund A/c | | | 5,000 |
| To Buildings A/c | 25,000 | By Provision for doubtful debts A/c | | | 2,000 |
| To Investments A/c | 25,000 | By Creditors A/c | | | 8,000 |
| To Stock A/c | 15,000 | By Bank overdraft A/c | | | 6,000 |
| To Debtors A/c | 17,000 | By X's Brother's loan A/c | | | 8,000 |
| To X's Capital A/c (X's brother's Loan) | 8,000 | By Bank A/c | | | |
| To Bank: A/c | | Assets realized | | | |
| Creditors 6,000 | | Debtors 12,000 | | | |
| Bank overdraft <u>6,000</u> | 12,000 | Investments 20,000 | | | |
| | | Goodwill 6,000 | | | |
| To Bank A/c | 2,000 | Buildings 29,000 | | | |
| (Realisation exp.) | | Stock <u>5,000</u> | | | 72,000 |
| | | By Y's Capital (Stock) | | | 4,000 |
| | | By Loss transferred to: | | | |
| | | X's capital A/c 7200 | | | |
| | | Y's capital A/c <u>1800</u> | | | |
| | | | | | 9000 |
| | <u>1,14,000</u> | | | | <u>1,14,000</u> |

(4)

| Dr. | | Partners' Capital A/c | | Cr. | |
|------------------------------|---------------|------------------------------|--------------------|--------------|---------------|
| Particulars | X() | Y () | Particulars | X() | Y () |
| To Profit & Loss A/c | 8,000 | 2,000 | By Balance b/d | 50,00 | 40,000 |
| To Realisation A/c | - | 4,000 | By Realisation A/c | 0 | - |
| To Realisation A/c (Loss) | 7,200 | 1,800 | | 8,000 | |
| To Bank A/c | 42,800 | 32,200 | | | |
| | <u>58,000</u> | <u>40,000</u> | | <u>58,00</u> | <u>40,000</u> |
| | | | | 0 | |

(2)

| Dr. | | Bank Account | | Cr. | |
|--------------------|-----------------------|----------------------------------------------|-----------------------|------------|--------|
| Particulars | Amount () | Particulars | Amount () | | |
| To Balance b/d | 20,000 | By Y's loan A/c | | | 3,000 |
| To Realisation A/c | 72,000 | By Realisation A/c (Liabilities paid off) | | | 12,000 |

| | | | |
|--|--------|-----------------------------------|--------|
| | | By Realisation A/c (For expenses) | 2,000 |
| | | By X's Capital A/c | 42,800 |
| | | By Y's Capital A/c | 32,200 |
| | 92,000 | | 92,000 |

(4+2+2=8 marks)

PART-B

Financial Statement Analysis

19. The two choices to maintain Debt equity at 1:1 from 3:1 are: (Any Two) (1 mark)
- To increase equity Or
 - To reduce Debt
 - Both i.e. increase equity and reduce Debt.

20. No flow (1 mark)

21. Operating Activity (1 mark)

22. **Balance Sheet of..... as at 31st March.....**

| Particulars | Note No. | |
|-----------------------------------|----------|--|
| 11. Assets | | |
| (2) Current Assets | | |
| (a) Current Investments | | |
| (b) Inventories | | |
| (c) Trade Receivables | | |
| (d) Cash and Cash Equivalents | | |
| (e) Short Term loans and Advances | | |
| (f) Other Current Assets | | |

(½ x 6=3 Marks)

23. **Comparative Statement of Profit and Loss**

For the year ended 31st March, 2013

| Particulars | Absolute Figures | | Absolute Change (₹) | Percentage Change (%) |
|----------------------------|------------------|-----------------|------------------------|--------------------------|
| | 2011-12 (₹) | 2012-13 (₹) | | |
| I. Revenue from operations | 20,00,000 | 30,00,000 | 10,00,000 | 50% |
| II. Add: other Incomes | 4,00,000 | 3,60,000 | (40,000) | 10% |
| III. Total Revenue (I+II) | 24,00,000 | 33,60,000 | 9,60,000 | 40% |
| Less Expenses | 12,00,000 | 21,00,000 | 9,00,000 | 75% |
| Profit before Tax | 12,00,000 | 12,60,000 | 60,000 | 5% |
| IV. Less Tax (50%) | 6,00,000 | 6,30,000 | 30,000 | 5% |
| PROFIT AFTER TAX | 6,00,000 | 6,30,000 | 30,000 | 5% |

(One mark for each correct row-1x4=4 Marks)

24. Current Ratio = $\frac{\text{Current Assets}}{\text{Current Liabilities}}$

Or $\frac{2.5}{1} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$

Or 2.5 Current Liabilities = Current Assets

$$\text{Liquid Ratio} = \frac{\text{Liquid Assets}}{\text{Current Liabilities}}$$

$$\text{Or } \frac{1.2}{1} = \frac{\text{Liquid Assets}}{\text{Current Liabilities}}$$

$$\text{Or Current Liabilities} = \frac{\text{Liquid Assets}}{1.2}$$

$$\text{Or } \frac{\text{Current Assets} - \text{Stock}}{1.2}$$

$$\text{Or C.L} = \frac{2.5 \text{ Current Liabilities} - 78,000}{1.2}$$

$$\text{Or } 1.2 \text{ C.L} = 2.5 \text{ Current Liabilities} - 78,000$$

$$\text{Or } 78,000 = 1.3 \text{ C.L}$$

$$\text{Or } \frac{78,000 \times 10}{13} = \text{Current Liabilities}$$

$$\text{Or } `60,000 = \text{Current Liabilities}$$

$$\text{Or Current Assets} = 2.5 \times `60,000 \\ = `1,50,000$$

($\frac{1}{2} + \frac{1}{2} + \frac{1}{2} + \frac{1}{2} + 1 + 1 = 4$ Marks)

25.

**Cash Flow Statement
for the year ending 31st March 2013**

| Particulars | Details (₹) | Amount (₹) |
|-------------------------------------------------|-----------------|---------------|
| A. CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before tax | 90,000 | |
| Add: Depreciation on machinery | 2,00,000 | |
| Loss on sale of machinery | <u>15,000</u> | |
| Operating Profit before working capital changes | | 3,05,000 |
| Add: Decrease in Trade Receivables | 8,000 | |
| Less: Increase in inventory | <u>(10,000)</u> | <u>(2000)</u> |
| Net Cash generated from operating activities | | 3,03,000 |
| B. CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Machinery purchased | (5,80,000) | |
| Machinery sold | <u>65,000</u> | |
| Net Cash used in investing activities | | |
| C. CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Issue of Shares | 1,00,000 | |
| Long term borrowings | <u>1,05,000</u> | |
| | | (5,15,000) |

| | | |
|---------------------------------------------------|--|---------------|
| Net Cash generated from financing activities | | 2,05,000 |
| NET DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C) | | (7,000) |
| Add opening balance of cash and cash equivalents | | <u>35,000</u> |
| Closing balance of cash and cash equivalents | | <u>28,000</u> |

(3 marks)

| Dr. | Plant and Machinery A/c | | Cr. |
|----------------|-------------------------|----------------------------------|-----------|
| To balance b/d | 8,00,000 | By Cash A/c | 65,000 |
| To Cash A/c | 5,80,000 | By loss on sale of machinery A/c | 15,000 |
| | | By depreciation A/c | 2,00,000 |
| | | By balance c/d | 11,00,000 |
| | 13,80,000 | | 13,80,000 |

(3 marks)

PART –C Computerized Accounting System

19. The five components of Computerised Accounting System are: Hardware, Software, Data, People and Procedure. (1 mark)
20. Grouping of accounts refers to the categorization of accounts sharing the Common characteristics in a ledger. For example, the ledger of debtors and ledger of creditors contains all accounts of customers and suppliers respectively. Hence, debtors and creditors are two account groups. (1 mark)
21. It is done to remove data redundancy. (1 mark)
22. Features of CAS (any two):
1. Simple and integrated. (1/2 mark for naming +1 mark for explanation)
 2. Transparency and control.
 3. Accuracy and speed
 4. Scalability.
 5. Reliability (1 ½ x2 = 3 marks)
23. Every accounting software ensures data security, safety and confidentially through:
- (i) **Password Security:** Password is a mechanism, which enables a user to access a system including data. The system facilitates by defining the user rights according to the organizational policy. As a result, a person in an organization is authorized to access a particular set of a data while he/she may be denied access to another set of data.

- (ii) **Data Audit:** This feature enables the user to know as to who and what changes have been made in the original data thereby helping and fixing the responsibility of the person who has manipulated the data and also ensures data integrity. Basically, this features is similar to Audit Trail.
- (iii) **Data Vault:** This software provides additional security through data encryption. Encryption essentially scrambles the information so as to make its interpretation extremely difficult (almost impossible). Thus, Encryption ensures security of data even if it lands in wrong hands, because the receiver of data will not be able to decode and interpret it.

(1 ½ +1 ½ +1=4 marks)

24. It is a set of programs that control and manage creation, utilization and maintenance of database of a business organization.

Advantages (Any Two)

1. Reduce Data redundancy
2. Information protection
3. Data dictionary management
4. Greater consistency
5. Reduced cost
6. Backup and recovery facility.

(1=1 ½ +1 ½ =4 marks)

25. (i) Sum (C2-B2)

When actual sale is projected in C2 and expected in B2

(i) = If (D2=0,5000, IF (D2>0,5000=D2X50,1000)

(ii) Answer for the third point is included in this point.

(2+4=6 marks)

SAMPLE QUESTION PAPER
ACCOUNTANCY (055)
CLASS-XII (2013-14)

Max.Marks 80

Time: 3 hrs.

QUESTION-WISE ANALYSIS

| S.No. of question | Unit/Ch. Number | Marks allotted | Estimated time (Minutes) | Estimated Difficulty level |
|--------------------------|------------------------|-----------------------|---------------------------------|-----------------------------------|
| 1 | 1 | 1 | 2 minutes | A |
| 2 | 2 | 1 | 2 minutes | A |
| 3 | 2 | 1 | 2 minutes | A |
| 4 | 2 | 1 | 2 minutes | A |
| 5 | 3 | 1 | 2 minutes | A |
| 6 | 3 | 1 | 2 minutes | A |
| 7 | 4 | 1 | 2 minutes | A |
| 8 | 1 | 3 | 6 minutes | B |
| 9 | 4 | 3 | 6 minutes | B |
| 10 | 4 | 3 | 6 minutes | C |
| 11 | 2 | 4 | 8 minutes | C |
| 12 | 2 | 4 | 8 minutes | B |
| 13 | 3 | 4 | 8 minutes | B |
| 14 | 3 | 4 | 8 minutes | B |
| 15 | 1 | 6 | 12 minutes | B |
| 16 | 2 | 6 | 12 minutes | B |
| 17 | 3 | 8 | 16 minutes | B |
| 18 | 2 | 8 | 16 minutes | A |
| 19 | 5/5 | 1 | 2 minutes | B |
| 20 | 6/7 | 1 | 2 minutes | A |
| 21 | 6/8 | 1 | 1 minutes | B |
| 22 | 5/5 | 3 | 6 minutes | C |
| 23 | 5/7 | 4 | 8 minutes | B |
| 24 | 5/8 | 4 | 8 minutes | B |
| 25 | 6/6 | 6 | 8 minutes | C |