

## Marking Scheme Accountancy 2013(Delhi – 67/1/2)

1. What is meant.....Collateral security? 1  
 Ans. When a company takes loan & debentures are issued as secondary security in addition to principal security, it is known as Debentures issued as collateral security.

2. What rate of ..... Association? 1  
 Ans. The rate of interest the company pays on calls in advance is **6 % p.a.**

3. Give the journal ..... Rajat, Sajjan & Kavita. 1

Dt.	Particular	Lf.	Dr.(₹)	Cr.(₹)
	Workmen Compensation Reserve A/c <span style="float: right;">Dr.</span>		60,000	
	To Rajat's Capital A/c			20,000
	To Sajjan's Capital A/c			20,000
	To Kavita's Capital A/c			20,000
	(Being Workmen Compensation Reserve transferred to partners' capital account in equal ratio)			

4. What is meant ..... Premium'? 1  
 Ans. When shares/debentures are issued at a price higher than the face value then the excess amount received is known as Securities premium.

5. Name the account ..... Capital account? 1  
 Ans. P&L suspense A/c.

6. State the ratios ..... Existing partners. 1  
 Ans. In case of change in profit sharing ratio, profit or losses on revaluation of assets & liabilities are shared in old profit sharing ratio / existing profit sharing ratio.

7. When the partner..... will be recorded. 1  
 Ans. Drawings made by a partner will be recorded in partner's current account.

8. Pass the necessary ..... Following cases.

Journal				
S.no.	Particular	Lf.	Dr.(₹)	Cr.(₹)
(a)1.	Bank A/c <span style="float: right;">Dr.</span>		28,500	
	To Debenture Application & Allotment A/c (Being debenture application & allotment money received on 300 debentures issued at discount)			28,500
2.	Debenture Application & Allotment A/c <span style="float: right;">Dr.</span>		28,500	
	Discount on issue of debentures A/c <span style="float: right;">Dr.</span>		1,500	
	To 12% Debentures A/c (Being debentures issued at discount, re-payable at par)			30,000

①  
②

①

S.no.	Particular	Lf.	Dr.(₹)	Cr.(₹)
(b)1.	Bank A/c Dr. To Debenture Application & Allotment A/c (Being application & allotment money received on 600 debentures issued at discount)		57,000	57,000
2.	Debenture Application & Allotment A/c Dr. Loss on of issue of debentures A/c Dr. To 12% Debentures A/c To Premium on Redemption of debenture A/c (Being debentures issued at discount, re-payable at premium.)		57,000 6,000	60,000 3,000

Note:- If an examinee has written Dis. On issue of shares with 3,000 no mark to be deducted.

$\frac{1}{2} + 1 + \frac{1}{2} + 1 = 3$  marks

9. Ans. Mona, Nisha & Priyanka ..... Distributing profits.

**Journal**

Date	Particular	Lf.	Dr.(₹)	Cr.(₹)
	Priyanka's Capital A/c Dr. To Mona's Capital A/c To Nisha's Capital A/c (Being the Capital accounts of Partners' adjusted)		15,000	7,500 7,500

Working notes:-

Profits for last three years = 15,000 + 25,000 + 50,000 = 90,000

	Mona	Nisha	Priyanka
Profit already distributed(Dr.)	22,500	22,500	45,000
To be distributed as equally(Cr.)	30,000	30,000	30,000

b. The value which was not practiced by Priyanka(any one)

\* Honesty

\* Loyalty

\* Truthfulness. (Any other individual response with suitable justification should also be accepted even if there is no reference to the text.)

1+1+1=3marks

10. Ans. Dhara Constructions ..... Ltd.

**Journal**

S.no.	Particular	Lf.	Dr.(₹)	Cr.(₹)
1.	8 % Debenture A/c Dr. Premium on Redemption of Debenture A/c Dr. To Debenture Holders' A/c (Being amount due to be redeemed to debentures holders)		1,87,500 9,375	1,96,875
2.	Debenture Holders' A/c Dr. To Share Capital A/c To Securities Premium Reserve A/c (Being debentures converted into shares at premium)		1,96,875	1,31,250 65,625

Note:- If an examinee has written securities premium no mark to be deducted.

**Working note:-**No. of shares =  $196875 / 15 = 13,125$  $1\frac{1}{2} + 1\frac{1}{2} = 3$  marks

11. Abhay..... your working notes.

Ans.

**Journal**

Dt.	Particular	Lf	Dr.(₹)	Cr.(₹)
	Chetan's Capital A/c / Chetan's Current A/c Dr.		40,000	
	To Abhay's Capital A/c			20,000
	To Beena's Capital A/c (Being amount of goodwill transferred to old partners capital account in sacrificing ratio)			20,000

**2****Working Notes:**

1. In the absence of any agreement Profits are divided equally.

2. Calculation of Hidden Goodwill:

Chetan's Capital for  $\frac{1}{4}$  Share = ₹ 2,00,000

(a) Total Capital of New Firm = ₹ 2,00,000 X 4 = ₹ 8,00,000

Net worth = Sundry Assets – Outside Liabilities = ₹ 5,40,000 – ₹ 1,00,000  
= ₹ 4,40,000Actual Capital = Net Worth + Capital of new partner = 4,40,000 + 2,00,000  
= 6,40,000

Good Will of the Firm = ₹ 8,00,000 – ₹ 6,40,000 = ₹ 1,60,000.

Chetan's Share = 1,60,000 X  $\frac{1}{4}$  = ₹ 40,000

2+2=4 marks

**2**

12. The authorize ..... for the same.

Ans.

**Suhani Ltd.  
Balance Sheet as at (an extract)**

Particulars	Note No.	₹
1. Equity & liabilities		
(a) Share holders' funds:		
(i) Share Capital	1	21,00,000
(ii) Reserve & surplus	2	1,40,000
2. Assets		
Current Assets		
Cash & cash equivalents	3	22,40,000

**Notes to Account :**

1. Share Capital		
Authorized Capital	①	45,00,000
30,000 shares @ ₹150 each		
Issued Capital	①	22,50,000
15,000 shares @ ₹150 each		
Subscribed Capital	①	21,00,000
Subscribed & fully paid 14,000 shares @ ₹150 each		
2. Reserves & Surplus		
Securities premium (reserve)		1,40,000
3. Cash & Cash equivalents		
Cash at bank		22,40,000

**Note:- If an examinee has presented the Balance Sheet as per pre-revised schedule due credit should be given.**

1 x 4=4 marks

13. Naresh ..... Working clearly.

**Journal**

Dt.	Particular	Lf.	Dr.(₹)	Cr.(₹)
(i)	Cash A/c <span style="float: right;">Dr.</span>		90,500	
	To David's Capital A/c			44,600
	To Aslam's Capital A/c			45,900
	(Being cash brought in by David & Aslam to adjust Capital in new profit Sharing Ratio)			
	Naresh's Capital A/c <span style="float: right;">Dr.</span>		90,500	
	To Cash A/c / Bank A/c			90,500
	(Being amount paid to Naresh.)			

**Working Note:-**

- (i) David's Capital = ₹ 33,000  
 Aslam's Capital = ₹ 70,500  
 Naresh to be paid = ₹ 90,500  
 Total Capital of new firm = ₹1,94,000  
 David's New Capital = ₹ 1,94,000 x 2/5 = ₹ 77,600  
 Aslam's New Capital = ₹ 1,94,000 x 3/5 = ₹ 1,16,400

**1**

(ii) Adjustment of capital

	David(₹)	Aslam(₹)
Old Capital	33,000	70,500
New Capital	77,600	1,16,400
Cash to be brought in	44,600	45,900

David should bring ₹ 44,600  
 Aslam should bring ₹ 45,900

1½ + 1½ + 1 = 4marks

14. Madhav Ltd. .... Ltd.

Ans.

**Journal**

S.no.	Particular	Lf.	Dr.(₹)	Cr.(₹)
1.	Plant A/c <span style="float: right;">Dr.</span>		5,00,000	
	Trucks A/c <span style="float: right;">Dr.</span>		7,00,000	
	Stock A/c <span style="float: right;">Dr.</span>		3,00,000	
	Machinery A/c <span style="float: right;">Dr.</span>		6,00,000	
	To Sundry Creditors A/c			5,00,000
	To Gupta Bros. A/c			15,00,000
	To Capital Reserve A/c			1,00,000
	(Being business purchased from Gupta Bros.)			
2.	Gupta Bros. A/c <span style="float: right;">Dr.</span>		15,00,000	
	Discount on issue of shares A/c <span style="float: right;">Dr.</span>		1,00,000	
	To Equity Share capital A/c			16,00,000
	(Being 20,000 shares issued in purchase consideration)			

**Working Notes:-**

No. of shares = 15,00,000 / 75 = 20,000 shares.

2+2=4marks

15. Anwar ..... 2012.  
 Ans. Dr. Profit & Loss Appropriation for the year 31.03.2012 Cr.

Particulars		₹	Particulars	₹
To Interest on Capital			By Profit & Loss A/c	3,12,000 (1)
Anwar's Capital A/c	48,000			
Biswas's Capital A/c	36,000	1,08,000	(1 1/2)	
Divya 's Capital A/c	<u>24,000</u>			
To Salary				
Biswas's Capital A/c	48,000 (1)			
Divya's Capital A/c	<u>24,000</u> (1)	72,000		
To Profit Transferred A/c				
Anwar's Capital A/c	66,000 (1/2)			
Biswas's Capital A/c	44,000 (1/2)			
+Deficiency borne by Divya	<u>2,000</u> 46,000 (1/2)			
Divya's Capital A/c	22,000 (1/2)			
-Deficiency of Biswas transferred	<u>-2,000</u> 20,000 (1/2)	1,32,000	(1/2)	
		<u>3,12,000</u>		<u>3,12,000</u>

**Working Note:-**

Profits of 132000 in ratio 3:2:1

Anwar -- 66,000

Biswas -- 44,000

Divya -- 22,000

Biswas's Share of Profit -- 44,000+36,000 = 80,000

Including interest on capital.

1+1½ +1+1+½+½+½ = 6marks

16. The Balance Sheet ..... death of a partner.  
 Ans. Dr. Sadhu's Capital A/c Cr.

Particulars		₹	Particulars	₹
(1/2) To Sadhu's loan A/c		20,000	By Balance b/d	80,000 (1/2)
(1/2) To Sadhu's executors A/c		1,39,333	By General Reserve a/c	4,000 (1/2)
			By Raja's Capital a/c	14,667 (1/2)
			By Karan's Capital a/c	29,333 (1/2)
			By P&L Suspense a/c	30,000 (1)
			By Interest on Capital	1,333 (1)
		<u>1,59,333</u>		<u>1,59,333</u>

**Working Notes:-**

1. Goodwill = Avg. Profits x No. of purchase yr. = ₹ 55,000 x 2 = ₹ 1,10,000

Sadhu's Share = 4/10 x 1,10,000 = ₹ 44,000

Distributed in Gaining Ratio i.e. 1.:2

Raja -- ₹ 14,667 Karan -- ₹ 29,333

2. Sales up to July = ₹ 2,70,000

Profits according to sale = ₹ 1,25,000 x 2,70,000 / 4,50,000 = ₹ 75,000

Sadhu's Share of profit = ₹ 75,000 x 4 / 10 = ₹ 30,000.

3. Interest on capital for 4 months @ 5% = ₹ 1,333

Values being highlighted are (any one)–

- Sympathy
- Empathy (1)
- Charity
- Fulfilling Social Responsibility.

**Note:- (Any other individual response with suitable justification should also be accepted even if there is no reference to the text.)**

5+1 = 6marks

17. Ans. Sahaj & Nimish are partners ..... question.

Dr.		Revaluation Account		Cr.	
Particulars	₹	Particulars	₹		
To Stock A/c (1/2)	5,000	By Machinery A/c	6,000	(1/2)	
To Furniture A/c (1/2)	8,000	By Loss transferred to Capital A/c			
To Bad Debts A/c (1/2)	3,000	Sahaj 7,567			
To provision for bad debts A/c (1/2)	1,350	Nimish 3,783	11,350	(1/2)	
	<u>17,350</u>		<u>17,350</u>		

1/2 x 6 = 3marks

Dr.		Partner's Capital Account						Cr.	
Particulars	Sahaj ₹	Nimish ₹	Gauri ₹	Particulars	Sahaj ₹	Nimish ₹	Gauri ₹		
To Revaluation A/c	7,567	3,783	--	By Balance b/d	1,20,000	80,000	--		
				By General reserve A/c	20,000	10,000	--		(2)
				By Premium A/c (Goodwill)	10,000	5,000	--		
				By Bank A/c / Cash A/c	--	--	1,16,825		
To Balance c/d	1,42,433	91,217	1,16,825						
	<u>1,50,000</u>	<u>95,000</u>	<u>1,16,825</u>		<u>1,50,000</u>	<u>95,000</u>	<u>1,16,825</u>		

Balance sheet of Sahaj, Nimish & Gauri (As on .....)

Liabilities		₹	Assets		₹
Capital's A/c s			Machinery(1,20,000+6,000)		1,26,000
Sahaj	1,42,433		Furniture (80,000- 8,000)		72,000
Nimish	91,217		Stock (50,000- 5,000)		45,000
Gauri	<u>1,16,825</u>	3,50,475	Debtors	30,000	
Creditors		30,000	Less:Bad Debts	<u>3,000</u>	
				27000	
			Less:Provision for Bad Debts	<u>1350</u>	25,650
Emp. Provident Fund		40,000	Cash / Bank		1,51,825
		<u>420475</u>			<u>420475</u>

Working Note:-

- Gauri's Share = 45000 x 1/3 = 15000
- Calculation of Gauri's Capital  
Sahaj's Capital = 142433  
Nimish's Capital = 91217

Capital for 2/3 Share =  $\frac{233650}{3}$   
 Total Capital =  $233650 \times \frac{3}{2}$   
 Gauri's Capital =  $233650 \times \frac{3}{2} \times \frac{1}{3} = 116825$

Value Being highlighted are – ①

- Sympathy
- kindness.

**Note:- (Any other individual response with suitable justification should also be accepted even if there is no reference to the text.)** OR 3+2+2+1=8marks

17. Ans. Prachi, Ritika ..... in the question.

Dr.	Realisation A/c				Cr.
Particulars	₹	Particulars	₹		₹
To Assets A/c		By Creditors A/c			10,000
Furniture     37,000		By Investment Fluctuation Fund A/c			4,500
Stock         5,500		By Prachi's Capital A/c (Investment) ①/2			12,500
Investments <u>15,000</u>	57,500	By Cash A/c			41,500
To Cash A/c (Liabilities paid)		By Ritika's Capital A/c (Old Furniture take over)			3,000 ①/2
Creditors     10,000	①/2 18,000	By Loss Transferred to:			
Compensation <u>8,000</u>		Prachi Cap A/c     3,000			
To Cash A/c (Realisation Exp.)	①/2 1,000	Ritika Cap A/c     1,800			
To Prachi Capital A/c (Commission)	①/2 1,000	Ishita Cap A/c <u>1,200</u>			6,000 ①/2
	<u>77,500</u>				<u>77,500</u>

½ x 6 = 3marks

Partner's Capital Account									
Dr.	Particulars	Prachi ₹	Ritika ₹	Ishita ₹	Cr.	Particulars	Prachi ₹	Ritika ₹	Ishita ₹
	To Balance b/d	-	-	18,000		By Balance b/d	40,000	30,000	-
	To Realisation A/c (Loss)	3,000	1,800	1,200		By Realisation (Commission paid)	1,000	-	-
	To Realisation A/c (Investment Taken Over)	12,500	-	-		By Cash A/c	-	-	19,200
	To Realisation A/c (Furniture taken Over)	-	3,000	-					
	To Cash A/c (Final Payment)	25,500	25,200	-					
		<u>41,000</u>	<u>30,000</u>	<u>19,200</u>			<u>41,000</u>	<u>30,000</u>	<u>19,200</u>

Cash A/c				
Dr.	Particulars	₹	Cr.	
	To Balance b/d	9,000	By Realisation (Liabilities paid)	18,000
	To Realisation A/c	41,500	By Realisation (Exp.)	1,000
	To Ishita's Capital a/c (Cash brought in)	19,200	By Prachi's Capital A/c (Final Payment)	25,500
		<u>69,700</u>	By Ritika Cap A/c (Final Payment)	25,200
				<u>69,700</u>

**Value Highlighted (Any one)**

1. Respect for law- There should be respect for law for survival & growth of business.
2. Environmental protection ①
3. Social responsibility towards society.

**Note:- (Any other individual response with suitable justification should also be accepted even if there is no reference to the text.)** 3+2+2+1=8marks

18. Money Plus company ..... notes clearly.  
 Ans. Journal

S.no.	Particular	Lf.	Dr.(₹)	Cr.(₹)
1.	Bank A/c <span style="float: right;">Dr.</span> To Share Application A/c (Being application money received)		3,00,000	3,00,000 ①
2.	Share application A/c <span style="float: right;">Dr.</span> To Share Capital A/c To Share Allotment A/c To Bank A/c (Being excess money adjusted & refunded)		3,00,000	1,50,000 ① 1,45,000 5,000
3.	Share Allotment A/c <span style="float: right;">Dr.</span> Discount on issue of shares A/c <span style="float: right;">Dr.</span> To Share Capital A/c (Being the allotment money due)		2,25,000 75,000	3,00,000 ①
4.	Bank A/c <span style="float: right;">Dr.</span> Call in Arrears A/c <span style="float: right;">Dr.</span> To Share Allotment A/c To Calls in Advance A/c (Being allotment money received) <b>OR</b> Bank A/c <span style="float: right;">Dr.</span> To Share Allotment A/c To Share First & Final Call A/c/Calls in Advance (Being Allotment money received)		89,000 3,000 89,000	80,000 12,000 77,000 ① 12,000 ①
5.	Share First & Final Call A/c <span style="float: right;">Dr.</span> To Share Capital A/c (Being call money due)		3,00,000	3,00,000 ①
6.	Bank A/c <span style="float: right;">Dr.</span> Calls in Advance A/c <span style="float: right;">Dr.</span> Calls in Arrears A/c <span style="float: right;">Dr.</span> To Share First & Final Call A/c (Being call money received) <b>OR</b> Bank A/c <span style="float: right;">Dr.</span> To Share First & Final Call A/c		2,80,000 12,000 8,000 2,80,000	3,00,000 3,00,000 ① 2,80,000

Working Notes:- Hari applied for 3,500 shares from Group B

He has been allotted =  $\frac{4}{7} \times 3500 = 2000 \text{ shares}$

	Application Money Received	Application Transferred to Capital	Excess	Allot due	Refund
Group A	15000x2= 30,000	5000 x 2 =10,000	20,000	15,000	5,000
Group B	70000x2= 1,40,000	40000 x 2 =80,000	60,000	1,20,000	Nil
Group C	65000x2= 1,30,000	30000 x 2 =60,000	70,000	90,000	Nil



a) Hari sent for application = 7,000  
 Transferred to Capital 4,000  
 Excess 3,000 ①

Allotment due  
 2000 x 3 = 6,000  
 Adjusted 3,000  
 Calls in Arrears On allotment ₹ 3,000

Calls in Arrears On First Call of Hari 2000 X 4 = ₹8,000

b) Calls in Advance of Rohan = 3000 X 4 = ₹12,000 OR 1½x2 + 1x5= 8 marks

18. Ans. Record the journal ..... paid up.

**Journal**

S.no.	Particular	Lf.	Dr.(₹)	Cr.(₹)	
(a)1.	Share Capital A/c Dr. To Forfeited Shares A/c To Unpaid Call A/c / Calls in arrears A/c (Being 20 share forfeited for nonpayment of call money)		140	100 40	①
2.	Bank A/c Dr. To Share Capital A/c To Securities Premium Reserve A/c (Being 15 shares re-issued)		120	105 15	①
3.	Forfeited Shares A/c Dr. To Capital Reserve A/c (Being amount transferred to Capital Reserve)		75	75	①
b 1.	Share Capital A/c Dr. Securities Premium Reserve A/c Dr. To Forfeited Shares A/c To Share Allotment A/c / Calls in Arrears A/c (Being 90share forfeited for nonpayment of allotment money)		720 180	450 450	①
2.	Bank A/c Dr. To Share Capital A/c To Securities Premium Reserve A/c (Being shares reissued)		800	640 160	①
3.	Forfeited Shares A/c Dr. To Capital Reserve A/c (Being balance amount in Forfeited Shares A/c transferred to Capital Reserve)		400	400	①
C 1.	Share Capital A/c Dr. To Discount on issue of shares A/c To Forfeited Shares A/c To Share First & Final Call A/c / Calls in Arrears A/c (Being 300 shares forfeited )		3,000	300 1800 900	①
2.	Bank A/c Dr. Discount on issue of shares A/c Dr. Share forfeited A/c Dr. To Share Capital A/c (Being Shares re issued)		600 200 1,200	2,000	①

1 x 8 =8 marks

**PART -B(Financial Statement Analysis)**

19. Under which ..... Flow statement?

Ans Investing Activity

1 mark

20. When ..... place?

Ans The flow of cash takes place when there is a change in cash & cash equivalents.

1 mark

21. State any ..... Analysis.

Ans (Any one)

- Qualitative aspect ignored.
- Ignores price level changes.
- Not free from Bias.
- Suffers from the limitations of financial statements.
- Historical analysis

1 mark

22. Under what heads ..... stores & spares.

Ans

Items	Heading / Sub Heading
Tax Reserve	Share holders' fund /Reserve & Surplus
Interest on calls in Advance	Current Liabilities / Other Current Liabilities
Stores & Spares	Current Assets / Inventories
<b>Note:- If an examinee has mentioned either heading or sub-heading full credit may be allowed.</b>	
<b>1 x3=3 marks</b>	

23. From the following .....Profit & Loss'.

Ans. Comparative statement of Profit & Loss for the year ended 31 Mar 2011 & 2012

S.no.	Particulars	2010-11	2011-12	Absolute Changes increase or decrease	% Change increase or decrease
1	Revenue from operation	12,00,000	20,00,000	8,00,000	66.6
2.	Add other Income	9,00,000	12,00,000	3,00,000	33.3
	Total Revenue (1+2)	21,00,000	32,00,000	11,00,000	52.4
3.	Less Expenses	10,00,000	13,00,000	3,00,000	30.0
4.	Profit before tax	11,00,000	19,00,000	8,00,000	73

**Note:- If an examinee has presented the above statement as per previous format due credit is to be given** **1 x4 = 4 marks**

24. Compute working ..... 80,000.

Ans.

A. Calculation of "Working Capital turnover Ratio"

$$\text{Working Capital turnover Ratio} = \frac{\text{Net Sales}}{\text{Net Working Capital}} = \frac{5,00,000}{1,25,000} = 4 \text{ times} \quad \left(\frac{1}{2}\right)$$

$$\text{Net sales} = \text{Cash sales} + \text{Credit sales} - \text{Sales Returns} \\ = ₹1,30,000 + ₹3,80,000 - ₹10,000 = ₹5,00,000 \quad \left(\frac{1}{2}\right)$$

$$\text{Net Working Capital} = \text{CA} - \text{CL} = ₹2,30,000 - ₹1,05,000 = ₹1,25,000 \quad \left(\frac{1}{2}\right)$$

$$\text{CA} = \text{Liquid Assets} + \text{Inventory} = ₹1,40,000 + ₹90,000 = ₹2,30,000 \quad \left(\frac{1}{2}\right)$$

$$\text{CL} = 1,05,000(\text{Given})$$

B. Calculation of Debt Equity Ratio

$$\text{Debt Equity Ratio} = \frac{\text{Debt / Long Term Debt}}{\text{Equity/Share Holder Fund}} \quad \left(\frac{1}{2}\right)$$

$$\text{Debt} = \text{Total Debt} - \text{CL} \\ = 2,50,000 - 80,000 = 1,70,000 \quad \left(\frac{1}{2}\right)$$

$$\text{Equity} = \text{Total Assets} - \text{Total Debts} \\ = 3,50,000 - 2,50,000 = 1,00,000 \quad \left(\frac{1}{2}\right)$$

$$\text{Debt Equity Ratio} = \frac{1,70,000}{1,00,000} = 1.7 : 1 \quad \left(\frac{1}{2}\right) \quad \left(\frac{1}{2}\right)$$

**2+2=4marks**

25. Following is ..... 31<sup>st</sup> March 2012.

Ans.

**Cash Flow Statement As-3(Revised)**  
(for the year ended 31<sup>st</sup> March 2012)

Particulars	Detail	Amount (₹)
<b>A. Cash Flow from operating Activities:</b>		
Profit as per statement of profit & loss before tax & extra ordinary items	(1/2) 90,000	
Adj: Non Cash & Non Operating Items		
Add		
1. Depreciation                      2,00,000      (1/2)		
2. Loss on sale of Mach. <u>15,000</u> (1/2)	2,15,000	
Operating Profit before working capital changes	3,05,000	
Adjustments for current assets & current liabilities except cash & bank.		
Add Increase in trade payables      5,000      (1/2)		
Less Increase in Inventories      (10,000)      (1/2)		
Add Decrease in Trade receivables <u>8000</u> (1/2)	3,000	
Net Cash flow from Operating Activities		3,08,000
<b>B. Cash Flow from Investing Activities:</b>		
Sale of Machinery	65,000	
Purchase of Tangible assets	(5,80,000)	(1/2)
Net Cash flow from Investing Activities	(1/2)	(5,15,000)
<b>C. Cash Flow from Financing Activities:-</b>		
Issue of Shares	1,00,000	(1/2)
Loan raised	1,00,000	(1/2)
Net Cash flow from financing Activities		2,00,000
Decrease in cash and cash Equivalents		(7,000)
Add: Opening balance of cash & cash Equivalents		(1/2) 35,000
Closing Balance of Cash & Cash Equivalent	(1/2)	<u>28,000</u>

Workings:- **Dr.                                      Tangible Assets A/c                                      Cr.**

To balance b/d	8,00,000	By Dep. A/c	2,00,000
To Bank A/c(Purchase)	5,80,000	By Mach. Sold A/c	80,000
		By Balance c/d	11,00,000
	<u>13,80,000</u>		<u>13,80,000</u>

**Dr.                                      Machinery Sold A/c                                      Cr.**

Particulars	₹	Particulars	₹
To tangible assets a/c	80,000	By Bank a/c	65,000
		By P&L A/c (Loss)	15,000
	<u>80,000</u>		<u>80,000</u>

1/2 x 12 = 6 marks

**PART C 67/1/2(Computerised Accounting)**

19. What is meant by Relational Database? 1  
 Ans. The data stored in different tables may be related. Such relationship is implemented by establishing links between the tables. The database created on the basis of such relationship is called Relational Database.

20. State any one ..... System? 1  
 Ans. Any one of the following :  
 • Simple Integrated.  
 • Transparent & Control.  
 • Accuracy & Speed.  
 • Scalability.  
 • Reliability.

21. Name any one DBMS ..... manner? 1  
 Ans. (Any one) MS-Access, Oracle, SQL.

22. Differentiate .....three bases? 3

Basis	Generic	Tailored
1. Nature of Business	Small Convenient	Large Typical
2. Cost of Installation	Low	High
3. Expected level of secrecy	Low	Relatively High
4. No. of users & their Interface	Restricted	Unlimited

23. What is DBMS? Explain its two Advantages. 4  
 Ans. The codification scheme should lead to grouping of account at various levels so as to generate Balance Sheet and Profit & Loss A/c.  
 e.g. 1. Asset  
 2. Liability  
 3. Rev  
 4. Expenses  
 11. For fixed Assets  
 41. Capital Expenses Then more digits can be added to create sub, sub classes of different heads. ( 1 mark for meaning )+ (½ mark for heading+ ½ for explanation)

24. Explain ..... Codification. 4  
 Ans. DBMS stands for Database Management System. It is a collection of programs that enables users to create and maintain a database.  
 Advantages (Any two or any other):-  
 1. Huge Data can be stored & shared.  
 2. DBMS helps in quickly answering the queries.  
 3. DBMS helps in removing errors.  
 4. DBMS helps in data redundancy.  
 5. Enforces data security & integrity.

25. Calculate the formula ..... information. 2 x 3 =6 marks 6  
 Ans. a. =If(B2>45000,0.25\*B2,0.30\*B)  
 b. =SUM(B2:C2)  
 c. =0.35\*D2

\*\*\*\*\*