

GOVERNMENT OF KARNATAKA  
KARNATAKA SCHOOL EXAMINATION AND ASSESSMENT BOARD  
II PUC ANNUAL EXAMINATION MAR – 2023  
SCHEME OF EVALUATION

SUBJECT: ACCOUNTANCY

SUBJECT CODE:30

| Q.No.    | SUGGESTED ANSWER   | Marks Allotted |
|----------|--|----------------|
| PART – A |  |                |
| I.       |  |                |
| 1        | (b) Service  | 01             |
| 2        | (a) 3:1  | 01             |
| 3        | (c) Authorised capital   | 01             |
| 4        | (c) Statement of Profit and loss and Balance Sheet   | 01             |
| 5        | (b) Horizontal analysis  | 01             |
| II.      |  |                |
| 6        | Unlimited  | 01             |
| 7        | Intangible   | 01             |
| 8        | Interest Rate  | 01             |
| 9        | Complimentary  | 01             |
| 10       | Investing  | 01             |
| III.     |  |                |
| 11       | a)                   iii) Fixed capital system   | 01             |
|          | b)                   iv) Admission of a partner  | 01             |
|          | c)                   v) Closing down the business of the firm  | 01             |
|          | d)                   ii) 2013  | 01             |
|          | e)                   i) Reserves and surplus   | 01             |
| IV.      |  |                |
| 12       | 1. It is a summary of cash book or<br>2. It includes both capital and Revenue items. (Any One)           | 01             |
| 13       | Executor's account is prepared at the time of death of a partner   | 01             |
| 14       | Debenture Redemption Reserve   | 01             |
| 15       | False  | 01             |
| 16       | Operating activities are the activities that constitute the primary or main activities of an enterprise. | 01             |
| PART B   |  |                |
| V.       |  |                |
| 17       | 1. Sports club   | 1+1            |

|    |   |     |
|----|---|-----|
|    | 2. Government Schools and Colleges<br>3. Charitable Institutions etc., (OR Any Two)   |     |
| 18 | 1. Name and Address of the Firm.<br>2. Capital Contributed by the partners.<br>3. Name and Address of the partners. (OR Any Two)  | 1+1 |
| 19 | Fluctuating capital system is a system of maintaining partners' capital accounts in which all the adjustments relating to partners' capital are recorded in their capital accounts. | 2   |
| 20 | Realization Account Dr.<br>To Asset Account (with narration)  | 2   |
| 21 | Forfeiture of shares means cancellation of membership of a shareholder who fails to pay due on his shares.  | 2   |
| 22 | 1. To provide information about earning capacity of the Business.<br>2. To provide information about economic resources and obligations of a business. (OR Any Two)                 | 1+1 |
| 23 | 1. Finance Manager<br>2. Top Management   | 1+1 |
| 24 | 1. Helps in balancing cash flows<br>2. Enhances the comparability of the reporting of operating performance. (OR Any Two)   | 1+1 |

### PART-C ( 6 marks)

25. Calculation of Interest on Latha's Drawings under Product Method

**4 marks**

| Date of Drawings | Amount | Number of months | Product |
|------------------|--------|------------------|---------|
| 01-06-2021       | 4,000  | 10               | 40,000  |
| 30-09-2021       | 6,000  | 06               | 36,000  |
| 30-11-2021       | 2,000  | 04               | 8,000   |
| 01-01-2022       | 3,000  | 03               | 9,000   |
|                  |        | TOTAL PRODUCT    | 93,000  |

Interest on Drawings = Total Product X Rate X 1/12

**01 Mark**

= 93,000 X 8/100 X 1/12

= Rs. 620.

**1 Marks**

**(4+1+1)**

26. Calculation of Gain Ratio of Yogeesh and Harish.

Gain Ratio = His New Share – His Old Share

$$\text{For Yogeesh} = 5/8 - 3/9 = \frac{45-24}{72} = \frac{21}{72}$$

$$\text{For Harish} = 3/8 - 2/9 = \frac{27-16}{72} = \frac{11}{72}$$

Gain Ratio of Yogeesh and Harish =  $\frac{21}{72}$  :  $\frac{11}{72}$  or 21 : 11

**06 Marks**

| 27.                        |          |  |          |           |
|----------------------------|----------|--|----------|-----------|
| Dr.                        |          | Akash's Capital A/c                            |          | Cr.       |
| Particulars                | Amount   | Particulars                                    | Amount   |           |
| To Akash<br>Executor's A/C | 1,23,250 | By Balance b/d                                 | 70,000   | <b>06</b> |
|                            |          | By Interest on Capital<br>(70,000X10/100X9/12) | 5,250    |           |
|                            |          | By Salary<br>(3,000X9)                         | 27,000   |           |
|                            |          | By P&L Suspense A/C<br>(24,000 X 3/6 X 9/12)   | 9,000    |           |
|                            |          | By Anil's Capital A/C<br>(Goodwill)            | 8,000    |           |
|                            |          | By Ajay's Capital A/C<br>(Goodwill)            | 4,000    |           |
|                            | 1,23,250 |  | 1,23,250 |           |

| 28.  |  |    |            |            |           |
|--|--|----|------------|------------|-----------|
| Journal Entries in the books of Kumuda Company Ltd., |  |    |            |            |           |
| Date   | Particulars  | LF | Debit (Rs) | Credit(Rs) |           |
| 1.   | Bank A/c (20000 X 20)<br>To 10% Debenture Application A/C<br>(Being Application money received on 20000 debentures at Rs 20 per debenture) | Dr | 4,00,000   | 4,00,000   | <b>01</b> |
| 2.   | Debenture Application A/C<br>To 10% Debentures A/C<br>(Being Application money transferred to debentures A/C)                              | Dr | 4,00,000   | 4,00,000   | <b>01</b> |

|    |  |    |          |          |                          |
|----|--|----|----------|----------|--------------------------|
| 3. | 10% Debentures Allotment A/C (20000X40)<br>Dr<br>To 10% Debentures A/C<br>(Being Allotment money due on 20000 debentures at Rs.40 per debenture)                   |    | 8,00,000 | 8,00,000 | <b>01</b>                |
| 4. | Bank A/C<br>To 10 % Debentures Allotment A/C<br>(Being Debentures allotment money received on 20000 debentures of Rs 40 per debenture)                             | Dr | 8,00,000 | 8,00,000 | <b>01</b>                |
| 5. | 10 % Debentures First and Final Call A/C (20000X40)<br>To 10% Debentures A/C<br>(Being First and Final call money due on 20000 debentures at Rs.40 per debentures) | Dr | 8,00,000 | 8,00,000 | <b>01</b>                |
| 6. | Bank A/C<br>To 10% Debentures I and Final Call A/C<br>(Being Debentures I and Final call money received on 20000 debentures at Rs.40 per debentures)               | Dr | 8,00,000 | 8,00,000 | <b>01 WITH NARRATION</b> |

|  |                               |               |                  |           |
|--|-------------------------------|---------------|------------------|-----------|
| <b>29.</b>   |                               |               |                  |           |
| <b>Statement of Profit and Loss for the year ending 31.03.2022</b> |                               |               |                  |           |
|  | <b>Particulars</b>            | <b>Note #</b> | <b>Amount</b>    |           |
| I.   | INCOME                        |               |                  |           |
|  | Revenue from Operations       |               | 16,00,000        |           |
|  | Other Incomes                 |               | NIL              |           |
|  | <b>TOTAL REVENUE</b> (I)      |               | <b>16,00,000</b> | <b>01</b> |
| II.  | EXPENSES:                     |               |                  |           |
|  | Cost of Material Consumed     |               | 4,00,000         |           |
|  | Employee Benefit Expenses     | 1             | 2,00,000         |           |
|  | Depreciation and Amortization |               | 1,00,000         |           |
|  | Finance Cost                  | 2             | 75,000           |           |
|  | <b>TOTAL EXPENSES</b> (II)    |               | <b>7,75,000</b>  | <b>03</b> |
| III.   | Profit before Tax (I – II)    |               | 8,25,000         |           |
|  | <b>Less : Tax</b>             |               | <b>2,47,500</b>  | <b>01</b> |
|  | <b>Profit After Tax</b>       |               | <b>5,77,500</b>  |           |

Note to Accounts:

Note 1: Employee Benefit Expenses:

Salaries to Employees 1,50,000

|                   |          |
|-------------------|----------|
| Leave Encashment: | 50,000   |
| TOTAL             | 2,00,000 |

Note: 2 Finance Cost:

|                        |        |
|------------------------|--------|
| Interest on Debentures | 50,000 |
| Interest on Borrowings | 25,000 |
| TOTAL                  | 75,000 |

**01 Marks**

**(1+3+1+1=06 Marks)**

**30.**

$$\begin{aligned} \text{Current Ratio} &= \frac{\text{Current Assets}}{\text{Current Liabilities}} \\ &= \frac{2,40,000}{60,00} \end{aligned}$$

$$\text{Current Ratio} = 4:1$$

**03 Marks**

$$\begin{aligned} \text{Quick Ratio} &= \frac{\text{Quick Assets}}{\text{Current Liabilities}} \\ &= \frac{1,20,000}{60,000} \end{aligned}$$

$$\text{Quick Ratio} = 2:1$$

**03 Marks**

|   |               |           |
|---|---------------|-----------|
| <b>31.</b>  |               | <b>04</b> |
| <b>Cash flow from financing activities for the year ending 31.03.2022</b> |               |           |
| <b>Particulars</b>  | <b>Amount</b> |           |
| 1) Issue of Debentures(see notes)   | (+),6,00,000  |           |
| 2) Issue of Preference shares(10,00,000-6,00,000)                         | (+),4,00,000  |           |
| 3) Redemption of Debentures   | (-),2,00,000  |           |
| Cash inflow from financing activities                                     | (+),8,00,000  |           |

|                                     |               |           |
|-------------------------------------|---------------|-----------|
| Note: Debentures Issued             |               | <b>02</b> |
| <b>Particulars</b>                  | <b>Amount</b> |           |
| Closing Balance of debentures       | 20,00,000     |           |
| Add: Debentures redeemed            | 2,00,000      |           |
| TOTAL                               | 22,00,000     |           |
| Less: Opening Balance of Debentures | 16,00,000     |           |
| Fresh debentures issued             | 6,00,000      |           |

**PART - D**

**VII.**

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Unity Sports Club, Bangalore

Income and Expenditure Account for the year ending 31<sup>st</sup> Mar 2022

Dr.

Cr.

|  | <b>Expenditure</b> | <b>Rs.</b>   | <b>Rs.</b> | <b>Income</b>  | <b>Rs.</b>   | <b>Rs.</b> |    |
|--|--------------------|--------------|------------|----------------|--------------|------------|----|
|  | Salary             | 20,000       |            | Subscriptions  | 65,000       |            |    |
|  | + o/s Salary       | <u>2,000</u> |            | - Subn. Last   |              |            |    |
|  | (-) Last year      | 22000        |            | Year           | <u>3,000</u> |            |    |
|  | o/s                | 5,000        | 17,000     | + Current year | 62,000       |            |    |
|  | Postage            |              | 1,000      | o/s subn.      |              |            |    |
|  | Electricity        |              |            |                | <u>5,000</u> | 67,000     | 06 |
|  | Charges            |              | 2,500      | Entrance Fee   |              |            |    |
|  | Depreciation       |              |            | (10000X1/2)    |              |            |    |
|  | of Sports          |              | 5,000      | Sale of old    |              | 5,000      |    |
|  | Materials          |              | 62,000     | sports         |              |            |    |
|  | Surplus            |              |            | Material       |              | 3,000      |    |
|  | (Excess of         |              |            | Rent           |              | 12,500     |    |
|  | Income over        |              |            |                |              |            |    |
|  | Expenditure)       |              |            |                |              |            |    |
|  |                    |              | 87,500     |                |              | 87,500     |    |

**Balance Sheet as on 31<sup>st</sup> March 2022**

|  | <b>Liabilities</b> | <b>Rs.</b>    | <b>Rs.</b> | <b>Assets</b>  | <b>Rs.</b>    | <b>Rs.</b> |   |
|--|--------------------|---------------|------------|----------------|---------------|------------|---|
|  | o/s Salary         |               | 2,000      | Cash at Bank   |               | 19,000     |   |
|  | Capital fund:-     |               |            | O/s            |               |            |   |
|  | Opening            |               |            | Subscription   |               | 5,000      |   |
|  | Capital            | 60,000        |            | Sports         |               |            |   |
|  | + Entrance         |               |            | Materials      | 30,000        |            |   |
|  | fees               | 5,000         |            | + additions    | <u>15,000</u> |            |   |
|  | + Surplus          | <u>62,000</u> | 1,27,000   |                | 45,000        |            | 6 |
|  |                    |               |            | - Depreciation | 5,000         | 40,000     |   |
|  |                    |               |            | Furniture      |               | 20,000     |   |
|  |                    |               |            | Investment     |               | 25,000     |   |
|  |                    |               |            | Fixed Deposit  |               | 20,000     |   |
|  |                    |               | 1,29,000   |                |               | 1,29,000   |   |

| 33.  |          |               |             |  |          |               |             |     |
|--|----------|---------------|-------------|--|----------|---------------|-------------|-----|
| Dr.  |          |               |             | Revaluation Account                    |          |               |             | Cr. |
| Particulars  |          | Rs.           |             | Particulars                            |          | Rs.           |             |     |
| Furniture (10000X 10/100)                                  |          | 1,000         |             | Buildings                              |          | 10,000        |             | 3   |
| PDD (45,000 X 5/100)                                       |          | 2,250         |             |  |          |               |             |     |
| O/s Salary   |          | 2,000         |             |  |          |               |             |     |
| Profit on Revaluation<br>Transferred to partns.<br>cap.A/c |          | <u>4,750</u>  |             |  |          |               |             |     |
|  |          | <u>10,000</u> |             |  |          | <u>10,000</u> |             |     |
| Uma = 4750 X 3/5 = 2,850                                   |          |               |             |  |          |               |             |     |
| Geeta=4750X 2/5 = 1,900                                    |          |               |             |  |          |               |             |     |
| Partners' capital A/c                                      |          |               |             |  |          |               |             |     |
| Dr.  |          |               |             | Cr.                                    |          |               |             |     |
| Particulars  | Uma<br>₹ | Geeta<br>₹    | Kamala<br>₹ | Particulars                            | Uma<br>₹ | Geeta<br>₹    | Kamala<br>₹ |     |
| Uma's cap.<br>a/c  | -        | -             | 15,000      | Balance<br>b/d                         | 60,000   | 40,000        | ----        | 5   |
| Geeta Cap.<br>a/c  | -        | -             | 10,000      | Cash A/c                               | -----    | -----         | 75,000      |     |
| Balance<br>c/d   | 92,850   | 61,900        | 50,000      | General<br>Reserve<br>25000 X<br>3:2/5 | 15,000   | 10,000        | -----       |     |
|  |          |               |             | Kamala's<br>Cap A/c                    | 15,000   | 10,000        | -----       |     |
|  |          |               |             | Revaluation<br>A/c                     | 2,850    | 1,900         | -----       |     |
|  | 92,850   | 61,900        | 75,000      |  | 92,850   | 61,900        | 75,000      |     |
|  |          |               |             | Balance<br>b/d                         | 92,850   | 61,900        | 50,000      |     |

**New Balance Sheet of the firm as on 01-04-2022**

|               | <b>Liabilities</b> |          |                        | <b>Assets</b> |          |  |
|---------------|--------------------|----------|------------------------|---------------|----------|--|
|               | ₹                  | ₹        |                        | ₹             | ₹        |  |
| Creditors     |                    | 50,000   | Cash                   |               |          |  |
| Bills payable |                    | 15,000   | (15,000+50,000+25,000) |               | 90,000   |  |
| O/s Salary    |                    | 2,000    | Stock                  |               | 30,000   |  |
| Capital A/c   |                    |          | Debtors                | 45,000        |          |  |
| Uma           | 92,850             |          | (-) PDD                | <u>2,250</u>  | 42,750   |  |
| Geeta         | 61,900             |          | Furniture              | 10,000        |          |  |
| Kamala        | 50,000             | 2,04,750 | (-) Depreciation       | 1,000         | 9,000    |  |
|               |                    |          | Building               | 50,000        |          |  |
|               |                    |          | (+) App.               | 10,000        | 60,000   |  |
|               |                    |          |                        |               |          |  |
|               |                    | 2,71,750 |                        |               | 2,71,750 |  |

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| 34 | <b>Dr. Realisation A/c</b> |               |          |                    |               |          |
|----|----------------------------|---------------|----------|--------------------|---------------|----------|
|    | <b>Particulars</b>         | ₹             | ₹        | <b>Particulars</b> | ₹             | ₹        |
|    | Bills Receivable           |               | 8,000    | Creditors          |               | 30,000   |
|    | Debtors                    |               | 30,000   | Bills Payable      |               | 10,000   |
|    | Stock                      |               | 17,000   | Bank A/c (Assets   |               |          |
|    | Furniture                  |               | 10,000   | Realised)          | 6,500         |          |
|    | Machinery                  |               | 25,000   | Bills Receivable   | 25,000        |          |
|    | Building                   |               | 60,000   | Debtors            | 15,000        |          |
|    | Bank A/c                   |               |          | Stock              | 22,000        |          |
|    | (liabilities Paid)         | 30,000        |          | Machinery          | <u>65,000</u> | 1,33,500 |
|    | Creditors                  | <u>10,000</u> | 40,000   | Building           |               | 9,000    |
|    | Bills Payable              |               |          | Manju's Cap A/c    |               |          |
|    | Bank A/c                   |               | 2,000    | Loss on            |               |          |
|    | (Expenses)                 |               |          | Relisation         |               |          |
|    |                            |               |          | Transferred to     |               |          |
|    |                            |               |          | Partner Capital    |               | 9,500    |
|    |                            |               |          | A/c.               |               |          |
|    |                            |               |          | Mohan - 5700       |               |          |
|    |                            |               |          | Manju - 3800       |               |          |
|    |                            |               |          | (3:2)              |               |          |
|    |                            |               | 1,92,000 |                    |               | 1,92,000 |

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| <b>Dr. Partners' Capital A/c</b>          |              |              |                                |              |              |          |
|---|--------------|--------------|--------------------------------|--------------|--------------|----------|
| <b>Particulars</b>                        | <b>Mohan</b> | <b>Manju</b> | <b>Particulars</b>             | <b>Mohan</b> | <b>Manju</b> |          |
| Realisation A/c<br>(Furniture taken over) |              | 9,000        | Balance b/d                    | 60,000       | 40,000       | <b>3</b> |
| Realisation A/c                           | 5,700        | 3,800        | Reserve fund<br>15,000 X 3:2/5 | 9,000        | 6,000        |          |
| Bank A/c                                  | 63,300       | 33,200       |                                |              |              |          |
|   | 69,000       | 46,000       |                                | 69,000       | 46,000       |          |

| <b>Dr. Bank Account</b> |          |                        |          |           | <b>Cr.</b> |
|-------------------------|----------|------------------------|----------|-----------|------------|
| <b>Particulars</b>      | <b>₹</b> | <b>Particulars</b>     | <b>₹</b> |           |            |
| Balance b/d             | 10,000   | Realisation A/c        | 40,000   | <b>02</b> |            |
| Realisation A/c         | 1,33,500 | (Liabilities Paid Off) |          |           |            |
|                         |          | Realisation A/c        | 2,000    |           |            |
|                         |          | Mohan's Loan           | 5,000    |           |            |
|                         |          | Mohan's Capital A/c    | 63,300   |           |            |
|                         |          | Manju's Capital A/c    | 33,200   |           |            |
|                         | 1,43,500 |                        | 1,43,500 |           |            |

| <b>35 Journal entries in the books of Kalpatharu Company Limited</b> |  |            |              |                      |    |  |
|--|--|------------|--------------|----------------------|----|--|
| <b>Date</b>  | <b>Particulars</b>   | <b>L/F</b> | <b>Debit</b> | <b>Credit</b>        |    |  |
| 1  | Bank A/c Dr.<br>To Equity share application A/c  |            | 2,00,000     | 2,00,000             | 01 |  |
| 2  | Eqity share application A/c Dr.<br>To Equity share capital A/c                                     |            | 2,00,000     | 2,00,000             | 01 |  |
| 3  | Equity share allotment A/C Dr.<br>To Equity share capital A/c<br>To Securities Premium Reserve A/c |            | 5,00,000     | 4,00,000<br>1,00,000 | 02 |  |
| 4  | Bank A/c Dr.<br>To Equity Share allotment A/c  |            | 5,00,000     | 5,00,000             | 01 |  |
| 5  | Equity Share First and Final Call A/c Dr.  |            | 4,00,000     | 4,00,000             | 01 |  |

|   |  |                             |  |          |          |    |
|---|--|-----------------------------|--|----------|----------|----|
|   |  | To Equity share capital A/c |  |          |          |    |
| 6 | Bank A/c                                 | Dr.                         |  | 3,60,000 |          | 01 |
|   | To equity share first and final call A/c |                             |  |          | 3,60,000 |    |
| 7 | Equity share capital A/c                 | Dr.                         |  | 1,00,000 |          | 02 |
|   | To forfeited share A/c                   |                             |  |          | 60,000   |    |
|   | To Equity share first and final call A/c |                             |  |          | 40,000   |    |
| 8 | Bank A/c                                 | Dr.                         |  | 80,000   |          | 02 |
|   | Forfited Shares A/c                      | Dr.                         |  | 20,000   |          |    |
|   | To equity share capital A/c              |                             |  |          | 1,00,000 |    |
| 9 | Forfited Shares A/c                      | Dr.                         |  | 40,000   |          | 01 |
|   | To capital Reserve A/c                   |                             |  |          | 40,000   |    |

Simple Entry 1 Mark Each. Compound Entry 2 Mark Each with narration.

| 36 | Journal entries |  |     |          |          |    |
|----|-----------------|--|-----|----------|----------|----|
|    | Date            | Particulars                                | L/F | Debit    | Credit   |    |
|    | 1 a)            | Bank A/c                                   | Dr. | 5,50,000 |          | 01 |
|    |                 | To Debenture Application and allotment A/c |     |          | 5,50,000 |    |
|    |                 | Debenture Application and allotment A/c    | Dr. | 5,50,000 |          | 02 |
|    |                 | To 12% Debenture A/c                       |     |          | 5,00,000 |    |
|    |                 | To Securities premium reserves A/c         |     |          | 50,000   |    |
|    | 2 b)            | Bank A/c                                   | Dr. | 4,50,000 |          | 01 |
|    |                 | To Debenture Application and allotment A/c |     |          | 4,50,000 |    |
|    |                 | Debenture Application and allotment A/c    | Dr. | 4,50,000 |          |    |
|    |                 | Loss on Issue of Debentures A/c            | Dr. | 1,00,000 |          |    |
|    |                 | To 12% Debentures A/c                      |     |          | 5,00,000 | 02 |
|    |                 | To Premium on Redemption of Deb. A/c       |     |          | 50,000   |    |
|    | 3 c)            | Bank A/c                                   | Dr. | 5,50,000 |          | 01 |
|    |                 | TO Debenture Application and allotment A/c |     |          | 5,50,000 |    |
|    |                 | Debenture Application and allotment A/c    | Dr. | 5,50,000 |          |    |
|    |                 | Loss on Issue of Debenture A/C             | Dr. | 50,000   |          |    |
|    |                 | To 12% Debentures A/c                      |     |          | 5,00,000 | 02 |
|    |                 | To Securities Premium Reserve A/c          |     |          | 50,000   |    |
|    |                 | To Premium on Redemption of Debentures A/c |     |          | 50,000   |    |
|    | 4 d)            | Bank A/c                                   | Dr. | 4,50,000 |          | 01 |
|    |                 | To debenture application and allotment A/c |     |          | 4,50,000 |    |
|    |                 | Debenture application and allotment A/c    | Dr. | 4,50,000 |          | 02 |
|    |                 | Discount on Issue of Debentures A/c        |     | 50,000   |          |    |

|  |                       |  |          |  |
|--|-----------------------|--|----------|--|
|  | To 12% Debentures A/c |  | 5,00,000 |  |
|--|-----------------------|--|----------|--|

Simple Entry 1 Mark Each. Compound Entry 2 Mark Each with narration.

| 37. Union Company Limited<br>Common Size Balance Sheet as on 31 <sup>st</sup> March 2021 & 2022 |           |                 |            |                         |                |    |
|---|-----------|-----------------|------------|-------------------------|----------------|----|
|   |           | Absolute Amount |            | % of each item to total |                |    |
| Particulars   |           | 31-03-2021      | 31-03-2022 | 31-03-2021 (%)          | 31-03-2022 (%) |    |
| I. Equity and Liabilities:-   |           |                 |            |                         |                |    |
| 1. Share holders fund   |           |                 |            |                         |                |    |
| (a) Share capital   | 10,00,000 | 16,00,000       | 50.00      | 53.33                   |                |    |
| (b) Reserves & Surplus  | 3,00,000  | 5,00,000        | 15.00      | 16.67                   |                |    |
| 2. Non Current Liabilities  |           |                 |            |                         |                |    |
| Long term borrowings  | 4,00,000  | 3,00,000        | 20.00      | 10.00                   |                | 06 |
| 3. Current Liabilities:-  |           |                 |            |                         |                |    |
| Trade payables  | 2,00,000  | 4,00,000        | 10.00      | 13.33                   |                |    |
| Other Current Liabilities   | 1,00,000  | 2,00,000        | 5.00       | 6.67                    |                |    |
| Total   | 20,00,000 | 30,00,000       | 100%       | 100%                    |                |    |
| II. Assets:-  |           |                 |            |                         |                |    |
| 1. Non Current Assets   |           |                 |            |                         |                |    |
| (a) fixed assets  | 6,00,000  | 10,00,000       | 30.00      | 33.33                   |                |    |
| (b) Non current Investments   | 3,00,000  | 4,00,000        | 15.00      | 13.33                   |                | 06 |
| 2. Current Assets   |           |                 |            |                         |                |    |
| (a) Inventories   | 5,00,000  | 7,00,000        | 25.00      | 23.33                   |                |    |
| (b) Trade receivables   | 4,00,000  | 5,00,000        | 20.00      | 16.66                   |                |    |
| (c) Cash and Cash Equivalents   | 2,00,000  | 4,00,000        | 10.00      | 13.33                   |                |    |
| Total   | 20,00,000 | 30,00,000       | 100%       | 100%                    |                |    |

38.

Calculation of Ratios:-

$$a) \text{ Inventory turnover ratio} = \frac{\text{cost of Revenue from operations}}{\text{Average Inventory}}$$

$$\begin{aligned} \text{Cost of Revenue Operation} &= \text{Revenue from operation} - \text{Gross Profit} \\ &= 10,00,000 - 2,00,000 \\ &= 8,00,000 \end{aligned}$$

$$\frac{8,00,000}{1,00,000} = 8 \text{ times}$$

02 Marks

b) *Trade receivable turnover ratio* =

$$\frac{\text{Net credit revenue from operations/average}}{\text{Average trade receivable}}$$

$$\frac{6,00,000}{1,50,00} = 4 \text{ times}$$

02 Marks

c) *Trade payable turnover ratio* =

$$\frac{\text{net credit purchases}}{\text{average trade payable}} = \frac{5,00,000}{2,50,00} = 2 \text{ times}$$

02 Marks

d) *Gross Profit ratio* =

$$\frac{\text{Gross profit}}{\text{Net Revenue from operations}} \times 100$$

$$\frac{2,00,000}{10,00,000} \times 100 = 20\%$$

02 Marks

e) *Operating Ratio* =

$$\frac{\text{cost of revenue from operations} + \text{operating Expenses}}{\text{Net Revenue from operations}} \times 100$$

$$\frac{8,00,000+1,00,00}{10,00,000} \times 100 = 90\%$$

02 Marks

$$f) \text{ Net Profit Ratio} = \frac{\text{Net Profit}}{\text{Net Revenue from Operations}} \times 100$$

$$= \frac{1,00,000}{10,00,000} \times 100 = 10\% \quad 02 \text{ Marks}$$

| 39.   |           |    |
|---|-----------|----|
| a) Legacies   | - Capital | 01 |
| b) Subscriptions                                      | - Revenue | 01 |
| c) Cost of Computer Purchased                         | - Capital | 01 |
| d) Honorarium Paid                                    | - Revenue | 01 |
| e) Donation received for constructing a swimming pool | - Capital | 01 |

| 40.        |                                |                 |                          |  |                 |    |
|------------|--------------------------------|-----------------|--------------------------|--|-----------------|----|
| Dr.        |                                |                 | X's Executor Loan Amount |  | Cr.             |    |
| Date       | Particulars                    | Amount          | Date                     | Particulars                                      | Amount          | 05 |
| 31.12.2016 | To Bank A/c<br>(50,000+10,000) | 60,000          | 01.01.2016               | X's Cap. A/c<br>(transfer)                       | 1,00,000        |    |
| 31.12.2016 | Balance c/d                    | 50,000          | 31.12.2016               | Interest A/c<br>$\frac{10}{100} \times 1,00,000$ | 10,000          |    |
|            |                                | <u>1,10,000</u> |                          |  | <u>1,10,000</u> |    |
| 31.12.2017 | Bank A/c<br>(50,000+5,000)     | 55,000          | 1.1.17                   | Balance b/d                                      | 50,000          |    |
|            |                                |                 |                          | Interest A/c<br>$\frac{10}{100} \times 50,000$   | 5,000           |    |
|            |                                | <u>55,000</u>   |                          |  | <u>55,000</u>   |    |

**41.**

**Comparative statement of Profit and Loss for the year ended 31<sup>st</sup> March  
2017 and 2018**

| Particulars                     | 2016-17<br>Rs. | 2017-18<br>Rs. | Increase (+) or<br>Decrease (-) | (+) or (-)<br>% | <b>05</b> |
|---------------------------------|----------------|----------------|---------------------------------|-----------------|-----------|
| I. Revenue from operations.     | 10,00,000      | 15,00,000      | 5,00,000                        | 50%             |           |
| II. Other Incomes               | 2,00,000       | 3,00,000       | 1,00,000                        | 50%             |           |
| III. Total Revenue (I+II)       | 12,00,000      | 18,00,000      | 6,00,000                        | 50%             |           |
| IV. (-) : Expenses              | 9,00,000       | 13,50,000      | 4,50,000                        | 50%             |           |
| V. Profit before tax (III – IV) | 3,00,000       | 4,50,000       | 1,50,000                        | 50%             |           |
| VI. (-): Income tax @ 30%       | 90,000         | 1,35,000       | 45,000                          | 50%             |           |
| VII. Profit after tax           | 2,10,000       | 3,15,000       | 1,05,000                        | 50%             |           |