

INSTRUCTIONS FOR EXAMINERS AND MODERATORS

1. Stepwise marking scheme is provided for each answer.
2. Marks to be allotted even if different formats or methods adopted provided the answers are logically correct.
3. For all theory question the examiner can adopt their own sanction and if possible to give full marks if the candidate has justified the answer.
4. For any query please feel free to contact us on :

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Q.1. [A] STATE WHETHER THE FOLLOWING STATEMENTS ARE TRUE OR FALSE [ANY 8]

[08 MARKS]

1	2	3	4	5	6	7	8	9	10
True	False	False	True	False	True	False	False	True	False

Q.1. [B] FILL IN THE BLANKS WITH APPROPRIATE OPTIONS [ANY 7]

[07 MARKS]

1	2	3	4	5
Net	Old PSR	Conversion	Dissolution	Personal
6	7	8	9	10
Foreign Exchange Fl.	Limited upto paid up	Ignored	Sacrifice Ratio	Home

Q.2. [A]

[15 MARKS]

MARKING SCHEME	
Trading Account	2 Marks
Profit and Loss	5 Marks
Profit and Loss Appropriation	2 Marks
Partners' Current	3 Marks
Balance Sheet	3 Marks

IN THE BOOKS OF PRANITA

TRADING ACCOUNT FOR THE YEAR ENDED 31.3.2018

PARTICULARS	AMOUNT	PARTICULARS	AMOUNT
To Opening Stock	168000	By Sales	1860000
To Purchases	1120000	By Closing Stock	144000
To Gross Profit c/d	724000	By goods lost by fire	8000
	2012000		2012000

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PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED

PARTICULARS	PRE	POST	PARTICULARS	PRE	POST
To Salaries & Wages	192000	64000	By Gross profit b/	543000	181000
To Office & Trade Exp.	135600	45200			
To Rent & Insurance	31500	10500			
To Professional Fees	10500	3500			
To F.B.D. 2400					
Add: R.D.D. 8000					
Less: R.D.D. 2000	6300	2100			
To Dep.					
Instrument	10800	3600			
Premises	36000	12000			
Computers	15000	5000			
To loss by fire	6000	2000			
To Net profit c/d	99300	33100			
	543000	181000		543000	181000

PROFIT & LOSS APPROPRIATION ACCOUNT

PARTICULARS	PRE	POST	PARTICULARS	PRE	POST
To Int. on capital:			By Net profit b/d	99300	33100
Roshani	14400	4800			
Pranita	9000	3000			
Aditi		1500			
To P. Capital a/c(Old)	75900				
To P. Capital a/c(All)		23800			
	99300	33100		99300	33100

PARTNERS CURRENT ACCOUNT

PARTICULARS	ROSH	PRANI	ADITI	PARTICULARS	ROSH	PRANI	ADITI
To Drawings	68000	44000	36000	By bal b/d	64000	48000	32000
To Balance c/d	84640	62293	1467	By Cash/ bank	12000	8000	
				By Goodwill	19200	12000	1500
				By Int. on capital	45540	30360	
				By P&L app.(Pre)	11900	7933	3967
	152640	106293	37467	By P&L app.(Post)			
					152640	106293	37467

BALANCE SHEET AS ON 31.03.2018

LIABILITIES	AMOUNT	AMOUNT	ASSET	AMOUNT	AMOUNT
CAPITAL A/C:			Debtors	82400	
Roshani		320000	Less: F.B.D	2400	
Pranita		200000	Less: R.D.D	8000	72000
Aditi		100000	Instrument	144000	
CURRENT A/C:			Less: Dep @10%	14400	129600
Roshani		84640	Premises	240000	
Pranita		62293	Less: Dep. @ 20%	48000	192000
Aditi		1467	Computers	100000	
Bank Overdraft		56000	Add: New purchase	180000	
Creditors		148000	Less: Dep.@20%	20000	260000
		972400	Closing Stock		144000
			SBI Cur. A/c Bal		174800
					972400

PROFIT & LOSS ACCOUNT	6 MARKS
PROFIT & LOSS APPROPRIATION ACCOUNT	3 MARKS
PARTNERS CAPITAL ACCOUNT	3 MARKS
BALANCE SHEET	3 MARKS

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31/03/2018

PARTICULARS	9 - M	3 - M	PARTICULARS	9 - M	3 - M
To Sundry Expenses	63000	21000	By Gross Profit b/d	2280000	570000
To Rent	216000	72000	By Interest on Investments	18000	6000
To Salaries	439500	146500	By Discount	28800	
To Advertisment	100000	25000			
To Carriage Outward	36000	9000			
To Insurance	13500	4500			
To Salesman Commission	225000	75000			
To Bad Debts	9600	2400			
Add:- Further Bad Debts	19200	4800			
To Depreciation					
Machinery	90000	30000			
Furniture	13500	4500			
To Net Profit c/d	1101500	181300			
	2326800	576000		2326800	576000

PROFIT AND LOSS APPROPRIATION ACCOUNT FOR THE YEAR ENDED 31/03/2018

PARTICULARS	9 - M	3 - M	PARTICULARS	9 - M	3 - M
To Interest on Loan [Hemangi]	11250	3750	By Net Profit b/d		
To Interest on Capital			Prachiti	550750	
Prachiti	48000		Hemangi	367167	120867
Hemangi	40500	13500	Mandira	183583	60433
Mandira	23625	7875			
To Divisible Profit					
Prachiti	489063				
Hemangi	326042	104117			
Mandira	163021	52058			
	1101500	181300		1101500	181300

PARTNERS CAPITAL ACCOUNT

PARTICULARS	PRACHITI	HEMANGI	MANDIRA	PARTICULARS	PRACHITI	HEMANGI	MANDIRA
To Drawings	65000	87000	56000	By Balance b/d	640000	540000	420000
To Balance c/d [Balancing Figure]	1172063	992158	630579	By Interest on Loan		15000	
				By Interest on Capital	48000	54000	31500
				By Goodwill	60000	40000	20000
				By Divisible Profit			
				Pre	489063	326042	163021
				Post		104117	52058
	1237063	1079158	686579		1237063	1079158	686579

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BALANCE SHEET AS ON 31/03/2018

LIABILITIES	AMOUNT	AMOUNT	ASSETS	AMOUNT	AMOUNT
Capital			Land and Building		1800000
Hemangi	992158		Machinery	1200000	
Mandira	630579	1622738	Less :- Depreciation	-120000	1080000
Bank Loan		600000	Furniture	90000	
Advance Income		18000	Less :- Depreciation	-18000	72000
Bills Payable		52700	Debtors	324000	
Creditors		432500	Less :- Further Bad Debts	-24000	300000
Hemangi's Loan		300000	Deposits		251000
Prachiti Loan		1172063	Investments		400000
			Cash and Bank		51500
			Bills Receivable		123500
			Goodwill		120000
		4198001			4198000

NOTE:- DIFFERENCE OF ONE RUPEES IS DUE TO ROUNDING OFF

Q.3. [A]

[15 MARKS]

MARKING SCHEME		TOTAL
Calculation of P.C. [Working]	1 mark	1
Realisation a/c [Both the firms]	1 mark each	2
Partners Capital a/c [Both the firms]	1 mark each	2
Cash a/c [Both the firms]	1 mark each	2
New firms a/c [In the books of both the firms]	1 mark each	2
Balance Sheet	6 marks	6

CALCULATION OF PC

	S&O	A&P
ASSETS		
Goodwill	60000	60000
Motor Car	4000	
Building	60000	
Investments	46800	48600
Debtors	20000	44000
Machinery	119600	85000
Furniture & Fixtures	25000	24000
TOTAL	335400	261600
Less :-		
LIABILITIES		
Bad Debts		10000
R.D.D.	2000	3400
Creditors	60000	48000
Bills Payable	30000	20000
TOTAL	92000	81400
PC	243400	180200

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**IN THE BOOKS OF S & O
REALISATION ACCOUNT**

Dr.			Cr.		
PARTICULARS	AMT	AMT	PARTICULARS	AMT	AMT
To Sundry Asset			By Sundry Liabilities		
Investments	52000		Creditors	60000	
Debtors	20000		Bills Payable	30000	
Machinery	104000		Bank Loan	20000	
Goodwill	20000		Mrs. O's Loan	10000	120000
Fixture & Patterns	25000		By SOAP		243400
Building	60000	281000			
To Cash/Bank					
Bank Loan	20000				
Mr. O's Loan	10000	30000			
To Partner's Capital					
S	26200				
O	26200	52400			
		363400			363400

Dr.			Cr.		
PARTNER'S CAPITAL ACCOUNT					
PARTICULARS	S	O	PARTICULARS	S	O
To Cash	7000	7000	By Balance b/d	100000	90000
			By General Reserve	3500	3500
			By Sinking Fund	4000	4000
To SOPA [Bal fig]	126700	116700	By Realisation a/c	26200	26200
	133700	123700		133700	123700

Dr.			Cr.		
SOAP ACCOUNT					
PARTICULARS	AMT	AMT	PARTICULARS	AMT	AMT
To Realisation a/c		243400	By Partners Cap. A/c		
			S	126700	
			O	116700	243400
		243400			243400

Dr.			Cr.		
CASH/BANK ACCOUNT					
PARTICULARS	AMT	AMT	PARTICULARS	AMT	AMT
To Balance b/d		44000	By Realisation		
			Bank Loan	20000	
			Mrs. O's Loan	10000	30000
			By Partners Capital		
			S	7000	
			O	7000	14000
		44000			44000

**IN THE BOOKS OF A & P
REALISATION ACCOUNT**

Dr.			Cr.		
PARTICULARS	AMT	AMT	PARTICULARS	AMT	AMT
To Sundry Asset			By Sundry Liabilities		
Investments	54000		Creditors	48000	
Debtors	44000		Bills Payable	20000	
Machinery	68000		Bank Loan	24000	92000
Fixture & Patterns	30000	196000	By SOAP		180200
To Cash/Bank		24000			
To Partners Capital					
A	34800				
P	17400	52200			
		272200			272200

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Dr. **PARTNER'S CAPITAL ACCOUNT** Cr.

PARTICULARS	A	P	PARTICULARS	A	P
To Cash/ Bank a/c	20000	10000	By Balance b/d	80000	60000
			By General Reserve	8000	4000
			By Sinking Fund	4000	2000
To SOAP a/c	106800	73400	By Realisation a/c	34800	17400
	<u>126800</u>	<u>83400</u>		<u>126800</u>	<u>83400</u>

Dr. **SOAP ACCOUNT** Cr.

PARTICULARS	AMT	AMT	PARTICULARS	AMT	AMT
To Realisation		180200	By Partners Cap A/c		
			A	106800	
			P	<u>73400</u>	180200
		<u>180200</u>			<u>180200</u>

Dr. **CASH/BANK ACCOUNT** Cr.

PARTICULARS	AMT	AMT	PARTICULARS	AMT	AMT
To Balance b/d		54000	By Realisation		24000
			By Partners Capital		
			A	20000	
			P	<u>10000</u>	30000
		<u>54000</u>			<u>54000</u>

BALANCE SHEET AS ON 31/03/2018

LIABILITIES	AMT	AMT	ASSETS	AMT	AMT
<u>Capital</u>			<u>FIXED ASSET</u>		
S	126700		Goodwill	120000	
O	116700		Tools	4000	
A	106800		Building	60000	
P	<u>73400</u>	423600	Investments	95400	
			Machinery	204600	
Creditors	108000		Furniture & Fixtures	49000	533000
Bills Payable	<u>50000</u>	158000	Debtors	64000	
			Less :- Bad Debts	<u>10000</u>	
				54000	
			Less :- R.D.D.	<u>5400</u>	48600
		<u>581600</u>			<u>581600</u>

Q.3. [B]

[15 MARKS]

STATEMENT OF EXCESS CAPITAL

PARTICULARS	VIRAT	ROHIT	UMESH
1. Capital Balance	240000	160000	300000
Add: General Reserve	25000	25000	50000
Less: Deferred Rev. Exp.	(5000)	(5000)	(10000)
Adjusted Capital	260000	180000	340000
2. P.S.R.	1	1	2
3. Unit Value	260000	180000	170000
4. P.C. (L.U.V.*PSR)	170000	170000	340000
5. E.C.	90000	10000	-
6. P.S.R.	1	1	
7. Unit Value	90000	10000	
8. P.C.	10000	10000	
9. U.E.C.	80000	-	

STATEMENT OF DISTRIBUTION OF CASH

PARTICULARS	CASH	TOTAL CLAIM	CREDITORS	LOAN FROM ROHAN	VIRAT	ROHIT	UMESH
Balance	12000	980000	160000	40000	260000	180000	340000
Less: Paid to Crs & Loan	12000	12000	9600	2400			
Balance	-	968000	150400	37600	260000	180000	340000
1 st Realisation(Net)	108000						
Less: Paid to Crs. And Loan	108000	108000	86400	21600			
Balance	-	860000	64000	16000	260000	180000	340000
2 nd Realisation(Net)	330000						
Less: Paid to Crs. And Loan	80000	80000	64000	16000			
Less: Paid to Virat for UEC	80000	80000			80000		
Less: Virat & Rohit for EC	20000	20000			10000	10000	
Less: Paid to All partners	150000	150000			37500	37500	75000
Balance	-	530000	-	-	132500	132500	265000
3 rd Realisation(Net)	345000						
Less: Paid to All partners	345000	345000			86250	86250	172500
Balance	-	185000	-	-	46250	46250	92500
4 th Realisation	149000						
Add: Assets taken over	10000						
Less: Paid to All partners	159000	159000			39750	39750	79500
Loss on Realisation	-	26000			6500	6500	13000

Q.4. [A]

[15 MARKS]

CALCULATION OF PURCHASE CONSIDERATION

PARTICULARS	AMOUNT
<u>Assets taken over at Agreed Value</u>	
Building	190000
Plant & Machinery	70000
Furniture	14000
Stock	150000
Goodwill	60000
Sundry Debtors	84000
Bank	100000
	668000
<u>Less :- Liabilities at Agreed Value</u>	
Sundry Creditors	82000
	586000

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REALISATION ACCOUNT

PARTICULARS	AMOUNT	PARTICULARS	AMOUNT
To Sundry Assets a/c		By Sundry Liabilities	
Building	150000	Bills Payable	6000
Plant & Machinery	50000	Sundry Creditors	96000
Motor Van	50000		
Furniture	10000	By New Company a/c	
Stock	120000	VJM	586000
Sundry Debtors	105000	By Bank a/c [Crs]	50000
Investment	42000	By Partners Capital a/c	
To Bank a/c [Exp]	20000	Vishwani	50000
To Bank a/c [BP]	6000		
To Partners Capital a/c			
Vishwani	94000		
Jayshree	94000		
Muskan	47000		
	788000		788000

BANK ACCOUNT

PARTICULARS	AMOUNT	PARTICULARS	AMOUNT
To Balance b/d	100000	By Realisation a/c	20000
To Realisation a/c	50000	By Realisation a/c	6000
		By Partners Capital a/c	
		Vishwani	49600
		Jayshree	49600
		Muskan	24800
	150000		150000

VJM

PARTICULARS	AMOUNT	PARTICULARS	AMOUNT
To Realisation	586000	By Equity Shares a/c	586000

PARTNERS CAPITAL ACCOUNT

PARTICULARS	VISHWANI	JAYSHREE	MUSKAN	PARTICULARS	VISHWANI	JAYSHREE	MUSKAN
To Realisation a/c	50000			By Balance bld	200000	200000	100000
To Bank a/c	49600	49600	24800	By Gen. Reserve a/c	10000	10000	5000
To Equity Share a/c	204400	254400	127200	By Realisation a/c	94000	94000	47000
[Bal Figure]	304000	304000	152000		304000	304000	152000

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BALANCE SHEET OF		VJM	Ltd
PARTICULARS	NOTE	AMOUNT	
<u>EQUITY & LIABILITIES</u>			
SHARE HOLDERS FUND			
Share Capital		586000	
Reserves & Surplus			
NON CURRENT LIABILITIES			
CURRENT LIABILITIES			
Trade Payable - Creditors		82000	
	TOTAL	668000	
<u>ASSETS</u>			
<u>NON CURRENT ASSET</u>			
Building		190000	
Plant & Machinery		70000	
Furniture		14000	
Goodwill		60000	
<u>CURRENT ASSET</u>			
Inventories - Stock		150000	
Trade Receivables - Debtors		84000	
Cash & Cash Equivalent - Bank		100000	
	TOTAL	668000	

Q.4. [B] ACCOUNTING FOR TRANSLATION OF FOREIGN CURRENCY TRANSACTIONS

[15 MARKS]

JOURNAL ENTRIES	12 MARKS
FEF ACCOUNT	3 MARKS

JOURNAL ENTRIES IN THE BOOKS OF PRAGATI LTD.

DATE	PARTICULARS	L.F.	DEBIT(Rs.)	CREDIT(Rs.)
01.12.2016	Gilly Ltd. a/cDr To Export Sales a/c		4,50,00,000	4,50,00,000
01.01.2017	Bank a/cDr To Gilly Ltd.a/c To FEF a/c		93,00,000	90,00,000 3,00,000
01.02.2017	Bank a/cDr To Gilly Ltd.a/c To FEF a/c		96,00,000	90,00,000 6,00,000
01.03.2017	Bank a/cDr. FEF a/cDr. To Gilly Ltd.a/c		87,00,000 3,00,000	90,00,000
31.03.2017	Gilly Ltd. a/cDr To FEF a/c		3,00,000	3,00,000
31.03.2017	FEF a/cDr To Profit & Loss a/c		9,00,000	9,00,000
01.04.2017	Bank a/cDr. FEF a/cDr. To Gilly Ltd.a/c		88,50,000 3,00,000	91,50,000
01.05.2017	Bank a/cDr To Gilly Ltd.a/c To FEF a/c		94,50,000	91,50,000 3,00,000

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FEF ACCOUNT

DATE	PARTICULARS	AMT.	DATE	PARTICULARS	AMT.
01.03.2017	To Gilly Ltd. a/c	3,00,000	01.01.2017	By Bank a/c	3,00,000
31.03.2017	To Profit & Loss A/c	9,00,000	01.02.2017	By Bank a/c	6,00,000
			31.03.2017	By Gilly Ltd. a/c	3,00,000
	Total	12,00,000		Total	12,00,000
01.04.2017	To Gilly Ltd. a/c	3,00,000	01.05.2017	By Bank a/c	3,00,000
	Total	3,00,000		Total	3,00,000

Q.5. [A] LONG ANSWER

[15 MARKS]

Examiners are requested to exercise their own discretion and allot full marks if the learner has logically justified the answer.

OR

Q.5. [B] SHORT NOTES

[15 MARKS]

Examiners are requested to exercise their own discretion and allot full marks if the learner has logically justified the answer.