## Accountancy with Analysis of Financial statements SET - A SCORING KEY

Qn. No.	Sub. Qn.	Scoring Indicators	Score	Total				
PART A								
1		b. Old ratio	1	1				
2		b. Rs.47000	1	1				
3		c. Surplus or Deficit	1	1				
4		b. Debited to old partners	1	1				
5	a	Value of stock reduced by Rs.1200	1					
	b	Value of land increased by Rs.5000	1	2				
6		New ratio is 4:4:1	2	2				
7		Capital receipts : Legacy, Life membership fees etc	1	2				
		Revenue receipts: Subscriptions, Sale of old news papers etc	1	_				
8		Interest on capital Rs.3375	2	2				
9		Machinery a/c Dr 50000 Furniture a/c Dr 15000 Stock a/c Dr 10000 Cash a/c Dr 12000 To Jasim's Capital a/c 77000 To Premium a/c Dr 10000	2	3				
		Premium a/c Dr 10000 To Shafi capital a/c 5000 To Sinan capital a/c 5000	1					
10		Divisible profits Rs.23100	Int. On Cap – 1 Int. On Draw – 1 For answer - 1	3				
	a	Value of goodwill = 18000 x 2 = 36000	2					
11	b	X's capital a/c Dr 3600 Y's capital a/c Dr 2400	2	4				

		To Z's capital a/c 6000		
	a	Sacrificing ratio	1	
12	b	Gaining ratio	1	4
		For any two differences	2	
	a	Revaluation a/c Dr 3000 To Inventory a/c 3000	1	
	b	Revaluation a/c Dr 2000 To Patents 2000	1	
13	С	Creditors a/c Dr 1000 To Revaluation a/c 1000	1	5
	d	Cash a/c Dr 3600 Revaluation a/c Dr 400 To Furniture a/c 4000	1	
	e	Revaluation a/c Dr 700 To Liability for damages 700	1	
		Interest on capital – Rs.1250	1	
14		Share in GR – Rs.4800	1	5
		Profit to date of retirement – Rs.3000 Amount transferred to Loan a/c Rs.35000	2 1	
		Revaluation a/c – Profit Rs.1475		
15		Capital a/c – Rs.50885, Rs.45590, Rs.20000 Balance Sheet – Rs.170975	3 2	8
16		Explanation of various methods of goodwill	4 x 2	8

## PART B Analysis of Financial statements

Qn No	Value Points		Score	Total
1	C) Rs. 750		1	1
2	A) Trade payables(others are current assets		1/2+1/	1
3	C) Comply with legal requirements		2	1
4	C) Machinery		1	1
5	C) Vertical Analysis		1	1
6	(a) Balance Sheet	1		
	Balance sheet is only a financial statement, but others are	e tools used for	1	
	analysing the financial statements.		2	
			1	
7				
	Liabilities	Amount		2
	Loan from Canara Bank	120000	2	2
	(Issued1200, 10% debenture of Rs100 each)			

	Particulars	2015-16	2016-17	Absolute Increase	Percenta ge		
16	(a)Preparation of Com	parative State	ment of Pro	ofit or Loss			
	Management: To know the profitability, liquidity and solvency position; to measure the effectiveness of its own decisions taken and to take corrective measure in future.  • Investors: Investors want to know the earning capacity and future growth prospects of the business which helps in assessing the safety of their investment and reasonable return.  • Creditors: Short-term creditors want to know the liquidity position of the business where as long term creditors want to know about the solvency position and ability to pay the interest consistently or any meaningful 3 uses.					5	
15	(a) Parties inside the firm (b) Uses of financial st	n- Lenders, Inv	estors etc.	(2 score)			
14	(a) Top management-F (b) Lenders-Assess fut (c) Investors-Present a (d) Labour unions-Bet (e)Government-Price i	ure solvency nd future profi ter remuneration	tability ons			1 x 5	5
13	(a) Common Size Statements, Comparative Statements, Trend analysis, and Ratio Analysis.  (b) Explain the limitations of financial analysis.			4			
12	a)Calls in arrears amount b)Issue of equity share c)Issued 12% debenture	s to promoters		I		1x3	3
11	Any meaningful expla (b) Trend analysis	nation about (a	a) inter-firm	comparison		1x2	2
10	(i) Outstanding Expe (ii) Prepaid Rent -Cu (iii) Patents - Non c (iv) Bank overdraft- C	rrent Asset urrent asset				1/2 X4	2
9	<ul><li>(i) First year is taken a</li><li>(ii) Trend percentage =</li></ul>	•		year value * 1	100	1 + 1	2
	Siva Ltd A/c b) Siva Ltd A/c Dr Equity Share Ca	2500000 pital A/c	25000 250000			1	2
8	a) Land a/c Dr	2500000	O			1	

			(Decrease)	Increase (Decreas e)		
(a) Sales	6,00,000	8,00,000	2,00,000	33.33%		
(b)Cost of goods sold	3,00,000	6,00,000	3,00,000	100.00%	6	
(c) Gross Profit(a-b)	3,00,000	200000	-100000	(33.33%)		8
(d) Indirect Expenses	1,80,000	90,000	(90,000)	(50.00%)		C
(e) Net Profit(c-d)	1,20,000	110000	10000	8.33%		
(f) Income Tax	36,000	44000	8000	22.22%		
(g) Profit after Tax(e-f)	84000	66000	-18000	(21.43%)	2	
*The sales of the decreased by 33.33% because of the Net profit is evenue, because of decrease to factor after tax decreases to factor goods sold.	cause of doub ncrease is in ease in indire	oling of the c the same rat ect expenses.	cost of goods s e as that of sal	old. les		
ost of goods sold.					6	
(a) 95%, (b) 11%, (c) 65%, (d) 73%, (e) 15%, (f) 9% (b) *The investment in fixed assets are more in ABC Ltd. (95%) than that of XYZ Ltd (89%).					2	8
But both the compa	anies are suff	ering from s	hortage of wor	rking		
capital	andad mara u	non outsider	e fundalia 250	4) oc		
* A BC Ltd. has depended more upon outsiders funds(ie.25%),as compared to 15% in XYZ Ltd.						