J.K. SHAH TEST SERIES
Evaluate Learn Succeed

IPCC– MAY 2018

PAPER 1: ACCOUNTANCY

Test Code: OTS 1
Branch (MULTIPLE) Date : 05.4.2018

(100 Marks)

Note: ***Question No.1 is compulsory. Candidates are required to answer any five questions from the remaining six questions.***

Wherever necessary, suitable assumptions may be made and disclosed by way of a note.

Working notes should form part of the answers.

Question 1

(a) According to AS 10 on Property, Plant and Equipment, the costs which will be capitalized by ABC Ltd. are as follows:

	`
Cost of the plant	31,25,000
Initial delivery and handling costs	1,85,000
Cost of site preparation	4,50,000
Consultants' fees	6,50,000
Estimated dismantling costs to be incurred after 5 years	2,50,000
Total cost of Plant	46,60,000

Note: Operating losses before commercial production amounting to ` 3,75,000 will not be capitalized as per AS 10. They should be written off to the Statement of Profit and Loss in the period they are incurred.

(5 marks)

(b) **(5 marks)**

	` in crore
Cost of construction of bridge incurred 31.3.16	4.00
Add: Estimated future cost	6.00
Total estimated cost of construction	10.00
Contract Price (12 crore x 1.05)	12.60 crore

Stage of completion

Percentage of completion till date to total estimated cost of construction = (4/10) 100 = 40%

Revenue and Profit to be recognized for the year ended 31st March, 2016 as per AS 7

Proportion of total contract value recognized as revenue = Contract price x percentage of completion

=` 12.60 crore x 40% =` 5.04 crore

Profit for the year ended 31st March, 2016 = ` 5.04 crore less ` 4 crore = 1.04 crore

(c) (5 marks)

As per AS 9 "Revenue Recognition", in a transaction involving the sale of goods, performance should be regarded as being achieved when the following conditions are fulfilled:

i the seller of goods has transferred to the buyer the property in the goods for a price or all significant risks and rewards of ownership have been transferred to the buyer and the seller retains no effective control of the goods transferred to a degree usually associated with ownership; and

ii no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods.

Case (i): 25% goods lying unsold with consignee should be treated as closing inventory and sales should be recognized for ` 3,00,000 (75% of ` 4,00,000) for the year ended on 31.3.17. In case of consignment sale, revenue should not be recognized until the goods are sold to a third party.

Case (ii): The sale is complete but delivery has been postponed at buyer's request. Fashion Ltd. should recognize the entire sale of `1,95,000 for the year ended 31st March, 2017.

Case (iii): In case of goods sold on approval basis, revenue should not be recognized until the goods have been formally accepted by the buyer or the buyer has done an act accepting the transaction or the time period for rejection has elapsed or where no time has been fixed, a reasonable time has elapsed. Therefore, revenue should be recogn ized for the total sales amounting ` 2,50,000 as the time period for rejecting the goods had expired.

Thus total revenue amounting ` 7,45,000 (3,00,000+1,95,000+2,50,000) will be recognized for the year ended 31st March, 2017 in the books of Fashion Ltd.

(d) **Accounting Standards (ASs)** are written policy documents issued by expert accounting body or by government or other regulatory body covering the aspects of recognition, measurement, presentation and disclosure of accounting transactions in the financia l statements. Accounting Standards reduce the accounting alternatives in the preparation of financial statements and ensure standardization of alternative accounting treatments and comparability of financial statements of different enterprises.

Accounting Standards deal with the issues of

(i) **Recognition of events and transactions** in the financial statements,

(ii) **Measurement** of these transactions and events,**Presentation** of these transactions and events in the financial statements in a manner that is meaningful and understandable to the reader, and

(iii) **Disclosure requirements** which should be there to enable the public at large and the stakeholders and the potential investors, in particular, to get an insight into whatthese financial statements are trying to reflect and thereby facilitating them to take prudent and informed business decisions.

(5 marks)

Question 2

Balance Sheet of AB Ltd. (8 marks)

		Particulars	*Notes*	`
Equity and Liabilities				
1	Shareholders' funds			
	a	Share capital	1	30,80,000
	b	Reserves and Surplus	2	6,17,100
2	Current liabilities			
	a	Other liabilities		38,900
		Total		37,36,000
Assets				
1	Non-current assets			
	a	Fixed assets		
		Tangible assets	3	23,09,000
		Intangible assets	4	1,12,000
	b	Non-current investments		1,55,000
2	Current assets			
	a	Inventories (3,58,000 + 2,40,000)		5,98,000
	b	Trade receivables (72,000 +70,000)		1,42,000
	c	Cash and cash equivalents		4,20,000

Total		37,36,000

Notes to accounts (4 marks)

			`
1	**Share Capital**		
	Authorized share capital		
	3,00,000 equity shares of ` 10 each	30,00,000	
	60,000, 8% cumulative Preference Shares of ` 10 each	6,00,000	36,00,000
	Equity share capital		
	2,48,000 equity shares of ` 10 each (of the above shares, 2,18,000 shares have been issued for consideration other than cash)		24,80,000
	Preference share capital		
	60,000, 8% cumulative Preference Shares of ` 10 each		6,00,000
	Total		30,80,000
2	**Reserves and Surplus**		
	Debit balance of Profit and Loss Account		
	Underwriting commission	38,900	
	Preliminary expenses	24,000	(62,900)
	Securities Premium A/c		
	(2,48,000 equity shares x 2.50)	6,20,000	
	(60,000 Preference shares x ` 1)	60,000	6,80,000
			6,17,100
3	**Tangible assets**		

Building	5,40,000	
Motor car	1,26,000	
Plant & machinery	15,10,000	
Furniture	1,33,000	23,09,000
4 **Intangible assets**		
Goodwill (W.N. 4) (15,000 + 62,000-65,000)	12,000	
Patents	1,00,000	1,12,000

Working Notes: (4 marks)

1. **Mode of discharge of Purchase Consideration of A Ltd.**

	`
Cash payment	5,75,000
Equity shares (1,80,000 Shares x ` 12.5)	22,50,000
Total Purchase consideration	28,25,000

2. **Mode of discharge of Purchase Consideration of B Ltd.**

	`
Cash payment	16,000
Equity shares (38,000 shares x ` 12.5)	4,91,00
Total Purchase consideration	0

3. **Cash at bank balance in the initial balance sheet of AB Ltd. Cash and Bank Account**

		`			`
To	Issue of preference shares		By	Payment to A ltd.	5,75,000
	(60,000 x 11)	6,60,000	By	Payment to B ltd.	16,000
To	Equity shares		By	Preliminary expenses	24,000
	(30,000 x 12.50)	3,75,000	By	Balance c/d	4,20,000
		10,35,000			10,35,00

			0

4. **Calculation of goodwill/ capital reserve of A Ltd. & B Ltd.**

Particulars	A Ltd.		B Ltd.	
Business Purchase A/c		28,25,000		4,91,000
Less: Goodwill			62,000	
Patent A/c	1,00,000		-	
Building A/c	5,40,000		-	
Plant & Mach. A/c	15,10,000		-	
Motor car A/c	-		1,26,000	
Furniture A/c	75,000		58,000	
Investment A/c	1,55,000		-	
Stocks A/c	3,58,000		2,40,000	
Debtors A/c	72,000	(28,10,000)	70,000	(5,56,000)
Goodwill / Capital reserve (Bal. fig.)		15,000		(65,000)

Net goodwill (15,000 +62,000 -65,000) = 12,000

Note:

It has been assumed in the above solution that preliminary expenses of ` 24,000 has been paid and underwriting commission is still payable in the balance sheet of the amalgamated company.

(16 marks)

Question 3
A.

Books of Alpha Ltd. (5 markS)

Investment in 13.5% Debentures in Pergot Ltd. Account

(Interest payable on 31st March & 30th September)

Date	Particulars	Nominal	Interest	Amount	Date	Particulars	Nominal	Interest	Amount
2017		`	`	`	2017		`	`	`

May 1	To Bank	5,00,000	5,625	5,19,375	Sept.30	By Bank (6 months Int)		50,625	
Aug.1	To Bank	2,50,000	11,250	2,45,000	Oct.1	By Bank	2,00,000		2,06,000
Oct.1	To P&L A/c			2,167					
Dec.31	To P&L A/c		52,313						
					Dec.31	By Balance c/d	5,50,000	18,563	5,60,542
		7,50,000	69,188	7,66,542			7,50,000	69,188	7,66,542

Note: Cost being lower than Market Value the debentures are carried forward at Cost.

Working Notes: (3 marks)

1. Interest paid on ` 5,00,000 purchased on May 1st, 2017 for the month of April 2017, as part of purchase price: 5,00,000 x 13.5% x 1/12 = ` 5,625

2. Interest received on 30th Sept. 2017

On ` 5,00,000 = 5,00,000 x 13.5% x ½ =	33,750
On ` 2,50,000 = 2,50,000 x 13.5% x ½ =	16,875
Total	` 50,625

3. Interest paid on ` 2,50,000 purchased on Aug. 1st 2017 for April 2017 to July 2017 as part of purchase price:

2,50,000 x 13.5% x 4/12 = ` 11,250

4. Loss on Sale of Debentures Cost of

acquisition

(` 5,19,375 + ` 2,45,000) x ` 2,00,000/` 7,50,000	=	2,03,833
Less: Sale Price (2,000 x 103)	=	2,06,000
Profit on sale	=	` 2,167

5. Cost of Balance Debentures

(` 5,19,375 + ` 2,45,000) x ` 5,50,000/` 7,50,000 = ` 5,60,542

6. Interest on Closing Debentures for period Oct. -Dec. 2017 carried forward (accrued interest)

` 5,50,000 x 13.5% x 3/12 = ` 18,563

(8 marks)

Balance Sheet of Bharat Sports club as at 31st December, 2016

Liabilities	`	*Assets*	`
Outstanding Rent	6,000	Building	60,000
Advance Subscription	6,000	Stock of Sports materials	5,000
Capital Fund	2,71,000	Prepaid Insurance	3,000
(balancing Figure)		Subscription receivable	12,000
		12% General Fund Investments	2,00,000
		Cash Balance	1,000
		Bank Balance	2,000
	2,83,000		2,83,000

3 marks

Balance Sheet of Bharat Sports club as at 31st December, 2017

Liabilities		`	*Assets*		`
Outstanding Rent		3,000	Building		
Advance Subscription		4,000	Book Value	60,000	
Advance Locker Rent		2,000	*Less:* Depreciation	6,000	54,000
Bank Overdraft		2,000	Furniture Cost	20,000	
Capital Fund:			*Less:* Depreciation	2,000	18,000
Opening Balance	2,71,000		Stock of sports materials		2,000
Add: Entrance Fees	8,000		Prepaid Insurance		6,000
[20,000 x 40%]			Subscription receivable		8,000
Add: Life Membership fee	12,000		Locker Rent receivable		6,000
[` 20,000 x 60%]			12% General		2,00,000
Add: Surplus	60,000	3,51,000	Fund Investments		
			Accrued Interest on 12%		
			General Fund Investments		4,000
			Cash Balance		64,000
		3,62,000			3,62,000

5 marks

(8 marks)

Question 4

6. **Journal Entries (6 ½ marks)**

		`	`
Bank A/c	Dr.	10,00,000	
To Equity share capital A/c			10,00,000
(Being money on final call received)			
Equity share capital (` 50) A/c	Dr.	75,00,000	
To Equity share capital (` 40) A/c			60,00,000
To Capital Reduction A/c			15,00,000
(Being conversion of equity share capital of ` 50 each into ` 40 each as per reconstruction scheme)			
Bank A/c	Dr.	12,50,000	
To Equity Share Capital A/c			12,50,000
(Being new shares allotted at ` 40 each)			

Trade payables A/c	Dr.	12,40,000	
To Equity share capital A/c			7,50,000
To Bank A/c (4,90,000 x 70%)			3,43,000
To Capital Reduction A/c			1,47,000
(Being payment made to creditors in shares or cash to the extent of 70% as per reconstruction scheme)			
8% Debentures A/c	Dr.	3,00,000	
12% Debentures A/c	Dr.	4,00,000	
To A A/c			7,00,000
(Being cancellation of 8% and 12% debentures of A)			
A A/c	Dr.	7,00,000	
To 15% Debentures A/c			5,00,000

To Capital Reduction A/c			2,00,000
(Being issuance of new 15% debentures and balance transferred to capital reduction account as per reconstruction scheme)			
Bank A/c	Dr.	1,00,000	
To 15% Debentures A/c			1,00,000
(Being new debentures subscribed by A)			
8% Debentures A/c	Dr.	1,00,000	
12% Debentures A/c	Dr.	2,00,000	
To B A/c			3,00,000
(Being cancellation of 8% and 12% debentures of B)			
B A/c	Dr.	3,00,000	
To 15% Debentures A/c			2,50,000
To Capital Reduction A/c			50,000
(Being issuance of new 15% debentures and balance transferred to capital reduction account as per reconstruction scheme)			
Land and Building (51,84,000 – 42,70,000)	Dr.	9,14,000	
Inventories	Dr.	30,000	
To Capital Reduction A/c			9,44,000
(Being value of assets appreciated)			
Outstanding expenses A/c	Dr.	10,60,000	
To Bank A/c			10,60,000
(Being outstanding expenses paid in cash)			
Capital Reduction A/c	Dr.	33,41,000	
To Machinery A/c			1,30,000
To Computers A/c			1,20,000
To Trade receivables A/c			1,09,000
To Profit and Loss A/c			29,82,000
(Being amount of Capital Reduction utilized in writing off P &			

L A/c (Dr.) balance and downfall in value of other assets)		
Capital Reserve A/c Dr.	5,00,000	
To Capital Reduction A/c		5,00,000
(Being debit balance of capital reduction account adjusted against capital reserve)		

Balance Sheet of Xylem Ltd. (as reduced) as on 31.3.2017 (2 ½ marks)

	Particulars	*Notes*	`
	Equity and Liabilities		
1	**Shareholders' funds**		
a	Share capital	1	80,00,000
2	**Non-current liabilities**		
a	Long-term borrowings	2	8,50,000
	Total		**88,50,000**
	Assets		
1	**Non-current assets**		
a	Fixed assets		
	Tangible assets	3	63,04,000
2	**Current assets**		
a	Inventories		3,50,000
b	Trade receivables		9,81,000
c	Cash and cash equivalents		12,15,000
	Total		**88,50,000**

Notes to accounts (3 mark)

			`
1.	**Share Capital**		
	2,00,000 Equity shares of ` 40		80,00,000
2.	**Long-term borrowings**		
	Secured		
	15% Debentures (assumed to be secured)		8,50,000
3.	**Tangible assets**		
	Land & Building	51,84,000	
	Machinery	7,20,000	

	Computers	4,00,000	63,04,000

Working Notes: (4 marks)

1. **Cash at Bank Account**

	Particulars	`		*Particulars*	`
To	Balance b/d	2,68,000	By	Trade Creditors A/c	3,43,000
To	Equity Share capital A/c	10,00,000	By	Outstanding expenses A/c	10,60,000
To	Equity Share Capital A/c	12,50,000	By	Balance c/d (bal. fig.)	12,15,000
To	15% Debentures A/c	1,00,000			
		26,18,000			26,18,000

2. **Capital Reduction Account**

	Particulars	`		*Particulars*	`
To	Machinery A/c	1,30,000	By	Equity Share Capital A/c	15,00,000
To	Computers A/c	1,20,000	By	Trade payables A/c	1,47,000
To	Trade receivables A/c	1,09,000	By	A A/c	2,00,000
To	Profit and Loss A/c	29,82,000	By	B A/c	50,000
			By	Land & Building	9,14,000
			By	Inventories	30,000
			By	Capital Reserve A/c	5,00,000
		33,41,000			33,41,000

Question 5
A.

Statement showing the calculation of profits/losses for pre incorporation and Post incorporation period profits of Sanjana Ltd.

for the year ended 31st March, 2017 (6 ½ marks)

Particulars	**Basis**	**Pre**	**Post**
		`	`
Sales (given)		10,000	40,000
Less: Purchases	1:3.3	5,814	19,186
Carriage Inwards	1:3.3	237	782
Gross Profit (i)		3,949	20,032

Less: Selling Expenses	1:4	700	2,800
Preliminary Expenses			1,200
Salaries	1:3	900	2,700
Director Fees			1,200
Interest on capital		700	

Depreciation	1:3	700	2,100
Rent	1:3	1,20 0	3,60 0
Total of Expenses(ii)		4,20 0	13,600
Capital Loss/Net Profit (i-ii)		(251)	6,432

Working Notes: (1 ½ marks)

1: Sales Ratio = 10,000 : 40,000 = 1 :4

2: Time Ratio = 3:9 = 1:3

(b) Purchase Price Ratio Ratio is 3 : 9

But purchase price was 10% higher in the company period

Ratio is 3 : 9 + 10%

3:9.9 = 1:3.3.

Computation of loss of profit for insurance claim

(1) Rate of gross profit

$$\frac{\text{Net profit for the last financial year} + \text{Insured standing charges}}{\text{Turnover for the last financial year}} \times 100$$

1 mark

$$= \frac{\text{Rs.}1,20,000 + \text{Rs. }2,40,000}{\text{Rs. }20,00,000} \times 100 \qquad 18\%$$

Add: Adjustment for increase in gross profit rate= 2%

20%

(2) Calculation of short sales:

	Rs.
Turnover from 1.9.2014 to 1.3.2015	7,50,000
Add: Adjustment for increase in turnover @ 10%	75,000
Adjusted turnover	8,25,000
Less: Actual turnover from 1.9.2015 to 1.3.2016	2,25,000
Short sales	6,00,000

2 mark

(3) Additional expenses:

	Rs.
(i) Actual expenses	40,000
(ii) Gross profit on sale generated by additional expenses [(20/100) x Rs.1,00,000]	20,000

3 marks

(iii) $\text{Additional expenses} \times \dfrac{\text{Gross profit on annual adjusted turnover}}{\text{Gross profit on annual adjusted turnover} + \text{Uninsured standing charges}}$

$= Rs.40,000 \times \dfrac{20\% \text{ on } Rs.\ 24,20,000^{*}}{(20\% \text{ on } Rs.\ 24,20,000) + Rs.\ 20,000}$

$= Rs.\ 40,000 \times \dfrac{Rs.\ 4,84,000}{Rs.\ 5,04,000} = Rs.\ 38,413$

Least of the above three figures i.e. Rs. 20,000 is allowable.

* Rs. 22,00,000 x (110/100)

2 marks

(8 marks)

Question 6

Profit and Loss Adjustment Account

	`		`
To Expenses not provided for (years 2014-2017)	1,10,000	By Income not considered (for years 2014-2017)	66,000
		By Partners' capital accounts (loss)	
		Laurel	22,000
		Hardy	22,000
	1,10,000		1,10,000

2 marks

(ii) **Partners' Capital Accounts**

	Laurel `	Hardy `	Chaplin `		Laurel `	Hardy `	Chaplin `
To P & L Adjustment A/c	22,000	22,000	-	By Balance b/d	2,11,500	1,51,500	-
To Hardy	60,000			By Laurel	-	60,000	-
To Balance c/d	1,29,500	1,89,500	63,800	By Cash	-	-	63,800
	2,11,500	2,11,500	63,800		2,11,500	2,11,500	63,800
				By Balance b/d	1,29,500	1,89,500	63,800

2 marks

(iii) **Balance Sheet of LH & Co.**

as on 1.4.2017

(After admission of Chaplin)

Liabilities	`	*Assets*	`
Capital accounts:		Plant and machinery	60,000
Laurel	1,29,500	Trade receivables	2,05,000
Hardy	1,89,500	Stock in trade	3,10,000
Chaplin	63,800	Accrued income	66,000
Trade payables	2,27,000	Cash on hand (10,000 + 63,800)	73,800
Outstanding expenses	1,10,000	Cash at bank	5,000
	7,19,800		7,19,800

4 marks

Working Notes:

1. **Computation of Profit and Loss distributed among partners**

				`
Profit for the year ended	31.3.2014			1,40,000
	31.3.2015			2,60,000
	31.3.2016			3,20,000
	31.3.2017			3,60,000
Total Profit				10,80,000
		Laurel	*Hardy*	Total
		`	`	`
Profit shared in old ratio i.e 5:4		6,00,000	4,80,000	10,80,000
Profit to be shared as per new ratio i.e. 1:1		5,40,000	5,40,000	10,80,000
Excess share		60,000		
Deficit share			(60,000)	

4 marks

Laurel to be debited by ` 60,000 and Hardy to be credited by ` 60,000.

2. **Capital brought in by Chaplin**

	`
Capital to be brought in by Chaplin must be equal to 20% of the combined capital of Laurel and Hardy	
Capital of Laurel (2,11,500 – 22,000 – 60,000)	1,29,500
Capital of Hardy (1,51,500 – 22,000 + 60,000)	1,89,500
Combined Capital	3,19,000
20% of the combined capital brought in by Chaplin (20% of ` 3,19,000)	63,800

4 marks

Question 7 (4 marks each)

Answer

(a) Creditors' Ledger

General Ledger Adjustment Account for the year ended 31.3.2015

			₹				₹
1.4.14	To Balance b/d		2,30,000	31.3.15	By Creditors ledger adjustment A/c:		
31.3.15	To Creditors ledger adjustment A/c:				Bank	2,65,000	
	Purchases	3,00,000			Discount received	8,000	
	Cheque paid dishonoured	7,000	3,07,000		Returns	11,000	
					Bills receivable endorsed	30,000	3,14,000
					By balance c/d		2,23,000
			5,37,000				5,37,000

Working Note:

Calculation of credit purchases and Cash paid to creditors

If credit purchases are 100% then cash purchase will be 60% higher i.e.100% +60% = 160%

Thus, credit purchases and cash purchases are in ratio of 100:160= 5:8. Hence credit purchase is 5/13 of ₹ (8,25,000-45,000)= ₹ 3,00,000

Cash paid to creditors is 50% of (2,30,000+3,00,000)= ₹ 2,65,000

a.

(b) An amalgamation should be considered as an amalgamation in the nature of merger if the following conditions are satisfied:

(i) All the assets and liabilities of the transferor company become, after amalgamation, the assets and liabilities of the transferee company.

(ii) Shareholders holding not less than 90% of the face value of the equity shares of the transferor company (other than the equity shares already held therein, immediately before the amalgamation, by the transferee company or its subsidiaries or their nominees) become equity shareholders of the transferee company by virtue of the amalgamation.

(iii) The consideration for the amalgamation receivable by those equity shareholders of the transferor company who agree to become equity shareholders of the transferee company is discharged by the transferee company wholly by the issue of equity shares in the transferee company, except that cash may be paid in respect of any fractional shares.

(iv) The business of the transferor company is intended to be carried on, after the amalgamation, by the transferee company.

(v) No adjustment is intended to be made to the book values of the assets and liabilities of the transferor company when they are incorporated in the financial statements of the transferee company except to ensure uniformity of accounting policies.

b.

(c)

A	B	C	D = B ± C
	Principal Amount	*Interest from Average Due Date to Actual date of Payment*	*Total amount to be paid*
(i)	**Payment on average due date**		
	₹ 67,500	₹ 67,500 x $\frac{12}{100} \times \frac{0}{365} = 0$	₹ 67,500
(ii)	**Payment on 25th Aug. 2015**		
	₹ 67,500	₹ 67,500 x $\frac{12}{100} \times \frac{15}{365} = 333$ Interest to be charged for period of 15 days from 10.8.2015 to 25th Aug. 2015	₹ 67,833
(iii)	**Payment on 30th July, 2015**		
	₹ 67,500	₹ 67,500 x $\frac{12}{100} \times \frac{(11)}{365} = (244)$ Rebate has been allowed for unexpired credit period of 11 days from 30.7.2015 to 10.8.2015	₹ 67,256

(d) Calculation of Credit Sales and Total sales

Credit Sales for the year ended 2014-15 = Debtors x $\frac{12 \text{ months}}{1.5 \text{ months}}$

= ₹ 1,25,000 x $\frac{12 \text{ months}}{1.5 \text{ months}}$

= ₹ 10,00,000

Total sales for the year ended 2014-15 = Credit sales x $\frac{100\%}{80\%}$

= ₹ 10,00,000 x $\frac{100\%}{80\%}$

= ₹ 12,50,000

(e) The disadvantages of using an ERP Package are the following:

1. **Lesser flexibility**: The user may have to modify their business procedure at times to be able to effectively use the ERP.
2. **Implementation hurdles**: Many of the consultants doing the implementation of the ERP may not be able to fully appreciate the business procedure to be able to do a good implementation of an ERP.
3. **Very expensive**: ERP are normally priced at an amount which is often beyond the reach of small and medium sized organisation. However, there are some ERP coming into the market which are moderately priced and may be useful to the small businesses.
4. **Complexity of the software**: Generally an ERP package has large number of options to choose from. Further the parameter settings and configuration makes it a little complex for the common users.

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