



EEE CONSORTIUM
PRE BOARD EXAMINATION (2021-22)
ACCOUNTANCY
SET 3
MARKING SCHEME

Grade: XII

Max. Marks: 40
Time: 2 HRS

PART-A

(Accounting for Not for Profit organizations, Partnership firms and Companies)

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1.	<div>Ans.</div> <table><tr><td>Expenditure</td><td>(₹)</td><td>Income</td><td>(₹)</td></tr><tr><td></td><td></td><td>By Interest on G F Investment 80,000</td><td>80,000</td></tr></table> <table><tr><td>Liabilities</td><td>(₹)</td><td>Assets</td><td>(₹)</td></tr><tr><td>Building Fund 4,00,000</td><td>-</td><td>Building</td><td>5,00,000</td></tr><tr><td>Less: Tr. to Capital fund 4,00,000</td><td></td><td></td><td></td></tr><tr><td>General Fund 20,00,000</td><td>24,00,000</td><td></td><td></td></tr><tr><td>Add: Tr. from Building 4,00,000</td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr></table>				Expenditure	(₹)	Income	(₹)			By Interest on G F Investment 80,000	80,000	Liabilities	(₹)	Assets	(₹)	Building Fund 4,00,000	-	Building	5,00,000	Less: Tr. to Capital fund 4,00,000				General Fund 20,00,000	24,00,000			Add: Tr. from Building 4,00,000								2																																						
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	Amount payable to Karan=1,00,000+30,000-15,000=1,15,000 Karan's share of goodwill=1,75,000-1,15,000=60,000																																						
4.	Ans. Subscriptions Account				3																																		
<table><tr><td>Particulars</td><td>Amount</td><td>Particulars</td><td>Amount</td></tr><tr><td>Income and Expenditure</td><td>2,00,000</td><td>Bank</td><td>2,05,000</td></tr><tr><td>200members × 100each</td><td></td><td>Subscriptions Received</td><td></td></tr><tr><td>Subscriptions in the beginning</td><td>30,000</td><td>Advanced Subscription – beginning</td><td>14,000</td></tr><tr><td>Advance Subscriptions at the end</td><td>40,000</td><td>Outstanding Subscription B/f</td><td>51,000</td></tr><tr><td></td><td>2,70,000</td><td></td><td>2,70,000</td></tr></table>					Particulars	Amount	Particulars	Amount	Income and Expenditure	2,00,000	Bank	2,05,000	200members × 100each		Subscriptions Received		Subscriptions in the beginning	30,000	Advanced Subscription – beginning	14,000	Advance Subscriptions at the end	40,000	Outstanding Subscription B/f	51,000		2,70,000		2,70,000											
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Answer: Income & Expenditure a/c- Rs 87,000 (90,000-5,000+5,000-4,500+1,500)																																							
5.	Ans: Profit (previous year) = ₹1,50,000 Time from 1 st April to 12 June, 2019= 73 days B's share of profit= ₹1,50,000 x 73/365 x 2/6= ₹10,000 B's share of goodwill= ₹60,000 x 2/6= ₹20,000 A's gain= 1/2-3/6=0/6=0 ; C's gain=1/2- 1/6=2/6 (1m) Journal				3																																		
<table><tr><td>Date</td><td>Particulars</td><td>L.F</td><td>Dr(₹)</td><td>Cr(₹)</td></tr><tr><td>2019</td><td>C's Capital A/c</td><td>1m</td><td>10,000</td><td></td></tr><tr><td>June 12</td><td>To B's Capital A/c</td><td></td><td></td><td>10,000</td></tr><tr><td></td><td>(For B's share of profit transferred to remaining partners in gaining ratio)</td><td></td><td></td><td></td></tr><tr><td></td><td>C's Capital A/c</td><td>1m</td><td>20,000</td><td></td></tr><tr><td></td><td>To B's Capital A/c</td><td></td><td></td><td>20,000</td></tr><tr><td></td><td>(For goodwill share B adjusted in the account of C)</td><td></td><td></td><td></td></tr></table>					Date	Particulars	L.F	Dr(₹)	Cr(₹)	2019	C's Capital A/c	1m	10,000		June 12	To B's Capital A/c			10,000		(For B's share of profit transferred to remaining partners in gaining ratio)					C's Capital A/c	1m	20,000			To B's Capital A/c			20,000		(For goodwill share B adjusted in the account of C)			
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<table><tr><td>Date</td><td>Particulars</td><td>Amount Dr.(₹)</td><td>Amount Cr.(₹)</td></tr><tr><td>01/04</td><td>Bank A/c Dr. To Debenture Application A/c</td><td>27,00,000 (½ mark)</td><td>27,00,000</td></tr><tr><td>01/04</td><td>Debenture Application A/c Dr. Loss on issue of Debenture A/c Dr. Discount on issue of Debenture A/c Dr. To 9% Debenture A/c To Premium on redemption A/c</td><td>33,00,000 6,00,000 3,00,000 (1 mark)</td><td>30,00,000 6,00,000</td></tr><tr><td>30/9</td><td>Debentures Int. a/c Dr. To Debentureholder A/c</td><td>1.35,000</td><td>1,35,000</td></tr><tr><td>30/9</td><td>Debentureholder A/c Dr To Bank</td><td>1,35,000</td><td>1.35,000</td></tr><tr><td>31/3</td><td>Debentures Int. a/c Dr. To Debentureholder A/c</td><td>1.35,000</td><td>1,35,000</td></tr><tr><td></td><td>Debentureholder A/c Dr</td><td>1,35,000</td><td></td></tr></table>					Date	Particulars	Amount Dr.(₹)	Amount Cr.(₹)	01/04	Bank A/c Dr. To Debenture Application A/c	27,00,000 (½ mark)	27,00,000	01/04	Debenture Application A/c Dr. Loss on issue of Debenture A/c Dr. Discount on issue of Debenture A/c Dr. To 9% Debenture A/c To Premium on redemption A/c	33,00,000 6,00,000 3,00,000 (1 mark)	30,00,000 6,00,000	30/9	Debentures Int. a/c Dr. To Debentureholder A/c	1.35,000	1,35,000	30/9	Debentureholder A/c Dr To Bank	1,35,000	1.35,000	31/3	Debentures Int. a/c Dr. To Debentureholder A/c	1.35,000	1,35,000		Debentureholder A/c Dr	1,35,000								
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		To Bank		1.35,000	
		Statement of P&L Dr. To Debentures Int. A/c To Discount/ Loss on issue	11,70,000 (½ mark)	2,70,000 9,00,000	
OR					
	Date	Particulars	Amount Dr.(₹)	Amount Cr.(₹)	
	1.	Building A/c Dr. Debtors A/c Dr. Stock A/c Dr. To Payable A/c To Nykaa Ltd. To Capital Reserve (Being Asset and Liabilities taken over)	15,00,000 5,00,000 4,50,000 (1 mark)	2,50,000 20,00,000 2.00,000	
	2.	Nykaa Ltd . Dr. To Bank A/c To Bills Payable A/c To 9% Debentures A/c To Security Premium Reserve (Being payment made)	20,00,000 (2 mark)	10,00,000 4,00,000 4,80,000 1,20,000	
7.	Ans: Books of Jaganath Associates				5
	Date	Particulars	Debit (₹)	Credit (₹)	
	31.03.21	Bank A/c Dr. To Realisation A/c (Being old machinery realised)	42,000	42,000	
	31.03.21	Realisation A/c Dr. To Bank A/c (Being Payment made to bank for bill discounted)	6,000	6,000	
	31.03.21	Madhusudan's Loan A/c Dr. To Realisation A/c To Bank A/c (Being payment made against Madhusudan's loan through an unrecorded asset and cheque)	1,00,000	75,000 25,000	
	31.03.21	Madhav's Capital A/c Dr Madhusudan's Capital A/C Dr Mukund's Capital A/C Dr To Realisation A/c (Being unrealized stock taken by partners in their profit sharing ratio)	10,000 10,000 10,000	30,000	

31.03.21	Mukund's Capital A/c Dr. To Bank A/c (Being realisation expenses paid on behalf of Mukund)	5,000	5,000	
31.03.21	Realisation A/c Dr. To Bank A/c (Being payment of vehicle loan made)	60,000	60, 000	

Capital Accounts

8.	<p>Ans.</p> <p>(i) $20,00,000/80 = 25,000$</p> <p>(ii) $40,00,000/125 = 32,000$</p> <p>(iii) Building Ac Dr. 26,50,000 Furniture A/c Dr. 13,50,000 To Mohit & Co. 40,00,000</p> <p>(iv) Mohit & Co. A/c Dr. 40,00,000 To 9% Debentures 32,00,000 To S P R 8,00,000</p> <p>(v) Debenture Application A/c Dr. 20,00,000 Loss on issue of Debenture A/c Dr. 2.50.000</p>	5
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	Discount on issue of Debenture A/c Dr. 5,00,000 To 9% Debenture A/c To Premium on redemption A/c (1 Mark each)																																																													
9.	<div>Ans.<div><div>Income & Expenditure A/c</div><div>Dr. For the year ended 31st March, 2020 Cr.</div><table><tr><th>Expenditure</th><th>₹</th><th>Income</th><th>₹</th></tr><tr><td>To Salaries</td><td>20,000</td><td>By Sub.</td><td>92,000</td></tr><tr><td>To Insurance 6,000</td><td></td><td>Add: advance</td><td>18,000</td></tr><tr><td>Less: advance 1,500</td><td>4,500</td><td>Add Outstanding</td><td><u>1,600</u></td></tr><tr><td>To Sundry Expenses</td><td>2,000</td><td>By locker rent</td><td>8,000</td></tr><tr><td>To loss on sale of furniture</td><td>1,200</td><td>By interest on Inv.</td><td>3,000</td></tr><tr><td>To O/s sub. Written off</td><td>5,000</td><td>Add; outstanding</td><td><u>1,125</u></td></tr><tr><td>To Depreciation</td><td></td><td></td><td></td></tr><tr><td>Building 11,000</td><td></td><td></td><td></td></tr><tr><td>Sports equipment 1,800</td><td></td><td></td><td></td></tr><tr><td>Furniture <u>2,280</u></td><td>15,080</td><td></td><td></td></tr><tr><td>To surplus</td><td>75,945</td><td></td><td></td></tr><tr><td></td><td>-----</td><td></td><td>-----</td></tr><tr><td></td><td>1,23,725</td><td></td><td>1,23,725</td></tr><tr><td></td><td>=====</td><td></td><td>=====</td></tr></table></div></div>	Expenditure	₹	Income	₹	To Salaries	20,000	By Sub.	92,000	To Insurance 6,000		Add: advance	18,000	Less: advance 1,500	4,500	Add Outstanding	<u>1,600</u>	To Sundry Expenses	2,000	By locker rent	8,000	To loss on sale of furniture	1,200	By interest on Inv.	3,000	To O/s sub. Written off	5,000	Add; outstanding	<u>1,125</u>	To Depreciation				Building 11,000				Sports equipment 1,800				Furniture <u>2,280</u>	15,080			To surplus	75,945				-----		-----		1,23,725		1,23,725		=====		=====	5
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10.	Ans. (i) Cash and Cash Equivalent (ii) Operating Activities (iii) Financing Activities (iv) Operating (½ mark each)	2																																																												
11.	<div><div>Common Size Statement of Profit & Loss</div><table><tr><th>Particulars</th><th>31.3.2020</th><th>31.3.2021</th><th>2020</th><th>2021</th></tr><tr><td>Revenue from Operations</td><td>20,00,000</td><td>40,00,000</td><td>100</td><td>100</td></tr><tr><td>Other Income</td><td>16,00,000</td><td>10,00,000</td><td>80</td><td>25</td></tr><tr><td>Total Revenues</td><td>36,00,000</td><td>50,00,000</td><td>180</td><td>125</td></tr><tr><td>Employees Benefit Expenses</td><td>18,00,000</td><td>30,00,000</td><td>90</td><td>75</td></tr><tr><td>Other Expenses</td><td>50,000</td><td>80,000</td><td>2.5</td><td>2</td></tr><tr><td>Total Expenses</td><td>18,50,000</td><td>30,80,000</td><td>92.5</td><td>77</td></tr><tr><td>Profit Before Tax</td><td>17,50,000</td><td>19,20,000</td><td>87.5</td><td>48</td></tr></table><div>OR</div><div>Balance Sheet</div><table><tr><th>Particulars</th><th>31st March, 2020</th><th>31st March, 2021</th><th></th><th></th></tr><tr><td>Equity & Liabilities</td><td></td><td></td><td></td><td></td></tr></table></div>	Particulars	31.3.2020	31.3.2021	2020	2021	Revenue from Operations	20,00,000	40,00,000	100	100	Other Income	16,00,000	10,00,000	80	25	Total Revenues	36,00,000	50,00,000	180	125	Employees Benefit Expenses	18,00,000	30,00,000	90	75	Other Expenses	50,000	80,000	2.5	2	Total Expenses	18,50,000	30,80,000	92.5	77	Profit Before Tax	17,50,000	19,20,000	87.5	48	Particulars	31 st March, 2020	31 st March, 2021			Equity & Liabilities					3										
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Particulars	31 st March, 2020	31 st March, 2021																																																												
Equity & Liabilities																																																														

	Share holders' Funds																									
	Share Capital																									
	Equity Share Capital	40,00,000	50,00,000	10,00,000	25.00																					
	Reserve & Surplus																									
	General Reserve	15,00,000	10,00,000	(5,00,000)	(33.33)																					
	Non Current Liabilities																									
	Long Term Borrowings			6,00,000																						
	10% Debentures	20,00,000	26,00,000	(1,00,000)	30.00																					
	Current Liabilities	5,00,000																								
	Trade Payable		4,00,000		(20)																					
	Total	80,00,000	90,00,000																							
	Assets																									
	Norn Current Assets																									
	Fixed Assets (Tangible)	60,00,000	50,00,000	(10,00,000)	16.67																					
	Current Asset																									
	Trade Receivable	20,00,000	40,00,000	20,00,000	100.00																					
	Total	80,00,000	90,00,000																							
12.	Ans. Working Note: 1.Net loss for the current year (3,20,000-50,000)= 2,70,000 2.Interest on debentures:9% on 2,00,000=18,000 3. FIXED TANGIBLE ASSETS ACCOUNT <table><tr><td>Particulars</td><td>₹</td><td>Particulars</td><td>₹</td></tr><tr><td>To Balance B/d</td><td>3,00,000</td><td>By Depreciation A/c</td><td>1,40,000</td></tr><tr><td>To Bank a/c</td><td></td><td>By bank a/c</td><td>30,000</td></tr><tr><td>(Bal. fig.being purchase)</td><td><u>3,70,000</u></td><td>By Balance C/d</td><td><u>5,00,000</u></td></tr><tr><td></td><td>6,70,000</td><td></td><td>6,70,000</td></tr></table> <div>Cash Flow Statement For the year ended 31st March,2021</div>					Particulars	₹	Particulars	₹	To Balance B/d	3,00,000	By Depreciation A/c	1,40,000	To Bank a/c		By bank a/c	30,000	(Bal. fig.being purchase)	<u>3,70,000</u>	By Balance C/d	<u>5,00,000</u>		6,70,000		6,70,000	5
Particulars	₹	Particulars	₹																							
To Balance B/d	3,00,000	By Depreciation A/c	1,40,000																							
To Bank a/c		By bank a/c	30,000																							
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	6,70,000		6,70,000																							

	₹	₹
A. Cash Flow from Operating Activities		
Net loss for Current Year	(2,70,000)	
Adjustments for non-cash and non-operating item:		
Add: Depreciation on Fixed Tangible Assets	1,40,000	
Interest on Long term Borrowings (Debentures)(9% on 2,00,000)	<u>18,000</u>	
Operating loss before Working Capital Changes	(1,12,000)	
Add: Increase in Current liabilities:		
Trade payables 40,000		
Outstanding expenses <u>10,000</u>	<u>50,000</u>	
Less: Increase in Assets	(62,000)	
Inventory 50,000		
Trade Recievables <u>70,000</u>	<u>(1,20,000)</u>	
Net cash used in Operating Activities		(1,82,000)
B. Cash Flow from Investing Activities:		
Sales of fixed tangible Assets(Machinery)	30,000	
Purchase of Fixed Tangible Assets	(3,70,000)	
Sale of Non-Current Investments	<u>60,000</u>	
Net Cash used In Investing Activities		(2,80,000)
C. Cash Flows from Financing Activities		
Proceeds from issue of Share Capital	3,00,000	
Proceeds from issue of Long Term Borrowing (Debentures)	2,00,000	
Interest paid on Long Term Borrowing(Deb.)	<u>(1,80,000)</u>	
Cash Flows from Financing Activities		<u>4,82,000</u>
Net Increase in Cash and Cash Equivalents		20,000
Add:Cash and cash equivalents in the beginning of the period		<u>20,000</u>
Cash and Cash equivalent at the end of the period		<u>40,000</u>
