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Senior School Certificate Examination March -2020

Marking Scheme – Accountancy

SUBJECT CODE: 055 PAPER CODE: 67/1/1, 67/1/2, 67/1/3

General Instructions:

1. You are aware that evaluation is the most important process in the actual and correct assessment of the candidates. A small mistake in evaluation may lead to serious problems which may affect the future of the candidates, education system and teaching profession. To avoid mistakes, it is requested that before starting evaluation, you must read and understand the spot evaluation guidelines carefully. **Evaluation is a 10-12 days mission for all of us. Hence, it is necessary that you put in your best efforts in this process.**
2. Evaluation is to be done as per instructions provided in the Marking Scheme. It should not be done according to one's own interpretation or any other consideration. Marking scheme should be strictly adhered to and religiously followed. **However, while evaluating, answers which are based on latest information or knowledge and innovative, they may be assessed and marks be awarded to them.**
3. The Head-Examiner must go through the first five answer books evaluated by each evaluator on the first day to ensure that evaluation has been carried out as per the instructions given in the Marking Scheme. The remaining answer scripts meant for evaluation shall be given only after ensuring that there is no significant variation in the marking of individual evaluators.
4. Evaluators will mark (✓) wherever the answer is correct . for wrong answers (×) be marked .Evaluators will not put right mark (✓) while evaluating which gives an impression that answer is correct but no mark is awarded. **This is most common mistake which evaluators are committing.**
5. If a question has parts, please award marks on the right hand side for each part. Marks awarded for different parts of the question should then be totalled up and written in the left hand margin and encircled. This may be followed strictly.
6. If a question does not have any parts, marks must be awarded in the left hand margin and encircled. This may be followed strictly.
7. If a student has attempted an extra question, answer of the question deserving more marks should be retained and other answer scored out.
8. No marks to be deducted for the cumulative effect of an error. It should be penalized only once.
9. Deductions up to 25% of the marks must be made if the student has not drawn formats of the Journal and Ledger and has not given the narrations.

10. No marks are to be deducted or awarded for writing / not writing 'TO and BY' while preparing Journal and Ledger accounts.
11. In theory questions, credit is to be given for the content and not for the format.
12. A full scale of marks 0-80 has to be used. Please do not hesitate to award full marks if the answer deserves it.
13. Every examiner has to necessarily do evaluation work for full working hours i.e. 8 hours everyday and evaluate 20 answer books per day.
14. Avoid the following common types of errors committed by the Examiners in the past.
 - Leaving answer or part thereof unassessed in an answer script
 - Giving more marks for an answer than assigned to it or deviation from the marking scheme.
 - Wrong transference of marks from the inside pages of the answer book to the title page.
 - Wrong question wise totaling on the title page.
 - Wrong totaling of marks of the two columns on the title page
 - Wrong grand total
 - Marks in words and figures not tallying
 - Wrong transference to marks from the answer book to award list
 - Answers marked as correct but marks not awarded
15. Half or a part of answer marked correct and the rest as wrong but no marks awarded.
16. While evaluating the answer scripts if the answer is found to be totally incorrect, it should be marked as (x) and awarded zero(0) Marks.
17. Any unassessed portion, non-carrying over of marks to the title page or totalling error detected by the candidate shall damage the prestige of all the personnel engaged in the evaluation work as also of the Board. Hence in order to uphold the prestige of all concerned, It is again reiterated that the instructions be followed meticulously and judiciously.
18. The Examiners should acquaint themselves with the guidelines given in the Guidelines for Spot Evaluation before starting the actual evaluation.
19. Every Examiner shall also ensure that all the answers are evaluated, marks carried over to the title page, correctly totaled and written in figures and words.
20. The board permits candidates to obtain photocopy of the Answer Book on request in an RTI application and also separately as a part of the re- evaluation process on payment of the processing charges.

67 /1 /1	67 /1 /2	67 /1 /3	<p align="center">Marking Scheme 2019-20</p> <p align="center">Accountancy (055)</p> <p align="center">Delhi- 67/1/1</p> <p align="center">Expected Answers/ Value Points</p>	Marks
1	-	-	<p>Q. In case the partners' capitals are fixed</p> <p>Ans. Partners' Capital Accounts</p>	1 mark
2	-	-	<p>Q. Meera, Myra and Neera.....</p> <p>Ans. (A) / ₹18,000, ₹18,000 and ₹9,000</p>	1 mark
3	12	8	<p>Q. Mona and Tina were.....</p> <p>Ans. (B) / Debited to Revaluation Account</p>	1 mark
4	11	4	<p>Q. Diya, Riya and Tiya were partners.....</p> <p>Ans. 9/20</p>	1 mark
5	-	-	<p>Q. X and Y were partners in a firm.....</p> <p>Ans. 3:1</p>	1 mark
6	10	13	<p>Q. Name an item that is never shown.....</p> <p>Ans. <u>Any one</u> of the following-</p> <ul style="list-style-type: none"> ▪ Loss on sale of fixed assets ▪ Depreciation ▪ Outstanding expenses at the end ▪ Prepaid expenses in the beginning of the year <p align="center">(Or any other correct item)</p>	1 mark

7	-	-	Q. A, B and C were partners..... Ans. (A) / ₹72,000	1 mark
8	9	6	Q. Rahul, Sahil and Jatin..... Ans. Sahil's new Capital = ₹3,60,000 Jatin's new Capital = ₹2,40,000	$\frac{1}{2}$ mark + $\frac{1}{2}$ mark = 1 mark
9	13	3	Q. Sun and Star were..... Ans. (B) / ₹2,80,000	1 mark
10	8	9	Q. Rohan, Mohan and Sohan were..... Ans. (D) / Credited to Bank Account	1 mark
11	6	12	Q. Excess of issue..... Ans. Premium	1 mark
12	4	10	Q. Which of the..... Ans. (C) / It can be used for writing off capital losses	1 mark
13	3	11	Q. Name an item which..... Ans. Any one of the following- <ul style="list-style-type: none"> ▪ Provision for doubtful debts ▪ Investment fluctuation fund ▪ Accumulated depreciation <p style="text-align: center;">(Or any other correct item)</p>	1 mark
14	14	14	Q. How would the following..... a sports club?	

Ans.

Income & Expenditure A/c of a Sports Club

Dr **for the year ended.....** Cr

Expenditure	Amount (₹)	Income	Amount (₹)
To Match expenses	64,000		

½ mark

Sports Club

Balance sheet (An extract)

as at....

Liabilities	Amount (₹)	Assets	Amount (₹)
Prize fund 44,000		Prize fund investment	44,000
+ Interest on Prize Fund Investment 6,000			
Less Prizes awarded (46,000)	4,000		

½ x 5

=

2 ½

marks

=

½ + 2½

=

3 marks

OR

OR

Q. From the following information of a charitable dispensary.....

Ans.

Dr **Stock of Medicines A/c** Cr

Particulars	Amount (₹)	Particulars	Amount (₹)
To Balance b/d	60,000	By Income and Expenditure A/c- medicines consumed	3,72,500
To Cash A/c	46,500		
To Creditors A/c	2,76,000	By Balance c/d	10,000
	<u>3,82,500</u>		<u>3,82,500</u>

1 mark
for the
amount to
be
transferred
to Income
&
Expenditure
A/c
+
½ mark
each for
the
remaining
items.
=
3 marks

Alternatively:

Calculation of Amount of Medicines Consumed = Opening Stock of Medicines +
Purchases (Cash +Credit) - Closing Stock of Medicines

$$= ₹60,000 + (₹2,76,000 + ₹46,500) - ₹10,000 \dots \boxed{1/2 \text{ mark each} = 1/2 \times 4 = 2 \text{ marks}}$$

$$= ₹3,72,500 \dots \boxed{1 \text{ mark}}$$

15 17 15 Q. Ram, Mohan and Sohan were.....

Ans.

Journal

Date	Particulars	Dr. Amount (₹)	Cr. Amount (₹)
	Ram's Capital A/c Dr.	180	
	Sohan's Capital A/c Dr.	630	
	To Mohan's Capital A/c		810
	(Adjustment entry for interest on drawings wrongly charged)		

1 mark

+

Working Notes:

Adjustment Table

Particulars	Ram (₹)	Mohan (₹)	Sohan (₹)
Interest on drawings, wrongly debited	1080	1440	-
Loss to be debited	(1260)	(630)	(630)
Net Effect	180 (Dr.)	810 (Cr.)	630 (Dr.)

3 marks

=

4 marks

(Note: If an examinee has used any other method to calculate the Net effect correctly full credit be given)

OR

OR

Q. Yadu, Vidu and Radhu were partners in a firm sharing.....

Ans.

Dr Profit & Loss appropriation A/c for the year ended 31st March, 2019 Cr

Particulars	Amount (₹)	Particulars	Amount (₹)
To Interest on Capital $\frac{1}{2}$		By Profit & Loss A/c –Net Profit	2,53,000
Yadu's current A/c 54,000		b/d $\frac{1}{2}$	
Vidu's current A/c 30,000		By Interest on Drawings $\frac{1}{2}$	
Radhu's current A/c <u>24,000</u>	1,08,000	Yadu's current A/c 3,200	
		Vidu's current A/c 2,800	
To Profit transferred to $\frac{1}{2}$		Radhu's current A/c <u>2,000</u>	8,000
Yadu's current A/c 61,200			
Vidu's current A/c 45,900			
Radhu's current A/c <u>45,900</u>	153,000		
	2,61,000		2,61,000

4 marks

16

-

-

Q. Furkan, Tanmay and Barkat..... above transactions.

Ans.

Journal

Date	Particulars	Dr Amount (₹)	Cr Amount (₹)
	Furkan's capital A/c Dr.	24,000	
	Barkat's capital A/c Dr.	8,000	
	To Tanmay's capital A/c		32,000
	(Tanmay's share of goodwill adjusted)		
	Profit & Loss suspense A/c Dr.	8,667	
	To Tanmay's capital A/c		8,667
	(Share of Profit for the year credited to deceased Partner's Capital A/c)		

**1 x 4
=
4 marks**

			<table><tr><td>Tanmay's capital A/c</td><td>Dr.</td><td>8,40,667</td><td></td></tr><tr><td>To Tanmay's Executor's/ Tanmay's Executor's Loan A/c</td><td></td><td></td><td>8,40,667</td></tr><tr><td colspan="4">(Deceased Partner's Capital Balance transferred to Executor's A/c)</td></tr></table>	Tanmay's capital A/c	Dr.	8,40,667		To Tanmay's Executor's/ Tanmay's Executor's Loan A/c			8,40,667	(Deceased Partner's Capital Balance transferred to Executor's A/c)																																												
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17	15	17	Q. Raunit Styles Ltd. was..... Schedule III of the Companies Act, 2013. Ans. Balance Sheet as per Schedule III of Companies Act, 2013 <table><tr><td>Particulars</td><td>Note No.</td><td>Current year year (₹)</td><td>Previous year year (₹)</td></tr><tr><td>I. Equity & Liabilities</td><td></td><td></td><td></td></tr><tr><td>Shareholders' Funds</td><td></td><td></td><td></td></tr><tr><td>(a) Share Capital</td><td>1</td><td>40,68,000</td><td></td></tr></table> Notes to Accounts <table><tr><td>Note No.</td><td>Particulars</td><td>Amount (₹)</td></tr><tr><td>I.</td><td><u>SHARE CAPITAL</u></td><td></td></tr><tr><td></td><td><u>Authorized Capital</u></td><td></td></tr><tr><td></td><td>85,000 equity shares of ₹100 each</td><td><u>85,00,000</u></td></tr><tr><td></td><td><u>Issued Capital</u></td><td></td></tr><tr><td></td><td>45,000 equity share of ₹100 each</td><td><u>45,00,000</u></td></tr><tr><td></td><td><u>Subscribed Capital</u></td><td></td></tr><tr><td></td><td><u>Subscribed and Fully paid</u></td><td></td></tr><tr><td></td><td>38,700 equity share of ₹100 each</td><td>38,70,000</td></tr><tr><td></td><td>Add Forfeited shares A/c (3,300x ₹60)</td><td><u>1,98,000</u></td></tr><tr><td></td><td></td><td><u>40,68,000</u></td></tr><tr><td></td><td></td><td><u>40,68,000</u></td></tr></table>	Particulars	Note No.	Current year year (₹)	Previous year year (₹)	I. Equity & Liabilities				Shareholders' Funds				(a) Share Capital	1	40,68,000		Note No.	Particulars	Amount (₹)	I.	<u>SHARE CAPITAL</u>			<u>Authorized Capital</u>			85,000 equity shares of ₹100 each	<u>85,00,000</u>		<u>Issued Capital</u>			45,000 equity share of ₹100 each	<u>45,00,000</u>		<u>Subscribed Capital</u>			<u>Subscribed and Fully paid</u>			38,700 equity share of ₹100 each	38,70,000		Add Forfeited shares A/c (3,300x ₹60)	<u>1,98,000</u>			<u>40,68,000</u>			<u>40,68,000</u>	1 mark <
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18	-	-	<p>Q. Pass the necessary journal entries for.....</p> <p>Ans</p> <p style="text-align: center;">Journal</p> <table><tr><th>Date</th><th>Particulars</th><th>Dr Amount (₹)</th><th>Cr Amount (₹)</th></tr><tr><td></td><td>(i) Realisation A/c Dr. To Cash A/c (Amount paid for settlement of liability)</td><td>3,000</td><td>3,000</td></tr><tr><td></td><td>(ii) Tony's Capital A/c Dr. Rony's Capital A/c Dr. To Realisation A/c (Investments taken over by Partners)</td><td>1,200 800</td><td>2,000</td></tr><tr><td></td><td>(iii) No Entry</td><td></td><td></td></tr><tr><td></td><td>(iv) Rony's Capital A/c Dr. To Cash A/c (Realization expense to be borne by Rony, paid by firm)</td><td>4,000</td><td>4,000</td></tr></table>	Date	Particulars	Dr Amount (₹)	Cr Amount (₹)		(i) Realisation A/c Dr. To Cash A/c (Amount paid for settlement of liability)	3,000	3,000		(ii) Tony's Capital A/c Dr. Rony's Capital A/c Dr. To Realisation A/c (Investments taken over by Partners)	1,200 800	2,000		(iii) No Entry				(iv) Rony's Capital A/c Dr. To Cash A/c (Realization expense to be borne by Rony, paid by firm)	4,000	4,000	<p>1 x 4 = 4 marks</p>
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19	-	-	<p>Q. From the following Receipts.....ending 31st March, 2019:</p> <p>Ans.</p>																					

			<div>Dee Club</div> <div>Dr. Income & Expenditure A/c for the year ended 31st March 2019 Cr.</div> <table><thead><tr><th>Expenditure</th><th>Amount (₹)</th><th>Income</th><th>Amount (₹)</th></tr></thead><tbody><tr><td>To Salaries 42,500</td><td></td><td>By Subscription</td><td>60,000</td></tr><tr><td>+ O/s for (2018-19) 4,250</td><td></td><td></td><td></td></tr><tr><td>- O/s for (2017-18) <u>(3,150)</u></td><td>43,600</td><td>By Interest on</td><td></td></tr><tr><td></td><td></td><td>Investment 650</td><td></td></tr><tr><td>To Printing & Stationery</td><td>21,500</td><td>+ Accrued</td><td></td></tr><tr><td></td><td></td><td>interest <u>160</u></td><td>810</td></tr><tr><td>To Depreciation on furniture</td><td>750</td><td></td><td></td></tr><tr><td></td><td></td><td>By Excess of</td><td></td></tr><tr><td>To Loss on sale of old furniture</td><td>300</td><td>Expenditure over</td><td></td></tr><tr><td></td><td></td><td>Income- Deficit</td><td>5,340</td></tr><tr><td></td><td><u>66,150</u></td><td></td><td><u>66,150</u></td></tr></tbody></table>	Expenditure	Amount (₹)	Income	Amount (₹)	To Salaries 42,500		By Subscription	60,000	+ O/s for (2018-19) 4,250				- O/s for (2017-18) <u>(3,150)</u>	43,600	By Interest on				Investment 650		To Printing & Stationery	21,500	+ Accrued				interest <u>160</u>	810	To Depreciation on furniture	750					By Excess of		To Loss on sale of old furniture	300	Expenditure over				Income- Deficit	5,340		<u>66,150</u>		<u>66,150</u>	<div>2 marks</div> <div>for</div> <div>Salaries</div> <div>+</div> <div>1 mark</div> <div>for</div> <div>Subscription</div> <div>and</div> <div>Interest</div> <div>+</div> <div>Remaining</div> <div>Items for ½</div> <div>mark each</div> <div>=</div> <div>6 marks</div>
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20	20	19	<div>Q. (i) Vayee Ltd. purchased..... books of Vayee Ltd.</div> <div>Ans.</div> <div>(i)</div> <div>Vayee Ltd.</div> <div>Journal</div> <table><thead><tr><th>Date</th><th>Particulars</th><th>Dr. Amount (₹)</th><th>Cr. Amount (₹)</th></tr></thead><tbody><tr><td></td><td>Land & Building A/c Dr.</td><td>84,00,000</td><td></td></tr><tr><td></td><td>Plant & Machinery A/c Dr.</td><td>36,00,000</td><td></td></tr><tr><td></td><td> To E.X. Ltd.</td><td></td><td>1,10,00,000</td></tr><tr><td></td><td> To Capital Reserve A/c</td><td></td><td>10,00,000</td></tr><tr><td></td><td>(Assets taken over from E.X. Ltd)</td><td></td><td></td></tr></tbody></table>	Date	Particulars	Dr. Amount (₹)	Cr. Amount (₹)		Land & Building A/c Dr.	84,00,000			Plant & Machinery A/c Dr.	36,00,000			To E.X. Ltd.		1,10,00,000		To Capital Reserve A/c		10,00,000		(Assets taken over from E.X. Ltd)			<div>1 ½ x 2</div> <div>=</div> <div>3 marks</div>																								
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			Debiture Application A/c Dr. 1,00,00,000 To 8% Debentures A/c 1,00,00,000 (Amount received on application transferred to Debentures A/c)		½ mark
			Debiture Allotment A/c Dr. 88,00,000 Loss on issue of debentures A/c Dr. 32,00,000 To 8% Debentures A/c 1,00,00,000 To Premium on redemption of debentures A/c 20,00,000 (Allotment of 8% debentures at a discount, redeemable at a premium)		
			<u>Alternatively</u> Debiture Allotment A/c Dr. 88,00,000 Discount on issue of debentures A/c Dr. 12,00,000 Loss on issue of debentures A/c Dr. 20,00,000 To 8% Debentures A/c 1,00,00,000 To Premium on redemption of debentures A/c 20,00,000 (Allotment of 8% debentures at a discount, redeemable at a premium)		1 mark
			Bank A/c Dr. 88,00,000 To Debiture Allotment A/c 88,00,000 (Amount due on allotment received)		1 mark = 3 marks = 3+3 = 6 marks
			OR		
			Q. Mahesh Ltd. had interest on debentures.		

			<div><div><div>Ans.</div><div>Mahesh Ltd.</div><div>Journal</div></div><table><tr><th>Date</th><th>Particulars</th><th>Dr. Amount (₹)</th><th>Cr. Amount (₹)</th></tr><tr><td>2018 Mar 31</td><td>Surplus i.e. Balance in Statement Profit & Loss A/c Dr. </td></tr></table></div>	Date	Particulars	Dr. Amount (₹)	Cr. Amount (₹)	2018 Mar 31	Surplus i.e. Balance in Statement Profit & Loss A/c Dr.
Date	Particulars	Dr. Amount (₹)	Cr. Amount (₹)						
2018 Mar 31	Surplus i.e. Balance in Statement Profit & Loss A/c Dr. 								

Ans.

Dr.		Revaluation A/c		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)		
To Building	15,000	By Loss on Realisation tfd to:			
To Stock	3,000	Badal's Current A/c	12,000		
To Provision for Bad Debts	2,000	Bijli's Current A/c	8,000		
	<u>20,000</u>		<u>20,000</u>		

2 marks

Dr.				Partners Capital Accounts				Cr.			
Particulars	Badal (₹)	Bijli (₹)	Raina (₹)	Particulars	Badal (₹)	Bijli (₹)	Raina (₹)				
To Badal's Current A/c	30,000	-	-	By balance b/d	1,50,000	90,000	-				
To Bijli's Current A/c	-	10,000	-	By Cash A/c			40,000				
To Balance c/d	1,20,000	80,000	40,000								
	<u>1,50,000</u>	<u>90,000</u>	<u>40,000</u>		<u>1,50,000</u>	<u>90,000</u>	<u>40,000</u>				

2 ½ marks

Dr.			Partners Current Accounts			Cr.		
Particulars		Badal (₹)	Bijli (₹)	Particulars		Badal (₹)	Bijli (₹)	
To Balance b/d		-	2,000	By Balance b/d		12,000	-	
To Revaluation A/c		12,000	8,000	By Premium for Goodwill A/c		7,200	4,800	
To Balance c/d		51,600	14,400	By Investment Fluctuation Reserve		14,400	9,600	
				By Badal's Capital A/c		30,000		
				By Bijli's Capital A/c		-	10,000	
		<u>63,600</u>	<u>24,400</u>			<u>63,600</u>	<u>24,400</u>	

3 ½ marks**=
8 marks**

OR

OR

Q. Prem, Kumar and Aarti were..... the reconstituted firm.

Ans.

Dr.		Revaluation A/c		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)		
To Creditors	7000	By Stock	1,000		
To Gain on Revaluation		By Building	7,000		
transferred to:		By Investment	1,000		
Prem's Capital A/c	1,000				
Kumar's Capital A/c	600				
Aarti's Capital A/c	<u>400</u>				
	2,000				
	<u>9,000</u>		<u>9,000</u>		

2 marks

Dr.				Partners Capital Accounts				Cr.			
Particulars		Prem (₹)	Kumar (₹)	Aarti (₹)	Particulars		Prem (₹)	Kumar (₹)	Aarti (₹)		
To Kumar's Capital A/c		8,000		4,000	By Balance b/d		30,000	20,000	20,000		
To Cash A/c		-	30,000	-	By General Reserve		4,000	2,400	1,600		
To Bills Payable A/c		-	5,600	-	By Investment Fluctuation Reserve		1,000	600	400		
To Balance c/d		48,000		28,400	By Revaluation A/c		1,000	600	400		
					By Prem's Capital A/c		-	8,000	-		
					By Aarti's Capital A/c		-	4,000	-		
					By Cash		20,000	-	10,000		
		<u>56,000</u>	<u>35,600</u>	<u>32,400</u>			<u>56,000</u>	<u>35,600</u>	<u>32,400</u>		

3 marks

<p style="text-align: center;">Balance Sheet of Prem and Aarti as at 31st March 2019</p>			
Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	17,000	Cash	36,000
Bill Payable	5,600	Stock	6,000
Capitals:		Debtor	10,000
Prem's 48,000	76,400	Plant & Machinery	15,000
Aarti's <u>28,400</u>		Building	32,000
	<u>99,000</u>		<u>99,000</u>

22	21	22	Q. (i) R.P. Ltd. forfeited.....the books of R.P. Ltd.	
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		Ans.	R.P. Ltd.
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			Journal	
--	--	--	----------------	--

			(i)	
--	--	--	-----	--

		Date	Particulars	Dr.	Cr.
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[illegible]

		(₹)	(₹)
Share Capital A/c	Dr.	12,000	
Securities Premium Reserve A/c	Dr.	3,000	
To Forfeited Shares/Share Forfeiture A/c			7,500
To Calls in Arrear A/c			7,500
(1500 shares forfeited for non payment of allotment & call money)			
<u>Alternatively</u>			
Share Capital A/c	Dr.	12,000	
Securities Premium Reserve A/c	Dr.	3,000	
To Forfeited Shares/Share Forfeiture A/c			7,500
To Share Allotment A/c			3,000
To Share First Call A/c			4,500
(1500 shares forfeited for non payment of allotment & call			

2 marks

	money)			1 mark	
	Bank A/c Share Forfeiture A/c To Share Capital A/c (1000 shares re-issued as fully paid)	Dr. Dr.	8,500 1,500		10,000
	Share Forfeiture A/c To Capital Reserve (Gain on re-issue of forfeited shares transferred to capital reserve)	Dr.	3,500		3,500
1 mark					
(ii) Max Ltd. forfeited..... Share Forfeiture Account.					
Ans. (ii)					
In the books of MAX Ltd.					
Journal					
Date	Particulars	Dr. Amount (₹)	Cr. Amount (₹)		
	Share Capital A/c To Share Forfeiture A/c To Calls in Arrear A/c (500 shares forfeited for non-payment of first & final call)	Dr. 50,000	27,500 22,500		
	Alternatively				
	Share Capital A/c To Share Forfeiture A/c To Share First Call A/c To Share Final Call A/c (500 shares forfeited for non-payment of first & final call)	Dr. 50,000	27,500 10,000 12,500	1 mark	
	Bank A/c Share Forfeiture A/c To Share Capital A/c (250 share re-issued at ₹50 per share fully paid)	Dr. Dr.	12,500 12,500	25,000	
				1 mark	

				Share Forfeiture A/c To Capital Reserve (Gain on re-issue of forfeited shares transferred to capital reserve)	Dr.	1,250		1,250		1 mark
Dr Share Forfeiture A/c Cr										
				Particulars	(₹)	Particulars		(₹)		
				To Share Capital A/c	12,500	By Share Capital A/c		27,500		1 mark
				To Capital Reserve A/c	1,250					=
				To Balance c/d	13,750					8 marks
					<u>27,500</u>			<u>27,500</u>		
OR										
OR										
Q. Karur Ltd. invited..... wherever necessary.										
Ans.										
Karur Ltd.										
Journal										
				Date	Particulars	Dr. Amount (₹)		Cr. Amount (₹)		
					Bank A/c To Equity Share Application A/c (Application received on 3,00,000 shares)	Dr. 12,00,000		12,00,000		½ mark
					Equity Share Application A/c To Equity Share Capital A/c To Securities Premium Reserve A/c To Equity Share Allotment A/c (Application transferred to share capital, securities premium reserve, share allotment)	Dr. 12,00,000		4,80,000 4,80,000 2,40,000		1 mark
					Equity Share Allotment A/c To Equity Share Capital A/c (Allotment due on 2,40,000 shares)	Dr. 9,60,000		9,60,000		½ mark

			(Analysis of Financial Statements)	
23	-	-	<p>Q. State any one..... Analysis.</p> <p>Ans. Limitations of Financial Statements are: (Any one)</p> <p>(i) It is a Historical Analysis as it analyses what has happened till date. It doesn't reflect the future.</p> <p>(ii) It ignores price level changes as a change in price level makes analysis of financial statements of different accounting years invalid.</p> <p>(iii) It ignores qualitative aspect as the quality of management, quality of staff etc. are ignored while carrying out the analysis of financial statements.</p> <p>(iv) It suffers from the limitations of financial statements as the analysis is based on the information given in the financial statements.</p> <p>(v) It is not free from bias of accountants such as method of inventory valuation, method of depreciation etc.</p> <p>(vi) It may lead to window dressing i.e. showing a better financial position than what actually is by manipulating the books of accounts.</p> <p>(vii) It may be misleading without the knowledge of the changes in accounting procedure by a firm.</p>	1 mark
24	-	-	<p>Q. State the impact of..... your answer.</p> <p>Ans. No change</p> <p>Reason: It results in increase in asset (debtors) and decrease in other asset (bank) with the same amount.</p>	<p>½ mark + ½ mark = 1 mark</p>
25	29	-	<p>Q. State whether..... Financial leverage.'</p> <p>Ans. False</p>	1 mark
26	-	27	<p>Q. The total debtors of X Ltd..... Turnover Ratio'?</p> <p>Ans. ₹9,00,000</p>	1 mark
27	28	29	Q. Give an example..... Cash Flow Statement.	

			<p>Ans. <u>Any one of the following:</u></p> <p>(i) Payment of dividend</p> <p>(ii) Interest on Long term Borrowings</p> <p>(iii) Issue of Shares for cash</p> <p>(iv) Issue of Debenture for cash</p> <p>(Or any other correct answer)</p>	1 mark						
28	27	26	<p>Q. On 1.10.2018, Micro Ltd..... 31st March 2019.</p> <p>Ans.</p> <p style="text-align: center;">Cash flow from Financing Activities</p> <p style="text-align: right;">(₹)</p> <table><tr><td>Proceeds from issue of debentures</td><td style="text-align: right;">20,00,000</td></tr><tr><td>Less: Interest paid</td><td style="text-align: right;"><u>(80,000)</u></td></tr><tr><td>Cash Flow from Financing Activity</td><td style="text-align: right;"><u>19,20,000</u></td></tr></table>	Proceeds from issue of debentures	20,00,000	Less: Interest paid	<u>(80,000)</u>	Cash Flow from Financing Activity	<u>19,20,000</u>	<p>½ mark</p> <p>+</p> <p>½ mark</p> <p>=</p> <p>1 mark</p>
Proceeds from issue of debentures	20,00,000									
Less: Interest paid	<u>(80,000)</u>									
Cash Flow from Financing Activity	<u>19,20,000</u>									
29	26	28	<p>Q. An investment normally</p> <p>Ans. (B) / Three months or less</p>	1 mark						
30	-	-	<p>Q. Calculate the..... following information:</p> <p>Ans. Total Assets to Debt ratio = Total Assets / Debt.....1/2</p> <p>Total Assets = Shareholders' Funds +Total Debt</p> <p>= ₹7,50,000 + ₹19,50,000</p> <p>= ₹27,00,000.....1</p> <p>Debt = Total Debt – Current Liabilities</p>	3 marks						

$$= ₹19,50,000 - ₹4,50,000$$

$$= ₹15,00,000 \dots\dots\dots \boxed{1}$$

Total Assets to Debt ratio = ₹27,00,000/ ₹15,00,000

$$= 1.8: 1 \dots\dots\dots \boxed{1/2}$$

OR

Q. Under which major head..... Companies Act, 2013?

Ans.

Item	Major Head	Sub Head
Computer software	Non-Current Assets	Fixed Assets-Intangible Assets
Calls in advance	Current liabilities	Other Current Liabilities
Outstanding salary	Current Liabilities	Other Current Liabilities
Securities premium reserve	Shareholders funds	Reserves and Surplus
Patents	Non-Current Assets	Fixed Assets -Intangible Assets
Interest accrued on investment	Current assets	Other current Assets

OR

$$\frac{1}{2} \times 6$$

$$=$$

$$=$$

3 marks

31 31 31 **Q. From the following information..... Profit and Loss:**

Ans.

Comparative Statement of Profit & Loss
for the years ending 31 March 2018 & 2019

Particulars	31 March 2018(₹)	31 March 2019(₹)	Absolute Change (₹)	Percentage Change
Revenue from Operations	4,00,000	3,00,000	(1,00,000)	(25)
Add Other income	80,000	40,000	(40,000)	(50)
Total Revenue	4,80,000	3,40,000	(140,000)	(29.17)
Less Expenses	2,00,000	150,000	(50,000)	(25)
Profit before Tax	2,80,000	1,90,000	(90,000)	(32.14)
Less Tax	1,12,000	76,000	(36,000)	(32.14)
Profit after Tax	1,68,000	1,14,000	(54,000)	(32.14)

½ mark

½ mark

½ mark

½ mark

½ mark

½ mark

1 mark
=
4 marks

OR

OR

Q. Prepare a common size following information:

Ans.

Common Size Balance Sheet of L.X.Ltd

Particulars	31 Mar 2018 (₹)	31 Mar 2019 (₹)	Percentage of Balance Sheet Total	
			2018	2019
I. Equity and Liabilities				
1. Shareholders Funds	10,00,000	20,00,000	50	40
2. Non Current liabilities	5,00,000	20,00,000	25	40
3. Current Liabilities	5,00,000	10,00,000	25	20
Total	20,00,000	50,00,000	100	100
II. Assets				
1. Non Current assets	12,50,000	30,00,000	62.5	60
2. Current assets	7,50,000	20,00,000	37.5	40
Total	20,00,000	50,00,000	100	100

½ mark

½ mark

½ mark

1 mark

½ mark

½ mark

½ mark
=
4 marks

32	32	32	<p>Q. From the following from investing activities :</p> <p>Ans. Nova Ltd.</p> <p>(i) Cash Flow from Investing Activities</p> <table><tr><th>Particulars</th><th>Amount (₹)</th></tr><tr><td>Purchase of Machinery</td><td>(2,50,000)</td></tr><tr><td>Purchase of Goodwill</td><td>(50,000)</td></tr><tr><td>Sale of Machinery</td><td>12,000</td></tr><tr><td>Sale of land</td><td>30,000</td></tr><tr><td>Cash used in Investing activities</td><td><u>(258,000)</u></td></tr></table> <p>Working notes:</p> <table><tr><th colspan="2">Dr Machinery A/c</th><th colspan="2">Cr</th></tr><tr><th>Particulars</th><th>(₹)</th><th>Particulars</th><th>(₹)</th></tr><tr><td>To Balance b/d</td><td>3,00,000</td><td>By Bank A/c</td><td>12,000</td></tr><tr><td></td><td></td><td>By Accum. Dep. A/c</td><td>35,000</td></tr><tr><td>To Bank A/c (Bal fig)</td><td>2,50,000</td><td>By Statement of P & L- Loss on Sale</td><td>3,000</td></tr><tr><td></td><td></td><td>By Balance c/d</td><td>5,00,000</td></tr><tr><td></td><td><u>5,50,000</u></td><td></td><td><u>5,50,000</u></td></tr></table> <p>Dr. Accumulated Depreciation A/c</p> <table><tr><th>Particulars</th><th>(₹)</th><th>Particulars</th><th>(₹)</th></tr><tr><td>To Machinery A/c</td><td>35,000</td><td>By balance b/d</td><td>80,000</td></tr><tr><td></td><td></td><td>By Depreciation / Statement of Profit & Loss (Bal Fig)</td><td>55,000</td></tr><tr><td>To Balance c/d</td><td>1,00,000</td><td></td><td></td></tr><tr><td></td><td><u>1,35,000</u></td><td></td><td><u>1,35,000</u></td></tr></table>	Particulars	Amount (₹)	Purchase of Machinery	(2,50,000)	Purchase of Goodwill	(50,000)	Sale of Machinery	12,000	Sale of land	30,000	Cash used in Investing activities	<u>(258,000)</u>	Dr Machinery A/c		Cr		Particulars	(₹)	Particulars	(₹)	To Balance b/d	3,00,000	By Bank A/c	12,000			By Accum. Dep. A/c	35,000	To Bank A/c (Bal fig)	2,50,000	By Statement of P & L- Loss on Sale	3,000			By Balance c/d	5,00,000		<u>5,50,000</u>		<u>5,50,000</u>	Particulars	(₹)	Particulars	(₹)	To Machinery A/c	35,000	By balance b/d	80,000			By Depreciation / Statement of Profit & Loss (Bal Fig)	55,000	To Balance c/d	1,00,000				<u>1,35,000</u>		<u>1,35,000</u>	<p>$\frac{1}{2} \times 4$ = 2 marks</p> <p>$\frac{1}{2}$ mark</p> <p>$\frac{1}{2}$ mark = 3 marks</p>
Particulars	Amount (₹)																																																															
Purchase of Machinery	(2,50,000)																																																															
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Particulars	(₹)	Particulars	(₹)																																																													
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To Balance c/d	1,00,000																																																															
	<u>1,35,000</u>		<u>1,35,000</u>																																																													

			<p>Q. (ii) The profit of Jova Ltd. was 2,50,000.</p> <p style="text-align: center;">Jova Ltd.</p> <p>(ii) Cash Flow from Operating Activities</p> <table><tr><th>Particulars</th><th>Amount (₹)</th></tr><tr><td>Net profit before tax</td><td>272,500</td></tr><tr><td><i>Adjustment for non cash and non operating items</i></td><td></td></tr><tr><td>Add: Depreciation</td><td>20,000</td></tr><tr><td>Add: Goodwill written off</td><td>9,000</td></tr><tr><td>Add: loss on sale of furniture</td><td>2,000</td></tr><tr><td><i>Operating profit before working capital changes</i></td><td>3,03,500</td></tr><tr><td>Add: Decrease in inventory 4,000</td><td></td></tr><tr><td>Less: Decrease in advance income (8,000)</td><td>(4000)</td></tr><tr><td>Net cash generated from operating activities</td><td><u>2,99,500</u></td></tr></table> <p>Working Note:</p> <p>Calculation of Net Profit before Tax:</p> <table><tr><td>Net Profit</td><td>2,50,000</td></tr><tr><td>Add Transfer to general reserve</td><td><u>22,500</u></td></tr><tr><td></td><td><u>2,72,500</u></td></tr></table>	Particulars	Amount (₹)	Net profit before tax	272,500	<i>Adjustment for non cash and non operating items</i>		Add: Depreciation	20,000	Add: Goodwill written off	9,000	Add: loss on sale of furniture	2,000	<i>Operating profit before working capital changes</i>	3,03,500	Add: Decrease in inventory 4,000		Less: Decrease in advance income (8,000)	(4000)	Net cash generated from operating activities	<u>2,99,500</u>	Net Profit	2,50,000	Add Transfer to general reserve	<u>22,500</u>		<u>2,72,500</u>	<p>1 mark for Net profit before Tax + 1 mark for adjustments of non cash and non operating items + 1 mark for working capital changes = 3 marks</p> <p>=</p> <p>3+3</p> <p>=</p> <p>6 marks</p>
Particulars	Amount (₹)																													
Net profit before tax	272,500																													
<i>Adjustment for non cash and non operating items</i>																														
Add: Depreciation	20,000																													
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Add Transfer to general reserve	<u>22,500</u>																													
	<u>2,72,500</u>																													
			<p style="text-align: center;">PART B</p> <p style="text-align: center;">OPTION 2</p> <p style="text-align: center;">Computerised Accounting</p>																											
23	28	26	<p>Q. When the accumulated data.....</p> <p>Ans. (D) / Batch processing</p>	<p>1 mark</p>																										
24	26	28	<p>Q. Height of a person.....</p> <p>Ans. Height of a person is a <u>single value</u> attribute whereas academic qualification can be <u>multi value</u> attribute.</p>	<p>1 mark</p>																										
25	-	-	<p>Q. Name the accounting subsystem.....</p> <p>Ans. (C) / Inventory Subsystem</p>	<p>1 mark</p>																										

26	27	24	Q. Match the movement of mouse..... Ans. (B) / Up arrow key (↑)	1 mark
27	-	25	Q. A _____ query is used to..... Ans. A <u>summary</u> query is used to extract aggregate of data items for a group of records rather than a detailed set of records.	1 mark
28	25	-	A ##### error appears when..... Ans. (D) /All of above	1 mark
29	24	27	Q. The existence of data in the primary..... Ans. (C) / Required and must be unique	1 mark
30	30	30	Q. Write and explain the formula..... Ans. $DA = BPE \times (\text{Applicable rate of DA for the month})$ Where BPE = $BP \times NOE DP/NODM$ Where BP = Basic pay NOED = Number of effective Days present NODM = Number of Days in a month Gross Salary = BPE + DA + HRA + TRA Where HRA = House rent allowance TRA = Transport allowance <p style="text-align: center;">OR</p> Q. Explain ‘Contra voucher’..... Ans. (i) <u>Contra Voucher</u> : Used for fund transfer between cash and Bank A/c only.	3 marks <p style="text-align: center;">OR</p> 1 ½ marks x 2 = 3 marks

			<p>If cash is withdrawn form Bank for office or deposited in the bank from office this voucher will be used.</p> <p>(ii) <u>Receipt Voucher</u> : All the inflow of money is recorded through receipt voucher. Such receipts may be towards any income such an receipts form debtors, Loan/ Advance taken or refund of loan/advance etc.</p>	
31	-	-	<p>Q. State any four limitations.....</p> <p>Ans. Limitations of Computerised Accounting system.</p> <p>1) Faster obsolescence of technology necessitate investment in shorter period of time.</p> <p>2) Data may be lost or corrupted due to power interruption.</p> <p>3) Data are prone to hacking.</p> <p>4) Un-programmed and un-specified reports cannot be generated.</p> <p style="text-align: center;">OR</p> <p>Q. What is meant by data validation.....</p> <p>Ans. Data validation is a feature to define restrictions on type of data entered into a cell. It makes the data accurate and consistent.</p> <p>Eg. In a formula box, enter a formula that calculate a logical value. If the formula calculates TRUE entry it will be valid otherwise False entry will be in valid etc. if a sum value comes to be greater than the set limit it will be invalid.</p>	<p style="text-align: center;">1 x 4 = 4 marks</p> <p style="text-align: center;">OR</p> <p style="text-align: center;">4 marks</p>
32	32	32	<p>Q. Name the error which appears.....</p> <p>Ans. The error is a # REF! Error.</p> <p>This error occurs when a cell reference is not valid to correct this error following steps should be followed.</p> <p>(i) Click the cell which displays error and see if it display a show calculation steps.</p> <p>(ii) Review the possible causes.</p> <ul style="list-style-type: none"> • Deleted cell referred in the formula. 	6 marks

			<ul style="list-style-type: none"> • Change formula to restore cells or undo. • Use OLE (object linking + embedding for a program that is not running. • Start the program • Linking to correct DDE <p>Running macro that enter a function that return # REF !</p>	
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