

-Strictly Confidential: (For Internal and Restricted Use Only)

Senior School Certificate Examination September 2020

Marking Scheme – Accountancy (055)

Paper Code: 67-C-1

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.
2. “Evaluation policy is a confidential policy as it is related to the confidentiality of the examinations conducted, Evaluation done and several other aspects. It's leakage to public in any manner could lead to derailment of the examination system and affect the life and future of millions of candidates. Sharing this policy/ document to anyone, publishing in any magazine and printing in newspaper /website etc. May invite action under IPC.
3. 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.**
4. 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.
5. 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.**
6. 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.
7. If a question does not have any parts, marks must be awarded in the left hand margin and encircled. This may be followed strictly.
8. If a student has attempted an extra question, answer of the question deserving more marks should be retained and other answer scored out.

9. No marks to be deducted for the cumulative effect of an error. It should be penalized only once.
10. 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.
11. No marks are to be deducted or awarded for writing / not writing 'TO and BY' while preparing Journal and Ledger accounts.
12. In theory questions, credit is to be given for the content and not for the format.
13. A full scale of marks 80 has to be used. Please do not hesitate to award full marks if the answer deserves it. .
14. Every examiner has to necessarily do evaluation work for full working hours i.e. 8 hours everyday and evaluate 20 answer books per day.
15. 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.
 - 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.

MARKING SCHEME- ACCOUNTANCY COMPARTMENT PAPER 2019-20

6	6	6	Marking Scheme 2019-20	
7	7	7	Accountancy (055)	
-	-	-	Compartment 67-C-1	Marks
C	C	C	Expected Answers/ Value Points	
-	-	-		
1	2	3		
1	5	7	Q. The account which shows.... Ans. (B)/ Receipts and Payments Account	1 mark
2	-	-	Q. Give the average period Ans. 4.5 months	1 mark
3	9	8	Q. X, Y and Z are partners in a firm Ans. (C)/ ₹48,000	1 mark
4	-	-	Q. Average profit of a firm... Ans. ₹5,00,000	1 mark
5	7	6	Q. Goodwill is the value of ____. Ans. Goodwill is the value of <u>the reputation of a firm in respect of profits expected in future over and above the normal profits.</u>	1 mark

6	8	5	<p>Q. A, B and C were partners ...ratio.</p> <p>Ans. 12:8:5:5</p>	<p>1 mark</p>								
7	11	12	<p>Q. State any one right... partner.</p> <p>Ans. <u>Rights acquired by a newly admitted partner: (Any one)</u></p> <p>(i) Right to share the assets of the partnership firm</p> <p>(ii) Right to share the profits of the partnership firm.</p>	<p>1 mark</p>								
8	12	3	<p>Q. In the absence of</p> <p>Ans. (B)/ 6% p.a.</p>	<p>1 mark</p>								
9	1	11	<p>Q. A, B and C were partners.... of the firm.</p> <p>Ans.</p> <p style="text-align: center;">Journal</p> <table><tr><td>Date</td><td>Particulars</td><td>Dr. Amount</td><td>Cr. Amount</td></tr><tr><td></td><td></td><td>(₹)</td><td>(₹)</td></tr></table>	Date	Particulars	Dr. Amount	Cr. Amount			(₹)	(₹)	
Date	Particulars	Dr. Amount	Cr. Amount									
		(₹)	(₹)									

			<table><tr><td>Profit and Loss Suspense A/c Dr.</td><td>5,000</td><td></td></tr><tr><td>To B's Capital A/c</td><td></td><td>5,000</td></tr><tr><td colspan="3">(B's share of profit to the date of his death credited to his capital account)</td></tr></table>	Profit and Loss Suspense A/c Dr.	5,000		To B's Capital A/c		5,000	(B's share of profit to the date of his death credited to his capital account)			1 mark
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10	-	-	<p>Q. Distinguish between ‘Dissolution of Liabilities’</p> <p>Ans.</p> <table><tr><td>Basis</td><td>Dissolution of Partnership</td><td>Dissolution of Partnership Firm</td></tr><tr><td>Settlement of Assets and Liabilities</td><td>Assets and liabilities are revalued and a new balance sheet is drawn</td><td>Assets are sold and liabilities are paid off</td></tr></table>	Basis	Dissolution of Partnership	Dissolution of Partnership Firm	Settlement of Assets and Liabilities	Assets and liabilities are revalued and a new balance sheet is drawn	Assets are sold and liabilities are paid off	1 mark			
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Settlement of Assets and Liabilities	Assets and liabilities are revalued and a new balance sheet is drawn	Assets are sold and liabilities are paid off											
11	6	1	<p>Q. On dissolution of a firm, a creditor entry.</p> <p>Ans. No entry</p>	1 mark									
12	3	9	<p>Q. A portion of uncalled...capital.</p> <p>Ans. A portion of uncalled capital of a company to be called only in the event of winding up of the company is known as <u>Reserve capital</u>.</p>	1 mark									
13	-	-	<p>Q. Beta Ltd. issued.....security.</p>										

			<div>Ans.</div> <div>Journal</div> <table><tr><th>Date</th><th>Particulars</th><th>Dr. Amount (₹)</th><th>Cr. Amount (₹)</th></tr><tr><td></td><td>Debenture Suspense A/c Dr. To 9% Debentures A/c (Issue of 9% debentures as a collateral security for a loan of ₹6,00,000)</td><td>10,00,000</td><td>10,00,000</td></tr></table>	Date	Particulars	Dr. Amount (₹)	Cr. Amount (₹)		Debenture Suspense A/c Dr. To 9% Debentures A/c (Issue of 9% debentures as a collateral security for a loan of ₹6,00,000)	10,00,000	10,00,000	1 mark																								
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14	14	14	<div>Q. How will the following..... on that date?</div> <div>Ans.</div> <div>Balance sheet of the Club (An extract)</div> <div>as at....</div> <table><tr><th>Liabilities</th><th>Amount (₹)</th><th>Assets</th><th>Amount (₹)</th></tr><tr><td>Tournament fund 3,00,000</td><td></td><td>10% Tournament</td><td>3,00,000</td></tr><tr><td>+ Interest on Tournament</td><td></td><td>fund investments</td><td></td></tr><tr><td>Fund Investment 30,000</td><td></td><td></td><td></td></tr><tr><td>+ Sale of Tournament</td><td></td><td></td><td></td></tr><tr><td> tickets 75,000</td><td></td><td></td><td></td></tr><tr><td>Less Tournament Prizes</td><td></td><td></td><td></td></tr><tr><td>awarded (60,000)</td><td>3,45,000</td><td></td><td></td></tr></table>	Liabilities	Amount (₹)	Assets	Amount (₹)	Tournament fund 3,00,000		10% Tournament	3,00,000	+ Interest on Tournament		fund investments		Fund Investment 30,000				+ Sale of Tournament				tickets 75,000				Less Tournament Prizes				awarded (60,000)	3,45,000			<div>½ x 6</div> <div>=</div> <div>3 marks</div>
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OR				OR
Q. From the following information				
Ans.				
Dr	Stock of Sports Material A/c		Cr	
Particulars	Amount (₹)	Particulars	Amount (₹)	
To Balance b/d	10,000	By Income and Expenditure A/c- Sports Material consumed	1,05,000	
To Creditors A/c (Credit Purchases)	1,02,500	By Balance c/d	7,500	
	<u>1,12,500</u>		<u>1,12,500</u>	
Dr	Creditors for Sports Material A/c		Cr	
Particulars	Amount (₹)	Particulars	Amount (₹)	
To Cash A/c	1,00,000	By Balance b/d	20,000	
To Balance c/d	22,500	By (Credit) Purchases	1,02,500	
	<u>1,22,500</u>		<u>1,22,500</u>	
				1 ½ marks
				1 ½ marks
				=

		<p><i>Alternatively:</i></p> <p>Calculation of Amount of Sports Material to be debited to Income and Expenditure A/c = Opening Stock of Sports Material + Purchases (Credit) - Closing Stock of Sports Material</p> $= ₹10,000 + ₹1,02,500 - ₹7,500$ $= ₹1,05,000 \dots\dots\dots \boxed{1 \frac{1}{2} \text{ marks}}$ <p>Calculation of Credit Purchases = Payment made to creditors + Closing Creditors – Opening Creditors</p> $= ₹1,00,000 + ₹22,500 - ₹20,000$ $= ₹1,02,500 \dots\dots\dots \boxed{1 \frac{1}{2} \text{ marks}}$	3 marks								
15	-	<p>Q. Give the necessary journal entries</p> <p>Ans.</p> <p style="text-align: center;">Journal</p> <table border="1"> <thead> <tr> <th>Date</th><th>Particulars</th><th>Dr Amount (₹)</th><th>Cr Amount (₹)</th></tr> </thead> <tbody> <tr> <td></td><td> (i) Realisation A/c Dr. To Cash A/c (Dissolution expenses paid by the firm) </td><td style="text-align: center; vertical-align: top;">5,000</td><td style="text-align: center; vertical-align: top;">5,000</td></tr> </tbody> </table>	Date	Particulars	Dr Amount (₹)	Cr Amount (₹)		(i) Realisation A/c Dr. To Cash A/c (Dissolution expenses paid by the firm)	5,000	5,000	
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	(i) Realisation A/c Dr. To Cash A/c (Dissolution expenses paid by the firm)	5,000	5,000								

Dr		Cr		4 marks
Particulars	Amount (₹)	Particulars	Amount (₹)	
To Interest on Capital		By Profit & Loss A/c	2,16,000	
A's Capital A/c 40,000				
B's Capital A/c 30,000				
C's Capital A/c <u>20,000</u>	90,000			
To B's Capital A/c- Salary	36,000			
To C's Capital A/c- Commission	12,000			
To Profit transferred to A's Capital A/c 26,000 B's Capital A/c 26,000 C's Capital A/c <u>26,000</u>	78,000			
	2,16,000		2,16,000	
OR				OR
Q. On 31 st March 2019, the balance in the capital accounts.....				
Ans.				
JOURNAL				

			Date	Particulars	Dr. Amount (₹)	Cr. Amount (₹)	
				Nisha's capital A/c Dr.	2,200		
				To Asha's capital A/c		300	
				To Disha's capital A/c		1,900	
				(Omission of interest on capital and commission, now rectified)			
			Working Notes:				
			Table showing adjustments				
			Partners	Interest on capital Cr. (₹)	Interest on drawings Dr. (₹)	Profits Dr. (₹)	Net Effect Dr. (₹)
							Cr. (₹)
			Asha	16,000	2,500	13,200	- 300
			Nisha	14,000	3,000	13,200	2,200 -
			Disha	10,000	1,500	6,600	- 1,900
				40,000	7,000	33,000	2,200 2,200
			Note: If an examinee has calculated Net Effect correctly by any other method, full credit be given				
			<u>Calculation of Interest on capital:</u>				
			Calculation of Opening Capitals:				

1 mark

2 marks

				Asha (₹)	Nisha (₹)	Disha (₹)	1 mark = 4 marks	
			Closing Capitals	1,50,000	1,20,000	90,000		
			Add Drawings	50,000	60,000	30,000		
			Less Profits	(40,000)	(40,000)	(20,000)		
			Opening Capitals	1,60,000	1,40,000	1,00,000		
			Interest on Capital@10% p.a.	16,000	14,000	10,000		
17	-	-	Q. The Balance Sheet of A, B and C.....executors.					½ x 6 = 3 marks + 1 mark for amount transferred to A's executors = 3+1 =
			Ans.					
			Dr. A's Capital Account Cr.					
			Particulars	Amount (₹)	Particulars	Amount (₹)		
			To A's Executors A/c	1,02,300	By balance b/d	60,000		
					By General Reserve	12,000		
					By Interest on Capital	1,800		
					By P&L Suspense A/c	7,500		
					By B's Capital A/c	9,000		
					By C's Capital A/c	12,000		
				<u>1,02,300</u>		<u>1,02,300</u>		

			(Note: If an examinee has raised the goodwill, full credit be given)	4 marks																																					
18	16	18	<p>Q. Alpha India Ltd. was..... Schedule III of the Companies Act, 2013. Also prepare ‘Notes to Accounts’.</p> <p>Ans.</p> <p>Balance Sheet as per Schedule III of Companies Act, 2013</p> <table><tr><th>Particulars</th><th>Note No.</th><th>Current year (₹)</th><th>Previous year (₹)</th></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>7,90,000</td><td></td></tr></table> <p>Notes to Accounts</p> <table><tr><th>Note No.</th><th>Particulars</th><th>Amount (₹)</th></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>1,00,000 equity shares of ₹10 each</td><td><u>10,00,000</u></td></tr><tr><td></td><td><u>Issued Capital</u></td><td></td></tr><tr><td></td><td>80,000 equity share of ₹10 each</td><td><u>8,00,000</u></td></tr><tr><td></td><td><u>Subscribed Capital</u></td><td></td></tr></table>	Particulars	Note No.	Current year (₹)	Previous year (₹)	I. Equity & Liabilities				Shareholders’ Funds				(a) Share Capital	1	7,90,000		Note No.	Particulars	Amount (₹)	I.	<u>SHARE CAPITAL</u>			<u>Authorized Capital</u>			1,00,000 equity shares of ₹10 each	<u>10,00,000</u>		<u>Issued Capital</u>			80,000 equity share of ₹10 each	<u>8,00,000</u>		<u>Subscribed Capital</u>		<p>1 mark</p> <p>½ mark</p> <p>½ mark</p>
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19	-	-	<p>Q. From the following Receipts.....</p> <p>Ans. Shesha Sports and Entertainment Club</p> <p>Income and Expenditure A/c</p> <p>for the year ended March 31, 2019</p> <table><tr><td>Dr.</td><td></td><td>Cr.</td><td></td></tr><tr><td>Expenditure</td><td>Amount</td><td>Income</td><td>Amount</td></tr><tr><td></td><td>(₹)</td><td></td><td>(₹)</td></tr><tr><td>To Salaries 60,000</td><td></td><td>By Subscriptions70,000</td><td></td></tr><tr><td>+ Outstanding salary</td><td></td><td>Add Subscriptions</td><td></td></tr><tr><td>for 2018-19 <u>10,000</u></td><td></td><td>outstanding <u>6,000</u></td><td>76,000</td></tr><tr><td>- Outstanding for</td><td></td><td>By Entrance Fees</td><td>20,000</td></tr><tr><td>2017-18 paid in</td><td></td><td>By Donations</td><td>10,000</td></tr><tr><td>2018-19 <u>(8,000)</u></td><td>62,000</td><td>By Sale of Waste Paper</td><td>4,000</td></tr><tr><td></td><td></td><td>By Interest accrued on</td><td></td></tr><tr><td>To Upkeep of Ground</td><td>6,000</td><td>Investments</td><td>6,750</td></tr><tr><td>To Electricity Charges</td><td>7,000</td><td></td><td></td></tr><tr><td>To surplus- excess of</td><td></td><td></td><td></td></tr><tr><td>income over expenditure</td><td>41,750</td><td></td><td></td></tr><tr><td></td><td><u>1,16,750</u></td><td></td><td><u>1,16,750</u></td></tr></table>	Dr.		Cr.		Expenditure	Amount	Income	Amount		(₹)		(₹)	To Salaries 60,000		By Subscriptions70,000		+ Outstanding salary		Add Subscriptions		for 2018-19 <u>10,000</u>		outstanding <u>6,000</u>	76,000	- Outstanding for		By Entrance Fees	20,000	2017-18 paid in		By Donations	10,000	2018-19 <u>(8,000)</u>	62,000	By Sale of Waste Paper	4,000			By Interest accrued on		To Upkeep of Ground	6,000	Investments	6,750	To Electricity Charges	7,000			To surplus- excess of				income over expenditure	41,750				<u>1,16,750</u>		<u>1,16,750</u>	<table><tr><td>1 mark</td></tr><tr><td>for</td></tr><tr><td>subscription</td></tr><tr><td>+</td></tr><tr><td>1 mark</td></tr><tr><td>for</td></tr><tr><td>salaries</td></tr><tr><td>+</td></tr><tr><td>1 mark</td></tr><tr><td>for</td></tr><tr><td>surplus</td></tr><tr><td>+</td></tr><tr><td>½ mark</td></tr><tr><td>for all</td></tr><tr><td>other</td></tr><tr><td>items</td></tr><tr><td>(1/2 x 6)</td></tr><tr><td>=</td></tr></table>	1 mark	for	subscription	+	1 mark	for	salaries	+	1 mark	for	surplus	+	½ mark	for all	other	items	(1/2 x 6)	=
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20	20	20	<p>Q. D Ltd had issued.....</p> <p>Ans.</p> <p style="text-align: center;">D Ltd.</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>2018 Mar 31</td><td>Surplus i.e. balance in Statement of Profit & Loss Dr. To Debenture Redemption Reserve A/c (Debenture Redemption Reserve created out of profits)</td><td>6,90,000</td><td>6,90,000</td></tr><tr><td>Apr 1- Apr30</td><td>Debenture Redemption Investments A/c Dr. To Bank A/c (Debenture Redemption Investments purchased)</td><td>3,00,000</td><td>3,00,000</td></tr><tr><td>2019 Mar.31</td><td>Bank A/c Dr. To Debenture Redemption Investments A/c (Debenture Redemption Investments sold)</td><td>3,00,000</td><td>3,00,000</td></tr></table>	Date	Particulars	Dr. Amount (₹)	Cr. Amount (₹)	2018 Mar 31	Surplus i.e. balance in Statement of Profit & Loss Dr. To Debenture Redemption Reserve A/c (Debenture Redemption Reserve created out of profits)	6,90,000	6,90,000	Apr 1- Apr30	Debenture Redemption Investments A/c Dr. To Bank A/c (Debenture Redemption Investments purchased)	3,00,000	3,00,000	2019 Mar.31	Bank A/c Dr. To Debenture Redemption Investments A/c (Debenture Redemption Investments sold)	3,00,000	3,00,000	<p>1 mark</p> <p>1 mark</p> <p>1 mark</p>
Date	Particulars	Dr. Amount (₹)	Cr. Amount (₹)																	
2018 Mar 31	Surplus i.e. balance in Statement of Profit & Loss Dr. To Debenture Redemption Reserve A/c (Debenture Redemption Reserve created out of profits)	6,90,000	6,90,000																	
Apr 1- Apr30	Debenture Redemption Investments A/c Dr. To Bank A/c (Debenture Redemption Investments purchased)	3,00,000	3,00,000																	
2019 Mar.31	Bank A/c Dr. To Debenture Redemption Investments A/c (Debenture Redemption Investments sold)	3,00,000	3,00,000																	

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			Land A/c To JSS Ltd. A/c (Land purchased from JSS Ltd.)	Dr.	20,00,000	20,00,000	1 x 3
			JSS Ltd. A/c To Bank A/c To Bills Payable A/c (Cheque issued and Promissory note drawn)	Dr.	15,00,000	10,00,000 5,00,000	=
			JSS Ltd. A/c Loss on issue of 10% debentures A/cDr. To 10% Debentures A/c To Premium on redemption of Debentures A/c (10% Debentures redeemable at a premium issued for the balance purchase consideration)	Dr.	5,00,000 50,000	5,00,000 50,000	3 marks
							+
			(ii) ABC Ltd purchased assets of				
			Ans.				
			ABC Ltd.				

Journal				
Date	Particulars	Dr. Amount (₹)	Cr. Amount (₹)	
	<div>Assets A/c Dr.</div> <div>To Liabilities A/c</div> <div>To Capital reserve A/c</div> <div>To XYZ Ltd. A/c</div> <div>(Assets purchased and liabilities taken over of XYZ Ltd.)</div>	4,20,000	<div>40,000</div> <div>20,000</div> <div>3,60,000</div>	
	<div>XYZ Ltd. A/c Dr.</div> <div>Discount on issue of debentures A/c Dr.</div> <div>To 10% Debentures A/c</div> <div>(10% Debentures issued at a discount in settlement of purchase consideration)</div>	<div>3,60,000</div> <div>40,000</div>	4,00,000	<div>1 ½ x 2</div> <div>=</div> <div>3 marks</div> <div>=</div> <div>3+3</div> <div>=</div> <div>6 marks</div>

21	22	21	<div>Q. A Ltd.....</div> <div>Ans.</div> <div><div>A Ltd.</div><div>Journal</div><table><tr><th>Date</th><th>Particulars</th><th>Dr. Amount (₹)</th><th>Cr. Amount (₹)</th></tr><tr><td></td><td>Bank A/c Dr. To Equity Share Application A/c (Application money received on 1,40,000 shares)</td><td>7,00,000</td><td>7,00,000</td></tr><tr><td></td><td>Equity Share Application A/c Dr. To Equity Share Capital A/c To Equity Share Allotment A/c (Application money transferred to share capital and share allotment)</td><td>7,00,000</td><td>4,00,000 3,00,000</td></tr><tr><td></td><td>Equity Share Allotment A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Allotment money due)</td><td>7,20,000</td><td>4,00,000 3,20,000</td></tr></table></div>	Date	Particulars	Dr. Amount (₹)	Cr. Amount (₹)		Bank A/c Dr. To Equity Share Application A/c (Application money received on 1,40,000 shares)	7,00,000	7,00,000		Equity Share Application A/c Dr. To Equity Share Capital A/c To Equity Share Allotment A/c (Application money transferred to share capital and share allotment)	7,00,000	4,00,000 3,00,000		Equity Share Allotment A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Allotment money due)	7,20,000	4,00,000 3,20,000	<div>1 mark</div> <div>1 mark</div> <div>1 mark</div>
Date	Particulars	Dr. Amount (₹)	Cr. Amount (₹)																	
	Bank A/c Dr. To Equity Share Application A/c (Application money received on 1,40,000 shares)	7,00,000	7,00,000																	
	Equity Share Application A/c Dr. To Equity Share Capital A/c To Equity Share Allotment A/c (Application money transferred to share capital and share allotment)	7,00,000	4,00,000 3,00,000																	
	Equity Share Allotment A/c Dr. To Equity Share Capital A/c To Securities Premium Reserve A/c (Allotment money due)	7,20,000	4,00,000 3,20,000																	

			<div> <div>Bank A/c Dr. 4,15,800</div> <div>Calls in arrears A/c Dr. 4,200</div> <div>To Equity Share Allotment A/c 4,20,000</div> <div>(Allotment money received)</div> <div>or</div> <div>Bank A/c Dr. 4,15,800</div> <div>To Equity Share Allotment A/c 4,15,800</div> <div>(Allotment money received)</div> </div>		1 mark
			<div> <div>Equity Share Capital A/c Dr. 8,000</div> <div>Securities Premium Reserve Dr. 3,200</div> <div>To Share Forfeiture A/c 7,000</div> <div>To Calls in arrears A/c 4,200</div> <div>(800 shares forfeited)</div> <div>or</div> <div>Equity Share Capital A/c Dr. 8,000</div> <div>Securities Premium Reserve Dr. 3,200</div> <div>To Share Forfeiture A/c 7,000</div> <div>To Equity Share Allotment A/c 4,200</div> <div>(800 shares forfeited)</div> </div>		1 mark
			<div> <div>Bank A/c Dr. 7,200</div> <div>Share Forfeiture A/c Dr. 800</div> <div>To Equity Share Capital A/c 8,000</div> <div>(800 shares reissued)</div> </div>		1 mark

21

			capital and share allotment, balance refunded)			
			Share Allotment A/c Dr. To Share Capital A/c (Allotment money due)	90,000	90,000	½ mark
			Bank A/c Dr. Calls in arrears A/c Dr. To Share Allotment A/c (Allotment money received) or Bank A/c Dr. To Share Allotment A/c (Allotment money received)	57,600 2,400	60,000 57,600	1 mark
			Share First and Final Call A/c Dr. To Share Capital A/c (First and Final call money due)	1,20,000	1,20,000	1 mark
			Bank A/c Dr. Calls in arrears A/c Dr. To Share First and Final Call A/c (Share First and Final Call money received) or	1,15,200 4,800	1,20,000	1 mark

				Bank A/c To Share First and Final Call A/c (Share First and Final Call money received)	Dr. 	1,15,200	1,15,200	
				Share Capital A/c To Share Forfeiture A/c To Calls in arrears A/c (1,200 shares forfeited) or Share Capital A/c To Share Forfeiture A/c To Share Allotment A/c To Share First and Final Call A/c (1,200 shares forfeited)	Dr. 	12,000	4,800 7,200	1 mark
				Bank A/c To Share Capital A/c (1,200 shares reissued)	Dr 	12,000	12,000	1 mark
				Share Forfeiture A/c To Capital Reserve A/c (Gain on reissue of shares transferred to capital reserve)	Dr. 	4,800	4,800	1 mark = 8 marks

22

21

22

Q. On 31st March 2019, the Balance Sheet of A and B.....

Ans.

Dr.

Revaluation A/c

Cr.

Particulars	Amount (₹)	Particulars	Amount (₹)
To Outstanding salaries	2,000	By Bad debts recovered/ Bank	12,000
To Profit transferred to:			
A's Capital A/c 6,000	10,000		
B's Capital A/c <u>4,000</u>			
	<u>12,000</u>		<u>12,000</u>

Dr.

Partners Capital Accounts

Cr.

Particulars	A (₹)	B (₹)	C (₹)	Particulars	A (₹)	B (₹)	C (₹)
To Balance c/d	2,12,200	1,74,800	1,00,000	By Balance b/d	1,60,000	1,40,000	-
				By Bank A/c	-	-	1,00,000
				By General Reserve	15,000	10,000	-
				By Investment Fluctuation Fund	1,200	800	-
				By Premium for goodwill A/c	30,000	20,000	-
				By Revaluation A/c	6,000	4,000	-
	<u>2,12,200</u>	<u>1,74,800</u>	<u>1,00,000</u>		<u>2,12,200</u>	<u>1,74,800</u>	<u>1,00,000</u>

2 marks

1 mark for each capital A/c = 1 x 3 = 3 marks

2 marks

1 mark for each capital A/c = 1 x 3 = 3 marks

Balance Sheet of A, B and C as on 1st April 2019

Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	30,000	Cash at bank	1,82,000
Outstanding salaries	2,000	Debtors 85,000	
		Less Provision for	
Capitals:		bad debts <u>(5,000)</u>	80,000
A 2,12,200		Stock	1,30,000
B 1,74,800		Investments	50,000
C <u>1,00,000</u>	4,87,000	Furniture	77,000
	<u>5,19,000</u>		<u>5,19,000</u>

1 ½ mark
for correct
assets side
+
1 ½ mark
for correct
liability
side
=
3 marks
=
2+3+3
=
8 marks

OR

OR

Q. Chintan, Ayush and Sudha.....

Ans.

Journal

Date	Particulars	Dr. Amount (₹)	Cr. Amount (₹)	
	General Reserve A/c Dr. To Chintan's Capital A/c To Ayush's Capital A/c To Sudha's Capital A/c (General reserve distributed among the old partners in the old ratio)	20,000	 10,000 6,000 4,000	1 mark
	Bad debts A/c Dr. To Debtors A/c (Bad debts written off)	5,000	 5,000	½ mark
	Provision for bad debts A/c Dr. To Bad debts A/c (Bad debts met out of Provision for bad debts)	5,000	 5,000	½ mark
	Revaluation A/c Dr. To Provision for bad Debts A/c (Created Provision for bad debts)	2,750	 2,750	1 mark
	Ayush's Capital A/c Dr. Sudha's Capital A/c Dr. To Chintan's Capital A/c	30,000 20,000	 50,000	1 mark

			(Chintan's share of goodwill adjusted into the accounts of Ayush and Sudha)				
			Stock A/c Dr. To Revaluation A/c (Stock revalued)	6,000	6,000		½ mark
			Furniture A/c Dr. To Revaluation A/c (Furniture which was undervalued brought to its book value)	9,000	9,000		1 mark
			Revaluation A/c Dr. To Workmen's Compensation Claim A/c (Liability for workmen's compensation created)	2,000	2,000		½ mark
			Revaluation A/c Dr. To Chintan's Capital A/c To Ayush's Capital A/c To Sudha's Capital A/c (Gain on Revaluation credited to the old partners)	10,250	5,125 3,075 2,050		1 mark
			Chintan's Capital A/c Dr. To Bank A/c To Chintan's Loan A/c	1,55,125	20,000 1,35,125		1 mark

			(Chintan paid 2,000 by cheque and the balance transferred to her loan account)			=
						8 marks
			PART B OPTION 1 Analysis of Financial Statements			
23	24	28	Q. If the operating ratio..... Ans. 25%			1 mark
24	28	29	Q. Quick assets do not include..... Ans. (C)/ Prepaid Expenses			1 mark
25	-	-	Q. Define ‘Cash Equivalents’. Ans. Cash Equivalents are defined as short term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.			1 mark
26	-	-	Q. Name any two tools Ans. <u>Tools of Analysis of Financial Statements:</u> (Any two) (i) Comparative Statements (ii) Common Size Statements			$\frac{1}{2} \times 2$ =

			(iii) Trend Analysis (iv) Ratio Analysis (v) Cash Flow Analysis	1 mark									
27	-	-	Q. Give any one example..... Ans. <u>Activity which is financing for every enterprise: (Any One)</u> (i) Payment of dividend (ii) Interest on Long term Borrowings (iii) Issue of Shares for cash (iv) Issue of Debenture for cash	1 mark									
28	29	23	Q. 'Sale of marketable securities.... Ans. False because it will lead to no change in cash and cash equivalents.	1 mark									
29	23	24	Q. The debt-equity ratio of a company.... Ans. Decrease because issue of shares will increase the equity.	1 mark									
30	-	-	Q. Under which heads and sub- heads Ans. <table><tr><th>Items</th><th>Heads</th><th>Sub-heads</th></tr><tr><td>Unclaimed Dividend</td><td>Current liabilities</td><td>Other Current liabilities</td></tr><tr><td>Shares in State Bank of India</td><td>Non Current assets</td><td>Non Current Investments</td></tr></table>	Items	Heads	Sub-heads	Unclaimed Dividend	Current liabilities	Other Current liabilities	Shares in State Bank of India	Non Current assets	Non Current Investments	$\frac{1}{2} \times 6$ =
Items	Heads	Sub-heads											
Unclaimed Dividend	Current liabilities	Other Current liabilities											
Shares in State Bank of India	Non Current assets	Non Current Investments											

		Loose Tools	Current assets	Inventories	3 marks
		OR			OR
		(i) X Ltd. has a current ratio.....			
		Ans.			
		Therefore, Current Assets - Quick Assets/ Current Liabilities =1			
		=> 24,000/ Current Liabilities =1			
		=> Current Liabilities=24,000 ½ mark			
		Current Ratio = Current Assets/ Current Liabilities ½ mark			1 ½
		=> 3/1= Current Assets/ 24,000			marks
		=> Current Assets=72,000 ½ mark			
		(ii) From the following information.....			
		Ans. Total assets to Debt Ratio = Total assets/ Debt			
		Total assets= Non current assets + Current assets			+
		= 5,40,000 + 1,35,000			
		=6,75,000..... ½ mark			
		Debt = Long Term borrowings + Long Term provisions			1 ½
		=3,00,000+ 1,50,000			marks
		=4,50,000..... ½ mark			
		..			=
					3 marks

			Total assets to Debt Ratio =6,75,000/ 4,50,000 = 1.5:1..... ½ mark																																									
31	31	31	Q. The following particulars are related to Ans. Comparative Statement of Profit & Loss for the years ending 31 March 2018 & 2019 <table border="1"> <thead> <tr> <th>Particulars</th><th>31 March 2018(₹)</th><th>31 March 2019(₹)</th><th>Absolute Change (₹)</th><th>Percentage Change</th></tr> </thead> <tbody> <tr> <td>Revenue from Operations</td><td>30,00,000</td><td>37,50,000</td><td>7,50,000</td><td>25</td></tr> <tr> <td>Add Other income</td><td>60,000</td><td>75,000</td><td>15,000</td><td>25</td></tr> <tr> <td>Total Revenue</td><td>30,60,000</td><td>38,25,000</td><td>7,65,000</td><td>25</td></tr> <tr> <td>Less Expenses</td><td>20,60,000</td><td>25,75,000</td><td>5,15,000</td><td>25</td></tr> <tr> <td>Profit before Tax</td><td>10,00,000</td><td>12,50,000</td><td>2,50,000</td><td>25</td></tr> <tr> <td>Less Tax</td><td>4,00,000</td><td>5,00,000</td><td>1,00,000</td><td>25</td></tr> <tr> <td>Profit after Tax</td><td>6,00,000</td><td>7,50,000</td><td>1,50,000</td><td>25</td></tr> </tbody> </table> OR Q. From the following Balance Sheet of common size Balance Sheet Ans.	Particulars	31 March 2018(₹)	31 March 2019(₹)	Absolute Change (₹)	Percentage Change	Revenue from Operations	30,00,000	37,50,000	7,50,000	25	Add Other income	60,000	75,000	15,000	25	Total Revenue	30,60,000	38,25,000	7,65,000	25	Less Expenses	20,60,000	25,75,000	5,15,000	25	Profit before Tax	10,00,000	12,50,000	2,50,000	25	Less Tax	4,00,000	5,00,000	1,00,000	25	Profit after Tax	6,00,000	7,50,000	1,50,000	25	½ mark ½ mark ½ mark ½ mark ½ mark ½ mark 1 mark = 4 marks OR
Particulars	31 March 2018(₹)	31 March 2019(₹)	Absolute Change (₹)	Percentage Change																																								
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Common Size Balance Sheet of Surbhi Ltd					
Particulars	31.3.18 (₹)	31.3.19 (₹)	2018 (% of total)	2019 (% of total)	
I. Equity and Liabilities					
1. Shareholders Funds:					
(a) Share Capital					
(b) Reserves and surplus	9,00,000	20,00,000	45	50	
2. Non Current liabilities:	1,00,000	2,00,000	5	5	½ mark
Long Term Borrowings					½ mark
3. Current Liabilities:	5,00,000	12,00,000	25	30	
Trade Payables					½ mark
	5,00,000	6,00,000	25	15	½ mark
Total	20,00,000	40,00,000	100	100	
II. Assets					
1. Non Current assets:					
Fixed assets	10,00,000	20,00,000	50	50	½ mark
2. Current assets:					
(a) Inventories	8,00,000	19,00,000	40	47.5	½ mark
(b) Cash and Cash Equivalents	2,00,000	1,00,000	10	2.5	½ mark
Total	20,00,000	40,00,000	100	100	½ mark
					=
					4 marks

32	32	32	<p>Q. From the following Balance Sheet of G Ltd.....</p> <p>Ans.</p> <p style="text-align: center;">G Ltd.</p> <p style="text-align: center;">Cash flow Statement for the year ending 31st March, 2019</p> <table><tr><th>Particulars</th><th>Details (₹)</th><th>Amount (₹)</th></tr><tr><td colspan="3"><u>A. Cash flows from Operating Activities :</u></td></tr><tr><td>Net Profit before Tax</td><td>1,10,000</td><td></td></tr><tr><td>Add: Depreciation on Machinery</td><td>25,000</td><td></td></tr><tr><td>Add: Interest on Debentures</td><td><u>16,000</u></td><td></td></tr><tr><td>Operating profit before the working Capital changes</td><td>1,51,000</td><td></td></tr><tr><td>Add: Decrease in Trade Receivables</td><td>1,10,000</td><td></td></tr><tr><td>Less: Decrease in Trade Payable</td><td><u>(30,000)</u></td><td></td></tr><tr><td>Net Cash generated from Operating Activities</td><td></td><td>2,31,000</td></tr><tr><td colspan="3"><u>B. Cash flows from Investing Activities :</u></td></tr><tr><td>Purchase of Machinery</td><td>(3,70,000)</td><td></td></tr></table>	Particulars	Details (₹)	Amount (₹)	<u>A. Cash flows from Operating Activities :</u>			Net Profit before Tax	1,10,000		Add: Depreciation on Machinery	25,000		Add: Interest on Debentures	<u>16,000</u>		Operating profit before the working Capital changes	1,51,000		Add: Decrease in Trade Receivables	1,10,000		Less: Decrease in Trade Payable	<u>(30,000)</u>		Net Cash generated from Operating Activities		2,31,000	<u>B. Cash flows from Investing Activities :</u>			Purchase of Machinery	(3,70,000)		<p>2 marks</p>
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			Purchase of Non- Current Investments Net Cash used in investing activities C. Cash flows from Financing Activities Proceeds from Issue of shares Proceeds from Issue of 10% Debentures Payment of interest on 10% Debentures Cash flows from Financing Activities Net Increase in Cash and Cash Equivalents Add: Opening Balance of Cash and Cash equivalents Closing Balance of Cash and Cash equivalents	(35,000) 2,00,000 60,000 (16,000) 70,000 2,10,000 2,80,000	2 marks 2 marks = 6 marks
			PART B OPTION II Computerised Accounting		
23	26	28	Q. Give one limitation Ans. Limitations of computerised accounting system: (i) Faster obsolescence due to change in technology. (ii) Data may be lost or corrupted due to power interruption. (iii) Data are prone to hacking. (iv) Unprogrammed and unspecified reports cannot be generated.		1 mark

24	27	29	Q. The syntax of PMT Function is Ans. (B)	1 mark
25	28	27	Q. Define Pivot Table Ans. Pivot table is a powerful excel tool which allows the user to extract significant information from a large, detailed data.	1 mark
26	29	24	Q. When extended selection is Ans. [ctrl] + [shift]	1 mark
27	25	23	Q. In Excel, the chart tools..... Ans. (B) Design, Layout, Format	1 mark
28	24	26	Q. Expand SQL. Ans. Sequential Query Language	1 mark
29	23	25	Q. State the mathematical Ans. MULTIPLICATION	1 mark
30	30	30	Q. Explain the terms Primary key	

		<p>Ans. <u>Primary Key</u> : in relational database a key is allotted to each record, which is unique identifier of that data .this is known as primary key.</p>	<p>1 ½ marks</p>
		<p><u>Secondary key</u>: it is made on a field that one would like to be indexed for faster searches . A table can have more than one secondary keys.</p>	<p>1 ½ marks</p>
		<p style="text-align: center;">OR</p>	<p>= 3 marks</p>
		<p><u>Data</u>: Various elements or items of accounting transactions are essentially the data items ,which are processed through an accounting software to generate different sets of information in the form of accounting reports such as journals ledger.</p>	<p>1 mark</p>
		<p><u>Information</u>: When a data is processed at one level keeping in view the requirements of decision maker it becomes information at another level.</p>	<p>1 mark</p>
		<p><u>Example</u>: Name of employee, working days, basic salary etc. . are the example of data. Whereas using this data calculation of amount to be paid to employee as bonus is information.</p>	<p>1 mark = 3 marks</p>
31	31	<p>31 Q. State the features of Computerised.....</p> <p>Ans. Features of computerized accounting system:</p> <p>(i) Simple and integrated.</p> <p>(ii) Transparency and control.</p>	<p>4 marks</p>

		<p>(iii) Accuracy and speed.</p> <p>(iv) Scalability.</p> <p>(v) Reliability</p> <p style="text-align: center;">OR</p> <p>Q. Explain the use of</p> <p>Ans. Uses of conditional formatting:</p> <p># It helps in making needed information highlighted.</p> <p># It changes the appearance of cells ranges.</p> <p># Colour scale may be used to highlight cells .</p> <p># useful in making decision making.</p>	<p style="text-align: center;">OR</p> <p>4 marks</p>
32	-	-	<p>Q. Describe two basic methods.....</p> <p>Ans. Two basic methods of charging depreciation are:</p> <p><u>Straight line method</u> : This method calculates fixed amount of depreciation every year which is calculated keeping in view the useful life of assets and its salvage value at the end of its useful life.</p> <p><u>Written down value method</u>: This method uses current book value of the asset for computing the amount of depreciation for the next period. It is also known as declining balance method..</p> <p>Differences:</p>

		<p>1. Equal amount of depreciation is charged in straight line method. Amount of depreciation goes on decreasing every year in written down value method.</p> <p>2. Depreciation is charged on original cost in straight line method. The amount is calculated on the book value every year.</p> <p>3. In straight line method the value of asset can come to zero but in written down value method this can never be zero.</p> <p>4. Generally rate of depreciation is low in case of straight line method but it is kept high in case of written down value method.</p> <p>5. It is suitable for assets in which repair charges are less and the possibility of obsolescence is less. It is suitable for the assets which become obsolete due to changes in technology.</p>	6 marks
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