

# Senior School Certificate Examination March 2010

## Marking Scheme- Accountancy (Out Side Delhi) Code No. 67/1

### General Instructions

1. The Marking scheme provides general guidelines to reduce subjectivity in the marking. The answers given in the marking scheme are suggested answers. The content is thus indicative. If a student has given any other answer which is different from the one given in the marking scheme but conveys the same meaning, such answers should be given full weight age.
2. Some of the questions may relate to higher order thinking ability. These questions have been indicated to you separately by a star mark and are to be evaluated carefully to judge the students understanding/analytical ability.
3. Evaluation is to be done as per instructions provided in the Marking Scheme. Marking Scheme should be strictly adhered to and religiously followed.
4. The Head-Examiner has to go through the first five answer scripts evaluated by each evaluator 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 oh individual evaluators.
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 circled.
6. If a question does not have any parts, marks must be awarded in the left hand margin.
7. If a student has attempted an extra question, answer of the question deserving more mark 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. A full scale of marks 1-80 has to be used. Please do not hesitate to award full marks if the answer deserves it.
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. Separate Marking scheme for all the three sets has been given.

# SET (67/1) – OUTSIDE DELHI

## Part 'A'

### Expected Answers / Value points

**Marks  
Dist.**

**Q1. Name any..... organization. (Any Two)**

**Ans.** Receipts & Payment A/c, Income & Expenditure A/c & Balance Sheet.

1 mark

**Q2. What is ..... Partnership deed"?**

**Ans.** An agreement in writing among partners.

1 mark

**Q3. Why are .....of the firm?**

**Ans.** These belong to old Partners, so it should be distributed among them.

1 mark

**Q4. How does ..... of a firm?**

**Ans.** If the manager is capable and competent, the firm will earn high profits which will increase the value of goodwill.

1 mark

**Q5. What is .....Reserve?**

**Ans.** Capital Reserve is an accumulated Capital Profit..

1 mark

**Q6. From the following ..... additional information is provided.**

<b>Ans.</b>	Subscription received during the year(2008-09)		2,05,000	
	Add received in advance for the year(2008-09)		12,000	1 mark
	Less Received for the period (2007-08)	40,000		
	Less Received for the year (2009-10)	30,000	70,000	1 mark
	Subscription Received for the year		1,47,000	
	Outstanding for the year(2008-09)		53,000	1 mark

**3  
marks**

(Total Subscription Rs. 2,00,000)

**OR**

**Ans. Subscription A/c**

To o/s subs	40,000	By adv. (big)	12,000	
To Income & Expenditure A/c	2,00,000	By cash	2,05,000	

To adv.(end)	30,000	By o/s (end)	53,000
<b>Total</b>	<b>2,70,000</b>	<b>Total</b>	<b>2,70,000</b>

Q7. X ltd. obtained ..... sheet of the company

1 x 3 =  
3  
marks

Ans. **Balance Sheet of X ltd.**

Secured Loan:		Debenture	5,00,000
Bank Loan	4,00,000	Suspense A/c	
9 % Debentures( issued as collateral security)	5,00,000		

OR

**Balance Sheet of X ltd.**

Secured Loan:			
Bank Loan	4,00,000		
(5000, 9 % Debentures of Rs.100 each issued as collateral security)			

1 mark for Bank loan+2 marks for collateral security= 3 marks

Q8. DN ltd. has ..... received on allotment.

Ans.	Application Received →	70,000 shares	Allotted
	Rejected →	10,000 shares	-
	Mohan	10,000 (Applied)	10,000 (Allotted)
	Others	50,000 (Applied)	40,000 (5:4) (Allotted)
	Allotment Money due	(50,000 x 3)	1,50,000 ½ mark
	Less recd. In advance (pro rata issue)	(10,000 x 2)	20,000 1 mark
	Less Calls in arrears (Mohan)	(10,000 x 3)	30,000 ½ mark
	Add Calls in advance	(3,000 x 4)	12,000 ½ mark
	Allotment money received		1,12,000 ½ mark

3  
marks

Note :- In case the candidate has arrived at the correct answer through a different presentation full credit may be given.

Q9. A, B & C were ..... workings clearly.

Ans.	<b>Due to partners</b>	<b>A</b>	<b>B</b>	<b>C</b>	
	Interest on capital	1,500	1,000	500	½ mark
	Salary @ 500 per month		6,000		½ mark
	Commission			1,350	½ mark
	Share of profits	7,860	3,930	7,860	1 mark
	Total	9,360	10,930	9,710	

4  
marks

Actually Distributed	15,000	10,000	5,000
Adjustment	(5,640) Dr	930 Cr	4,710 Cr

½ mark

**Adjustment Entry**

A's Capital / Current Account	Dr	5,640	
To B's Capital / Current Account			930
To C's Capital / Current Account			4,710
(being Adjustment entry passed)			

1 mark

**Alternative Answer**

A's Capital A/c Dr.		5820	
To B's Capital A/c			715
To C's Capital A/c			5,105
(being adjustment entry passed)			

1 mark

**Working Note:-**

Cr Int on Cap.	Cr. Sal.	Cr. Comm.	Dr. Profit	2:1:2 Cr Profit	Dr.	Cr.
750			15,000	8,430	5,820	
500	6,000		10,000	4,215		715
250		1,425	5,000	8,430		5,105
		<b>A</b>		<b>B</b>		<b>C</b>

3 marks

Closing Capital	30,000	20,000	10,000
Less Profits (3:2:1)	15,000	10,000	5,000
Opening Capital	15,000	10,000	5,000

NOTE: Working in any form should be given full weightage)

10. A, B & C were partners ..... good will on B's retirement.

Ans. Gaining Ratio = New Ratio – old Ratio

$$A = \frac{11}{15} - \frac{6}{15} = \frac{5}{15} \quad (\text{Gain})$$

$$C = \frac{4}{15} - \frac{5}{15} = -\frac{1}{15} \quad (\text{Sacrifice})$$

1 mark

A's share of Goodwill =  $90000 \times \frac{5}{15} = 30000$

B's share of Goodwill =  $90000 \times \frac{4}{15} = 24000$

C's share of Goodwill =  $180000 \times \frac{1}{15} = 12000$

1 mark

A's Capital A/c Dr

30,000

To B's Capital A/c

6,000 2 mark

To C's Capital A/c

24,000

(Treatment of Good will on B's retirement)

1+1+2  
=4  
marks

Q11. X Ltd. had Rs. 8,00,000 ..... time of redemption.

Ans.	<b>P &amp; L Appropriation Account Dr</b>	<b>5,86,000</b>	
1	To Debenture Redemption Reserve A/c (Being the required amount transferred to DRR)		<b>5,86,000</b> 1 mark
2	<b>9 % Debentures Account Dr</b> Premium on Redemption of Debenture A/c Dr To Debenture holders A/c (Being the required amount due to debenture holder on redemption)	<b>10,00,000</b> <b>50,000</b>	<b>10,50,000</b> 1 mark
3	Debenture Holders A/c Dr To Bank A/c (Being the required amount paid to debenture holder)	<b>10,50,000</b>	<b>10,50,000</b> 1 mark
4	Debenture Redemption Reserve A/c Dr To General Reserve A/c [Being Debenture Redemption Reserve transferred to General Reserve]	<b>10,00,000</b>	<b>10,00,000</b> 1 mark

=4  
marks

Q12 From the following information ..... were no cash purchases made.

Ans. Income & Expenditure A/c for the year ending on 31<sup>st</sup> March 2009

To sports Material	1,07,800		
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2 marks for working & 1 mark for correct amount

Working:- Creditors for sports Material A/c

Advance to supp.	12,000	By Balance b/d	5,800
To Bank	1,00,000	By Advance	21,000
To balance c/d	9,200	By purchases	94,400
Total	1,21,200	Total	1,21,200

6  
mark

Opening stock 7,200

Add: Purchases 94,400

1,01,600

Less: Cl. Stock 5,800



Q14. Devi Ltd. On 1<sup>st</sup> April 2006.....including redemption of debentures.

Ans	Assets A/c	Dr	6,00,000		
	Goodwill A/c	Dr	20,000		
	To Liabilities			70,000	2 marks
	To P & Company.			5,50,000	
	(Being the purchase of assets & liabilities of P& Co.)				
	P & Co. A/c	Dr	5,50,000		
	Loss on issue of Debentures A/c	Dr	25,000		
	To 12 % Debentures A/c			5,00,000	2 marks
	To Securities Premium A/c			50,000	
	To Premium on redemption of Debentures A/c			25,000	
	(Being debentures issued)				
	P/L Appropriation A/c	Dr	2,50,000		
	To Debenture Redemption Reserve A/C			2,50,000	½ mark
	(Being debentures redemption reserve created out of profits )				
	12 % debentures A/c	Dr	5,00,000		
	Premium on Redemption A/c	Dr	25,000		½ mark
	To P & Co. / Debenture Holders A/c			5,25,000	
	(Being issue of 12% debentures on premium)				
	P & Co. /Debenture Holders A/c	Dr	5,25,000		
	To Bank			5,25,000	½ mark
	(Being debentures holders paid)				
	Debenture Redemption Reseve A/c	Dr.	2,50,000		
	To General Reserve			2,50,000	
	(Being debentures Redemption Reserve transferred to general reserve )				

**Note :** If an examinee had created DRR more than 50% full credit is to be given. [This DRR may be created in three instalments over a period of three year also] Due consideration is to be given if split entry had been passed by an examinee for 2<sup>nd</sup> entry

Q15. X Ltd. issued 50,000 shares.....for the above transactions.

Ans.	Bank Account A/c	Dr	2,25,000		
	To Share Application Account ( Being application money received)			2,25,000	½ mark
	Share Application Account	Dr	2,25,000		
	To Share Capital			1,50,000	

To Share Allotment (Being application money transferred to share capital & excess money adjusted to allotment)			75,000	1 mark	
Share Allotment Account	Dr	3,00,000			
To Share Capital A/c			2,00,000		
To Securities Premium A/c (Being allotment money due)			1,00,000	1 mark	8 marks
Bank Account	Dr	2,20,500			
To Share Allotment A/c OR			2,20,500	1 mark	
Bank A/c	Dr	2,20,500			
Call in Arrears A/c	Dr	4,500			
To share allotment (Being Allotment money received)			2,25,000		
Share 1 <sup>st</sup> & Final Call A/c	Dr	1,50,000			
To Share Capital (Being 1 <sup>st</sup> & final Call money due)			1,50,000	½ mark	
Bank A/c	Dr	1,47,300			
To Share 1 <sup>st</sup> & Final Call A/c OR			1,47,300	1 mark	
Bank A/c	Dr	1,47,300			
Call in Arrears A/c	Dr	2,700			
To Share Capital A/c (Being 1 <sup>st</sup> & Final call money received)			1,50,000		
Share Capital A/c	Dr	9,000			1 mark
Securities Premium A/c	Dr	1,800			
To Share forfeiture A/c			3,600		
To Share Allotment A/c			4,500		
To Share First & Final Call OR			2,700		
Share Capital A/c	Dr	9,000			
Securities Premium A/c	Dr	1,800			
To Share Forfeiture A/c			3,600		
To Calls in arrears A/c (Being Shares forfeited)			7,200		
Bank A/c	Dr	7,200			1 mark
Share Forfeiture A/c	Dr	1,800			
To share capital A/c (Being Shares reissued)			9,000		
Share Forfeited A/c	Dr	1,800			1 mark
To Capital Reserve (Being Profit on share Forfeiture P/F to Capital Reserve A/c ) (Balance of forfeited transferred to Capital Reserve)			1,800		

**OR**

**Q15 Janta Ltd.....transactions.**

<b>Ans.</b>	Bank A/c <span style="float: right;">Dr</span> To share application (Being application money received)	3,60,000		3,60,000	½ mark
	Share application A/c <span style="float: right;">Dr</span> To share capital (Being Application money transferred to share capital)	3,60,000		3,60,000	½ mark
	Share allotment A/c <span style="float: right;">Dr</span> Discount on issue of shares A/c <span style="float: right;">Dr</span> To share capital A/c (Being Allotment money due)	5,40,000	1,80,000	7,20,000	1 mark
	Bank A/c <span style="float: right;">Dr</span> Calls in arrears A/c <span style="float: right;">Dr</span> To share allotment A/c To calls in advance A/c OR Bank A/c To Share Allotment A/c To Calls in advance A/c (Being Allotment money received with calls in advance)	5,40,300	4,500	5,40,000 4,800	1 mark
	Share 1st & Final call A/c <span style="float: right;">Dr</span> To share capital (Being Share First and Final call amount due)	7,20,000		7,20,000	1 mark
	Bank A/c <span style="float: right;">Dr</span> Calls in Advance A/c <span style="float: right;">Dr</span> Calls in Arrears A/c <span style="float: right;">Dr.</span>	7,09,200	4,800	6,000	1 mark

**8 marks**

To Share First and Final Call A/c			7,20,000	
OR				
Bank A/c	Dr	7,09,200		
Calls in advance A/c	Dr	4,800		
To Share first & Final Call A/c			7,14,000	
(Being First call amount received)				
Share Capital A/c	Dr	15,000		1 mark
To Share Forfeiture A/c			3,000	
To Share Allotment A/c			4,500	
To Share 1 <sup>st</sup> & Final call A/c			6,000	
To discount on issue of shares A/c			1,500	
OR				
Share Capital A/c		15,000		
To Share Forfeiture A/c			3,000	
To Calls in arrears A/c			10,500	
To Discount on issue of Shares A/c			1,500	
(Being shares forfeiture)				
Bank A/c	Dr	12,000		
Discount on issue of shares A/c	Dr	1,500		1 mark
Share Forfeiture A/c	Dr	1,500		
To share capital A/c			15,000	
(Being Forfeited shares reissued)				
Share Forfeiture A/c	Dr.	1,500		1 mark
To Capital Reserve A/c			1,500	
(Being gain on re issue transfer to Capital Reserve)				

**Q 16. A, B and C ..... Partners capital A/c s and cash a/c.**

**Ans.**

**Realisation Account**

To Sundry Assets	17,000	By Provision for bad debts	1,200
To Debtors	24,200	By Creditors	6,000
To Stock in Trade	7,800	By loan	1,500

To B/R	1,000	By A's Capital	
To A's Capital A/c (Creditors)	6,000	B/R 800	
To C's Capital A/c (Loan 1,500)		Debtors 17200	18,000
(Acc. Inf. 300)	1,800	By B's Capital	
To Cash A/c (Realisation Expenses)	270	Stock in Trade 7000	
		Sundry Assets 7200	14,200
		By C's Capital	
		Sundry Assets	8,100
		By Cash A/c (Debtors)	2,100
		By Capital A/c (Loss Trf)	
		A 4182	
		B 1394	
		C 1394	6,970
	<b>58,070</b>		<b>58,070</b>

4 marks

**Partner's Capital Account**

	A	B	C		A	B	C
To Realisation	18,000	14,200	8,100	By Balance b/d	27,500	10,000	7,000
To realization (loss)	4182	1394	1394	By Realisation	6,000		1,800
To cash	11318			By Cash		5594	694
	<b>33,500</b>	<b>15594</b>	<b>9494</b>		<b>33,500</b>	<b>15594</b>	<b>9494</b>

4+3+1

=

3 marks

8 marks

**Cash Account**

To balance b/d	3,200	By Realization	270
To realisation	2100	By A's Capital	11318
To B's Capital	5594		
To C's Capital	694		
	<b>11,588</b>		<b>11,588</b>

1 mark

**OR**

**Q 16. 31<sup>st</sup> Mar 2009 the balance sheet .....of the new firm.**

**Ans. Revaluation Account**

To investments	500	By Accrued Interest	100
		By Cash A/c / Bad Debts Recovered A/c	400
	<b>500</b>		<b>500</b>

1 1/2 mark

**Partner's Capital Accounts**

	Ram	Shyam	Mohan		Ram	Shyam	Mohan
To balance c/d	12,000	6,000	4,500	By Balance b/d	6,000	4,000	
				By Reserves a/c	1,500	500	
				By Premium	4,500	1,500	
				By cash			4,500
	<b>12,000</b>	<b>6,000</b>	<b>4,500</b>		<b>12,000</b>	<b>6,000</b>	<b>4,500</b>

3 marks

**Balance Sheet as on 1<sup>st</sup> Apr, 2009**

liabilities	Amount(Rs.)	Assets	Amount (Rs.)
Creditors	2,800	Cash	12,900
Employees Provident Fund	1,200	Accrued Income	100
Capital Ram	12,000	Debtors (6500-500)	6,000
Shyam	6,000	Stock	3,000
Mohan	4,500	Investments	4,500
	26,500		26,500

3 marks

1 ½ +3  
+ 3 ½  
=8  
marks

**Part 'B'**

**Expected Answers / Value points**

**Marks  
Dist.**

**Q17 State any one ..... analysis.**

**Ans.** Any one of the following:-

- a) Ignores price level changes.
- b) They are historical in nature.

1 mark

**Q18 Under which ..... Cash flow statement.**

**Ans.** Investing Activity.

1 mark

**Q19 Redemption of ..... answer with reason.**

**Ans.** Cash outflow because cash goes out.

1 mark

**Q20 From the following ..... 2008 & 2009.**

Ans.	2008	2009	Abs Cha	%
Sales	6,00,000	8,00,000	2,00,000	33.33
Cost of goods sold	3,60,000	4,00,000	40,000	11.11
Gross Profit	2,40,000	4,00,000	1,60,000	66.67
Less Adm Exp	48,000	60,000	12,000	25
Net Profit before Tax	1,92,000	3,40,000	148,000	77.08
Less Income Tax	96,000	1,70,000	74,000	77.08
Net profit after tax	96,000	1,70,000	74,000	77.08

½ x6=  
3 marks

**Q21 (a) A business has ..... value of stock.**

2 marks

**Ans.**  $\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}} = \frac{3}{1}$

**Or Current Assets = 3 Current Liabilities**

**Working Capital = Current Assets – Current Liabilities**

**1,80,00,000 = 3 Current Liabilities – Current Liabilities**

or  $\frac{1,80,000}{2} = \text{Current Liabilities}$

or 90,000 = Current Liabilities

2 Marks

**Note : 2 marks is to be awarded Only for calculating correct Current Liabilities] No Marks for Value of Stock.**

**Q21 (b) From the given .....30% of sales.**

**Ans.** Sales 2,00,000 GP @ 25% on cost = 40,000 CGS = 1,60,000 CL stock 30% of Sales = 60,000 OP stock 1/3 of C.St. = 20,000 AV Stock = 40,000 STR = 1,60,000 / 40,000 = 4 times

1+1  
=2marks

**Note :-** Formula  $\frac{1}{2}$  , STR =  $\frac{1}{2}$ , COGS =  $\frac{1}{2}$ , average stock =  $\frac{1}{2}$

**Q22 Assuming that the Debt - Equity .....cases. (Any four)**

**Ans.**

Effect	Reason
a) No Change	Neither the equity nor the debts are affected.
b) Increase	As the Debts are increasing.
c) Decrease	As Share holders fund will increase.
d) No Change	As both remain unaffected.
e) Increase	As Equity will be decreased.

$\frac{1}{2} \times 8 =$   
4 marks

**Note:-**  $\frac{1}{2}$  for the answer and  $\frac{1}{2}$  for the reason.

**Q23 From the following ..... as per AS-3 (revised).**

**Ans. Calculation of Profit before interest & Tax**

**Profit earned :** Rs. 1,000

**Add : Dividend:** Rs. 3,000

4,000

Particulars	Amount (Rs.)	Amount (Rs.)
<b>(A)</b> Cash Flow from OP Activities		
Net Profit before Interest & tax	4,000	
<b>Add:</b> Decrease in stock	2,000	
<b>Add:</b> Decrease in Debtors	2,000	
<b>Less:</b> Decrease in Creditors	(4,000)	
Net Cash flow from operating activities after working capital changes but before tax	4,000	
<b>Less:</b> Tax Paid		
Net Cash flow from operating activities after tax		4,000
<b>(B)</b> Cash flow from Investing Activity		
Purchase of Furniture	(3,000)	

$\frac{1}{2} \times 12 = 6$   
marks

Cash used in investing activities		(3,000)
<b>(C) Cash flow from Financing activity</b>		
Issue of Share Capital	3,000	
Dividend Paid	(3,000)	
Net cash generated from financing activities		<u>NILL</u>
Net increase in cash / cash equivalent (A+B+C)		<u>1,000</u>
Opening balance of Cash & cash equivalents		<u>11,000</u>
Closing Balance of Cash & cash equivalents		<u>12,000</u>

### PART C- COMPUTERISED ACCOUNTING

**Q17. What is meant by computerized accounting system?**

Ans. CAS refers to a system that consists of human and computer resources for recording, processing and reporting the accounting events of an organization.

1 mark

**Q18. List any two specific areas of accounting the spreadsheet lends support to.**

Ans. It lends support to payroll accounting, Depreciation Schedules and Loan repayment details.

1 mark

**Q19. What are master files and index files?**

Ans. Master Files contain information to books of original entry such as suppliers, customers etc and index files are used for references.

2 marks

**Q20. Briefly explain the types of Data Processing.**

Ans. The types of data processing are

(a) Batch Processing: A technique used for regular processing of large amounts of data.

3 marks

(b) Online Processing : Creates a delay between the occurrence of the transaction and the actual processing.

**Q21. Classify the types of database at the backend.**

Ans. Types of data at the backend are :

(a) Standalone

(b) Server based client server or file sharing system

(c) Partitioned or non partitioned distributed systems

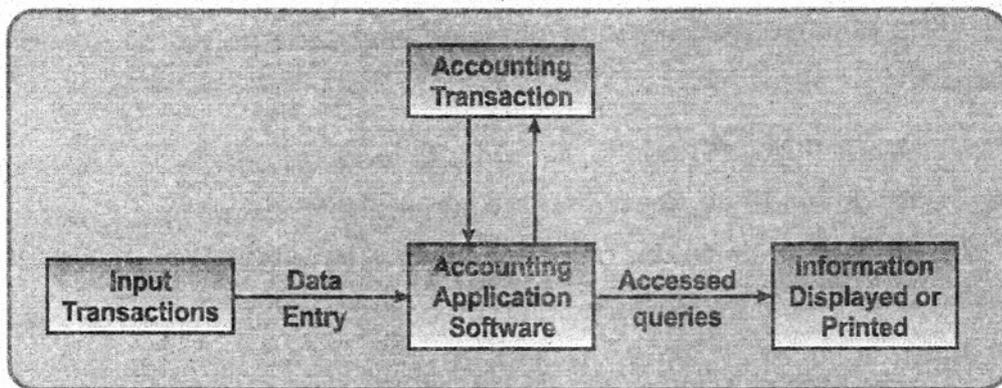
3 marks

**Q22. Explain the structure of computerized accounting system?**

Ans. The structure involves Accounting Framework, Operating Framework, and Front End interface, Back end interface, processing and reporting.

4 marks

### Basic flow of Accounting Transaction



**Q23. Calculate the formula on excel for the following**

Ans. Dearness Allowance

$$= \text{if}(A2 < 10000, \text{MAX}(44 * A2, 2000), \text{MAX}(35 * A2, 4400))$$

House Rent Allowance

$$= \text{if}(A2 \leq 8000, 2000, \text{if}(A2 \leq 15000, 6000, 9000)) \text{ OR}$$
$$\text{if}(A2 > 15000, 9000, \text{if}(A2 > 8000, 6000, 2000))$$

3 x 2 =

6 marks

City Compensatory Allowance

$$= \text{min}(10 * A2, 1000)$$

Note:- Here A2 is cell reference which can differ, if any other narration is used full credit should be given.

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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. Separate Marking scheme for all the three sets has been given.

# SET (67/2) –

## Part 'A'

### Expected Answers / Value points

Mark  
s Dist.

**Q1. Distinguish..... of nature.**

**Ans.** Income & expenditure A/c- Nominal A/c  
Receipts & Payment A/c- Real A/c.

1  
mark

**Q2. Where would ..... fixed?**

**Ans.** Current A/c of a partner will be debited.

1  
mark

**Q3. A,B and C.....can do this?**

**Ans.** He can only do this if it is consented in partnership deed otherwise he cannot.

1  
mark

**Q4. How does ..... of a firm?**

**Ans.** Increase in turnover & Profit resulting effects Goodwill of the firm

1  
mark

**Q5. What is .....of shares?**

**Ans.** When issue is over subscribed, shares are allotted on Applicants proportionately.

1  
mark

**Q6. From the following ..... additional information is provided.**

<b>Ans.</b>	Subscription received during the year(2008-09)		1,65,000	
	Add received in advance for the year(2008-09)		32,000	1 mark
	Less Received for the period (2007-08)	25,000		
	Less Received for the year (2009-10)	35,000	60,000	1 mark
	Subscription Received for the year		1,37,000	
	Outstanding for the year(2008-09)		1,13,000	1 mark
	(Total Subscription Rs. 2,50,000)			

3  
marks

**OR**

**Ans. Subscription A/c**

To o/s subs	25,000	By adv. (big)	32,000	
To Income & Expenditure	2,50,000	By cash	1,65,000	

A/c				
To adv.(end)	35,000	By o/s (end)	1,13,000	
<b>Total</b>	<b>3,10,000</b>	<b>Total</b>	<b>3,10,000</b>	

**Q7. X ltd. obtained ..... sheet of the company**

**Ans.**

**Balance Sheet of X ltd.**

Secured Loan- Bank Loan	3,00,000	Debenture Suspense	4,00,000
9 % Debentures( issued as collateral security)	4,00,000		

OR

**Balance Sheet of X ltd.**

Secured Loan Bank Loan (4000, 9 % Debentures of Rs.100 each issued as collateral security)	3,00,000	1 mark for Bank loan & 2 marks for collateral security
---	----------	--

1x 3 =

3marks

**Q8. DN ltd. has ..... received on allotment.**

<b>Ans.</b> Applications Received	→	80,000 shares	Allotted	
Rejected	→	10,000 shares	-	
Mohan		20,000 (Applied)	20,000 (Allotted)	
Others		50,000 (Applied)	30,000 (5:3) (Allotted)	
Allotment Money due		(50,000 x 3)	1,50,000	½ mark
Less recd. In advance (pro rata issue)		(20,000 x 2)	40,000	1 mark
Less Calls in arrears (Mohan)		(20,000 x 3)	60,000	½ mark
Add Calls in advance		(3,000 x 4)	12,000	½ mark
Allotment money received			62,000	½ mark

3 marks

**Note :-** In case the candidate has arrived at the correct answer through a different presentation full credit may be given.

**Q9. A, B & C were ..... workings clearly.**

<b>Ans.</b>	<b>Due to partners</b>	<b>A</b>	<b>B</b>	<b>C</b>	
	Interest on capital	1,500	1,000	500	½ mark
	Salary @ 500 per month		6,000		½ mark

3+1

Commission			1,350
Share of profits	7,860	3,930	7,860
Total	9,360	10,930	9,710
Actually Distributed	15,000	10,000	5,000
Adjustment	(5,640) Dr.	930 Cr.	4,710 Cr.

½ mark

marks

1 mark

½ mark

**Adjustment Entry**

A's Capital / Current Account	Dr	5,640	
	To B's Capital / Current Account		930
	To C's Capital / Current Account		4,710
(being Adjustment entry passed)			

1 mark

**Alternative Answer**

A's Capital A/c Dr.	5820	<b>1 mark</b>
	To B's Capital A/c	715
	To C's Capital A/c	5,105
(being adjustment entry passed)		

1+3 = 4  
marks

**Working Note:**

	Cr Int on Cap.	Cr. Sal.	Cr. Comm.	Dr. Profit	2:1:2 Cr Profit	Dr.	Cr.
A	750			15,000	8,430	5,820	
B	500	6,000		10,000	4,215		715
C	250		1,425	5,000	8,430		5,105
			<b>A</b>		<b>B</b>		<b>C</b>

3  
marks

Closing Capital	30,000	20,000	10,000
Less Profits (3:2:1)	15,000	10,000	5,000
Opening Capital	15,000	10,000	5,000

(NOTE: Working in any form should be given full weightage)

Q10. A, B & C were partners ..... good will on B's retirement.

Ans. Gaining Ratio = New Ratio – old Ratio

1 mark

$$A = \frac{11}{15} - \frac{6}{15} = \frac{5}{15} \text{ (Gain)}$$

$$B = \frac{4}{15} - \frac{5}{15} = -\frac{1}{15} \text{ (Sacrifice)}$$

1 mark

A's share of Goodwill = 90000x5/15=30000

B's share of Goodwill =90000x1/15 =6000

C's share of Goodwill =90000x4/15 =24,000

A's Capital A/c Dr	30,000	
To B's Capital A/c	6,000	2 mark
To C's Capital A/c	24,000	

(Treatment of Good will on B's retirement)

Q11. X ltd. had Rs. 8,00,000 ..... time of redemption.

Ans.	<b>P &amp; L Appropriation Account Dr</b>	<b>5,86,000</b>	
1	To Debenture Redemption Reserve A/c (Being the required amount transferred to DRR)	5,86,000	1 mark
2	<b>9 % Debentures Account Dr</b> Premium on Redemption of Debenture A/c Dr To Debenture holders A/c (Being the required amount due to debenture holder on redemption)	10,00,000 50,000 10,50,000	1 mark
3	Debenture Holders A/c Dr To Bank A/c (Being the required amount paid to debenture holder)	10,50,000 10,50,000	1 mark
4	Debenture Redemption Reserve A/c Dr To General Reserve A/c [Being Debenture Redemption Reserve transferred to General Reserve]	10,00,000 10,00,000	1 mark

=4  
marks

Q12 From the following information ..... were no cash purchases made.

Ans. **Income & Expenditure A/c for the year ending on 31<sup>st</sup> March 2009**

To sports Material	95,800			2 marks for working & 1 mark for correct amount
--------------------	--------	--	--	---

Working:- **Creditors for sports Material A/c**

Advance to supp.	12,000	By Balance b/d	5,800
To Bank	1,00,000	By Advance	21,000
To balance c/d	9,200	By purchases	94,400
Total	1,21,200	Total	1,21,200

3+1  
½ +  
1 ½  
= 6  
mark

Opening stock 7,200

Add: Purchases 94,400

1,01,600

Less: Cl. Stock

5,800

Consumption of sports Material

95,800

(NOTE:- Working may be given in any form, full weightage should be allotted.

**Balance Sheet as on 31<sup>st</sup> March 2008**

Liabilities	Amount	Assets	Amount
Creditors for sports material	5,800	Stock of material	7,200
		Advance to supp	12,000

1 ½ mark

**Balance Sheet as on 31<sup>st</sup> March 2009**

Liabilities	Amount	Assets	Amount
Creditors for sports material	9,200	Stock of material	5,800
		Advance to supp	21,000

1 ½ mark

**Q13 (a).** X, Y and Z are partners ..... or to be paid to the partners.

**Ans.** Total Capital in the ratio of 3:1

2,10,000

Share of X	1,57,500	
Share of Z	52,500	
X to bring (1,57,500 – 1,45,000)		12,500
Z to Withdraw (63,000-52,500)		10,500

½ mark

½ mark

1 mark

1 mark

**Alternative Answer:**

	X	Z
Capital of the new firm	1,57,500	52,500
Actual Capital's	1,45,000	63,000
Cash paid /Brought in	12,500(brought in)	10,500(paid)

½ + ½ mark

1+ 1 mark

3  
mark  
s

Q13 (b).A, B and C are partners ..... death and pass necessary journal entry.

Ans. Average profits  $14,000+18,000+16,000-10,000+16,000 = 54,000/5 = 10,800$  1 mark  
 Decreased partner's share  $(10800 \times 3/12 \times 1/3)$  =Rs. 900 1 mark

P & L suspense account	Dr	900	
	To B's Capital's account		900
(Being distribution of profit to the deceased partner )			

1 mark

= 3 marks

Q14. Devi Ltd. On 1<sup>st</sup> April 2006.....including redemption of debentures.

Ans	Assets A/c	Dr	6,00,000	
	Goodwill A/c	Dr	20,000	
		To Liabilities		70,000
		To P & Company.		5,50,000
	(Being the purchase of assets & liabilities of P& Co.)			
	P & Co. A/c	Dr	5,50,000	
	Loss on issue of Debentures A/c	Dr	25,000	
		To 12 % Debentures A/c		5,00,000
		To Securities Premium A/c		50,000
		To Premium on redemption of Debentures A/c		25,000
	(Being debentures issued)			
	P/L Appropriation A/c	Dr	2,50,000	
		To Debenture Redemption Reserve A/C		2,50,000
	(Being debentures redemption reserve created out of profits )			
	12 % debentures A/c	Dr	5,00,000	
	Premium on Redemption A/c	Dr	25,000	
		To P & Co. / Debenture Holders A/c		5,25,000
	(Being issue of 12% debentures on premium)			
	P & Co. /Debenture Holders A/c	Dr	5,25,000	
		To Bank		5,25,000
	(Being debentures holders paid)			
	Debenture Redemption Reseve A/c	Dr.	2,50,000	
		To General Reserve		2,50,000
	(Being debentures Redemption Reserve transferred to general reserve )			

6 Marks

Note : If an examinee had created DRR more than 50% full credit is to be given.  
 [This DRR may be created in three instalments over a period of three year also]  
 Due consideration is to be given if split entry had been passed by an examinee for 2<sup>nd</sup> entry

Ans.	Bank Account To Share Application Account ( Being application money received)	Dr	2,25,000	2,25,000	½ mark
	Share Application Account To Share Capital To Share Allotment (Being application money transferred to share capital & excess money adjusted to allotment)	Dr	2,25,000	1,50,000 75,000	1 mark
	Share Allotment Account To Share Capital  To Security Premium (Being allotment money due)	Dr	3,00,000	2,00,000 1,00,000	1 mark
	Bank Account To Share Allotment OR Bank A/c Dr Call in Arrears Dr To share allotment (Allotment money received)		2,20,500  2,20,500 4,500	2,20,500  22,5,000	1 mark
	Share 1 <sup>st</sup> & Final Call A/c To Share Capital (1 <sup>st</sup> Call due)	Dr	1,50,000	1,50,000	½ mark
	Bank To Share 1 <sup>st</sup> & Final Call OR Bank A/c Dr Call in Arrears Dr To Share Capital (1 <sup>st</sup> call received)	Dr	1,47,300  1,47,300 2,700	1,47,300  1,50,000	1 mark
	Share Capital A/c Dr Securities Premium A/c Dr To Share forfeited To Share Allotment To Share First & Final Call OR Share Capital A/c Dr Securities Premium A/c Dr To Share Forfeited To Calls in arrears (Shares being forfeited)		9,000  1,800	3,600 4,500 2,700	1 mark
	Share Capital A/c Dr Securities Premium A/c Dr To Share Forfeited To Calls in arrears (Shares being forfeited)		9,000 18,000	3,600 7,200	
	Bank A/c Dr Share Forfeited A/c Dr To share capital (Shares reissued)		7,200  1,800	9,000	1 mark

Share Forfeited A/c Dr	1,800		1 mark
To Capital Reserve (Balance of forfeited transferred to Capital Reserve)		1,800	

**OR**

**Q15 Janta Ltd.....transactions.**

<b>Ans.</b>	Bank A/c Dr	360000		½ mark
	To share application (Being received application money)		360000	
	Share application A/c Dr	3,60,000		½ mark
	To share capital (Application money transferred to share capital)		3,60,000	
	Share allotment A/c Dr	5,40,000		1 mark
	Discount on issue of shares Dr	1,80,000		
	To share capital (Allotment money due & discount allowed)		7,20,000	
	Bank A/c Dr	5,40,300		1 mark
	Calls in arrears A/c Dr	4,500		
	To share allotment A/c		5,40,000	
	To calls in advance A/c		4,800	
	<b>OR</b>			
	Bank A/c	5,40,300		
	To Share Allotment		5,35,500	
	To Calls in advance		4,800	
	(Allotment money received with calls in advance)			
	Share 1st & Final call A/c Dr	7,20,000		1 mark
	To Share Capital (Share first & Final call amount due)		7,20,000	
	Bank A/c Dr	7,09,200		1 mark

**8  
marks**

Calls in Advance A/c	Dr	4,800	
Calls in Arrears A/c	Dr.	6,000	
To Share First and Final Call A/c			7,20,000
<b>OR</b>			
Bank A/c		7,09,200	
Calls in advance		4800	
To Share first & Final Call A/c			7,14,000
(First and Final call amount received)			
Share Capital A/c	Dr	15,000	
To Share Forfeited A/c			3000
To Share Allotment A/c			4500
To Share 1st & Final call A/c			6000
To discount on issue of shares			1500
<b>OR</b>			
Share Capital		15,000	
To Share Forfeited			3,000
To Calls in arrears			10,500
To Discount on issue of Shares			1,500
(Being shares forfeited)			
Bank A/c	Dr	12000	
Discount on issue of shares A/c	Dr	1500	
Share Forfeited A/c	Dr	1500	
To share capital			15000
( Forfeited shares being reissued)			
Share Forfeited A/c	Dr.	1500	
To Capital Reserve			1500
(Being gain on re issue transfer to Capital Reserve)			

1  
mark1  
mark1  
mark

Q 16. A, B and C ..... Partners capital A/c s and cash a/c.

Ans.

**Realisation Account**

To Sundry Assets	17,000	By Provision for bad debts	1200
To Debtors	24,200	By Creditors	6000
To Stock in Trade	7,800	By loan	1500
To B/R	1,000	By A's Capital	
To A's Capital A/c (Creditors)	6,000	B/R 800	
To C's Capital A/c		Debtors 17200	18000
(Loan 1,500)		By B's Capital	
(Acc. Int. 300)	1,800	Stock in Trade 7000	
To Cash A/c (Realisation Expenses)	270	Sundry Assets 7200	14,200
		By C's Capital	
		Sundry Assets	8100
		By Cash A/c (Debtors)	2100
		By Capital A/c(Loss Trf)	
		A 4182	
		B 1394	
		C 1394	6970
	<b>58070</b>		<b>58070</b>

4 marks

4+3+1  
= 8  
marks

**Partners Capital Account**

	A	B	C		A	B	C
To Realisation	18,000	14,200	8,100	By Balance b/d	27,500	10,000	7,000
To Realisation (loss)	4182	1394	1394	By Realisation	6,000		1,800
To cash	11318			By Cash		5594	694
	<u>33,500</u>	15594	9494		33,500	15594	9494

3 marks

**Cash Account**

To balance b/d	3,200	By realization	270
To realization	2100	By A's Capital	11318
To B's Capital	5594		
To C's Capital	694		
	11,588		11,588

1 mark

**OR**

Q 16. 31<sup>st</sup> Mar 2009 the balance sheet .....of the new firm.

Ans.

**Revaluation Account**

To investments	500	By Accrued Interest	100
		By Cash A/c / Bad Debts Recovered A/c	400
	500		500

1 1/2  
mark

1 1/2 +  
3 + 3  
1/2 = 8

**Partners Capital Accounts**

	Ram	Shya m	Moha n		Ram	Shya m	Mohan
To balance c/d	12,000	6,000	4,500	By Balance b/d	6,000	4,000	
				By Reserves	1,500	500	

3 mar

marks

				a/c				ks
				By Premium	4,500	1,500		
				By cash			4,500	
	12,000	6,000	4,500		12,000	6,000	4,500	

**Balance Sheet as on 1<sup>st</sup> Apr, 2009**

liabilities	Amount(Rs.)	Assets	Amount (Rs.)	
Creditors	2,800	Cash	12,900	
Employees Provident Fund	1,200	Accrued Income	100	
Capital Ram	12,000	Debtors (6500-500)	6,000	3 ½ marks
Shyam	6,000	Stock	3,000	
Mohan	4,500	Investments	4,500	
	26,500		26,500	

**Part 'B'**

**Expected Answers / Value points**

**Marks Dist.**

**Q17 How is ..... analysis.**

**1 mark**

**Ans.** Manipulation of books of accounts may give false information to the users.

**Q18 Under which ..... Cash flow statement.**

**1 mark**

**Ans.** Investing Activity.

**Q19 Interest received ..... answer with reason.**

**1 mark**

**Ans.** Cash inflow because cash comes in.

**Q20 From the following ..... 2008 & 2009.**

Ans.	2008	2009	Abs Cha	%	
Sales	5,00,000	6,00,000	1,00,000	20	
Cost of goods sold	3,00,000	3,00,000	-	-	½ x 6 =
Gross Profit	2,00,000	3,00,000	1,00,000	50	<b>3 marks</b>
Less Adm Exp	40,000	45,000	5,000	12.5	
Net Profit before Tax	1,60,000	2,55,000	95,000	37.5	
Less Income Tax	80,000	1,27,500	47,500	59.38	
Net profit after tax	80,000	1,27,500	47,500	59.38	

**Q21 (a) A business has ..... value of stock.**

**Ans.** Current Ratio =  $\frac{\text{Current Assets}}{\text{Current Liabilities}} = \frac{3}{1}$

**2 marks**

**Or Current Assets = 3 Current Liabilities**

**Working Capital = Current Assets – Current Liabilities**

**1,80,00,000 = 3 Current Liabilities – Current Liabilities**

or  $\frac{1,80,000}{2} = \text{Current Liabilities}$

or 90,000 = Current Liabilities

**Note : 2 marks is to be awarded Only for calculating correct Current Liabilities] No Marks for Value of Stock.**

**Q21 (b) From the given .....30% of sales.**

**Ans.** Sales 2,00,000 GP @ 25% on cost = 40,000 CGS = 1,60,000 CL stock 30% of Sales = 60,000 OP stock 1/3 of C.St. = 20,000 AV Stock = 40,000 STR = 1,60,000 / 40,000 = 4 times

1+1  
=2marks

**Note :-** Formula  $\frac{1}{2}$  , STR =  $\frac{1}{2}$ , COGS =  $\frac{1}{2}$ , average stock =  $\frac{1}{2}$

**Q22 Assuming that the Debt - Equity .....cases. (Any four)**

Ans.	Effect	Reason
a)	No Change	Neither the equity nor the debts are affected:
b)	Increase	As the Debts are increasing.
c)	Decrease	As Share holders fund will increase.
d)	No Change	As both remain un affected.
e)	Increase	As Equity will be decreased.

$\frac{1}{2} \times 8 =$   
4 marks

**Note:-**  $\frac{1}{2}$  for the answer and  $\frac{1}{2}$  for the reason.

**Q23 From the following ..... as per AS-3 (revised).**

**Ans. Calculation of Profit before interest & Tax**

**Profit earned :** Rs. 1,000

**Add : Dividend:** Rs. 3,000

4,000

Particulars	Amount (Rs.)	Amount (Rs.)
<b>(A)</b> Cash Flow from OP Activities		
Net Profit before Interest & tax	4,000	
<b>Add:</b> Decrease in stock	2000	
<b>Add:</b> Decrease in Debtors	2,000	
<b>Less:</b> Decrease in Creditors	(4,000)	
Net Cash flow from operating activities after working capital changes but before tax	4,000	
<b>Less:</b> Tax Paid		
Net Cash flow from operating activities after tax		4,000
<b>(B)</b> Cash flow from Investing Activity		
Purchase of Furniture	(3,000)	
Cash used in investing activities		(3,000)
<b>(C)</b> Cash flow from Financing activity		

$\frac{1}{2} \times$   
12=6  
marks

Issue of Share Capital	3,000	
Dividend Paid	(3,000)	
Net cash generated from financing activities		<u>NILL</u>
Net increase in cash / cash equivalent (A+B+C)		1,000
Opening balance of Cash & cash equivalents		<u>11,000</u>
Closing Balance of Cash & cash equivalents		<u>12,000</u>

### PART C- COMPUTERISED ACCOUNTING

**Q17. What is meant by computerized accounting system?**

Ans. CAS refers to a system that consists of human and computer resources for recording, processing and reporting the accounting events of an organization.

1 mark

**Q18. List any two specific areas of accounting the spreadsheet lends support to.**

Ans. It lends support to payroll accounting, Depreciation Schedules and Loan repayment details.

1 mark

**Q19. What are master files and index files?**

Ans. Master Files contain information to books of original entry such as suppliers, customers etc and index files are used for references.

2 marks

**Q20. Briefly explain the types of Data Processing.**

Ans. The types of data processing are

- (a) Batch Processing: A technique used for regular processing of large amounts of data.
- (b) Online Processing : Creates a delay between the occurrence of the transaction and the actual processing.

3 marks

**Q21. Classify the types of database at the backend.**

Ans. Types of data at the backend are :

- (a) Standalone
- (b) Server based client server or file sharing system
- (c) Partitioned or non partitioned distributed systems

3 marks

**Q22. Explain the structure of computerized accounting system?**

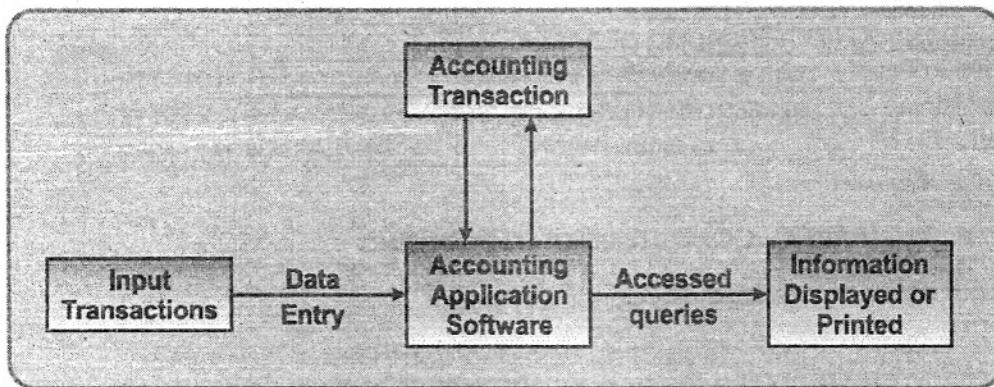
Ans. The structure involves Accounting Framework, Operating Framework, and Front End interface, Back end interface, processing and reporting.

4 marks  
4 marks

3 x 2 =

6 marks

## Basic flow of Accounting Transaction



**Q23. Calculate the formula on excel for the following**

Ans. Dearness Allowance

= if (A2<10000,MAX(42 \* A2,2000),MAX(39 \* A2,4200))

House Rent Allowance

= if (A2 <=8000,3500,if(A2<=15000,7500,9500) **OR**  
if(A2>15000,9500,if(A2>8000,7500,3500))

City Compensatory Allowance

= min(10 \* A2,1200)

Note:- Here A2 is cell reference which can differ, if any other narration is used full credit should be given.

\*\*\*\*\*

3 \* 2 = 6  
marks

# Senior School Certificate Examination March 2010

## Marking Scheme- Accountancy (Outside Delhi) Code No. 67/ 3

### General Instructions

1. The Marking scheme provides general guidelines to reduce subjectivity in the marking. The answers given in the marking scheme are suggested answers. The content is thus indicative. If a student has given any other answer which is different from the one given in the marking scheme but conveys the same meaning, such answers should be given full weightage.
2. Some of the questions may relate to higher order thinking ability. These questions have been indicated to you separately by a star mark and are to be evaluated carefully to judge the students understanding/analytical ability.
3. Evaluation is to be done as per instructions provided in the Marking Scheme. Marking Scheme should be strictly adhered to and religiously followed.
4. The Head-Examiner has to go through the first five answer scripts evaluated by each evaluator 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. 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 circled.
6. If a question does not have any parts, marks must be awarded in the left hand margin.
7. If a student has attempted an extra question, answer of the question deserving more mark 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. A full scale of marks 1-80 has to be used. Please do not hesitate to award full marks if the answer deserves it.
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. Separate Marking scheme for all the three sets has been given.

# SET (67/3) – OUTSIDE DELHI

## Part 'A'

### Expected Answers / Value points

**Marks  
Dist.**

**Q1. State the..... Account.**

1 mark

**Ans.** Nature of Income & expenditure A/c is Nominal.

**Q2. Where would ..... fluctuating?**

1 mark

**Ans.** Capital A/c of a partner.

**Q3. State the.....partner?**

1 mark

**Ans.** Retiring partner should get his share of goodwill because he sacrifices his share of profit in favour of the continuing partner.

**Q4. How does ..... of a firm?**

1 mark

**Ans.** Increase in turnover & Profit resulting effects Goodwill of the firm

**Q5. What is .....of shares?**

1 mark

**Ans.** When the shares are issued at its face value, it is known as issue of shares at par.

**Q6. From the following ..... additional information is provided.**

<b>Ans.</b>	Subscription received during the year(2008-09)		2,15,000	
	Add received in advance for the year(2008-09)		12,000	1 mark
	Less Received for the period (2007-08)	45,000		
	Less Received for the year (2009-10)	35,000	80,000	1 mark
	Subscription Received for the year		1,47,000	
	Outstanding for the year(2008-09)		1,03,000	1 mark

**3  
marks**

(Total Subscription Rs. 2,50,000)

**OR**

**Ans. Subscription A/c**

To o/s subs	45,000	By adv. (big)	12,000	
To Income & Expenditure A/c	2,50,000	By cash	2,15,000	
To adv.(end)	35,000	By o/s (end)	1,03,000	

Total	3,30,000	Total	3,30,000
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Q7. X Ltd. obtained ..... sheet of the company

Ans.

**Balance Sheet of X Ltd.**

Secured Loan- Bank Loan	6,00,000	Debenture Suspense A/c	7,00,000
9 % Debentures (issued as collateral security)	7,00,000		

OR

**Balance Sheet of X Ltd.**

3mark  
s

Secured Bank Loan (7000, 9 % Debentures of Rs.100 each issued as collateral security)	6,00,000	1 mark for Bank loan & 2 marks for collateral security
--	----------	--

Q8. DN Ltd. has ..... received on allotment.

Ans. Applications Received	→ 80,000 shares	Allotted	
Rejected	→ 10,000 shares	-	
Mohan	20,000 (Applied)	20,000 (Allotted)	
Others	50,000 (Applied)	30,000 (5:3) (Allotted)	
Allotment Money due	(50,000 x 3)	1,50,000	½ mark
Less recd. In advance (pro rata issue)	(10,000 x 2)	20,000	1 mark
Less Calls in arrears (Mohan)	(10,000 x 3)	30,000	½ mark
Add Calls in advance	(3,000 x 4)	12,000	½ mark
Allotment money received		1,12,000	½ mark

3  
marks

**Note :-** In case the candidate has arrived at the correct answer through a different presentation full credit may be given.

Q9. A, B & C were ..... workings clearly.

Ans.	<b>Due to partners</b>	<b>A</b>	<b>B</b>	<b>C</b>	
	Interest on capital	1,500	1,000	500	½ mark
	Salary @ 500 per month	6,000			½ mark
	Commission		1,350		½ mark
	Share of profits	3,930	5,895	9,825	1 mark
	Total	11,430	8,245	10,325	
	Actually Distributed	15,000	10,000	5,000	½ mark

4  
marks

Adjustment	(3,570) Dr.	(1,755) Dr.	5,325 Cr.
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**Adjustment Entry**

A's Capital / Current Account	Dr	3,570		
B's Capital / Current Account		1,755		
To C's Capital / Current Account			5,325	1 mark
(being Adjustment entry passed)				

**Alternative Answer**

A's Capital A/c	Dr.	4035	
B's Capital A/c	Dr.	1753	1 mark
To C's Capital A/c			5,788
(being adjustment entry passed)			

Working Note:-

	Cr Int on Cap.	Cr. Sal.	Cr. Comm.	Dr. Profit	2:3:5 Cr Profit	Dr.	Cr.	
A	750	6,000		15,000	4,215	4,035		3 marks
B	500		1,425	10,000	6,322	1,753		
C	250			5,000	10,538		5,788	

	A	B	C
Closing Capital	30,000	20,000	10,000
Less Profits (3:2:1)	15,000	10,000	5,000
Opening Capital	15,000	10,000	5,000

(NOTE: Working in any form should be given full weightage)

Q10. A, B & C were partners ..... good will on C's retirement.

Ans. Gaining Ratio = New Ratio - old Ratio

1 mark

$$A = \frac{11}{15} - \frac{6}{15} = \frac{5}{15} \text{ (Gain)}$$

$$B = \frac{4}{15} - \frac{5}{15} = -\frac{1}{15} \text{ (Sacrifice)}$$

1 mark

A's share of Goodwill =  $90000 \times \frac{5}{15} = 30000$

B's share of Goodwill =  $90000 \times \frac{1}{15} = 6000$

C's share of Goodwill =  $90000 \times \frac{4}{15} = 24000$

A's Capital A/c Dr	30,000	2 mark
To B's Capital A/c		6,000

Treatment of Good will on B's retirement

Q11. X Ltd. had Rs. 10,00,000 ..... time of redemption.

Ans.	<b>P &amp; L Appropriation Account Dr</b>	<b>5,86,000</b>	
1	To Debenture Redemption Reserve A/c (Being the required amount transferred to DRR)		<b>5,86,000</b> 1 mark
2	<b>9 % Debentures Account Dr</b> Premium on Redemption of Debenture A/c Dr To Debenture holders A/c (Being the required amount due to debenture holder on redemption)	<b>10,00,000</b> <b>50,000</b>	<b>10,50,000</b> 1 mark
3	<b>Debenture Holders A/c Dr</b> To Bank A/c (Being the required amount paid to debenture holder)	<b>10,50,000</b>	<b>10,50,000</b> 1 mark
4	<b>Debenture Redemption Reserve A/c Dr</b> To General Reserve A/c [Being Debenture Redemption Reserve transferred to General Reserve]	<b>10,00,000</b>	<b>10,00,000</b> 1 mark

=4  
marks

Q12 From the following information ..... were no cash purchases made.

Ans. Income & Expenditure A/c for the year ending on 31<sup>st</sup> March 2009

To sports Material	95,800		
--------------------	--------	--	--

2 marks for working & 1 mark for correct Amount

Working:- Creditors for sports Material A/c

Advance to supp.	12,000	By Balance b/d	5800
	0		
To Bank	1,00,000	By Advance	21000
To balance c/d	9,200	By purchases	94400
Total	121200	Total	121200

6  
mark

Opening stock 7200

Add: Purchases 94400

1,01,600

Less: Cl. Stock

5800

Consumption of sports Material 95,800

(NOTE:- Working may be given in any form, full weightage should be allotted.)

**Balance Sheet as on 31<sup>st</sup> March 2008**

Liabilities	Amount	Assets	Amount
Creditors for sports material	5800	Stock of material	7200
		Advance to supp	12000

1 ½ mark

**Balance Sheet as on 31<sup>st</sup> March 2009**

Liabilities	Amount	Assets	Amount
Creditors for sports material	9200	Stock of material	5800
		Advance to supp	21000

1 ½ mark

**Q13 (a).** X, Y and Z are partners ..... or to be paid to the partners.

**Ans.** Total Capital in the ratio of 3:1

2,10,000

Share of X	1,57,500	
Share of Z	52,500	
X to bring (1,57,500 – 1,45,000)		12,500
Z to Withdraw (63,000-52,500)		10,500

½ mark

½ mark

1 mark

1 mark

**Alternative Answer:**

	X	Z
<b>Capital of the new firm</b>	1,57,500	52,500
<b>Actual Capital's</b>	1,45,000	63,000
<b>Cash paid /Brought in</b>	12,500(brought in)	10,500(paid)

½ + ½ mark

1+ 1 mark

**Q13 (b). A, B and C are partners ..... death and pass necessary journal entry.**

**Ans.** Average profits  $14,000+18,000+16,000-10,000+16,000 = 54,000/5 = 10,800$  1 mark  
 Decreased partner's share  $(10800 \times 3/12 \times 1/3) = \text{Rs. } 900$  1 mark

P & L suspense account	Dr	900	
To D's Capital's account			900
(Being distribution of profit to the deceased partner )			

**= 3 marks**

**Q14. Devi Ltd. On 1<sup>st</sup> April 2006.....including redemption of debentures.**

<b>Ans</b>	<b>Assets A/c</b>	<b>Dr</b>	<b>6,00,000</b>	
	<b>Goodwill A/c</b>	<b>Dr</b>	<b>20,000</b>	
	<b>To Liabilities</b>		<b>70,000</b>	<b>2 marks</b>
	<b>To P &amp; Company.</b>		<b>5,50,000</b>	
	(Being the purchase of assets & liabilities of P & Co.)			
	<b>P &amp; Co. A/c</b>	<b>Dr</b>	<b>5,50,000</b>	
	<b>Loss on issue of Debentures A/c</b>	<b>Dr</b>	<b>25,000</b>	
	<b>To 12 % Debentures A/c</b>		<b>5,00,000</b>	<b>2 marks</b>
	<b>To Securities Premium A/c</b>		<b>50,000</b>	
	<b>To Premium on redemption of Debentures A/c</b>		<b>25,000</b>	
	(Being debentures issued)			
	<b>P/L Appropriation A/c</b>	<b>Dr</b>	<b>2,50,000</b>	
	<b>To Debenture Redemption Reserve A/c</b>		<b>2,50,000</b>	<b>½ mark</b>
	(Being debentures redemption reserve created out of profits )			
	<b>12 % debentures A/c</b>	<b>Dr</b>	<b>5,00,000</b>	
	<b>Premium on Redemption A/c</b>	<b>Dr</b>	<b>25,000</b>	<b>½ mark</b>
	<b>To P &amp; Co. / Debenture Holders A/c</b>		<b>5,25,000</b>	
	(Being issue of 12% debentures on premium)			
	<b>P &amp; Co. / Debenture Holders A/c</b>	<b>Dr</b>	<b>5,25,000</b>	
	<b>To Bank</b>		<b>5,25,000</b>	<b>½ mark</b>
	(Being debentures holders paid)			
	<b>Debenture Redemption Reseve A/c</b>	<b>Dr.</b>	<b>2,50,000</b>	
	<b>To General Reserve</b>		<b>2,50,000</b>	<b>½ mark</b>
	(Being debentures Redemption Reserve transferred to general reserve )			

**6 Marks**

**Note :** If an examinee had created DRR more than 50% full credit is to be given.  
 [This DRR may be created in three instalments over a period of three year also]  
 Due consideration is to be given if split entry had been passed by an examinee for 2<sup>nd</sup> entry

**Q15. X Ltd. issued 50,000 shares.....for the above transactions. marks**

<b>Ans.</b>	Bank Account To Share Application Account ( Being application money received)	Dr	2,25,000	2,25,000	½ mark
	Share Application Account To Share Capital To Share Allotment (Being application money transferred to share capital & excess money adjusted to allotment)	Dr	2,25,000	1,50,000 75,000	1 mark
	Share Allotment Account To Share Capital  To Securities Premium (Being allotment money due)	Dr	3,00,000	2,00,000 1,00,000	1 mark
	Bank Account  To Share Allotment OR Bank A/c Dr Call in Arrears Dr To Share Allotment (Allotment money received)		2,20,500  2,20,500 4,500	2,20,500  22,5,000	1 mark
	Share 1 <sup>st</sup> & Final Call A/c To Share Capital (1 <sup>st</sup> Call due)	Dr	1,50,000	1,50,000	½ mark
	Bank To Share 1 <sup>st</sup> & Final Call OR Bank A/c Dr Call in Arrears Dr To Share Capital (1 <sup>st</sup> & Final call received)	Dr	1,47,300  1,47,300 2,700	1,47,300  1,50,000	1 mark
	Share Capital A/c Dr Securities Premium A/c Dr To Share forfeited To Share Allotment To Share First & Final Call OR Share Capital A/c Dr Securities Premium A/c Dr To Share Forfeited To Calls in arrears (Shares being forfeited)		9,000  1,800	3,600 4,500 2,700	1 mark
	Share Capital A/c Dr Securities Premium A/c Dr To Share Forfeited To Calls in arrears (Shares being forfeited)		9,000 18,000	3,600 7,200	
	Bank A/c Dr Share Forfeited A/c Dr To share capital (Shares reissued)		7,200  1,800	9,000	1 mark

Share Forfeited A/c Dr To Capital Reserve (Balance of forfeited transferred to Capital Reserve)	1,800	1,800	1 mark
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**OR**

**Q15 Janta Ltd.....transactions.**

<b>Ans.</b>	Bank A/c Dr To share application (Being received application money)	360000	360000	½ mark
	Share application A/c Dr To share capital (Application money transferred to share capital)	3,60,000	3,60,000	½ mark
	Share allotment A/c Dr Discount on issue of shares Dr To share capital (Allotment money due & discount allowed)	5,40,000 1,80,000	7,20,000	1 mark
	Bank A/c Dr Calls in arrears A/c Dr To share allotment A/c To calls in advance A/c OR Bank A/c To Share Allotment To Calls in advance (Allotment money received with calls in advance)	5,40,300 4,500	5,40,000 4,800	1 mark
	Share 1st and Final call A/c Dr To share capital (Share first and Final call amount due)	7,20,000	7,20,000	1 mark
	Bank A/c Dr	7,09,200		1

**8  
marks**

Calls in Advance A/c	Dr	4,800		
Calls in Arrears A/c	Dr.	6,000		
To share First and Final call A/c			7,20,000	
OR				
Bank A/c		7,09,200		
Calls in advance		4800		
To Share first & Final Call A/c (First call amount received)			7,14,000	
Share Capital A/c	Dr	15,000		
To Share Forfeited A/c			3000	
To Share Allotment A/c			4500	
To Share 1st & Final call A/c			6000	
To discount on issue of shares			1500	
OR				
Share Capital		15,000		
To Share Forfeited			3,000	
To Calls in arrears			10,500	
To Discount on issue of Shares (Being shares forfeited)			1,500	
Bank A/c	Dr	12000		
Discount on issue of shares A/c	Dr	1500		
Share Forfeited A/c	Dr	1500		
To share capital ( Forfeited shares being reissued)			15000	
Share Forfeited A/c	Dr.	1500		
To Capital Reserve (Being gain on re issue transfer to Capital Reserve)			1500	

mark

1  
mark1  
mark1  
mark

Q 16. A, B and C ..... Partners capital A/c s and cash a/c.

Ans.

**Realisation Account**

To Sundry Assets	17,000	By Provision for bad debts	1200
To Debtors	24,200	By Creditors	6000
To Stock in Trade	7,800	By loan	1500
To B/R	1,000	By A's Capital	
To A's Capital A/c (Creditors)	6,000	B/R 800	
To C's Capital A/c		Debtors 17200	18000
(Loan 1,500)		By B's Capital	
(Acc. Inf. 300)	1,800	Stock in Trade 7000	
To Cash A/c (Realisation Expenses)	270	Sundry Assets 7200	14,200
		By C's Capital	
		Sundry Assets	8100
		By Cash A/c (Debtors)	2100
		By Capital A/c (Loss Trf)	
		A 4182	
		B 1394	
		C 1394	6970
	<b>58070</b>		<b>58070</b>

4+3+1  
=8  
marks

4 marks

**Partner's Capital Account**

	A	B	C		A	B	C
To Realisation	18,000	14,200	8,100	By Balance b/d	27,500	10,000	7,000
				By Realisation	6,000		1,800
To Realisation (loss)	4182	1394	1394	By Cash		5594	694
To cash	11318						
	<u>33,500</u>	15594	9494		33,500	15594	9494

3 marks

**Cash Account**

To balance b/d	3,200	By Realization	270
To Realisation	2100	By A's Capital	11318
To B's Capital	5594		
To C's Capital	694		
	11,588		11,588

1 mark

**OR**

Q 16. 31<sup>st</sup> Mar 2009 the balance sheet .....of the new firm.

Ans.

**Revaluation Account**

To investments	500	By Accrued Interest	100
		By Cash A/c / Bad Debts Recovered A/c	400
	500		500

1 1/2 +3  
+ 3 1/2  
= 8  
marks

### Partner's Capital Accounts

	Ram	Shya m	Moha n		Ram	Shya m	Mohan
To balance c/d	12,000	6,000	4,500	By Balance b/d	6,000	4,000	
				By Reserves	1,500	500	
				By Premium	4,500	1,500	
				By cash			4,500
	<b>12,000</b>	<b>6,000</b>	<b>4,500</b>		<b>12,000</b>	<b>6,000</b>	<b>4,500</b>

3  
marks

### Balance Sheet as on 1<sup>st</sup> Apr, 2009

liabilities	Amount(Rs.)	Assets	Amount (Rs.)
Creditors	2,800	Cash	12,900
Employees Provident Fund	1,200	Accrued Income	100
Capital Ram	12,000	Debtors (6500- 500)	6,000
Shyam	6,000	Stock	3,000
Mohan	4,500	Investments	4,500
	<b>26,500</b>		<b>26,500</b>

3 marks

### Part 'B'

#### Expected Answers / Value points

Marks  
Dist.

**Q17 How does..... analysis.**

1 mark

**Ans.** Due to personal judgment.

**Q18 Under which ..... Cash flow statement.**

1 mark

**Ans.** Financing Activity.

**Q19 Purchase of patents ..... answer with reason.**

1 mark

**Ans.** Cash Out Flow as cash goes out.

**Q20 From the following ..... 2008 & 2009.**

Ans.	2008	2009	Abs Cha	%
Sales	8,00,000	6,00,000	(2,00,000)	(25)
Cost of goods sold	4,80,000	3,00,000	(1,80,000)-	(37.5)
Gross Profit	3,20,000	3,00,000	(20,000)	(6.25)
Less Adm Exp	64,000	45,000	(19,000)	(29.6)
Net Profit before Tax	2,56,000	2,55,000	(1,000)	(.39)
Less Income Tax	1,28,000	1,27,500	(500)	(.39)
Net profit after tax	1,28,000	1,27,500	(500)	(.39)

1/2 x 6 =  
3 marks

**Q21 (a) A business has ..... value of stock.**

$$\text{Ans. Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}} = \frac{3}{1}$$

**Or Current Assets = 3 Current Liabilities**

2 marks

**Working Capital = Current Assets - Current Liabilities**

1,80,00,000 = 3 Current Liabilities – Current Liabilities

or  $\frac{1,80,000}{2} = \text{Current Liabilities}$

or 90,000 = Current Liabilities

**Note : 2 marks is to be awarded Only for calculating correct Current Liabilities] No Marks for Value of Stock.**

**Q21 (b) From the given .....30% of sales.**

**Ans.** Sales 2,00,000 GP @ 25% on cost = 40,000 COGS = 1,60,000 CL stock 30% of Sales = 60,000 OP stock 1/3 of C.St. = 20,000 AV Stock = 40,000 STR = 1,60,000 / 40,000 = 4times

1+1  
=2marks

**Note :-** Formula  $\frac{1}{2}$  , STR =  $\frac{1}{2}$ , COGS =  $\frac{1}{2}$ , average stock =  $\frac{1}{2}$

**Q22 Assuming that the Debt - Equity .....cases. (Any four)**

**Ans.**

Effect	Reason
a) No Change	Neither the equity nor the debts are affected.
b) Increase	As the Debts are increasing.
c) Decrease	As Share holders fund will increase.
d) No Change	As both remain un affected.
e) Increase	As Equity will be decreased.

$\frac{1}{2} \times 8 =$   
4 marks

**Note:-**  $\frac{1}{2}$  for the answer and  $\frac{1}{2}$  for the reason.

**Q23 From the following ..... as per AS-3 (revised).**

**Ans. Calculation of Profit before interest & Tax**

**Profit earned :** Rs. 1,000

**Add : Dividend:** Rs. 3,000

4,000

Particulars	Amount (Rs.)	Amount (Rs.)
<b>(A)</b> Cash Flow from OP Activities		
Net Profit before Interest & tax	4,000	
<b>Add:</b> Decrease in stock	2000	
<b>Add:</b> Decrease in Debtors	2,000	
<b>Less:</b> Decrease in Creditors	(4,000)	
Net Cash flow from operating activities after working capital changes but before tax	4,000	
<b>Less:</b> Tax Paid		
Net Cash flow from operating activities after tax		4,000

$\frac{1}{2} \times$   
12=6  
marks

<b>(B)</b> Cash flow from Investing Activity		
Purchase of Furniture	(3,000)	
Cash used in investing activities		(3,000)
<b>(C)</b> Cash flow from Financing activity		
Issue of Share Capital	3,000	
Dividend Paid	(3,000)	
Net cash generated from financing activities		<u>NILL</u>
Net increase in cash / cash equivalent (A+B+C)		1,000
Opening balance of Cash & cash equivalents		<u>11,000</u>
Closing Balance of Cash & cash equivalents		<u>12,000</u>

**PART C- COMPUTERISED ACCOUNTING**

**Q17. What is meant by computerized accounting system?**

Ans. CAS refers to a system that consists of human and computer resources for recording, processing and reporting the accounting events of an organization.

**1 mark**

**Q18. List any two specific areas of accounting the spreadsheet lends support to.**

Ans. It lends support to payroll accounting, Depreciation Schedules and Loan repayment details.

**1 mark**

**Q19. What are master files and index files?**

Ans. Master Files contain information to books of original entry such as suppliers, customers etc and index files are used for references.

**2 marks**

**Q20. Briefly explain the types of Data Processing.**

Ans. The types of data processing are

- (a) Batch Processing: A technique used for regular processing of large amounts of data.
- (b) Online Processing : Creates a delay between the occurrence of the transaction and the actual processing.

**3 marks**

**Q21. Classify the types of database at the backend.**

Ans. Types of data at the backend are :

- (a) Standalone
- (b) Server based client server or file sharing system
- (c) Partitioned or non partitioned distributed systems

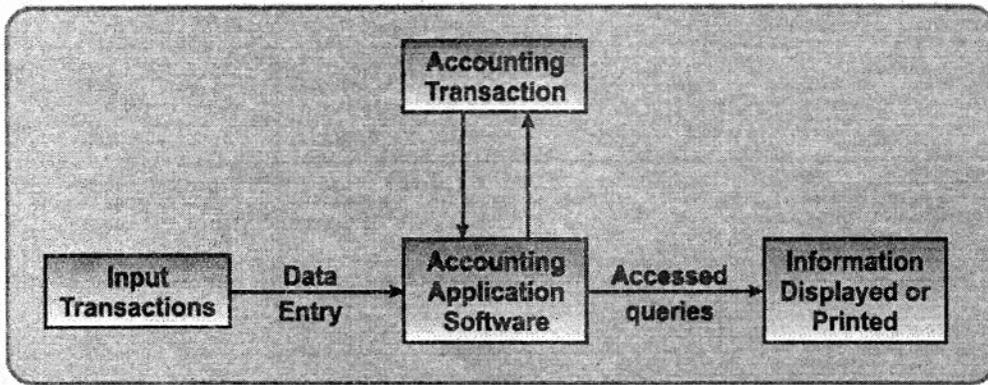
**3 marks**

**Q22. Explain the structure of computerized accounting system?**

Ans. The structure involves Accounting Framework, Operating Framework, and Front End interface, Back end interface, processing and reporting.

**4 marks**

## Basic flow of Accounting Transaction



**Q23. Calculate the formula on excel for the following**

Ans. Dearness Allowance

$$= \text{if}(A2 < 10000, \text{MAX}(44 * A2, 2000), \text{MAX}(35 * A2, 3400))$$

House Rent Allowance

6 marks

$$= \text{if}(A2 \leq 8000, 3000, \text{if}(A2 \leq 15000, 7000, 9000)) \text{ OR}$$
$$\text{if}(A2 > 15000, 9000, \text{if}(A2 > 8000, 7000, 3000))$$

City Compensatory Allowance

$$= \text{min}(10 * A2, 1100)$$

Note:- Here A2 is cell reference which can differ, if any other narration is used full credit should be given.

3 \* 2 = 6  
marks

\*\*\*\*\*