

KENDRIYAVIDYALAYASANGHATHAN LUCKNOW REGION**MARKING SCHEME
SESSION ENDING EXAMINATION 2023-24
SUBJECT: ACCOUNTANCY (055)****PART A: FINANCIAL ACCOUNTING - I**

1.	c) Proprietor withdrew ₹12,000 from his personal account to pay the school fees of his son.	1																																							
2.	a) Investment	1																																							
3.	d) Understandability OR a) creditor.	1																																							
4.	d) (A) is false, but (R) is true.	1																																							
5.	b) principle based accounting standards. OR b) principle based accounting standards.	1																																							
6.	a) Credit Note	1																																							
7.	b) Accrual basis	1																																							
8.	b) fair value	1																																							
9.	b) all transactions and events which can be estimated in money terms are recorded in the books of account. OR a) Assets are shown in the books at the price at which it was purchased plus cost of improvement minus depreciation till date.	1																																							
10.	d) whenever a bank statement is received	1																																							
11.	c) Preparation of Final Accounts. OR b) optional.	1																																							
12.	c) ₹ 9,000 OR a) entries in Bank Pass Book with entries in bank columns of Cash Book.	1																																							
13.	d) Business Entity Concept	1																																							
14.	d) Liability side of Balance Sheet	1																																							
15.	c) Fixed Assets	1																																							
16.	b) ₹ 40,000 OR d) ₹ 16,650	1																																							
17.	<p style="text-align: center;">Trial Balance</p> <table border="1"><thead><tr><th>Particulars</th><th>Balance (Dr.) ₹</th><th>Balance (Cr.) ₹</th></tr></thead><tbody><tr><td>Prepaid expenses</td><td>5,000</td><td></td></tr><tr><td>Outstanding rent</td><td></td><td>2,000</td></tr><tr><td>Bad debts recovered</td><td></td><td>4,000</td></tr><tr><td>Interest on Investment</td><td></td><td>1,000</td></tr><tr><td>Due to Mohan</td><td></td><td>5,000</td></tr><tr><td>Bank overdraft</td><td></td><td>2,000</td></tr><tr><td>Discount allowed</td><td>800</td><td></td></tr><tr><td>Due from Vinod</td><td>1,200</td><td></td></tr><tr><td>Investment</td><td>15,000</td><td></td></tr><tr><td>Patents</td><td>4,000</td><td></td></tr><tr><td>Machinery</td><td>6,000</td><td></td></tr><tr><td>Capital</td><td></td><td>18,000</td></tr></tbody></table>	Particulars	Balance (Dr.) ₹	Balance (Cr.) ₹	Prepaid expenses	5,000		Outstanding rent		2,000	Bad debts recovered		4,000	Interest on Investment		1,000	Due to Mohan		5,000	Bank overdraft		2,000	Discount allowed	800		Due from Vinod	1,200		Investment	15,000		Patents	4,000		Machinery	6,000		Capital		18,000	3
Particulars	Balance (Dr.) ₹	Balance (Cr.) ₹																																							
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		Total			32,000	32,000	
18.	1)	Interest on Capital A/c To Capital A/c (Being interest on capital allowed)	Dr.	4,000	4,000		3
	2)	Lost by Theft A/c To Purchases (Being goods stolen)	Dr.	1,000	1,000		
	3)	Rent A/c To Cash A/c To Rent Outstanding A/c (Being rent paid and still outstanding)	Dr.	3,000	2,000 1,000		
19.	<p>Accounting is a process of identifying financial transactions, measuring them in money terms, recording them in primary books, classifying, summarising, analysing, interpreting them and communicating the results to the users.</p> <p>Limitations of Accounting (With Explanation - any two)</p> <ol style="list-style-type: none"> 1) Accounting is not fully exact 2) Unrealistic information 3) Accounting ignores the qualitative information 4) Accounting ignores effects of price level changes 5) Accounting may lead to window dressing <p style="text-align: center;">OR</p> <ol style="list-style-type: none"> 1) Profit is the excess of revenues over expenses during an accounting period. It is the result of business transactions which are of regular nature. 2) Gain arises from events or transactions which are incidental to business such as sale of a fixed asset or winning a lottery prize. 3) Expenses If the benefit of an expenditure is exhausted within a year it is called expense 						3
20.	Basis		Provision		Reserve		3
	Meaning		It is created to meet a known liability.		It is created to meet unknown liability.		
	Object		The object is to provide for depreciation, doubtful debts and other specific liabilities.		The object of reserves is to strengthen the financial position of the business.		
	Presentation in Balance Sheet		It is either shown on the assets side by way of deduction from the asset for which it is created or as a distinct item on the liabilities side.		It is shown on the liabilities side under the head 'Reserves and Surplus'		

21. Sales Book									4
Dt.	Particulars	Inv.	Details	Sales Amount	Output CGST	Output SGST	Output IGST	Total	
Jan 3	Ruchika Electronics, Kolkata: 5 Colour T.V. Sets (@ ₹ 20,000 each Less: Trade Discount 20%. Add: CGST 9% SGST 9%	431	1,00,000 <u>20,000</u> 80,000 7,200 <u>7,200</u> <u>94,400</u>	80,000	7,200	7,200	-	94,400	
	Garima Electronics, Patna (Bihar), 10 Washing Machines (@ ₹ 8,000 each Less : Trade Discount 25%. Add: IGST 18%	432	80,000 <u>20,000</u> 60,000 <u>10,800</u> <u>70,800</u>	60,000			10,800	70,800	
	Total			80,000	7,200	7,200	10,800	1,65,200	
									(2+2)

22.						6
1)	Suspense A/c To Sales Return A/c	Dr.		8,175	8,175	
2)	Arpit To Suspense A/c	Dr.		3,125	3,125	
3)	Purchase A/c To Kamakshi	Dr.		11,500	11,500	
4)	Machinery A/c To Sundry Expenses A/c To Suspense A/c	Dr.		1,750	175 1,575	
5)	Drawings A/c To Rent A/c To Suspense A/c	Dr.		5,200	5,000 200	

Suspense A/c

Dr.

Cr.

Date	Particulars	₹	Date	Particulars	₹
	To Sales Return A/c	8,175		By Arpit	3,125
				By Machinery A/c	1,575

				By Drawings A/c	200
				By Balance C/d	3,275
		8,175			8,175

23.

Cash Book

Date	Particulars	Cash	Bank	Date	Particulars	Cash	Bank
2022				2022			
Jan1	To Balance b/d	5,000		Jan1	By Balance b/d		3,000
Jan 5	To Rakesh	9,000		Jan 3	By Purchase A/c	4,500	
Jan 8	To Amit		11,000	Jan 11	By Wages A/c		7,000
Jan 13	To Cash A/c (c)		5,000	Jan 13	By Bank A/c (c)	5,000	
Jan 14	To Sales A/c	8,000		Jan 15	By Furniture A/c	3,000	
				Jan 31	By Balance c/d	9,500	6,000
		22,000	16,000			22,000	16,000

(1/2 marks for each entry)

24.

**BANK RECONCILIATION STATEMENT
as on 30th June, 2023**

	Plus Items	Minus Items	
1) Credit balance (Overdraft) as per Cash Book.		3,600	1
2) Cheque issued to the creditor but not yet presented for payment.	720		1
3) Cheques deposited into Bank for collection but not yet collected by the bank.		1,540	1
4) Bank charges charged by the bank.		20	½
5) Interest on overdraft charged by the bank.		25	½
6) Amount directly deposited by a customer into our bank account.	240		½
7) House Tax directly paid by Bank on our behalf.		35	½
Debit balance (Overdraft) as per Pass Book.	4,260		1
	5,220	5,220	

25.

(1) ₹6,000; (2) ₹ 74,000; (3) ₹ 80, 000; (4) ₹ 80,000; (5) ₹ 74,000; (6) ₹ 7,400; (7) ₹ 66,600; (8) ₹ 74,000; (9) ₹ 74,000; (10) ₹ 66,600;(11) ₹ 10,000; (12) ₹ 666; (13) ₹ 2,654; (14) ₹5,328; (15) ₹ 47,952

OR**Machinery A/c**

Dr.			Cr.		
Date	Particulars	₹	Date	Particulars	₹
2022			2022		
April 1	To Balance b/d	5,00,000	Oct 1	By Machinery Disposal A/c	1,00,000
			2023		

			March 31	By Balance c/d	4,00,000
		5,00,000			5,00,000

Provision for Depreciation A/c

Dr.			Cr.		
Date	Particulars	₹	Date	Particulars	₹
2022			2022		
Oct 1	To Machinery Disposal A/c	42,400	April 1	By Balance b/d	1,16,000
			Oct 1	By Depreciation A/c	6,400
2023			2023		
March 31	To Balance b/d	1,44,000	March 31	By Depreciation A/c	64,000
		1,86,400			1,86,400

Machinery Disposal A/c

Dr.			Cr.		
Date	Particulars	₹	Date	Particulars	₹
2022			2022		
Oct 1	To Machinery A/c	1,00,000	Oct 1	By Provision for Depreciation A/c	42,400
Oct 1	To Gain on Sale of Machinery A/c	2,400	Oct 1	By Bank A/c	60,000
		1,02,000			1,02,000

PART A: FINANCIAL ACCOUNTING - II

- | | | |
|-----|--|---|
| 26. | c) ₹ 17,689 | 1 |
| 27. | Grouping of Balance Sheet means putting items of similar nature under a common heading.
Marshalling of Balance Sheet means arranging the assets and liabilities in a particular order, i.e., in order of permanence or in order of liquidity. (1/2+1/2 Marks)
OR
b) Net Loss | 1 |
| 28. | a) ₹ 90,000 | 1 |
| 29. | d) Cost price or Reliasable Value whichever is less. | 1 |

30.		Double Entry System	Single Entry System	3
	Type of Account	All accounts - personal, real and nominal are maintained under it.	Only personal accounts and a cash book are maintained under it.	
	Net Profit or Loss	True profit or loss can be ascertained in it by preparing a Trading and Profit & Loss A/c.	True profit or loss cannot be ascertained in it because a Trading and Profit & Loss Alc cannot be prepared.	
	Suitability	This method is suitable for all type of business, small or large.	This method is suitable only for small size business where the number of transactions is less and that too mostly of cash nature.	

31.	1) Revenue expenditure. 2) Deferred revenue expenditure. 3) Capital expenditure. 4) Revenue expenditure. 5) Revenue expenditure (1/2 mark for each correct answer)	6) Revenue expenditure	3
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32.	Statement of Affairs (As at 31st March 2022)			4
	Liabilities		Assets	
	Creditors	3,50,000	Cash in Hand	1,50,000
	Capital (Balancing figure)	14,00,000	Bank Balance	7,50,000
			Furniture	1,00,000
			Stock	5,00,000
			Debtors	2,50,000
		17,50,000		17,50,000

	Statement of Affairs (As at 31st March 2023)			
	Liabilities		Assets	
	Creditors	4,00,000	Cash in Hand	1,75,000
	Capital (Balancing figure)	12,25,000	Bank Balance	6,00,000
			Furniture	1,00,000
			Stock	4,50,000
			Debtors	3,00,000
		16,25,000		16,25,000

**Statement of Profit
For the year ending 31st March 2023**

	Particulars	₹
	Closing Capital as on 31 st March 2023	12,25,000
	Add: Drawings: Cash	4,80,000
	Goods	<u>20,000</u>
		17,25,000
	Less: Further Capital Introduced	<u>3,50,000</u>
		13,75,000

Opening Capital as on 1 st April 2022	<u>14,00,000</u>
Loss for the Year	25,000

(1+1+2)

33.		Profit & Loss A/c	Balance sheet	4
	Outstanding salary	-	Liability	
	Prepaid rent		Asset	
	Bad debt	Debit	-	
	Depreciation	Debit	-	
	Interest on drawing	Credit	-	
	Commission received in advance	-	Liability	
	Closing stock	-	Asset	
	Interest on capital	Debit	-	

OR

Sales	12,00,000	
Add: Closing Stock	75,000	
Less: Opening Stock	35,000	
Purchase	<u>5,00,000</u>	
Gross Profit	7,40,000	(2 Marks)
Less: Administrative Exp .	60,000	
Selling & Dist, Exp	<u>75,000</u>	
	<u>6,05,000</u>	(2 Marks)

34.	Trading and Profit & Loss Account for the year ended 31st March 2023				6
	Particulars	₹	Particulars	₹	
	To Opening Stock	42,000	By Sales	1,55,000	
	To Purchases		By Closing Stock	64,000	
	Less : Returns Outwards	81,000			
	To Carriage Inward	1,200			
	To Wages				
	Add : Outstanding	6,400			
	To Power	6,000			
	To Gross Profit c/d	82,400			
		<u>2,19,000</u>		<u>2,19,000</u>	
	To Rent 22,000		By Gross Profit b/d		
	Add : Outstanding Rent(22,000 x 1/11) <u>2,000</u>	24,000			
	To Salary	15,000			
	To Insurance	3,600			
	To O/sing Interest on Bank Loan	1,000			
	To Bad Debts 600				
	Add: New Provision 1,000	1,600			
	To Depreciation on Machinery	5,000			
	To Balance (profit before charging Manager's commission) c/d	32,200			

	82,400		82,400
To Manager's Commission	2,927	By Balance b/d	32,200
To Net Profit transferred to Capital A/c	29,273		
	32,200		32,200

Balance Sheet
As at 31st March 2023

Liabilities		Assets	
Bank Loan	25,000	Cash in hand	1,500
Add: Outstanding Interest	<u>1,000</u>	Debtors	20,600
Creditors	18,900	Less : Further Bad-debts	600
Outstanding Wages	2,400	Less : Provision for D.Debts	<u>1,000</u>
Outstanding Rent	2,000	Closing Stock	64,000
Outstanding Manager's Commission	2,927	Furniture	14,000
Capital	80,000	Machinery	50,000
Add: Net Profit	29,273	Less : Depreciation	<u>5,000</u>
Less : Drawing	<u>(18,000)</u>		
	1,43,500		1,43,500

Trading and Profit & Loss Account
for the year ended 31st March 2023

Particulars	₹	Particulars	₹
To Opening Stock	40,000	By Sales	1,80,500
To Purchases	1,30,295	Less: Sales Return	<u>2,400</u>
Less: Machine Purchased	4,000	By Closing Stock	40,925
Less: Purchases Return	<u>195</u>		
To Wages	22,525		
Less: Installation of Machine	<u>2,000</u>		
To Freight Inwards	500		
To Gross Profit c/d	31,900		
	<u>2,19,025</u>		<u>2,19,025</u>
To Repairs	1,675	By Gross Profit b/d	31,900
To Discount Allowed	800	By Discount Received	530
To Interest on Loan	600		
Add: Outstanding	<u>1,800</u>		
To Salaries	8,000		
Add: Outstanding	<u>800</u>		
To Postage and Courier	800		
To Insurance	1,000		
Less: Prepaid	<u>300</u>		
To Donation			
To Rent	2,000		
Less: Prepaid	<u>400</u>		

To Bad Debts	2,310		
Add: Further Bad Debts	400		
Add: Prov. for Doubtful Debts	<u>1,480</u>	4,190	
To Depreciation on Machinery		1,900	
To Net Profit c/d		9,440	
		32,430	32,430

**Balance Sheet
As at 31st March 2023**

Liabilities		Assets	
Outstanding Salaries	800	Cash in Hand	500
Creditors	30,305	Cash at Bank	9,500
Outstanding Interest on Loan	1,800	Prepaid Rent	400
12% Loan	20,000	Prepaid insurance	300
Capital	37,500	Debtors	30,000
Add: Net Profit	<u>9,440</u>	Less: Further Bad Debts	400
	46,940	Less: Provision for D. Debts	<u>1,480</u>
			28,120
		Closing Stock	40,925
		Machinery	16,000
		Add: New Machine	4,000
		Wages for Installation	2,000
		Less: Depreciation	<u>1,900</u>
			20,100
	99,845		99,845
