Marking Scheme
Sample Question Paper
Accountancy, Class XII
Board Examination,March, 2015

<table>
<tr><th>Sl.No.</th><th>Outline Answers</th><th>Marks</th></tr>
<tr><td>1.</td><td>(b) Reconstitution of partnership.</td><td>1 Mark</td></tr>
<tr><td>2.</td><td>No, the accountant's decision is not correct because according to AS-26, goodwill should be recorded in the books only when consideration in money or money's worth has been paid for it</td><td>1 Mark</td></tr>
<tr><td>3.</td><td>(c) Transferring it to debit side of Bina's capital account.</td><td>1 Mark</td></tr>
<tr><td>4.</td><td>'Capital Reserve' is the reserve that is created out of capital profits/gains whereas, that part of the share capital which has not yet been called up and has been kept as reserve to be called up in the event of the winding up of the company is called 'Reserve Capital'</td><td>1 Mark</td></tr>
<tr><td>5.</td><td>₹16,00,000</td><td>1 Mark</td></tr>
<tr><td>6.</td><td>₹12,000</td><td>1Mark</td></tr>
<tr><td>7.</td><td>The amount received as securities premium can be used for following purposes (any three):
(a) In purchasing its own shares.
(b) Issuing fully paid bonus shares to the members.
(c) Writing off preliminary expenses of the company.
(d) Writing off the expenses of, or the commission paid, or discount allowed on any issue of securities or debentures of the company.
(e) Providing for the premium payable on the redemption of any redeemable preferences shares or any debentures of the company.</td><td>1 x 3
=
3 Marks</td></tr>
<tr><td>8.</td><td>Journal
<table>
<tr><th>Date</th><th>Particulars</th><th>LF</th><th>Debit (₹)</th><th>Credit (₹)</th></tr>
<tr><td></td><td>Ankur's Capital A/c Dr.
Bobby's Capital A/c Dr.
Rohit's Capital A/c Dr.
To Profit and Loss A/c
(Being loss debited to partners' capital accounts)</td><td></td><td>4,80,000
3,20,000
2,00,000</td><td>

10,00,000</td></tr>
<tr><td></td><td>Ankur's Capital A/c Dr.
Bobby's Capital A/c Dr.
To Rohit's Capital A/c
(being the deficiency borne by Ankur and Bobby in the ratio 4:1)</td><td></td><td>3,20,000
80,000</td><td>

4,00,000</td></tr>
</table></td><td>1 ½

1 ½
=
1 ½ +1 ½
= 3 marks</td></tr>
<tr><td>9.</td><td>Balance sheet of Newbie Ltd. as at:
<table>
<tr><th>Particulars</th><th>Note No.</th><th>(₹)</th></tr>
<tr><td>Equity and Liabilities</td><td></td><td></td></tr>
</table></td><td>1 mark</td></tr>
</table>

(1) Shareholders funds		
Share capital	1	2,79,600

Notes to Accounts.

			Marks
1. Share Capital			
Authorised Share Capital			½ mark
50,000 Shares of Rs. 10 each		**5,00,000**	
Issued Share Capital			½ mark
30,000 Shares of Rs. 10 each		**3,00,000**	
Subscribed Share Capital			
(a) Subscribed and fully paid			
27,800 shares of Rs. 10 each fully called up	2,78,000		1 mark
(b) Subscribed but not fully paid		**2,79,600**	=1+ ½ + ½ +1 = 3 marks
200 shares of Rs. 10 each	2,000		
Less calls in arrears	(400)		

10.

Journal

Particulars	F	Debit (₹)	Credit (₹)
Bank A/c Dr. To Share Application and Allotment A/c (Being the amount of application money received on 50,000 shares @Rs 50 per share)		25,00,000	25,00,000
Share Application and Allotment A/c Dr. To Share Capital A/c (Being the amount transferred to share capital)		25,00,000	25,00,000
Bank A/c Dr. To 9% Debentures Application and Allotment A/c (Being the amount received on 9% Debenture application and allotment on 40,000 Debentures @Rs. 40 per debentures)		16,00,000	16,00,000
9% Debenture Application and Allotment A/C Dr. To 9% Debentures A/C (Being The amount transferred to Debentures A/c.)		16,00,000	16,00,000

½ x 4 = 2 marks

Value which the company wants to communicate to the society: (Any one)

- Social responsibility
- Generation of employment opportunities.

1 mark =2+1 = 3 marks

11.

Dr. Punita's Capital Account Cr.

Particulars	Amount(₹)	Particulars	Amount(₹)
To P&L A/c	24,000	By balance b/d	1,00,000
To Punita's executor's A/c	1,22,880	By interest on capital	4,880
		By P&L Suspense A/c	6,000
		By Rashi's capital A/c	12,000
		By Seema's Capital A/c	24,000
	1,46,880		1,46,880

½ mark for each Item = ½ x 6 = 3 marks + 1 mark

		for the answer = 3+1 = 4 marks
12.	Calculation of Interest on drawings: <u>Kanika</u> $10{,}000 \times 12 = 1{,}20{,}000$ $9{,}000 \times 10 = 90{,}000$ $14{,}000 \times 5 = 70{,}000$ $5{,}000 \times 4 = 20{,}000$ $\underline{3{,}00{,}000}$ $3{,}00{,}000 \times \frac{6}{100} \times \frac{1}{12} = 1{,}500$ <u>Gautam</u> $60{,}000 \times \frac{6}{100} \times \frac{7.5}{12} = 2250$	**2 marks** **2 marks = 2+2 = 4 marks**
13. (a)	$$\text{Average Profit Method} = \frac{\text{Total Profits}}{\text{No. of Years}} \times \text{No. of Years of Purchase}$$ $$= \frac{80{,}000 + 1{,}00{,}000 + 1{,}20{,}000 \text{ x } 180{,}000}{4} = \frac{4{,}80{,}000}{4} = 1{,}20{,}000$$ $\text{Normal Profit} = 5{,}00{,}000 \times \frac{15}{100} = 75{,}000$ $\text{Super Profit} = 1{,}20{,}000 - 75{,}000 = 45{,}000$ $\text{Goodwill} = 45{,}000 \times 3 = 1{,}35{,}000$	**½ mark** **½ mark** **1 mark** **1 mark** **= ½ + ½ +1+1 = 3 marks**
(b)	$\text{Kabir's new share} = \frac{7}{10} - \frac{2}{10} = \frac{5}{10}$ $\text{Farid's Share} \frac{3}{10} - \frac{1}{10} = \frac{2}{10}$ Jyoti's share= 2/10 + 1/10 = 3/10 $\text{New Profit Sharing ratio} = 5:2:3$ Sacrificing ratio= 2:1	**1 mark** **1 mark** **1 mark** **= 1+1+1 = 3 marks =3+3 =**

		6 marks
14. (a)		

Date	Particulars	LF	Debit (₹)	Credit (₹)	
	Bank A/c Dr. To 9% Debenture Application and Allotment A/c (Being Debenture application money received)		5,00,000	5,00,000	1 mark
	9% Debenture Application and Allotment A/c Dr. Loss on issue of Debentures A/c Dr. To 9% Debenture A/c To Premium on redemption of DebenturesA/c (Being issue of debentures at par, redeemable at a a premium)		5,00,000 50,000	5,00,000, 50,000	2 marks = 1 + 2 = 3 marks
(b)	Own debentures A/c Dr. To Bank A/c (Being 60,000 debentures purchased for cancellation @ Rs 75)		5,70,000	570,000	1 mark
	8% Debentures a/c Dr. To Own Debentures A/c To Gain on Cancellation of Debentures A/c (Being debentures cancelled)		6,00,000	5,70,000 30,000	1 mark
	Gain on Cancellation of Debentures A/c Dr. To Capital Reserve (Being the gain transferred to Capital Reserve)		30,000	30,000	½ mark
	Debenture Redemption Reserve A/c Dr. To General Reserve (Being the Amount of DebentureRedemption Reserve Transferred to General Reserve)		3,00,000	3,00,000	½ mark = 1+1+ ½ + ½ =3 marks

15.

Dr. Realisation A/c Cr.

Liabilities	Amount(₹)	Assets	Amount(₹)
To sundry assets:		By Sundry liabilities:	
-Machinery	5,60,000	-Creditors	40,000
-Stock	90,000	-Ashish's wife's loan	25,000
-Debtors	55,000		
		By Bank:	
To Bank:		-Machinery	4,80,000
-Creditors	40,000	-Debtors	10,000
To Ashish's Capital A/c:		By Ashish's Capital A/c:	
-Ashish's wife's loan	34,000	-Stock 1,28,000	
		-typewriter 70,000	1,98,000
To Neha's Capital A/c;	7,000	By Neha's Capital A/c	
-Realisation expenses		-Debtors	40,000
To profit transferred to:			
Ashish's capital A/c 4,000			
Neha's capital A/c 3,000	7,000		
	7,93,000		7,93,000

Dr. Partner's Capital Accounts Cr.

Particulars	**Ashish(₹)**	**Neha(₹)**	**Particulars**	**Ashish(₹)**	**Neha(₹)**
To Realisation A/c	1,98,000	40,000	By Balance b/d	5,60,000	4,80,000
To Balance b/d	4,00,000	4,50,000	By Realisation A/c	34,000	7,000
			By Realisation A/c	4,000	3,000
	5,98,000	4,90,000		5,98,000	4,90,000

Dr. Bank A/c Cr.

To Balance b/d	4,04,000	By Realisation A/c	40,000
To Realisation A/c	4,90,000	By Ashish's Loan A/c	4,000
		By Ashish's Capital A/c	4,00,000
		By Neha's Capital A/c	4,50,000
	8,94,000		8,94,000

½ mark for each blank x 12 = 6 marks

16.

Dr. REVALUATION A/c Cr.

Particulars	**Amount(₹)**	**Particulars**	**Amount(₹)**
To bad debts	1,000	By loss transferred to:	
		A's Capital A/c	750
		B's Capital A/c	250
	1,000		1,000

2 marks

Dr. Partner's Capital Accounts Cr.

Particulars	**A(₹)**	**B(₹)**	**C(₹)**	**Particulars**	**A(₹)**	**B(₹)**	**C(₹)**
To Goodwill A/c	30,000	10,000	-	By Balance b/d	54,000	35,000	-
To Revaluation A/c	750	250	-	By Cash A/c	-	-	23,200
				By Investment fluctuation fund	1,200	400	-
To Balance c/d	39,450	30,150	23,200	By Workmen's Compensation fund	3,000	1,000	-

2 x 3 = 6 marks

= 2+ 6

				By premium for good will	12,000	4,000	-
	70,200	**40,400**	**23,200**		**70,200**	**40,400**	**23,200**

= **8 marks**

OR

OR

Dr. **REVALUATION A/c** **Cr.**

Particulars	Amount(₹)	Particulars	Amount(₹)
To Machinery	3,000	By Furniture	2,000
To Provision for doubtful debts	500	By Loss transferred to :	
		X's Capital A/c	750
		Y's Capital A/c	250
		Z's Capital A/c	500
	3,500		3,500

2 marks

Dr. **Partner's Capital Accounts** **Cr.**

Particulars	X (₹)	Y (₹)	Z (₹)	Particulars	X (₹)	Y (₹)	Z (₹)
To Furniture	-	-	14,000	By Balance b/d	30,000	30,000	28,000
To Z's Capital A/c	5,250	1,750	-	By General Reserve	6,000	2,000	4,000
To Revaluation A/c	750	250	500	By X's Capital A/c	-	-	5,250
To Z's Loan A/c	-	-	24,500	By Y's Capital A/c	-	-	1,750
To Y's Current A/c	-	15,000	-	By X's Current A/c	15,000	-	-
To Balance c/d	45,000	15,000	-				
	51,000	**32,000**	**39,000**		**51,000**	**32,000**	**39,000**

2 x 3 = 6 marks

= 2+ 6 = 8 marks

17.	**IN THE BOOK OF AMRIT LTD.** **JOURNAL**	

Date	Particulars		F	Dr.(₹)	Cr. (₹)	
	Bank A/c To Share Application A/c (Being application money received on 75,000, shares @Rs.3 per share)	Dr.		2,25,000	2,25,000	**½ mark**
	Share Application A/c To Share Capital A/c To Share Allotment A/c (Being application money adjusted)	Dr.		2,25,000	1,50,000 75,000	**1 mark**
	Share Allotment A/c To Share Capital A/c To Securities Premium A/c (Being allotment money due on 50,000 shares)	Dr.		2,00,000	1,00,000 1,00,000	**1 mark**
	Bank A/c To Share Allotment A/c (Being allotment money received) **OR** Bank A/c Calls in Arrears A/c To Share Allotment A/c (Being allotment money received)	Dr. Dr. Dr.		1,23,000 1,23,000 2,000	1,23,000 1,25,000	**1 mark**
	Share First Call A/c To Share Capital A/c (Being first call due on 50,000 shares)	Dr.		1,00,000	1,00,000	**½ mark**
	Bank A/c To Share First Call A/c (Being first call money received) **OR** Bank A/c Calls in arrears A/c To Share First Call A/c (Being first call money received)	Dr. Dr. Dr.		98,400 98,400 1,600	98,400 1,00,000	**1 mark**
						1 mark

		Share Capital A/c Dr. Securities Premium A/c Dr. To Share Forfeiture A/c To Share Allotment A/c To Share First Call A/c (Being 800 shares forfeited for non payment of allotment money and first call) **OR** Share Capital A/c Dr. Securities Premium A/c Dr. To Share Forfeiture A/c To Calls in Arrears A/c (Being 800 shares forfeited for non payment of allotment money and first call)		5,600 1,600 5,600 1,600	 3,600 2,000 1,600 3,600 3,600	**1 mark** **1 mark** **=** **½ + 1+ 1+ 1+ ½ + 1+ 1+ 1 + 1** **=** **8 marks** **OR**
		Bank A/c Dr. To Share Capital A/c To Securities Premium A/c (Being 800 shares re issued)		9,600	 5,600 4,000	
		Share Forfeiture A/c Dr. To Capital Reserve A/c (Being Share Forfeiture amount transferred to capital reserve)		3,600	 3,600	**½ mark**
						½ mark
						½ mark

OR

In The Books of Velco Ltd.
JOURNAL

Date	Particulars	F	Dr.(₹)	Cr. (₹)	
	Bank A/c Dr. To Share Application A/c (Being application money received on 40,000 Shares @Rs.3 per share)		1,20,000	 1,20,000	**1 mark**
	Share Application A/c Dr. To Share Capital A/c To Share Allotment A/c (Being application money adjusted)		1,20,000	 90,000 30,000	**½ mark**
	Share Allotment A/c Dr. Discount on Issue of Shares A/c Dr. To Share Capital A/c (Being allotment money due)		60,000 30,000	 90,000	**1 mark**

		Particulars	L.F.	Dr. (Rs.)	Cr. (Rs.)	Marks
		Bank A/c Dr. To Share Allotment (Being allotment money received) **OR** Bank A/c Dr. Calls in Arrears A/c Dr. To Share Allotment A/c (Being allotment money received)		28,500 28,500 1,500	 28,500 30,000	**1 mark**
		Share First Call A/c Dr. To Share Capital A/c (Being first call due)		60,000	 60,000	**1 mark**
		Bank A/c Dr. To Share First Call A/c (Being first call received) **OR** Bank A/c Dr. Calls in Arrears A/c Dr. To Share First Call A/c (Being first call received)		57,000 57,000 3,000	 57,000 60,000	**½ mark** **1 mark**
		Share Capital A/c Dr. To Share Forfeiture A/c To Share Allotment A/c To Share First Call A/c To Discount on Issue of Shares A/c (Being 1,500 shares forfeited for non payment of allotment money and first call)		12,000	 6,000 1,500 3,000 1,500	**½ mark** **=** **½ + ½ +** **½ + 1 +** **½ + 1+** **1+ 1+ ½** **+ 1 + ½** **=** **8 marks**
		Share Second and Final Call A/c Dr. To Share Capital A/c (Being second and final call due on 28,500 shares)		57,000	 57,000	
		Bank A/c Dr. To Share Second and Final Call A/c (Being second and final call received)		57,000	 57,000	
		Bank A/c Dr. Discount on Issue of Shares A/c Dr. To Share Capital A/c (Being 1,500 shares reissued @Rs.9 per share fully paid)		13,500 1,500	 15,000	
		Share Forfeiture A/c Dr. To Capital Reserve (Being the balance in Share Forfeiture A/c transferred to capital reserve)		6,000	 6,000	

PART B
ANALYSIS OF FINANCIAL STATEMENTS

18.	(c)Cash and Cash equivalents	**1 mark**
19.	Cash flows from investing activities - Nil	1 mark
20.	(a) CURRENT LIABILITIES (a) Short term borrowings (b) Trade payables (c) Other current liabilities (d) Short term provisions (b) Objectives of Financial Statements Analysis (any two) (i) Helps in assessing the earning capacity or profitability (ii) Helps in assessing managerial efficiency (iii) Helps in assessing the long them and short term solvency of the enterprise. (iv) Helps in inter-firm comparison. (v) Helps in forecasting and preparing budgets. (vi) Helps the users in understanding complicated matter in a simplified manner.	½ x 4 = 2 marks 1 x 2 = 2 marks = 2+2 = 4 marks
21.	(a) Total revenue from operations =₹ 5,00,000 Gross Profit $=\frac{1}{4}cost = \frac{1}{5}sales$ $= \frac{1}{5} \times Rs. 5,00,000$ =₹ 1,00,000 Cost of Revenue from operations= Net Revenue from opeartions-Gross Profit = ₹ 5,00,000-₹1,00,000 = ₹ 4,00,000 Cost of Revenue from operations = Opening Inventory + Net Purchases – Closing inventory ₹ 4,00,000 = Opening inventory + ₹ 3,00,000 –₹60,000 Opening inventory =₹ 1,60,000 (b) Current Ratio $= \frac{\text{Current Assets}}{\text{Current Liabilities}}$ 2.5 $= \frac{₹\ 17,00,000}{\text{Current Liabilities}}$ $\rightarrow$ Current Liabilities = ₹ 6,80,000 Quick Ratio $= \frac{\text{Quick Assets}}{\text{Current Liabilities}}$ $\rightarrow$0.95 $= \frac{\text{Quick Assets}}{₹\ 6,80,000}$	2 marks

	$\rightarrow$ Quick Assets = ₹ 6,46,000 Inventory = Current Assets-Quick Assets = ₹ 17,00,000 – ₹ 6,46,000 = ₹ 10,54,000 Ans. Current Liabilities = ₹ 6,80,000 Inventory = ₹ 10,54,000	1 mark 1 mark = 2+1+1 = 4 marks
22. (a) (b)	Calculation of Net Profit Ratio: Net Profit Ratio = $\frac{\text{Net Profit}}{\text{Net Sales}} \times 100$ 2012-13 Net Profit Ratio = $\frac{₹\ 7,20,000}{₹\ 20,00,000} \times 100$ = 36% 2013-14 Net Profit Ratio = $\frac{₹\ 12,00,000}{₹\ 30,00,000} \times 100$ = 40% Values that Himani Ltd. wants to communicate to the society: • Social responsibility. • Welfare of employees.	1 mark 1 mark 1 x 2 = 2 marks = 1+1+2 = 4 marks
23.	**In the books of Krishna Ltd.** **Cash Flow Statement** **For the year ended 31st March'14**	2 marks ½ mark

Particulars	**₹**	**₹**
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit before tax (Working Note 1)	1,90,000	
Add non operating/non cash items:		
Depreciation on machinery	60,000	
Goodwill Written off	60,000	
Operating profit before working capital changes	3,10,000	
Add increase in Trade Payables	40,000	
Less Increase in Inventories	(50,000)	
Increase in Trade Receivables	(2,00,000)	
Cash generated from operations	1,00,000	
Less Income Tax paid	(70,000)	
Cash flow from operating activities		30,000
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of machinery	(7,60,000)	
Cash used in investing activities		(7,60,000)

	CASH FLOWS FROM FINANCING ACTIVITIES Issue of shares Long term borrowings	 4,00,000 3,60,000		1 mark
	Cash flow from financing activities		7,60,000	
	Net increase in cash and cash equivalents		30,000	
	Add opening balance of cash and cash equivalents		60,000	1 mark
	Closing balance of cash and cash equivalents		90,000	

	Working Note 1: Calculation of Net Profit Before Tax Surplus i.e. Balance in Statement of Profit and Loss Add provision for tax	 1,00,000 90,000 **1,90,000**	½ mark

Dr. **Provision for Tax A/c** **Cr.**

	Particulars	Amount(₹)	Particulars	Amount **(₹)**	
	To cash (tax paid)	70,000	By balance b/d	60,000	1 mark
	To balance c/d	80,000	By provision made during the year	90,000	
		1,50,000		1,50,000	

OR

Part B: Computerized Accounting

18. (c)
19. (b)
20. The computerised accounting is one of the database-oriented applications wherein the transaction data is stored in well- organized database. The user operates on such database using the required interface and also takes the required reports by suitable transformations of stored data into information. Therefore, the fundamentals of computerised accounting include all the basic requirements of any database-oriented application in computers.

    l **Accounting framework..[2]**

    It is the application environment of the computerised accounting system. A healthy accounting framework in terms of accounting principles, coding and grouping structure is a pre-condition for any computerised accounting system.

    l **Operating procedure ....[2]**

    A well-conceived and designed operating procedure blended with suitable operating environment of the enterprise is necessary to work with the computerised accounting system.

21. In computerised accounting system, every day business transactions are recorded with the help of computer software. Logical scheme is implied for codification of account and transaction. Every account and transaction is assigned a unique code. The grouping of accounts is done from the first stage. [Briefly explaining what is account groups and hierarchy of ledger].The hierarchy

of ledger accounts is maintained and the data is transferred into Ledger accounts automatically by the computer. In order to produce ledger accounts the stored transaction data is processed to appear as classified so that same is presented in the form of report. The preparation of financial statements is independent of producing the trial balance.
(2 marks each point)

22. Intentional manipulation of accounting records is much easier in computerised accounting due to following:

i. Defective logical sequence at the programming stage
ii. Prone to hacking

[2 points each, briefly explaining with examples)

23. Every accounting software ensures data security, safety and confidentiality. Therefore every, software should provide for the following:

- Password Security: Password is a mechanism, which enables a user to access a system including data. The system facilitates defining the user rights according to organisation policy. Consequently, a person in an organisation may be given access to a particular set of a data while he may be denied access to another set of data.
- . Data Audit: This feature enables one to know as to who and what changes have been made in the original data thereby helping and fixing the responsibility of the person who has manipulated the data and also ensures data integrity. Basically, this feature is similar to Audit Trail.
- . Data Vault: Software provides additional security through data encryption

(2 marks each point)