Accountancy – Class XII
Marking Scheme (2019-20)

PART A
(Accounting for Not-for-Profit Organizations, Partnership Firms and Companies)

1 **Balance Sheet of ___ NPO. as on ____ Date** (1)

Liabilities	Amount (₹)	Assets	Amount (₹)
Tournament Fund 80,000 Less: Tournament expenses 14000 ________	66,000		

2 (c) 6% p.a. (1)

3 (1)
iii. for the debts of the firm to the third parties;
i. to each partner proportionately what is due to him/her from the firm for advances as distinguished from capital (i.e. partner' loan);
ii. to each partner proportionately what is due to him on account of capital

4 b) ₹ 45,000 (1)

5 7 ½ months (1)

6 Journal (1)

Date	Particulars	L.F.	Debit (₹)	Credit (₹)
2018 April,1	Ankit's capital A/c Dr Unnati Capital A/c Dr Aryan's Capital A/c Dr To Profit and Loss A/c (Being Profit and Loss debit balance distributed at time of change in profit sharing ratio)		30,250 18,150 12,100	 60,500

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Total Capital as per C's Share (4,00,000 X (5/1))	20,00,000
Less Actual capital of A,B,C (10,00,000 + 4,00,000)	14,00,000
Value of firm's Goodwill	6,00,000

(1/2)

C's share of Goodwill = 6,00,000X (1/5) = ₹ 1,20,000

(1/2)

8 **Journal** (1)

Date	Particulars	L.F	Dr Amount (₹)	Dr Amount (₹)
2018 Nov,2	Profit and Loss Suspense A/c Dr. To Kavleen's Capital A/c (Being Kavleen's share of profit up to the date of her death transferred to her capital account)		9,375	 9,375

9 **Journal**

<table>
<tr><td></td><td>

Date	Particulars	L.F	Dr Amount (₹)	Dr Amount (₹)
2019 April, 1	Investment Fluctuation Reserve A/c Dr. To Investment A/c To A's capital A/c To B's Capital A/c (Being the transfer of excess Investment Fluctuation reserve to partner's capital account in old profit sharing ratio)		60,000	 20,000 24,000 16,000

</td><td>(1)</td></tr>
<tr><td>10</td><td>because the claim of the partner against the firm is increased by the amount of liability assumed.</td><td>(1)</td></tr>
<tr><td>11</td><td>C's Share acquired from A and B each = $\frac{1}{5}$ X $\frac{1}{2}$ = $\frac{1}{10}$
A's Share = $\frac{3}{5}$ - $\frac{1}{10}$ = $\frac{5}{10}$
B's Share = $\frac{2}{5}$ - $\frac{1}{10}$ = $\frac{3}{10}$
New Profit Sharing ratio of A: B: C is 5:3: 2
Yes, new profit sharing ratio is 5:3:2</td><td>1</td></tr>
<tr><td>12</td><td>b) ₹ 2,50,000</td><td>(1)</td></tr>
<tr><td>13</td><td>Reserve Capital</td><td>(1)</td></tr>
<tr><td>14</td><td>

a) Statement Showing Expenditure on Medicine consumed during the year ending 31st March,2019:-

Particulars	Amount (₹)
Amount paid for medicines during the year	2,00,000
Add: Opening Stock of medicines	50,000
Less: Closing stock of medicines	(95,000)
Less: Opening Creditors	(20,000)
Add: Closing creditors	10,000
Medicine consumed during the year	1,45,000

Or

Basis of distinction	Income and Expenditure	Receipt and Payment Account
Nature	It is like as profit and loss account, hence is a nominal account.	It is the summary of the cash book, hence a real account.
Nature of Items	It records items of Revenue and expense nature only.	It records receipts and payment of cash and bank.
Period	Items in Income and Expenditure account relate to the current period.	Receipts and payments items may relate to preceding and succeeding periods.

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1
1
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Journal

Date	Particulars	L.F	Dr Amount (₹)	Dr Amount (₹)
September 30, 2019	Ana's Capital A/c Dr Pranjal's Capital A/c Dr To Danish's Capital A/c (Being Danish's share of goodwill adjusted in capital Accounts of Ana and Pranjal		18,000 12,000	 30,000
September 30, 2019	Profit and Loss Suspense A/c Dr To Danish's Capital A/c (Being Danish's share of profit up to date of his death transferred to his capital account)		5,400	 5,400
September 30, 2019	Danish's Capital A/c Dr To Danish's Executor's A/c (Being amount due to Danish transferred to his executor's account)		5,35,400	 5,35,400

(1)

(1)

(1)

Working Notes:-

Sales = 2,00,000 + 20% of 2,00,000

= 2,00,000 +40,000

Profit % = 10% - 1% = 9%

Danish's Share of Profit =₹ 2,40,000 X 9/100 X 5/10 X 6/12 = ₹ 5,400

(1)

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Journal

Date	**Particulars**	**L.F.**	Dr Amount (₹)	Dr Amount (₹)
2018 March,31	Maanika's capital A/c Dr. Bhavi's Capital A/c Dr. To Komal's Capital A/c (Being the deficiency of komal met by Maanika and Bhavi)		2,40,000 1,60,000	 4,00,000

(2)

Dr **Profit and Loss Appropriation A/c** **Cr**

For the year ended 31st March, 2018

Particulars	Amount (₹)	Particulars	Amount (₹)
To Net Loss (Profit and Loss A/c)	22,00,000	By Loss transferred to Maanika's capital a/c Bhavi's capital a/c Komal's Capital a/c	 12,00,000 8,00,000 2,00,000
	22,00,000		22,00,000

(1 ½

½

Working note:

Loss of the firm : 22,00,000

Komal's share of loss =22,00,000 X1/11 = 2,00,000

Guaranteed minimum profit=2,00,000

OR

Firm's		**Particular's**	**Alia's**		**Bhanu's**		**Chand's**	
Dr	Cr		Dr	Cr	Dr	Cr	Dr	Cr
	80,000	Profits Given	30,000		30,000		20,000	
40,000		Salary		18,000		4,000		18,000
40,000		Profit to be credited		15,000		15,000		10,000

			30,000	33,000	30,000	19,000	20,000	28,000

RECTIFYING JOURNAL ENTRY

Date	Particulars	L.F.	Amount (₹)	Amount (₹)
31st March, 2017	Bhanu's Capital A/c Dr To Chand's Capital A/c To Alia's Capital A/c (Being Salary, profit share incorrectly distributed, now adjusted)		11,000	 3,000 8,000

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Extract of Balance Sheet of Bliss Products Ltd.
As at ____

Particulars	Note No.	Amount Current Year	Amount Previous Year
I. EQUITY AND LIABILITIES **1. Shareholder's Fund** a. Share Capital	 1	 39,70,000	

½

Notes to Accounts:

Note No.	Particulars		Amount (₹)	
1	**Share Capital** **Authorized Capital** 90,000 Equity shares of ₹ 100 each		90,00,000	1
	Issued Capital 50,000 Equity shares of ₹ 100 each		50,00,000	1
	Subscribed Capital **Subscribed and Fully Paid Capital** 39,000 Equity shares of ₹ 100 each **Add:** Forfeited Shares (1,000 of ₹ 70 each)	 39,00,000 70,000	 39,70,000	1½

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Journal

(4)

Date	Particulars	L.F.	Amount (₹)	Amount (₹)
	Realization A/c Dr To K's Capital A/c (Being wife's loan discharged by the partner)		6,000	 6,000
	Realization A/c Dr To Bank A/c (Being balance creditor's paid at a discount of 10% after part payment through furniture)		27,000	 27,000

		K's Capital Account Dr To Realization A/c (Being unrecorded machine taken over by a partner)		3,000	3,000	
		R's Capital A/c Dr K's Capital A/c Dr S's Capital A/c Dr To Profit and Loss A/c (being debit balance of Profit and Loss distributed amongst partners)		5,000 5,000 5,000	15,000	

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Dr. **Income and Expenditure Account** **Cr**

For the year ended 31st March,2019

Expenditure	Amount (₹)	Income	Amount (₹)
To Advertisement	13,100	By Donations	20,000
To Rent, Rates and Taxes	14,000	By Proceeds from Charity show	16,200
To Repairs	15,000	By Subscription	52,000
To Printing and Stationery	16,000	By Entrance fees	6,000
To Telephone expenses	1,000	By Interest on investments	7,200
To Depreciation on furniture (70000x15/100x9/12)	7,875		
To excess of Income over expenditure	34,425		
	1,01,400		1,01,400

(½ X 10) = 5 + 1 (subs)

Dr **Subscription Account** **Cr**

Particulars	Amount (₹)	Particulars	Amount (₹)
To Subscription in arrears in the beginning	6,000	By Subscription in advance at end	4,000
To Income and Expenditure	52,000	By Receipts and Payments	52,000
To Subscription in advance at end	5,000	By Subscription in arrears at end	7,000
	63,000		**63,000**

20

a)

Journal

Date	Particulars	L.F	Amount (₹)	Amount (₹)	
	Bank A/c Dr. To Deb Application and Allotment A/c (Being the application money received)		1,05,000	1,05,000	[2]
	Debenture Application and Allotment A/c Dr Loss on Issue of Debenture A/c Dr To 12% Debenture A/c To Security Premium Reserve To Premium on Redemption A/c (Being 1,000 debentures issued at a premium of 5% and redeemable at 2% premium)		1,05,000 2,000	100000 5000 2000	[2] [2]
	Vendor A/c Dr Discount on issue of Debenture A/c To 12% Debenture (Being Debentures issued to vendors at a		9,00,000 1,00,000	10,00,000	[2]

		discount of 10%)				
b)		Debenture Suspense A/c Dr To 11% Debenture A/c (Being 10,000 11% debentures of ₹ 100 issued as collateral security)		1000000	1000000	[2]

Or

c)

Date	Particulars	L.F	Amount (₹)	Amount (₹)	
	Debenture Redemption Investment A/c Dr To Bank A/c (being specified investments purchased)		30,000	30,000	[1 ½]
	10% Debenture A/c Dr To Debenture Holder A/c (being debenture due for redemption)		2,00,000	2,00,000	[1 ½]
	Debenture Holder A/c Dr To Bank A/c (Being payment made to debenture holders)		2,00,000	2,00,000	[1 ½]
	Debenture Redemption Reserve A/c Dr To General Reserve A/c (Being the transfer of Debenture Redemption Reserve to General Reserve on the redemption of debentures)		50,000	50,000	[1 ½]

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Dr. **Revaluation Account** Cr.

Particulars	Amount (₹)	Particulars	Amount (₹)
To Machinery A/c To Furniture A/c To Provision for doubtful debts To partner's Capital A/c- Gain on revaluation Gautam's Capital A/c 27,000 Yashica's Capital A/c 9,000	21,000 5,000 8,000 36,000	By Stock A/c	70,000
	70,000 ============		70,000 ========

[3]

Dr. Partner's Capital Account Cr.

Particulars	Gautam (₹)	Yashica (₹)	Asma (₹)	Particulars	Gautam (₹)	Yashica (₹)	Asma (₹)
To Gautam's current A/c	2,67,000	----	----	By balance b/d	4,00,000	1,00,000	---
				By RevaluationA/c	27,000	9,000	---
				By Bank A/c	---	----	2,10,000
				By Premium for Goodwill	50,000	---	------
To balance c/d	2,10,000	1,40,000	2,10,000	By Yashica's current A/c		31,000	
	4,77,000 =======	1,40,000 =======	2,00,000 =======		4,77,000 =======	1,40,000 =======	2,10,000 ========

[3]

Balance sheet of Gautam, Yashica and Asma
As at 31.3.2018

Liabilities	Amount (₹)	Assets		Amount (₹)
Sundry Creditors	50,000	Cash		3,50,000
Bills Payable	30,000	Debtors	80,000	
Capital Accounts:-		(-) Provision for doubtful debts	8,000	72,000
Gautam- 2,10,000		Stock		2,10,000
Yashica- 1,40,000				
Asma 2,10,000	5,60,000	Furniture	60,000	
		(-) Depreciation	5,000	55,000
Gautam's current A/c	2,67,000			
		Machinery	2,10,000	
		(-) Depreciation	21,000	1,89,000
		Yashica's current A/c		31,000
	9,07,000			9,07,000

[2]

Working Note:- Total Capital of the firm =2,10,000 x 8/3
= 5,60,000
Gautam's capital in the firm =5,60,000 x3/8
= 2,10,000
Yashica'S capital in the firm = 5,60,000x2/8
= 1,40,000

OR

Dr. Revaluation Account Cr.

Particulars		Amount (₹)	Particulars	Amount (₹)
To Provision for doubtful debts		700	By Creditors A/c	2,500
To Partner's Capital A/c – Gain on Revaluation				
X	900			
Y	600			
Z	300	1,800		
		2,500		2,500

[3]

Dr. Partner's Capital Account Cr.

Particulars	X (₹)	Y (₹)	Z (₹)	Particulars	X (₹)	Y (₹)	Z (₹)
To Z's capital A/c	9,000	----	3,000	By balance b/d	90,000	60,000	30,000
				By Reserve A/c	3,000	2,000	1,000
To Cash a/c	---	9,000	----	By Revaluation A/c	900	600	300
To Y's Loan A/c	----	68,600	----	By Workmen compensation Fund A/c	4,500	3,000	1,500
To balance c/d	90,000		30,000				
				By X's Capital A/c	---	9,000	----
				By Y's Capital A/c	----	3,000	-----
				By Cash A/c	600	----	200
	99,000	77,600	33,000		99,000	77,600	33,000

[3]

Balance sheet of X and Z
As at 31st March, 2018

Liabilities	Amount (₹)	Assets		Amount (₹)
Sundry Creditors	14,100	Cash		6,800
		Debtors	21,000	
Y's Loan A/c	68,600	(-) Provision for doubtful debts	2,100	18,900
Capital Accounts:-		Stock		19,000
X- 90,000		Machinery		58,000
Y- 30,000	1,20,000	Building		1,00,000
	2,02,700			2,02,700

[2]

Working note:-

1. Calculation of Gaining Ratio:

	X	Y	Z
Old Ratio	3/6	2/6	1/6
New Ratio	3/4	--	1/4
Gaining Ratio	3/12	---	1/12

2. Y's share of Goodwill 36,000X 2/6 = 12,000

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Date	Particulars	L.F	Amount (₹)	Amount (₹)
	Bank A/c Dr To Share Application A/c (Being application money received)		36,00,000	 36,00,000
	Share Application A/c Dr To Share Capital A/c To Call in Advance A/c (being application money transferred to share capital, securities premium reserve, calls)		36,00,000	 24,00,000 12,00,000
	Share Allotment A/c Dr To Share Capital A/c To Security Premium Reserve A/c (Being allotment money due)		24,00,000	 16,00,000 8,00,000
	Bank A/c Dr Call in Advance A/c Dr Call in arrear A/c Dr To Share Allotment A/c (Being first call money received)		11,76,000 12,00,000 24,000	 24,00,000
	Share First Call A/c DR To Share Capital A/c (Being first call money due)		24,00,000	 24,00,000
	Bank A/c Dr Call in Arrears A/c Dr To Share First Call (Being first call money received)		22,32,000 1,68,000	 24,00,000
	Share Capital A/c Dr Security Premium Reserve A/c Dr To Call in Arrear A/c DR To Share Forfeited A/c (Being Dhwani and Sargam's share's forfeited for non- payment of allotment and/or call money)		4,48,000 16,000	 2,72,000 1,92,000
	Bank A/c Dr To Share Capital A/c		19,00,000	 1,60,000

[½]

[1]

[½]

[1]

[½]

[1]

			To Security Premium Reserve A/c (Being forfeited share's reissued for 95 per share ₹ 80 paid up)			30,000	[1½]
			Share Forfeited A/c Dr To Capital Reserve A/c (Being balance in share forfeiture account transferred to capital reserve)		92,000	92,000	[1]

Or [1]

a)

Date	Particulars	L.F	Amount (₹)	Amount (₹)
	Equity Share Capital A/c Dr To Equity Share Forfeited A/c To Calls in Arrears A/c (Being forfeiture of 10 shares executed)		70	50 20
	Bank A/c Dr To Share Capital A/c (Being eight shares reissued to Y as ₹ 8 per share paid up for ₹ 8 per share)		64	64
	Equity Share Forfeited A/c Dr. To Capital Reserve A/c (Being gain on reissue of forfeited shares transferred to Capital Reserve)		40	40

[1] [1] [1]

b)

Date	Particulars	L.F	Amount (₹)	Amount (₹)
	Equity Share Capital A/c Dr Security Premium A/c Dr To Equity Share Forfeited A/c To Calls in Arrears A/c (Being Mr. M's shares forfeited)		1,600 800	1,200 1,200

[2]

c)

Date	Particulars	L.F	Amount (₹)	Amount (₹)
	Equity Share Capital A/c Dr To Share Forfeited A/c To Calls in Arrears A/c (Being 50 shares forfeited for non-payment of calls)		500	350 150
	Bank A/c Dr Share Forfeited A/c Dr To Share Capital A/c (Being 20 shares reissued for ₹ 8 per share)		160 40	200
	Share Forfeited A/c Dr. To Capital Reserve A/c (Being gain on reissue of forfeited shares transferred to Capital Reserve)		100	100

[1] [1] [1]

23	The current ratio will increase	1
24	a) Inventory Turnover Ratio and Working Capital Turnover Ratio	[1]
25	Increased	[1]
26	Labor unions analyze the financial statements: a) To assess whether an enterprise can increase their pay. b) To check whether an enterprise can increase productivity or raise the prices of products/ services to absorb a wage increase.	[½] [½]

	(any other relevant point to be marked)	
27	Cash flow from Investing Activities	

Inflows	Amount (₹)
Dividend Received	70,000
Sale of Old Machinery	69,000
Outflows	
Purchase of Machinery	(9,00,000)
Net Cash outflow from Investing Activities	(7,61,000)

[½]

[½]

28 False. [1]

29 Answer – I-c; II- b; III- a [1]

30 Net Profit Before Tax – Tax paid = Net Profit After Tax

x – 30/100 (x) = ₹ 7,00,000

x = ₹ 7,00,000 (100/70)

x = ₹ 10,00,000

Net Profit Before Tax = ₹ 10,00,000

Interest Payment = 6/100 (₹ 20,00,000) = ₹ 1,20,000 [1]

Earning Before Interest and Tax = Net Profit Before Tax + Interest Payment

= ₹ 10,00,000 + ₹ 1,20,000

= ₹ 11,20,000 [1]

Interest Coverage ratio = $\frac{Earning\ Before\ Interest\ and\ Tax}{Interest\ Expense}$

Interest Coverage Ratio = ₹ 11,20,000/ ₹ 1,20,000 [1]

Interest Coverage Ratio = 9.33 times

Or

S. No	Item	Major Head	Sub Head
i.	Debentures with maturity period in current financial year	Current Liabilities	Other Current Liabilities
ii)	Securities Premium Reserve	Shareholder's Fund	Reserves and Surplus
iii)	Provident Fund	Non-Current Liabilities	Long Term Provision

[1]

[1]

[1]

31

Particulars	**2016-17 (₹)**	**2017-18 (₹)**	**Absolute Increase/ Decrease (₹)**	**Percentage Increase/ Decrease (%)**
Revenue from Operations	10,00,000	12,00,000	2,00,000	20%
Add other Income	50,000	60,000	10,000	20%
Total Revenue	10,50,000	12,60,000	210,000	20%
Less Employee Benefit Expenses	50,000	60,000	10,000	20%
Profit before tax	10,00,000	12,00,000	2,00,000	20%
Less Tax (50%)	5,00,000	6,00,000	1,00,000	20%
Profit after tax	5,00,000	6,00,000	1,00,000	20%

[½ X 8]

Or

Common Size Balance Sheet of R Ltd.
As at 31st March, 2018 and 2019

Particulars	Note no.	Absolute Amounts		Percentage of Balance sheet Total	
		31.3.2018 (₹)	31.3.2019 (₹)	31.3.2018 (%)	31.3.2019 (%)
I EQUITY AND LIABILITIES					
1. Shareholder's Funds:					
a. Share Capital		4,00,000	5,00,000	66.7	62.5
b. Reserve and Surplus		1,20,000	1,60,000	20	20
2. Current Liabilities:					
a. Trade Payable		80,000	1,40,000	13.3	17.5
Total		**6,00,000**	**8,00,000**	**100**	**100**
II ASSETS					
1. Non-Current Assets:					
a. Fixed Assets:					
i. Tangible Assets		2,40,000	3,20,000	40	40
ii. Intangible Assets		60,000	40,000	10	5
2. Current Assets					
a. Inventories		60,000	1,60,000	10	20
b. Trade Receivables		2,00,000	2,40,000	33.3	30
c. Cash and Cash Equivalents		40,000	40,000	6.7	5
Total		**6,00,000**	**8,00,000**	**100**	**100**

32

Cash Flow Statement As per AS 3 (Revised)

Particulars		
I Cash from Operating Activity		
Net Profit Before Tax		
Profit during the year	1,50,000	
Add transfer to Reserve	50,000	
		2,00,000
Add:- Non Cash Non-Operating Expenses		
Depreciation provided	40,000	
Loss on Sale of Assets	18,000	
Goodwill Amortised	5,000	63,000
Less Non-Operating Income	--	--------
Operating Profit before Working Capital		2,63,000
Add Increase in Trade Payable	17,000	17,000
		2,80,000
Less : Increase in Inventory	(75,000)	
Increase in Trade Receivable	(67,000)	(1,42,000)
Cash From Operating Activities before Tax		1,38,000
Less Tax Paid		(30,000)
Cash From Operating Activities After tax		1,08,000

[4]

Dr Machinery A/c Cr [1]

Particulars	Amount (₹)	Particulars	Amount (₹)
To Balance b/d To Bank A/c (Purchases)	2,00,000 1,60,000	By Accumulated Depreciation By Loss on sale of Fixed Asset By Bank A/c By Balance c/d	20,000 18,000 42,000 2,80,000
	3,60,000		3,60,000

Dr Accumulated Depreciation A/c Dr [1]

Particulars	Amount (₹)	Particulars	Amount (₹)
To Machinery A/c To Balance c/d	20,000 1,00,000	By balance b/d By Statement of Profit and loss account	80,000 40,000
	1,20,000		1,20,000

PART B
OPTION 2
(Computerised Accounting)

23	Attributes of information to be stored in Payroll data base: (Any two) (i) Name (ii) ID (iii) Designation (iv) Location (v) Basic Pay	 [½] [½]
24	Answer :- c) Generation of reports and information in fixed format	[1]
25	a); c); b)	[1]
26	Ans :- a) – ii; b) - i); c) – iii)	[1]
27	The activity sequence of the basic information mode is collect data, organize and process it and Then communicate the information extracted.	[1]
28	Cost of installation and maintenance is generally low with Generic Software and is relatively high with Specific software	[1]
29	Ans :- d)	[1]
30	The Adjusting entry is recorded to relate the figures to the trading period. Suppose, premises have been sublet on March 31, and three months' rent, has been received in advance amounting to Rs. 12000. While preparing accounts up to 31st March, one should take into account only one month's rent for preparing the profit and loss account (accounting period concept); the rest two month's rent, already received is for the next year and will be credited to profit and loss account next year. The adjusting entry will be: Rent Account Dr To Advance Rent Account Rent Received in advance Account is a 'Liability' and is shown in the balance sheet. **Or** Transparency and control CAS provides sufficient time to plan, increases data accessibility and enhances user satisfaction. With computerised accounting, the organisation will have greater transparency for day to day business operations and access to the vital information. Scalability CAS enables in changing the volume of data processing in tune with the change in the size of the business. The software can be used for any size the business and type of the organisation.	[3] [3]

31	PMT :- The PMT function calculates the periodic payment for an annuity assuming equal payments and a constant rate of interest. The syntax of PMT function is as follows: = **PMT (rate, nper, pv, [fv], [type])** where Rate is the interest rate per period, Nper is the number of periods, Pv is the present value or the amount the future payments are worth presently, future value or cash balance that after the last payment is made (a future value of zero when we omit this optional argument) Type is the value 0 for payments made at the end of the period or the value 1 for payments made at the beginning of the period. The PMT function is often used to calculate the payment for mortgage loans that have a fixed rate of interest	[4]
32	A format change, such as background cell shading or font colour that is applied to a cell when a specified condition for the data in the cell is true. Conditional formatting is often applied to worksheets to find: a. Data that is above or below a certain value. Duplicate data values. b. Cells containing specific text. Data that is above or below average. c. Data that falls in the top ten or bottom ten values. Benefits of using conditional formatting: i) Helps in answering questions which are important for taking decisions. ii) Guides with help of using visuals. iii) Helps in understanding distribution and variation of critical data.	[6]