KENDRIYA VIDYALAYA SANGATHAN LUCKNOW REGION

SESSION ENDING EXAMINATION 2024-25

SUBJECT: ACCOUNTANCY (055)

CLASS : XI

MARKING SCHEME SET-3 M.M: 80 TIME: 3 HRS

1	(a) Provide information to various parties who are interested in business enterprise.	1
2	(b) Both (A) and (R) are true and (R) is the not correct explanation of (A).	1
3	c) Assets are shown in the books at the price it was purchased plus cost of improvement minus depreciation till date.	1
4	TRUE	1
5	a) Historical cost	1
6	d) Goods, Assets OR b) Accounting may lead to window dressing.	1
7	(c) (A) is false, but (R) is true.	1
8	c) CGST & SGST OR a) IGST	1
9	a) Rs. 4,90,000 OR c) cash deposited into bank	1
10	d) Business entity	1
11	(b) Negative i.e.Unfavourable Balance	1
12	d) Writing an amount in the wrong account but on the correct side. OR b) Trial Balance will not show any difference.	1
13	b) A provision should be made	1
14	b) Intangible Assets	1
15	TRUE OR a) Error in Bank Pass Book.	1
16	a) Rs. 22,500 OR a) 15.87%	1

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Date	Particulars	L.F.	Dr. ₹	Cr.₹
a)	Charity A/c Dr. To Purchase A/c		500	 500
b)	Drawings A/c Dr. To Bank A/c		5,000	 5,000
c)	Prepaid Rent A/c Dr. To Rent A/c		2,000	 2,000
	1x3=3			

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OR

The entry passed to record the closing balances of the previous year in the crrent year is called opening Entry.

1st April 2024	cash A/c	Dr.	20,000	
	Sundry Debtors A/c	Dr.	60,000	
	Stock A/c	Dr.	40,000	
	Plant A/c	Dr.	50,000	
	Land and Building A/c	Dr.	1,00,000	
	To Sundry Creditors A/c			1,00,000
	To Capital A/c (B.F)			1,70,000

(Previous year's balances brought forward)

(1 mark for meaning and 2 marks for entry)

18 Balance of Suspense Account shows the net effect of errors which are still to be located and rectified . (1 Mark) 3

It will be shown on assets side of Balance sheet in case of debit balance.(1 mark)
and In case of credit balance it will be shown on the Liability side.(1 mark)

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Basis	**Reserve**	**Provision**
Nature	It is an appropriation of profit	It is a charge against profit.
Purpose	It is created to strengthen thefinancial position and to meet unforeseen liabilities or losses	It is made to meet known liability or contingency , when amount is not determined.
Investment	It may be invested outside of the business.	It is not invested.

(1x3)

20 Objectives of Acconting: 3

i) Mainting Accounting Records.
ii) Determining Profit or Loss
iii) Determining Financial Position
iv) Facilitating Management
v) Providing Accounting Information to users. (any 3 with correct explanation) (1x3)

OR

i) **Expenditure:** Expenditure is the amount spent or liability incurred for purchasing assets, goods or taking services. Expenditure may be categorized into Capital Expenditure and Revenue Expenditure.
ii) **Inventory:** Inventory is a current assets held by an enterprises for the purpose of sale in the ordinary course of business or for the purpose of using it in the production of goods meant for sale.

iii) **Fictitious Assets:** Fictitious assets are those assets which are neither tangible assets nor intangible assets.(1*3)

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Sales Book

Date	Name of the customer	Invoice No.	LF	Amount	Amount
2024					
Jan 5	Hari & Co. Kolkata:				
	10 Tables @ Rs. 1,100 each			11,000	
	20 Chairs @ Rs. 1,000 each			20,000	
				31,000	
	Less : Trade Discount @ 5%			1550	
				29,450	**29,450**
Jan 10	M/s. Sharma & Co., Delhi:				
	5 Almirahs @ Rs. 5,000 each			25,000	
	5 Stools @ Rs. 1,000 each			5,000	
				30,000	**30,000**
Jan 25	M/s. Sohan Lal & Bros., Kolkata:				
	5 Tables @ Rs. 2,500 each			12,500	
	1 Revolving Chair @ Rs. 5,000			5,000	
				17,500	
	Less: Trade Discount @ 5%.			875	
				16,625	**16,625**
Jan 31	Sales A/c Cr.				**76,075**

(1x4=4)

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Bank Reconciliation Statement *as on March 31, 2024*

S. No	Particulars	Plus Items (₹)	Minus Items (₹)
	Overdraft as per the Pass Book		10,700
(i)	Cheques issued in March 2024 but presented after that date.		900
(ii)	Cheques deposited but not cleared during March 2024.	2,200	
(iii)	Interest on overdraft	1,200	
(iv)	Interest on investment not recorded in the Cash Book		5,000
(v)	Bank Charges	50	
(vi)	Amount of bill dishonoured not entered in the Cash Book	800	

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Overdraft as per the Cash Book	12,350		
	16,600	16,600	

(1X6=6) except 10,700 and 12,350.

23 6

Dr. CASH BOOK (TWO-COLUMN) Cr.

Date	*Particulars*	*L.F.*	*Cash* ₹	*Bank* ₹	*Date*	*Particulars*	*L.F.*	*Cash* ₹	*Bank* ₹
2024 Sept.					2024 Sept.				
01	Balanceb/d		42,000	15,000	04	Purchases			12,000
					13	Machine			5,500
16	Sales			4,500	17	Purchase		17,400	
27	Bank	C	10,000		20	Stationery			1,100
					24	Rohit			1,500
					27	Cash	C		10,000
					30	Rent			2,500
	Balancec/d			13100	30	Salary		3,500	
					30	Balancec/d		31,100	
			52,000	32600				52,000	32,600

(½ X12=6) Except balance b/d of Cash and Bank

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Date	Particulars	l.f.	Dr. ₹	Cr.₹
i	Suspense A/c Dr.		21,600	
	To Mohan			21,600
ii	Supense A/c Dr.		4,000	
	To Purchases A/c			2,000
	To Purchase Rreturn A/c			2,000
iii	Supense A/c Dr.		800	
	To Discount Allowed A/c			400
	To Discount Received A/c			400
iv	Repairs to Motor Car A/c Dr.		11,480	
	To Motor Car A/c			1,480
	To Suspense A/c			10,000
v	Sales A/c Dr.		1,800	
	To Raman			1,800
vi	Pawan Dr.		5,000	
	To Suspense A/c			5,000

1x6

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Machinery Account

Date	Particulars	₹	Date	Particulars	₹
1.4.22	To Balance b/d	60,000	1.10.22	By Machinery Disposal A/c	16,000
			31.3.23	By Balance c/d	44,000
		60,000			**60,000**

Provision for Depreciation Account

1.4.22	To Machinery Disposal A/c	6,400	1.4.22	By Balance b/d	36,000
31.3.23	To Balance c/d	34,000	31.3.23	By Depreciation A/c (Dep.on machine costing 4,000)	4,400
		40,400			**40,400**

Machinery Disposal Account

1.4.22	To Machinery A/c	16,000	1.4.22	By Provision for depreciation A/c	6,400
			31.3.23	By Bank By Profit & loss	8,400 1,200
		16,000			**16,000**

2+2+2

Or

Machinery a/c

Date	**Particulars**	**Rs**	**Date**	**Particulars**	**Rs**
2020			2021		
April 1	To Bank a/c (M1)	1,80,000	March 31	By depreciation (2,00,000x10/1000	20,000
April1	To bank	20,000	March 31	By Balance c/d:	1,80,000
		2,00000			2,00,000
2021					
April 1	To balance b/d	1,80,000	2022	By depreciation :	
			March 31	M1	20,000
July 1	TO bank A/c	1,00,000		M2	7,500
			March 31	By balance c/d	
				M1	1,60,000
				M2	92,500
		2,80,000			2,80,000
2022					
			2022		
April 1	To balance b/d		April 1	By bank	1,10,000
	M1 1,60,000		April 1	By Loss on sale of Machinery	50,000
	M2 92,500	2,52,500			
Oct.1	To bank A/c (M3)	1,50, 000		By depreciation :	
				M2 10,000	
				M3 7,500	17,500

6

				2023 March 31	By balance c/d M2 82,500 M3 1,42,500	2,25,000	
			4,02,500			4,02,500	

(1+2+3=6)

PART – B

FINANCIALACCOUNTING–II

26	a) Rs. 1,30,000	
27	a) Rs. 6,000	1
28	b) Rs. 1,000	1
29	d) Cost price or Reliasable Value whichever is less	1
30	Total Sales= Cash Sales + Credit Sales = Rs. 1,00,000 Le Cost be Rs. 100, Gross Profit = 33 1/3% on cost = Rs. 33 1/3, Sales = Rs. 133 1/3 Gross Profit on Sales = Rs. 33 1/3 / Rs. 133 1/3 = ¼ Gross Profit = Rs. 1,00,000 x ¼ = **Rs. 25,000 (1 mark)** Cost of Goods Sold = Sales- Gross Profit = Rs. 1,00,000 – Rs. 25,000 = **Rs. 75,000 (1 mark)** Cost of Goods Sold = Opening Stock + Purchases – Closing Stock Rs. 75,000 = Rs. 20,000 + Rs. 70,000 – Closing Stock Closing Stock = Rs. 20,000 + Rs. 70,000 – Rs. 75,000 = **Rs. 15,000 (1 mark)**	3
31	Advantages of Single Entry System: i) Simple Method: SES is a simple method of recording business transactions. ii) Less Expensive: It is less expensive when it is compared to Double Entry System of book keeping. iii) Suitable for Small Business: It is mainly suited to small businesses with limited number of transactions and very few assets and liabilities. iv) No need of in-depth Knowledge of Principles of Book Keeping: Under Single Entry System, accounting records can be easily maintained as their maintenance does not require in-depth knowledge of the principles of book keeping. v) Easy to ascertain Profit or Loss: Ascertainment of profit or loss is much easier. To ascertain the profit or loss, the proprietor has to compare the financial condition of business at the close of the accounting period with that in the beginning. (Any three) (1x3)	3
32	**Profit & Loss Account (for the year ended 31st March 2023)**	4

Particulars	₹	Particulars	₹
To Provision for Bad Debts A/c:			
Bad Debts 6,000 ½			
+ Further Bad debts 10,000 ½			
16,000			
+ New Provision 40,000 ½			
56,000			
-Old Provision (20,000) ½	36,000 ½		

Balance Sheet (As on 31st March 2024)

Liabilities	₹	Assets	₹
		Sundry Debtors 4,10,000 ½	
		- Further Bad debts -(10,000)½	
		4,00,000	
		- New Provision (40,000) ½	3,60,000
		(10% of 4,00,000)	

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STATEMENT OF AFFAIRS as at 31s March 2023

Liabilities	Rs.	Assets	Rs.
Sundry Creditors	30,000	Cash in Hand	4,500
Capital(B.F)	35,800	Cash at Bank	300
		Stock – in –Trade	40,000
		Debtors	12,000
		Office Eqipment	5,000
		Firniture	4,000
	65,800		**65,800**

STATEMENT OF AFFAIRS as at 31s March 2024

Liabilities	Rs.	Assets		Rs.
Sundry Creditors	20,000	Cash in Hand		3,000
Capital(B.F)	60,350	Cash at Bank		4,000
		Stock – in –Trade		45,000
		Debtors		20,000
		Office Eqipment	5,000	
		Less: Dep	250	4,750
		Firniture	4,000	
		Less: Dep	400	3,600
	80,350			**80,350**

STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31ST March 2024

Particulars	Rs.
Capital on 31st March 2024	60,350
Add: Drawings during the year	4,000 ½
	64,350
Less: Capital introduced during the year	6,000 ½
Adjusted Capital at the end	58,350
Less: Capital in the beginning on 31st March, 2023	35,800 ½
Net profit for the year	22,550 ½

1+1+2

OR

A Statement of Affairs is a statement of assets and Liabilities. Difference between the amounts of the two sides is taken as capital. (1 mark)

Basis of difference	**Statement of affairs**	**Balance sheet**
Objective	Objective of preparing Statement of Affairs is to know about capital at a point of time.	The objective of preparing balance sheet is to show the true financial position of an entity on a particular date.
Accounting System	Statement of Affairs is prepared when accounts are maintained nder Single Entry System.	Balance sheet is prepared when accounts are maintained under Double Entry System.
Reliability	It is less reliable as it is prepared from incomplete records.	It is more reliable as it is prepared from double entry records.

(1x3)

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Books of Keshav Bros. 6

Trading Account and Profit & Loss Account (for the year ended 31st March 2024)

Particulars	₹	Particulars	₹
To opening stock	60,000	By Sales 3,00,000	
To purchases 2,50,000		Less : S Return 2,000	2,98,000
Less : P. Return 2,500	2,47,500	Closing Stock	70,000
To carriage on purchases	500		
To Factory rent	1,450		
To Wages	1,200		
To Gross Profit c/f	57,350		
	3,68,000		**3,68,000**
To Interest	2,000	By Gross Profit b/f	57,350
To Salaries	2,500	By Rent received 10,380 Less: Advance rent (6,000)	4,380
To Carriage outwards	700	By Commission received	16,000
To Office rent	2,300		
To Insurance 780			
Less : Prepaid Insurance (200)	580		
To Depreciation on furniture	1,125		
To Depreciation on Plant and Machinery	7,800		
To Depreciation on building	19,600		
To Commission	500		
To Bad debts 3,500			
Add : further bad debts 2,000			
Add : new provision 2,400			
7,900			
Less : old provision 1,550	6,350		
To Net Profit t/t Capital A/c	34,275		
	77,730		**77,730**
In trading account .25 each including total and in P& l account excluding total			

OR

Profit & Loss account for the year ended 31st March,2024

Particulars	Amount	Particulars	Amount
		By Gross Profit	66,000
To Salaries 11,000		By Commission Received	4,500
Add: Outstanding 1,000	12,000	By Interest on Manav's Loan	300
Bad Debts 500			
Add: Further B.Debts 500			
1,000	0		
Less: Provision for B. Debts 1,000			
Rent	4,000		
Depreciation on Furniture	450		
	54,350		70,800
To Net Profit	70,800		=======
	=======		

Balance Sheet as on 31st March, 2024

Liabilities		Amount	Assets		Amount
Creditors		13,000	Cash in hand		20,000
Bills Payable		1,600	B/R		6,000
Outstanding Salaires		1,000	Sundry Debtors	28,000	
Outstanding Rent		600	Less: Bad Debts	500	27,500
Capital	1,00,000		Machinery		72,000
Less: Drawings(I.Tax)	5,500		Furniture	5,000	
Add: Net Profit	54,350	1,48,850	Less: Depreciation	450	4,550
			Loan to Manav		5,000
			Closing Stock		30,000
		1,65,050			1,65,050
		======			======
					=

(4 marks for P& L A/c, and 2 marks for Balance Sheet)

##3