



COMMON PRE-BOARD EXAMINATION 2022-23

Subject: ACCOUNTANCY (055)

MARKING SCHEME



PART A

(Accounting for Partnership Firms and Companies)

1.	c) 16:12:9	(1)										
2.	a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation Of Assertion (A).	(1)										
3.	b) 25% of the nominal amount of share <div>Or</div> c) Bearer Debentures	(1)										
4.	b) Malavika’s Capital A/c Cr. ₹5,000	(1)										
5.	c) 3:4	(1)										
6.	(d) ₹1,65,000 <div>Or</div> c) 1,00,000	(1)										
7.	d) ₹ 4 per share	(1)										
8.	(c) Only (i)	(1)										
9.	c) Profit and Loss Appropriation Account	(1)										
10.	a) 1,13,400	(1)										
11.	(C) ₹24,000 by Shahina & ₹16,000 by Shorab.	(1)										
12.	b) ₹2,40,000	(1)										
13.	b) Capital Reserve Account	(1)										
14.	b) Rs. 85,000	(1)										
15.	d) ₹ 5,000 <div>Or</div> d) 12% p.a.	(1)										
16.	c) ₹11,400	(1)										
17.	<div>Shreya’s share of Profit = $1,40,000 \times 20/100 \times 3/12 = ₹ 7,000$</div> <div>In the books of Sudeep, Naresh and Shreya</div> <div>Journal</div> <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Dr. ₹</th><th>Cr. ₹</th></tr><tr><td>2017 July 1</td><td>Profit and Loss Suspense A/c.....Dr. To Shreya’s Capital A/c (Shreya’s share of profit till date of her death, credited to her account)</td><td></td><td>7,000</td><td>7,000</td></tr></table> <div>(1 ½ marks for entry and narration and ½ mark for narration)</div>	Date	Particulars	LF	Dr. ₹	Cr. ₹	2017 July 1	Profit and Loss Suspense A/c.....Dr. To Shreya’s Capital A/c (Shreya’s share of profit till date of her death, credited to her account)		7,000	7,000	<div>1</div> <div>1 ½ + ½</div>
Date	Particulars	LF	Dr. ₹	Cr. ₹								
2017 July 1	Profit and Loss Suspense A/c.....Dr. To Shreya’s Capital A/c (Shreya’s share of profit till date of her death, credited to her account)		7,000	7,000								

18.	<div>a. Profit of Rehith ₹ 45,000, Wahid ₹ 32,000, Ivan ₹. 25,000 OR</div> <div>b. Adjustment table</div> <table><tr><th>Particulars</th><th>A</th><th>B</th><th>C</th><th>Firm</th></tr><tr><td>i) Reversal of profit wrongly credited equally</td><td>(22,000)</td><td>(22,000)</td><td>(22,000)</td><td>66,000</td></tr><tr><td>ii) Interest on Capital</td><td>5,000</td><td>2,500</td><td>2,500</td><td>(10,000)</td></tr><tr><td>iii) Salary to Chitra</td><td></td><td></td><td>10,000</td><td>(10,000)</td></tr><tr><td>iv) Actual profit to be credited in capital ratio, i.e., 2:1:1</td><td>23,000</td><td>11,500</td><td>11,500</td><td>(46,000)</td></tr><tr><td>Net Effect</td><td>6,000 Cr</td><td>8,000 Dr.</td><td>2,000 Cr.</td><td>-</td></tr></table> <div>Rectifying Entry:</div> <div><div>B's Capital A/cDr. 8,000</div><div>To A's Capital A/c6,000</div><div>To C's Capital A/c2,000</div><div>(Adjustment of Errors made in the past through Partners' Capital A/c)</div></div>	Particulars	A	B	C	Firm	i) Reversal of profit wrongly credited equally	(22,000)	(22,000)	(22,000)	66,000	ii) Interest on Capital	5,000	2,500	2,500	(10,000)	iii) Salary to Chitra			10,000	(10,000)	iv) Actual profit to be credited in capital ratio, i.e., 2:1:1	23,000	11,500	11,500	(46,000)	Net Effect	6,000 Cr	8,000 Dr.	2,000 Cr.	-	<div>(3)</div> <div>½</div> <div>½</div> <div>½</div> <div>½</div> <div>1</div>
Particulars	A	B	C	Firm																												
i) Reversal of profit wrongly credited equally	(22,000)	(22,000)	(22,000)	66,000																												
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19.	<div>In the books of Varada Ltd.</div> <div>Journal</div> <table><tr><th>D at e</th><th>Particulars</th><th>LF</th><th>Dr. ₹</th><th>Cr. ₹</th></tr><tr><td></td><td>Computers A/c..... Dr. Software A/c..... Dr. To Venkit Ltd. A/c</td><td></td><td>3,00,000 5,00,000</td><td>8,00,000</td></tr><tr><td></td><td>Venkit Ltd. A/c Dr. Discount/Loss on issue of Debentures A/c Dr. Loss on issue of Debentures A/c Dr. To Bank A/c To 7% Debentures A/c To Premium on Redemption of Deb. A/c</td><td></td><td>8,00,000 80,000 80,000</td><td>80,000 8,00,000 80,000</td></tr><tr><td></td><td>Securities Premium Reserve A/c..... Dr. Statement of Profit and Loss Dr. To Disc./ Loss on Issue of Debentures A/c To Loss on Issue of Debentures A/c</td><td></td><td>1,00,000 60,000</td><td>80,000 80,000</td></tr></table> <div>No. of Debentures issued to Venkit Ltd =7,20,000/90 = 8,000 Debentures</div> <div>Or</div>	D at e	Particulars	LF	Dr. ₹	Cr. ₹		Computers A/c..... Dr. Software A/c..... Dr. To Venkit Ltd. A/c		3,00,000 5,00,000	8,00,000		Venkit Ltd. A/c Dr. Discount/Loss on issue of Debentures A/c Dr. Loss on issue of Debentures A/c Dr. To Bank A/c To 7% Debentures A/c To Premium on Redemption of Deb. A/c		8,00,000 80,000 80,000	80,000 8,00,000 80,000		Securities Premium Reserve A/c..... Dr. Statement of Profit and Loss Dr. To Disc./ Loss on Issue of Debentures A/c To Loss on Issue of Debentures A/c		1,00,000 60,000	80,000 80,000	<div>½</div> <div>1½</div> <div>1</div>										
D at e	Particulars	LF	Dr. ₹	Cr. ₹																												
	Computers A/c..... Dr. Software A/c..... Dr. To Venkit Ltd. A/c		3,00,000 5,00,000	8,00,000																												
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In the books of Y Ltd.
Journal

Date	Particulars	LF	Dr. ₹	Cr. ₹
	Sundry Assets A/c.....Dr. Goodwill A/c.....Dr. To Sundry Liabilities A/c To P Ltd. A/c		15,00,000 3,68,500	5,00,000 13,68,500
	P Ltd. A/cDr. To Bills Payable A/c To Equity share capital A/c To Securities Premium Reserve A/c		13,68,500	25,500 10,74,400 2,68,600

1

1 ½

½

No. of shares issued to P Ltd = (13,68,500,-,25,500)/125 = 10,744 shares.

20.

Journal

Da te	Particulars	LF	Dr. ₹	Cr. ₹
	Guarav's Capital A/c Dr. To Kishor's Capital A/c To Kabir's Capital A/c (Being goodwill adjusted at the time of change in profit sharing ratio)		1,20,000	60,000 60,000

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Working Note:

WN1 Calculation of Gaining Ratio

Old Ratio = 1:1:1

New Ratio = 1:2:1

Gaining Ratio = New Ratio – Old Ratio

Kishor : $\frac{1}{4} - \frac{1}{3} = \frac{3-4}{12} = \frac{1}{12}$ (Sacrifice)

Guarav : $\frac{2}{4} - \frac{1}{3} = \frac{6-4}{12} = \frac{2}{12}$ (Gain)

Kabir : $\frac{1}{4} - \frac{1}{3} = \frac{3-4}{12} = \frac{1}{12}$ (Sacrifice)

Only Guarav is gaining, Kishor and Kabir are sacrificing in the ratio of 1:1

WN2 Calculation of Goodwill of the firm

= $2 \times 18,00,000 / 5 = ₹7,20,000$

Share of goodwill of Kabir and Kishore is $720000 \times \frac{1}{12} = ₹60,000$

21.

Vidyuth Ltd.
Balance Sheet as at 31st March,

Particulars	Note No.	₹
I) Equity and Liabilities		
1. Shareholders' Funds		
a. Equity share capital	1	6,09,96,000

1

Excess amount on share application received = $(1000 - 750) 250 \text{ shares} \times ₹ 85 = ₹ 21250$
Amount to be received on Allotment = $750 \text{ shares} \times ₹ 45 = ₹ 33750$
Outstanding on allotment = $₹ 33750 - ₹ 21250 = ₹ 12500$ (Calls-in-Arrears)

Working Note 3.

Amount transfer to Capital Reserve = $₹ 62500 - 0 = ₹ 62500$

Date	Particulars	LF	Dr. ₹	Cr. ₹
	Bank A/c Dr. To Equity Share Application A/c (Application money of ₹85 per share received on 1,27,500 shares)		1,08,37,500	1,08,37,500
	Equity Share Application A/c Dr. To Equity Share Capital A/c To Security Premium Reserve A/c To Equity shares First & Final A/c To Bank A/c (Application money transferred to capital a/c and adjustment of pro-rata made)		1,08,37,500	41,25,000 22,50,000 21,25,000 23,37,500
	Equity Share First & Final call A/c Dr. To Equity share Capital A/c (Being amount Due on 1st & Final Call)		33,75,000	33,75,000
	Bank A/c Dr. To Equity Share First & Final call A/c (33,75,000 – 21,25,000) (Being Amount received on First and Final calls)		12,50,000	12,50,000
	Equity Share Capital A/c Dr. To Share Forfeiture A/c To Equity Share First & Final Call A/c (Being shares forfeited on which amount of call not received)		75,000	62,500 12,500
	Bank A/c Dr. To Equity Share Capital A/c To Security Premium Reserve A/c (Reissue of forfeited shares at premium)		1,12,500	75,000 37500
	Share Forfeiture A/c Dr. To Capital Reserve A/c (Gain on reissue of forfeited shares transferred to Capital Reserve A/c)		62500	62500

1

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Or

i)

In the books of SPP Ltd.

Journal

Date	Particulars	L F	Dr. ₹	Cr. ₹
	Share Capital A/c Dr. Securities Premium Reserve A/c Dr. To Forfeited Shares A/c To Calls-in-Arrears A/c or Share Allotment A/c (Forfeiture of 300 shares due to non-payment of allotment money including premium)		2,100 600	1,500 1,200
	Bank A/c Dr. Forfeited Shares A/c Dr. To Share Capital A/c (Reissue of 150 shares at a discount of ₹2)		1,200 300	1,500
	Forfeited Shares A/c Dr. To Capital Reserve A/c(150X5- 150X2) (Transfer of gain on reissue of forfeited shares to capital reserve)		450	450

ii)

Journal

Date	Particulars	L F	Dr. ₹	Cr. ₹
	Share Capital A/c Dr. To Forfeited Shares A/c To Calls-in-Arrears A/c (Forfeiture of 200 shares due to non-payment of first call money)		1,600	1,000 600
	Bank A/c Dr. To Share Capital A/c (Reissue of 100 shares at par)		1,000	1,000
	Forfeited Shares A/c Dr. To Capital Reserve A/c (Transfer of gain on reissue of forfeited shares to capital reserve)		500	500

24.

Date	Particulars	L F	Dr. ₹	Cr. ₹
	Land and Building A/c Dr. Provision for Doubtful A/c Dr. Creditors A/c Dr. To Revaluation A/c		22,000 7,000 9,800	37,800
	Revaluation A/c Dr. To Plant and Machinery A/c		14,000	14,000
	Revaluation A/c Dr. To A's Capital A/c To B's Capital A/c		24,800	14,880 9,920

General Reserve A/c	Dr.	10,000	
IFR A/c	Dr.	2,000	
To A's Capital A/c			7,200
To B's Capital A/c			4,800
IFR A/c	Dr.	2,000	
To Investment A/c			2,000
Cash A/c	Dr.	70,000	
To C's Capital A/c			56,000
To Premium for Goodwill A/c			14,000
Premium for Goodwill A/c	Dr.	14,000	
To A's Capital A/c			8,400
To B's Capital A/c			5,600

Or
Revaluation A/c

Dr.

Cr.

Particulars	₹	Particulars	₹
To Patents	1,000	By Provident Fund	600
To Plant and Machinery	4,800	By Investments	5,800
To Profit on Revaluation:			
A's Capital A/c 300			
B's Capital A/c 200			
C's Capital A/c 100	600		
	6,400		6,400

Partners' Capital A/c

Dr.

Cr.

Particulars	A	B	C	Particulars	A	B	C
To Investment			15,800	By Balance b/d	40,000	36,500	20,000
To C's Capital A/c	2,700	1,800		By Reserve A/c	4,500	3,000	1,500
To C's Loan A/c			10,300	By Revaluation A/c	300	200	100
To Balance c/d	42,100	37,900		By A's Capital A/c			2,700
				By B's Capital A/c			1,800
	44,800	39,700	26,100		44,800	39,700	26,100

25.

Dr.

Vivek's Capital Account

Cr.

Particulars	₹	Particulars	₹
To Drawings	18,000	By Balance b/d	2,50,000
To Vivek's Executor's A/c	4,96,750	By Vivek's loan A/c	50,000
(Balancing Figure) (½)		By Interest on loan by Vivek's A/c	2,250
		By General Reserve A/c	6,250
		By Profit & Loss Suspense A/c	18,750
		By Vijay's Capital A/c (G/W)	1,60,714
		By Ajith's Capital A/c (G/W)	25,786
	5,14,750		5,14,750

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1 ½

(½ for /Working Notes)

26.	Date	Particulars	LF	Dr. ₹	Cr. ₹	
	i.	Bank A/c Dr. To Bank Loan A/c		60,000	60,000	½
	ii.	Debentures Suspense A/c Dr. To 12% Debentures A/c		1,00,000	1,00,000	½
	iii.	Underwriting commission A/c Dr. To Underwriters' A/c		48,000	48,000	½
	iv.	Underwriters' A/c Dr. Discount on issue of debentures A/c Dr. To Bank A/c To 12% Debentures A/c		48,000 4,000	12,000 40,000	½
	v.	Machinery A/c Dr. To Vendors A/c		2,18,500	2,18,500	½
	vi.	Vendors A/c Dr. To 12% Debentures A/c To Securities Premium Reserve A/c		2,18,500	1,90,000 28,500	½
	vii.	Bank A/c Dr. To Debentures App and allot A/c		5,25,000	5,25,000	½
	viii.	Debentures app and allot A/c Dr. Loss on issue of debentures A/c Dr. To 12% Debentures A/c To Securities premium reserve A/c To Premium on redemption of deb A/c		5,25,000 25,000	5,00,000 25,000 25,000	1
	ix.	Securities Premium reserve A/c Dr. Statement of Profit and Loss(FC) A/c Dr. To Underwriting commission A/c To Discount on issue of debentures A/c To Loss on issue of debentures A/c		53,500 23,500	48,000 4,000 25,000	1 ½
Part B: Analysis of Financial Statements (Option – I)						
27.	(b) ₹ 78,000 Or (b) Operating ratio and operating profit ratio.					(1)
28.	(c) 8 times					(1)
29.	(c) Outflow ₹ 58,000 Or c) Contingent Liability					(1)

30.	b) 3 months or less	(1)
31.	i) Shareholders funds – Share capital (Added to Subscribed Capital) ii) Shareholders' Funds- Reserves & Surplus ii) Non-current assets- Property, Plant, Equipment & Intangible Assets or Fixed assets (tangible) iv) Current liabilities -Short-term provisions v) Non-current assets- Property, Plant, Equipment & Intangible Assets or Fixed assets (tangible) vi) Current liabilities – Other Current Liabilities	(½ X6 =3)
32.	(a) Increase: COGS increases and Average stock decreases. (b) Decrease: COGS will decrease and Average stock will increase. (c) Decrease: COGS will remain unchanged and Average stock will increase. (d) (e.) & (f) Increase: COGS will remain unchanged and Average stock will decrease.	(½ X6 =3)
33.	ROI= NPBI&T/ Capital Employed X 100 $= \frac{1,00,000 \times \frac{100}{50} + 40,000}{10,00,000 - 2,00,000}$ $= \frac{2,40,000 \times 100}{80,0000}$ $= 30\%$ ICR= NPBI&T/ Interest on Long Term Debts $= 2,40,000 / 40,000 = 6 \text{ times}$	(1) (1) (1) (1)
34.	Operating activities ₹ 1,80,000 (2 ½) Investing activities ₹ (2,60,000) (1 ½) Financing activities ₹ 20,000 (1) (1 mark for Working Notes)	2 ½ 1 ½ 1 W N (1)