

Roll Number		
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SET

A/B/C



**INDIAN SCHOOL MUSCAT
SECOND PRE - BOARD EXAMINATION
ACCOUNTANCY (055)**

CLASS: XII

TERM 2

Max.Marks:

MARKING SCHEME

MARKING SCHEME							
SET	QN. NO	VALUE POINTS				MAR KS SPLIT UP	
	1	Balance Sheet of Zenith Club (Extract) As at 31 st March, 2018				2	
		Liabilities		₹	Assets		₹
		Tournament Fund	1,50,000		Tournament Fund Investment	1,50,000	
		Add : Income	18,000				
			1,68,000				
		Less : Expenses	12,000	1,56,000			
	2	Difference between firm's debts and private debts:					2
		1. On the basis of meaning:					
		(a) Firm's debts are debts owed by the firm to outsiders.					
		(b) Private debts are debts owed by the partners to the outsiders.					
		2. On the basis of liability:					
		(a) All the partners of the firm are liable jointly to pay off the Firm's debts.					
		(b) Only the concerned partner, who owes the debt, is liable to pay off the Private debts.					
	3	NPSR of X and Z = 13/27 : 14/27 = 13:14 Gaining Ratio of X and Z = 1/27 : 8/27 = 1:8					2
	4	Statement showing Expenditure on Medicines consumed during the year ending 31 st March, 2019.					3
		Particulars				₹	
		Amount paid for medicines during the year				2,00,000	
		Add: Opening Stock				50,000	
		Less: Closing Stock				(95,000)	
		Less: Opening Creditors				(20,000)	
		Add: Closing Creditors				10,000	
		Medicines consumed during the year				1,45,000	
		OR					
		Dr. Subscription Account Cr.					
		Particulars		₹	Particulars		₹
		To O/S Subs. A/c	1,80,000		By Adv. Subs	1,00,000	
		To Inc. & Expd. A/c (390 * ₹ 1,000)	3,90,000		By Bank A/c	5,00,000	
		To Adv. Subs. (bal. fig.)	1,20,000		By O/s Subs	90,000	

			6,90,000		6,90,000																																																	
5	Calculation of Gyan's Share of Goodwill: 1. Total Profits of last four years = ₹1,20,000 + ₹80,000 + ₹40,000 + ₹80,000 = ₹3,20,000 Gyan's Share in Profit = ₹3,20,000 * 3/8 = ₹1,20,000 Gyan's Share of Goodwill = ₹1,20,000 * 1/2 = ₹60,000 2. Calculation of Gaining Ratio = NPSR – OPSR Raman's Gain = 1/2 - 4/8 = NIL; Vihan's Gain = 1/2 - 1/8 = 3/8					3																																																
	2017 Feb 1	Vihan's Capital A/c Dr. To Gyan's Capital A/c		60,000	60,000																																																	
6	Books of Harman Ltd. Journal <table><tr><td></td><td>Debenture Appl. & Allot. A/c Dr. Loss on Issue of Debentures A/c Dr. To 8% Debentures A/c To Pr. on Red. of Deb. A/c</td><td></td><td>9,50,000 1,50,000</td><td>10,00,000 1,00,000</td></tr></table> Books of Sharman Ltd. Journal <table><tr><td></td><td>Debenture Appl. & Allot. A/c Dr. Loss on Issue of Debentures A/c Dr. To 8% Debentures A/c To SPR A/c To Pr. on Red. of Deb. A/c</td><td></td><td>11,00,000 1,00,000</td><td>10,00,000 1,00,000 1,00,000</td></tr></table> OR Books of Youth Ltd. Journal <table><tr><td>1</td><td>Bank A/c Dr. To Bank Loan A/c (Being Loan taken from State Bank of India)</td><td></td><td>15,00,000</td><td>15,00,000</td></tr><tr><td>2</td><td>Debenture Suspense A/c Dr. To 11% Debentures A/c (Being 11% debentures deposited as collateral security)</td><td></td><td>10,00,000</td><td>10,00,000</td></tr></table>						Debenture Appl. & Allot. A/c Dr. Loss on Issue of Debentures A/c Dr. To 8% Debentures A/c To Pr. on Red. of Deb. A/c		9,50,000 1,50,000	10,00,000 1,00,000		Debenture Appl. & Allot. A/c Dr. Loss on Issue of Debentures A/c Dr. To 8% Debentures A/c To SPR A/c To Pr. on Red. of Deb. A/c		11,00,000 1,00,000	10,00,000 1,00,000 1,00,000	1	Bank A/c Dr. To Bank Loan A/c (Being Loan taken from State Bank of India)		15,00,000	15,00,000	2	Debenture Suspense A/c Dr. To 11% Debentures A/c (Being 11% debentures deposited as collateral security)		10,00,000	10,00,000	3																												
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7	Dr. Revaluation Account Cr. <table><tr><td>Particulars</td><td>₹</td><td>Particulars</td><td>₹</td></tr><tr><td>To Building</td><td>3,00,000</td><td>By Land</td><td>3,60,000</td></tr><tr><td>To Furniture</td><td>60,000</td><td></td><td></td></tr><tr><td></td><td>3,60,000</td><td></td><td>3,60,000</td></tr></table> Dr. Partners' Capital Account Cr. <table><tr><td>Particulars</td><td>P</td><td>Q</td><td>R</td><td>Particulars</td><td>P</td><td>Q</td><td>R</td></tr><tr><td>To Q's Capt.</td><td>2,10,000</td><td></td><td>30,000</td><td>By Bal. b/d</td><td>9,00,000</td><td>8,40,000</td><td>9,00,000</td></tr><tr><td>To Q's Loan</td><td></td><td>12,32,000</td><td></td><td>By Gen. Res.</td><td>2,52,000</td><td>72,000</td><td>36,000</td></tr><tr><td>To Bal. c/d</td><td>12,22,000</td><td></td><td>9,46,000</td><td>By WCR</td><td>2,80,000</td><td>80,000</td><td>40,000</td></tr></table>					Particulars	₹	Particulars	₹	To Building	3,00,000	By Land	3,60,000	To Furniture	60,000				3,60,000		3,60,000	Particulars	P	Q	R	Particulars	P	Q	R	To Q's Capt.	2,10,000		30,000	By Bal. b/d	9,00,000	8,40,000	9,00,000	To Q's Loan		12,32,000		By Gen. Res.	2,52,000	72,000	36,000	To Bal. c/d	12,22,000		9,46,000	By WCR	2,80,000	80,000	40,000	5
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					By P's Capt. By R's Capt.		2,10,000 30,000		
		14,32,000	12,32,000	9,76,00		14,32,000	12,32,000	9,76,00	
		OR							
		1	Satish's Capital A/c Dr. To Realisation A/c			7,000		7,000	
		2	Realisation A/c Dr. To Bank A/c			9,000		9,000	
		3	Realisation A/c Dr. To Bank A/c (40,000 * 15/100 * 2/12)			39,000		39,000	
		4	Ravi's Capital A/c Dr. Bank A/c Dr. To Realisation A/c			36,000 32,000		68,000	
		5	Realisation A/c Dr. To Arvind's Capital A/c			6,000		6,000	
	8	Journal of Hi-tech Ltd.							
		2020 Apr1	Sundry Assets A/c Dr. Goodwill A/c Dr. To Sundry Liabilities A/c To Polymer Ltd. A/c			8,00,000 70,000		40,000 8,30,000	
			Polymer Ltd. A/c Dr. Loss on Issue of Debentures A/c Dr. To 10% Debentures A/c To Pr. on Red. of Deb. A/c To Bank A/c To Bills Payable A/c			8,30,000 1,40,000		7,00,000 70,000 1,00,000 1,00,000	
		2021 Mar31	Statement of Profit and Loss (Finance Cost) To Loss on Issue of Debentures A/c			1,40,000		1,40,000	
		Loss on Issue of Debenture Account							
		Date	Particulars	₹	Date	Particulars	₹		
		2020 Apr1	To 10% Deb. A/c To Pr. On Red. of Deb. A/c	70,000 70,000	2021 Mar31	By Statement of Profit & Loss	1,40,000		
				1,40,000			1,40,000		
	9	Defence Club Income & Expenditure Account for the year ended 31 st March, 2021							
		Dr.	Expenditure	₹	Cr.	Income	₹		
			To Salaries 14,00,000 Add: O/S 1,00,000 Less: for 201920 (3,00,000) To General Expenses 3,00,000 To Electricity Charges 2,00,000 To Newspapers 4,00,000 To Surplus – Excess of Income over Expenditure 1,50,000	12,00,000		By Subscriptions (50 members @ ₹ 25,000 each) By Rent of Hall 7,00,000 By Surplus from Entertainment 2,00,000 By Sale of Old Newspapers 1,00,000	12,50,000		
				22,50,000			22,50,000		

10	(a) No Flow (b) No Flow	2																																																																																																																										
11	<div>Common –Size Balance Sheet as at 31st March, 2019 and 2020</div> <table><tr><th rowspan="2">Particulars</th><th rowspan="2">N.N</th><th colspan="2">Absolute Amount</th><th colspan="2">% of Bal. Sheet Total</th></tr><tr><th>31/3/19</th><th>31/3/20</th><th>31/3/19</th><th>31/3/20</th></tr><tr><td>I. Equity and Liabilities</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>1. Shareholders’ Funds</td><td></td><td>6,00,000</td><td>9,00,000</td><td>60</td><td>60</td></tr><tr><td>2. Non-current Liabilities</td><td></td><td>3,00,000</td><td>3,00,000</td><td>30</td><td>20</td></tr><tr><td>3. Current Liabilities</td><td></td><td>1,00,000</td><td>3,00,000</td><td>10</td><td>20</td></tr><tr><td>Total</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>II. Assets</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>1. Non-current Assets</td><td></td><td>7,00,000</td><td>10,50,000</td><td>70</td><td>70</td></tr><tr><td>2. Current Assets</td><td></td><td>3,00,000</td><td>4,50,000</td><td>30</td><td>30</td></tr><tr><td>Total</td><td></td><td>10,00,000</td><td>15,00,000</td><td>100</td><td>100</td></tr></table> <div>OR</div> <div>Comparative Statement of Profit and Loss For the years ended 31st March, 2019 and 2020</div> <table><tr><th rowspan="2">Particulars</th><th rowspan="2">N. N</th><th>31/3/19</th><th>31/3/20</th><th>Ab. Ch.</th><th>% Change</th></tr><tr><th>₹</th><th>₹</th><th>₹</th><th>%</th></tr><tr><td>I. Revenue from Operations</td><td></td><td>25,00,000</td><td>40,00,000</td><td>15,00,000</td><td>60</td></tr><tr><td>II. Expenses</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>(a) Empl. Ben. Exp.</td><td></td><td>1,25,000</td><td>2,00,000</td><td>75,000</td><td>60</td></tr><tr><td>(b) Other Expenses</td><td></td><td>5,90,000</td><td>6,80,000</td><td>90,000</td><td>15.25</td></tr><tr><td>Total Expenses</td><td></td><td>7,15,000</td><td>8,80,000</td><td>1,65,000</td><td>23.08</td></tr><tr><td>III. Profit before Tax</td><td></td><td>17,85,000</td><td>31,20,000</td><td>13,35,000</td><td>74.79</td></tr><tr><td>Less: Tax</td><td></td><td>6,24,750</td><td>10,92,000</td><td>4,67,250</td><td>74.79</td></tr><tr><td>Profit after Tax</td><td></td><td>11,60,250</td><td>20,28,000</td><td>8,67,750</td><td>74.79</td></tr></table>	Particulars	N.N	Absolute Amount		% of Bal. Sheet Total		31/3/19	31/3/20	31/3/19	31/3/20	I. Equity and Liabilities						1. Shareholders’ Funds		6,00,000	9,00,000	60	60	2. Non-current Liabilities		3,00,000	3,00,000	30	20	3. Current Liabilities		1,00,000	3,00,000	10	20	Total						II. Assets						1. Non-current Assets		7,00,000	10,50,000	70	70	2. Current Assets		3,00,000	4,50,000	30	30	Total		10,00,000	15,00,000	100	100	Particulars	N. N	31/3/19	31/3/20	Ab. Ch.	% Change	₹	₹	₹	%	I. Revenue from Operations		25,00,000	40,00,000	15,00,000	60	II. Expenses						(a) Empl. Ben. Exp.		1,25,000	2,00,000	75,000	60	(b) Other Expenses		5,90,000	6,80,000	90,000	15.25	Total Expenses		7,15,000	8,80,000	1,65,000	23.08	III. Profit before Tax		17,85,000	31,20,000	13,35,000	74.79	Less: Tax		6,24,750	10,92,000	4,67,250	74.79	Profit after Tax		11,60,250	20,28,000	8,67,750	74.79	3
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12	<div>Thermal Power Ltd. Cash Flow Statement for the year ended 31st March, 2021</div> <table><tr><th>Particulars</th><th>₹</th><th>₹</th></tr><tr><td>I. Cash Flow from Operating Activities</td><td></td><td></td></tr><tr><td>N.P before Tax and EO Items</td><td>56,250</td><td></td></tr><tr><td>Adjustment of Non-Cash & Non-Operating Items</td><td></td><td></td></tr><tr><td>Depreciation on Machinery</td><td>1,00,000</td><td></td></tr><tr><td>Interest on Debentures (10% of ₹3,75,000)</td><td>37,500</td><td></td></tr><tr><td>Gain on Sale of Machinery</td><td>(25,000)</td><td></td></tr><tr><td>Gain on Sale of Non-Current Investments</td><td>(20,000)</td><td></td></tr><tr><td>Operating Profit before Working Capital Changes</td><td>1,48,750</td><td></td></tr><tr><td>Less: Increase in CA & Decrease in CL</td><td></td><td></td></tr><tr><td>Trade Receivables</td><td>(2,43,750)</td><td></td></tr><tr><td>Inventories</td><td>(1,25,000)</td><td></td></tr><tr><td>Trade Payables</td><td>(1,00,000)</td><td></td></tr><tr><td>Cash used in Operating Activities</td><td></td><td>(3,20,000)</td></tr><tr><td>II. Cash Flow from Investing Activities</td><td></td><td></td></tr><tr><td>Purchase of Machinery</td><td>(5,00,000)</td><td></td></tr></table>	Particulars	₹	₹	I. Cash Flow from Operating Activities			N.P before Tax and EO Items	56,250		Adjustment of Non-Cash & Non-Operating Items			Depreciation on Machinery	1,00,000		Interest on Debentures (10% of ₹3,75,000)	37,500		Gain on Sale of Machinery	(25,000)		Gain on Sale of Non-Current Investments	(20,000)		Operating Profit before Working Capital Changes	1,48,750		Less: Increase in CA & Decrease in CL			Trade Receivables	(2,43,750)		Inventories	(1,25,000)		Trade Payables	(1,00,000)		Cash used in Operating Activities		(3,20,000)	II. Cash Flow from Investing Activities			Purchase of Machinery	(5,00,000)		5																																																																										
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		Proceeds from Sale of Machinery	1,87,500		
		Sale of Non-Current Investments	1,20,000		
		Cash Used in Investing Activities		(1,92,500)	
		III. Cash Flow from Financing Activities			
		Proceeds from Issue of Shares	5,00,000		
		Money raised from Borrowings	62,500		
		Interest on Debentures	(37,500)		
		Cash Flow from Financing Activities		5,25,000	
		IV. Net Increase in Cash & Cash Equivalents		12,500	
		V. Opening Balance of Cash & Cash Equivalents		75,000	
		VI. Closing Balance of Cash & Cash Equivalents		87,500	

SET B	QN. NO	VALUE POINTS	MAR KS SPLIT UP					
	3	<p>(i) Dissolution by Agreement: It means that the firm is dissolved due to a mutual agreement between the partners. A firm may be dissolved if all the partners agree on it or if there is a clause for the dissolution in the partnership agreement drafted by the partners.</p> <p>(ii) Dissolution by Notice: A partnership at will can be dissolved when a partner gives a notice, in writing, to all the other partners about his/her intentions about dissolution of the firm.</p>	2					
	6	<p>Calculation of Gaurav's Share of Goodwill: 1. Total Profits of last four years = ₹2,40,000 + ₹1,60,000 + ₹80,000 + ₹ 1,60,000 = ₹6,40,000 Gaurav's Share in Profit = ₹6,40,000 * 3/8 = ₹2,40,000 Gaurav's Share of Goodwill = ₹2,40,000 * 1/2 = ₹1,20,000</p> <p>2. Calculation of Gaining Ratio = NPSR – OPSR Raghav's Gain = 1/2 - 4/8 = NIL; Vikas's Gain = 1/2 - 1/8 = 3/8</p> <table><tr><td>2017 Feb 1</td><td>Vikas's Capital A/c Dr. To Gaurav's Capital A/c</td><td></td><td>1,20,000</td><td>1,20,000</td></tr></table>	2017 Feb 1	Vikas's Capital A/c Dr. To Gaurav's Capital A/c		1,20,000	1,20,000	3
2017 Feb 1	Vikas's Capital A/c Dr. To Gaurav's Capital A/c		1,20,000	1,20,000				
	10	<p>(a) Inflow (b) Outflow</p>	2					

SET C	QN. NO	VALUE POINTS	MAR KS SPLIT UP					
	1	<p>(i) An account opened by the firm to know whether there is any change in the value of assets and liabilities of the firm, during reconstitution, is Revaluation account. On the other hand, realisation account is an account prepared to ascertain the net profit or loss on the sale of assets or discharge of liabilities, during dissolution.</p> <p>(ii) Revaluation account comprises of only those assets and liabilities, whose values are revised. Conversely, realisation account contains all the assets and liabilities.</p>	2					
	4	<p>Calculation of Gaurav's Share of Goodwill:</p> <p>1. Total Profits of last four years = ₹4,80,000 + ₹3,20,000 + ₹1,60,000 + ₹3,20,000 = ₹12,80,000</p> <p>Gagan's Share in Profit = ₹12,80,000 * 3/8 = ₹4,80,000</p> <p>Gagan's Share of Goodwill = ₹4,80,000 * 1/2 = ₹2,40,000</p> <p>2. Calculation of Gaining Ratio = NPSR – OPSR</p> <p>Rajesh's Gain = 1/2 - 4/8 = NIL; Virat's Gain = 1/2 - 1/8 = 3/8</p> <table><tr><td>2017 Feb 1</td><td>Virat's Capital A/c Dr. To Gagan's Capital A/c</td><td></td><td>2,40,000</td><td>2,40,000</td></tr></table>	2017 Feb 1	Virat's Capital A/c Dr. To Gagan's Capital A/c		2,40,000	2,40,000	3
2017 Feb 1	Virat's Capital A/c Dr. To Gagan's Capital A/c		2,40,000	2,40,000				
	10	<p>(a) Outflow</p> <p>(b) Inflow</p>	2					