

M.M. : 80

**CLASS-XI (ANNUAL EXAM)
ACCOUNTANCY (055)**

Marking Scheme/Hints to Solution

[Note : Any other relevant answer, not given herein but given by the candidate be suitably rewarded.]

S. No.	Value Points/Key Points	Marks Allotted to each value point/key point	Total Marks
Part-A			
1.	(a) Going concern Assumption, Accrual Assumption	1	1
2.	(a) Subsidiary Books and Journal Proper	1	1
3.	(b) It is a comprehensive direct tax	1	1
4.	(b) Accounting may lead to window dressing	1	1
OR			
	(a) Understandability		
5.	(a) ₹ 2,90,000 i.e. (₹ 5,60,000 – ₹ 2,70,000)	1	1
OR			
	(b) ₹ 3,80,000 i.e. {₹ 7,40,000 – (3,80,000 – 30,000 + 10,000)}	1	1
6.	(a) A4, B2, C1, D3	1	1
7.	A. (c), (a), (d), (b), (e)	1	1
8.	(c) Transfer Voucher	1	1
9.	(c) Return Outwards	1	1

10.	(b) Compound	1	1
11.	(c) Both statement 1 and statement 2 are true.	1	1
12.	(b) Both A and R are correct and R is not the correct explanation of A.	1	1
	OR		
	(a) Both A and R are correct and R is the correct explanation of A.	1	1
13.	(b) 10%	1	1
	OR		
	(b) ₹ 2,00,000	1	1
14.	(d) To ascertain the arithmetical accuracy of accounts,	1	1
	OR		
	(a) Voluntary	1	1
15.	The correct option is		
	(a) Sales return book undercast by ₹ 1,000	1	1
	OR		
	The correct option is		
	(a) There are some one sided errors only in the books yet to be located.	1	1
16.	(a) Initial capital = ₹ 16,00,000	½	
	Gain (on sale of furniture) = ₹ 35,000 – ₹ 30,000 = ₹ 5,000	½	3
	(b) Fixed Assets : Furniture + Computer (100,000 + 1,00,000) = ₹ 2,00,000	1	
	(c) Value of Purchase = ₹ 4,00,000 + ₹ 4,00,000 = ₹ 8,00,000	1	
	OR		

- (a) Creditor = Satish
Amount payable to him = ₹ 4,00,000
- (b) Amount of expenses (Salary) = ₹ 30,000
Amount of Loss (by fire) = ₹ 60,000
- (c) Amount of drawing of Mr. Ram
= ₹ 40,000 + ₹ 10,000 = ₹ 50,000

½
½
½
½
1 3

17.

Rectifying Journal of RJ Bros.

Date	Particulars	L.F.	Debit ₹	Credit ₹
(a)	Sales Return A/c Dr. Sales A/c Dr. To Suspense account (Goods Returned wrongly passed through Sales Book, now rectified)		20,000 20,000	40,000
(b)	Depreciation A/c Dr. To Machinery A/c (Depreciation written-off on the machinery was not posted at all, now rectified)		5,000	5,000
(c)	Ashok Dr. To Sales Return A/c To Suspense Account (A cheque of ₹ 7,200 received from Ashok was dishonoured and has been posted to the debit of Sales Return Account with ₹ 2,700, now rectified)		7,200	2,700 4,500

1
3
1
1

OR

Rectifying Journal of DJ Bros.

Date	Particulars	L.F.	Debit ₹	Credit ₹
(a)	Purchases A/c Dr. To Machinery A/c (Purchases for ₹ 55,000 was debited to Machinery Account, now rectified)		55,000	55,000
(b)	Suspense A/c Dr. To Tulsi (Sales To Tulsi for ₹ 25,000 was posted to her account as ₹ 52,000, now rectified)		27,000	27,000
(c)	Purchases A/c Dr. Sales A/c Dr. To Suspense Account (Purchases wrongly passed through Sales Book, now rectified)		15,000 15,000	30,000

1

3

1

1

18.

Accounting Equation**Books of Vinit**

S.No.	Transactions	Assets		= Liabilities +		Capital		
		Cash + Stock + Debtor + Furniture	=	M/s Samrat + Unearned Furniture	Interest			
1.	Balance brought forward	200,000	1,20,000	20,000	40,000	= 20,000	3,60,000	1
2.	Sold goods (costing ₹ 15,000) for ₹ 18,000 out of which ₹ 5,000 received in cash	5,000	(15,000)	13,000	=		3,000	1
	New Equation	2,05,000	1,05,000	33,000	40,000	= 20,000	3,63,000	
3.	Unearned Interest ₹ 2,000	2,000			=		2,000	1
	New Equation	2,07,000	1,05,000	33,000	40,000	= 20,000	2,000	3,63,000
	Total	3,85,000					3,85,000	

19.

D. Budhiraja's Capital Account

Dr.

Cr.

Date	Particulars	Amt. (₹)	Date	Particulars	Amt. (₹)
2	To Cash-drawings	6,500	1	By Cash A/c	30,000
5	To Balance c/d	53,000	3	By Cash A/c	22,000
			4	By Profit & Loss A/c	7,500
		59,500			59,500
				By Balance b/d	53,000

1/2
each
3

Proprietor's Capital Account has a **credit balance** of ₹ 53,000 which **indicates that**
 the business owes him this amount.

20.

- (1) Reserve
 (2) Provision

Difference between Reserve and Provision

Basis	Reserve	Provision
1. Nature	It is an appropriation of profit.	It is charge against the profit.
2. Investment	It may be invested outside the business.	It is not invested.

1/2	3
1/2	

21.

- (a) Prudence or Conservatism principle
'Due explanation is required'
 (b) Consistency Assumption
'Due explanation is required'

1+1	4
1+1	

22.

Books of Dev**Bank Reconciliation Statement as on March 31,2023**

Particulars	Plus items (₹)	Minus items (₹)
Credit balance as per Pass book	6,000	—
Cheque paid into the bank but not credited	18,000	—
Debit column of the pass book undercast	—	200
Cheque received and sent to the bank but recorded in cash column of cash book	—	34,800
Credit balance as per cash book	11,000	
	35,000	35,000

OR

Books of Avni**Bank Reconciliation Statement as on March 30,2023**

Particulars	Plus items (₹)	Minus items (₹)
Debit balance as per Cash book	8,300	—
Cheques issued but not presented for payment upto 30 Sept. (8000-5800)	2,200	—
Debit side of cash book is overcast by ₹ 500	—	500
Rent paid by bank as per standing instructions	—	18,000
Debit balance as per Pass Book	8,000	—
	18,500	18,500

1/2	
1	
1	
1	
	4
1/2	

Books of Kunal

Machinery A/c

Date 2020	Particulars	Amt. (₹)	Date 2021	Particulars	Amt. (₹)
April 1	To Bank M1 $\frac{1}{2}$ (80,000+10,000 +2,000+7,000+1,000)	1,00,000	Mar. 31	By Depreciation M1 10,000 $\frac{1}{2}$ M2 3,000 6 months	13,000
Sept. 30	To Bank M2 $\frac{1}{2}$ (58,000+2,000)	60,000	Mar. 31	By Balance c/d M1 90,000 $\frac{1}{2}$ M2 57,000	1,47,000
2021		1,60,000	2022		1,60,000
April 1	To Balance b/d M1 90,000 M2 57,000	1,47,000	Mar. 31	By Depreciation M1 10,000 M2 6,000 $\frac{1}{2}$ M3	16,000
			Mar. 31	By Balance c/d M1 80,000 $\frac{1}{2}$ M2 51,000	1,31,000
2022		1,47,000	2022		1,47,000
April 1	To Balance b/d M1 80,000 M2 51,000	1,31,000	Oct. 1	By Depreciation $\frac{1}{2}$ M1 - for 6 months By Bank - M1 (2/5 th) By Loss on sale of Machine (WN-1)	2,000 20,000 10,000

6

2

1

Dec. 1	To Vendor	1,50,000	2023		
	(50,000+50,000		Mar. 31	By Depreciation	
	+50,000) (1/2)			M1 6,000 (3/5 th)	} (1)
				M2 6,000	
				M3 5,000 – 4 months)	
			Mar. 31	By Balance c/d	
				M1 42,000	} (1/2)
				M2 45,000	
				M3 1,45,000	
2023		2,81,000			2,81,000
Apr. 1	To Balance b/d	2,32,000			

Working Notes :

1. Calculation of Profit or loss on sale of 2/5th of Machinery purchased in 1.4.2020 :

B.V. of 2/5th of Machinery 1 as on 1.4.2020 : $(100,000 \times 2/5) =$ 40,000

Less : Depreciation till Oct. 1, 2022

$(4,000+4,000+2,000-6 \text{ months})$ 10,000

B.V. As on Date of Sale 30,000

Less : Loss on sale of Machinery (10,000)

Sale proceeds of 2/5 Machinery 1 **20,000**

2. Interest expenses are of revenue nature and not of capital nature and hence not debited to Machinery Account.

24.

Books of M/s Ramesh Traders

Dr. Cash Book (Double Column) Cr.

Date	Particulars	L.F.	Cash (₹)	Bank (₹)	Date	Particulars	L.F.	Cash (₹)	Bank (₹)
Apr. 2023					Apr. 2023				
1	To Balance b/d		2,000		1	By Balance b/d			15,000 (1/2)
3	To Capital A/c		4,000	(1/2) 16,000	4	By Purchases A/c			(1/2) 2,800
15	To Jaya			(1/2) 24,000	20	By Cash	C		(1/2) 10,000
20	To Bank	C	(1/2) 10,000		20	By Drawings		(1/2) 3,000	
28	To Sanju		(1/2) 2,400		30	By Interest A/c			(1/2) 600
30	To Cash	C		(1/2) 13,400	30	By Bank	C	(1/2) 13,400	
					30	By Balance c/d	(1/2)	2,000	25,000
			18,400	53,400				18,400	53,400
May 1	To Balance b/d		2,000	25,000					

25.

Journal of Karan (Delhi)

Date	Particulars	L.F.	Debit (₹)	Credit (₹)
May 2023				
1	Purchases A/c Dr. Input CGST A/c Dr. Input SGST A/c Dr. To Lubhavni (Purchased goods of ₹ 50,000 from Lubhavni)		50,000 4,500 4,500	59,000

3	Ram	Dr.	23,600		
	To Sales A/c (25,000-20% T.D i.e. 5,000)				20,000
	To Output IGST A/c (18% of 20,000)				3,600
	(Sold to Ram of Haryana, goods of the list price ₹ 25,000 less 20% trade discount)				
5.	Mohan	Dr.	35,400		
	To Purchase Returns A/c				30,000
	To Input IGST A/c (Goods returned to Mohan)				5,400
11	Bank A/c	Dr.	11,000		
	To Bad Debts Recovered A/c (For Bad Debts Recovered)				11,000
13	Telephone Expenses A/c	Dr.	4,000		
	(4720*100/118)				
	Input CGST A/c	Dr.	360		
	Input SGST A/c	Dr.	360		
	To Arav				4,720
	(Telephone charges paid along with GST)				

OR

**In the books of Harry, Amritsar
Purchase Book**

Date	Particulars	Inv. No.	LF	Details	Purchases	Input CGST	Input SGST	Input IGST	Total
2023									
Jan. 1	Mahendra, Delhi								
	Readymade Clothes			40,000					
	Less : TD 10%			(4,000)					
				<u>36,000</u>					
	+ Input								
	IGST @ 12%			4,320					
				<u>49,320</u>	36,000			4,320	40,320
Jan	Shyam Singh, Delhi								
11	Readymade Clothes								
	(Men)			30,000					
	+ Input GST @ 12%			3,600					
				<u>33,600</u>	30,000			3,600	33,600
Jan					<u>66,000</u>			<u>7,920</u>	<u>73,920</u>
31									

Sales Book

Date	Particulars	Inv. No.	LF	Details	Sales	Output CGST	Output SGST	Output IGST	Total
2023									
Jan 5	Mohan, Amritsar Readymade Clothes Less : TD 10%			10,000 (1,000) <u>9,000</u>					
	+ Output CGST @ 6% each SGST			540 <u>540</u>					
				10,080	9,000	540	540	---	10,080
Jan 19	Sohan, Haryana Readymade Clothes Less : TD 10%			6,000 (600) <u>5,400</u>					
	+ Output IGST @ 12%			648 <u>6,048</u>	5,400			648	6,048
Jan 31					14,400	540	540	648	16,128

Purchase Returns Book

Date	Particulars	Inv. No.	LF	Details	Purchase	input CGST	Input SGST	Input IGST	Total
2023									
Jan 6	Mahendra, Delhi Readymade Clothes Less : TD 10%			5,000 (500) <u>4,500</u>					
	+ Input IGST @ 12%			540 <u>5,040</u>	4,500			540	5,040
Jan 31					4,500			540	5,040

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6
1
1

Cash Book

Date	Particulars	₹	Date	Particulars	₹
2023 Jan 31	To Balance Cd	80,000	2023 Jan 21	By Purchases Ac	80,000

Journal Proper

Date	Particulars	L.F.	Debit (₹)	Credit (₹)
Jan 26	Computer A/c Dr. Input CGST A/c Dr. Input SGST A/c Dr. To Mahesh (For Purchases of Computer on credit)		8,000 480 480	 8,960

Part-B

26. (c) Capital expenditure
Since an asset is created which will be used for a number of years. 1 1
27. (c) ₹ 4,00,000
Cost of 4/5th of the goods sold = ₹ 10,00,000 × 4/5 = ₹ 8,00,000
4/5th of the goods are sold for ₹ 12,00,000
Gross Profit = Sales - Cost of Goods Sold
= ₹ 12,00,000 - ₹ 8,00,000 = ₹ 4,00,000 1 1
28. (c) Profit if fresh capital is not introduced. 1 1
29. (b) A3, B4, C1, D2 1 1
30. **Difference between Double Entry System and Single Entry System**

Basis	Double Entry System	Single Entry System
Aspects of a transaction	Under this system, both aspects of a transaction are recorded.	Under this system, both aspects of a transaction may not be recorded.

OR

Basis	Double Entry System	Single Entry System
Accounts Maintained	Under this system, personal, real and nominal, etc., all the accounts are maintained. Thus, it is a complete and scientific system of accounting.	Under this system, only personal accounts and Cash Book are maintained. Hence, it remains an incomplete record of accounts.

31.	<p>Operating Profit = Net Profit – Non operating income + Non-operating expenses</p> <p>= Net Profit (–) Rent Received (–) Gain on Sale of Machine</p> <p>(+) Interest on Loans (+) Donation</p> <p>= ₹ 1,00,000 – ₹ 10,000 – ₹ 15,000 + ₹ 20,000 + ₹ 2,000</p> <p>= 97,000</p>	1 1 1	3
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32. **Journal**

Date	Particulars	L.F.	Debit (₹)	Credit (₹)
2023				
March 31	Bad Debts A/c Dr: To Sundry Debtors A/c (Being the additional bad debts written off)		26,000	26,000
	Provision for Doubtful Debts A/c Dr: To Bad Debts A/c (Being the bad debts transferred to Provision for Doubtful Debts Account)		40,000	40,000
	Provision for Doubtful Debts A/c Dr: To Profit and Loss A/c (Being the amount debited to Profit and Loss Account to maintain Provision for Doubtful Debts @ 10% on sundry debtors)		10,000	10,000

Working Notes :

Provision for Bad debts required = (Debtors – Further Bad debt) × 5%
 = (8,26,000 – 26,000) × 5/100 = ₹ 40,000

Provision for DD to be credited to Profit & Loss A/c = Bad debts + Further Bad debts + New Provision required – Old Provision for DD
 = 14,000 + 26,000 + 40,000 – 90,000 = (₹ 10,000)

Statement of Affairs

As at 1/4/22

Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	11,000	Stock	18,500
Capital (Balancing fig.)	40,000	Debtors	13,000
		Office Equipment	4,000
		Building	10,800
		Bank	4,700
	<u>51,000</u>		<u>51,000</u>

1 6

Statement of Affairs

As at 31/3/23

Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	2,300	Stock	40,000
Bank overdraft	2,000	Debtors	15,000
Capital (Balancing fig.)	64,500	Office Equipment	3,000
		Building	10,800
	<u>68,800</u>		<u>68,800</u>

1

Statement of Profit and Loss

For the year ended 31/3/23

Particulars	Amount (₹)
Capital as at 31/3/23	64,500
Less : Additional capital	(10,000)
Add : Drawings	7,500
Less : Capital as at 1/4/22	(40,000)
= Profit (Before Adjustments)	22,000
Less : Provision for Doubtful Debts	(1,000)
Less : Depreciation on Building (10,800*5/100)	(540)
= Net Profit (After adjustments)	<u>20,460</u>

1+1

½

1

½

Books of Sunidhi
Trading and Profit & Loss A/c
For the year ended 31/3/2023

Dr.			Cr.		
Particulars	₹		Particulars	₹	
To Opening stock	50,000		By Sales	6,30,000	
To Purchases	2,60,000		Less : Returns	(15,000)	6,15,000
To Carriage	4,500		By Closing stock		1,15,000
To Power and Fuel	65,500		(Cost or M.V. whichever		
To Wages	44,000		is lower)	(1)	
Add : O/s wages	4,000	48,000			
To Gross Profit c/d		3,02,000			
		7,30,000			7,30,000
To Salaries	1,20,000		By Gross Profit b/d		3,02,000
To Rent	24,000		By Discount received		23,000
To Insurance	6,000				
Less Unexpired	(1,500)	4,500			
To Bad debts	25,000				
Less : Existing Provision	21,000	4,000			
To Interest on Loan to Raj	8,000				
Add : O/S Interest	4,000	12,000			
To Depreciation on Machinery	7,500				
To Depreciation on Furniture	2,500				
To Trade Expenses	18,000				
To Net Profit		1,32,500			
		3,25,000			3,25,000

Working Notes :

1. O/s Wages $(44,000/11 \times 1 \text{ month}) = ₹ 4,000$
2. Depreciation on Furniture $(50,000 \times 10/100 \times 6/12) = ₹ 2,500$
3. Unexpired Insurance $= 6,000 \times 3/12 = ₹ 1,500$

OR**Books of Nidhi****Profit & Loss A/c****For the year ended 31/3/2023****Dr.****Cr.**

Particulars	₹	Particulars	₹
To Salary	2,60,000	By Gross profit b/d (Given)	5,32,000
– Adv. Salary	(20,000)	By Commission received	9,000
	<u>2,40,000</u>	Add: Accrued Commi.	<u>3,000</u>
To Rent	35,000	By Provision for D/D	12,000
To Insurance Prem.	8,000	Less: Bad Debts	<u>11,000</u>
Less Prepaid Ins.	(2,000)		1,000
	<u>6,000</u>		
To Postage expenses	25,000		
To Office expenses	80,000		
To Dep. on Machinery	9,000		
To Net profit	<u>1,50,000</u>		
	5,45,000		5,45,000

Balance Sheet

As at 31/3/2023

Liabilities	₹	Assets	₹
Capital	3,50,000	Machinery	1,00,000
Less : Drawings	(10,000) ⁽¹⁾	Accrued Commission	3,000
Add : N.P.	<u>150,000</u>	Stock	2,26,000
	4,90,000	Debtors	(1) 2,50,000
Loan on Mortgage	80,000	Prepaid insurance	2,000
Creditors	40,000	Advance salary	20,000
Provision for Dep. on-		Cash at Bank	28,000
Machinery	10,000		
Add New Prov.	<u>9,000</u> ⁽²⁾		
	19,000		
	6,29,000		6,29,000

Working Note :

1. Depreciation on Machinery :

Book value of Machinery = Cost – Provision for Depreciation

$$= 100,000 - 10,000 = ₹ 90,000$$

$$\text{Depreciation (10\% WDV Method)} = 90,000 \times \frac{10}{100} = ₹ 9,000$$

2. Unexpired/Prepaid insurance = $8,000 \times \frac{3}{12} = ₹ 2,000$