

GOVERNMENT OF KARNATAKA
DEPARTMENT OF PRE-UNIVERSITY EDUCATION
II PUC EXAMINATION APRIL/MAY – 2022
SCHEME OF EVALUATION

SUBJECT: ACCOUNTANCY

SUBJECT CODE: 30

Q. No.	SUGGESTED ANSWER	Marks Allotted
SECTION – A		
1.	Society	01
2.	(b) 2	01
3.	Nature of Business (Or Any One Correct Answer)	01
4.	False	01
5.	The ratio in which remaining partners benefited or acquired the share of retiring partner.	01
6.	Death	01
7.	When share holder fails to pay the allotment money or call money or both.	01
8.	Debenture Redemption Fund Investment	01
9.	(c) Statement of profit and loss and balance sheet.	01
10.	Horizontal	01
11.	Creditors (Or Any One Correct Answer)	01
12.	(d) All of the above	01
SECTION – B		
13.	Not for profit organization refers to the organizations which are formed to render social services and welfare of the society. They are not aiming at profit.	2
14.	Under this system capital accounts balance changes or fluctuate from one year to another.	2
15.	(a) To get additional capital (b) To get additional managerial ability	1 + 1
16.	Realisation A/c Dr To Each asset Account A/c (Being assets transferred to realization A/c)	2
17.	(a) Authorised capital (b) Issued capital (or any other, or two)	1 + 1
18.	(a) Do not reflect current situation (b) Assets may not realise (or any other, or two)	1 + 1
19.	(a) Comparative statements (b) Common size statements (or any other, or two)	1 + 1
20.	(a) To provide useful information about cash flow (inflow & out flow) of an enterprise during a particular period. (b) To provide a basis to assess the ability of the enterprise to generate cash and cash equivalents and the needs at the enterprise to utilize those cash flows. (any two)	1 + 1

SECTION – C					
21.	Dr Profit & Loss appropriation A/c for the year ending 31.03.2021			Cr	6
	Particular	₹	Particular	₹	
	To Interest on capital X= 200000 X 10/100 Y= 150000 X 10/100	20000 15000	By Profit & Loss A/c (Net profit)	80000	
	To X's commission	2000	Interest on drawings X => 2000		
	To Y's Salary A/c	4000	Y => 1000	3000	
	To Partners capital a/c X 42000 X 3/5 = 25200 Y 42000 X 2/5 = 16800	42000			
	83000		83000		
22.	Calculation of interest on Ravi's Drawings under product method.				3
	Date of Drawings	Amount of drawing	Number of Months	Product (₹)	
	01-04-2020	6000	12	72000	
	30-06-2020	8000	09	72000	
	01-12-2020	9000	04	36000	
	31-03-2021	2000	00	0000	
	Total Product			1,80,000	
Interest = Total Product X Rate X 1/12 = 1,80,000 X $\frac{10}{100}$ X $\frac{1}{12}$ = ₹ 1500				1 2	
23.	Sacrifice Ratio = Old share – New share				1
	Sacrifice Ratio of Raja = $\frac{5}{8} - \frac{1}{3} = \frac{15 - 08}{24} = \frac{07}{24}$				2
	Sacrifice Ratio of Kiran = $\frac{3}{8} - \frac{1}{3} = \frac{9 - 08}{24} = \frac{01}{24}$				2
	Sacrifice Ratio of Raja & Kiran = $\frac{07}{24} : \frac{01}{24}$ or 7:1				1
24.	Dr Sonu's Capital Account			Cr	
	Particulars	₹	Particulars	₹	
	To Sonu's Executor's A/c	53125	By Balance b/d	25000	
			By Interest on capital (25000 X 10/100 X 3/12)	625	
			By Reserve Fund (24000 X 2/4)	12000	
			By Mallik's capital A/c	6000	
		By Pallavi's capital A/c	6,000		
		Profit & Loss suspense A/c	3500		
	53125		53125		

25.	Journal Entries in the books of Shreshta Company Ltd:					
	Date	Particulars	L.F	Debit (₹)	Credit (₹)	
1	Bank A/c (20,000X15) Dr To 5% Debenture application A/c (Being application money received on 20,000 debentures at ₹15)		3,00,000	3,00,000	1	
2	Debenture application A/c Dr To 5% Debenture A/c (Being Application money transferred to Debenture A/c)		300,000	300,000	1	
3	5% Debenture allotment A/c Dr (20,000 X 40) To 5% Debenture A/c (Being allotment money due on 20000 Debentures at ₹40 per debenture)		800,000	800,000	1	
4	Bank A/c Dr To 5% Debenture allotment A/c (Being Debenture allotment money received on 20000 Debentures at ₹40 per debenture)		800,000	800,000		
5	5% Debenture First & Final call A/c Dr (20000 X 45) To 5% Debenture A/c (Being Debenture first and final call money due on 20000 Debentures at ₹45 per debenture)		900,000	900,000	1	
6	Bank A/c Dr To 5% Debenture First & Final call A/c (Being Debenture first and final call money received on 20000 Debentures at ₹45 per debenture)		900,000	900,000	1	
26	Lakshmi company limited					2
	Balance sheet as at 31.03.2021					
	Schedule III of the Companies Act 2013.					
	Particulars		Note No.	Amount ₹		
	I Equity & Liabilities					
1. Share holder's funds:						
a. Share capital		1		170000		
b. Reserves and surplus				120000		
2. Non-Current Liabilities:						
a. Long-term borrowings				120000		
3. Current liabilities:						
a. Creditors				70000		
				480000		

	II Assets 1. Non-Current Assets a. Fixed assets Tangible assets 2. Current Assets a. Inventories b. Cash and cash equivalents		2,50,000 80,000 150000 <hr/> 4,80,000	2
	Notes to A/c's:			2
	Note-1: Reserve and Surplus			
		Particulars	Amount ₹	
		Statement of Profit and Loss	50,000	
		General Reserve	70000	
		Total	120,000	
27	$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$ $\text{Current Ratio} = \frac{144000}{104000}$ <p style="text-align: center;">Current Ratio = 1.38:1</p> $\text{Quick Ratio} = \frac{\text{Quick Assets}}{\text{Current Liabilities}}$ $= \frac{90000}{104000}$ <p style="text-align: center;">Quick Ratio = 0.865:1 or 0.87:1</p>			1 1 1 1 1 1

28	Cash Flows from Operating activities (Indirect method)		
	Particulars	Amount	
	Net Profit Before Tax and Extra Ordinary Items	500000	1
	Deductions already made in Profit and Loss account		
	Add: Depreciation	200000	1
	Less: Profit on Fixed assets	-50000	1
	Operating Profit before Change in Working Capital	650000	1
	Less: Increase in Current Assets (Trade Receivable)	-40000	1
	Add: Increases in Current Liabilities	60000	1
	Net Cash inflow from Operating Activities	670000	

SECTION – D

29	Ravindra Sport Club, Shivamogga					
Dr		Income & Expenditure Accounts for the year ending 31-03-2021			Cr	
Expenditure	₹	₹	Income	₹	₹	
To Salary	22000		By Subscriptions	26000		
Less: O/s for previous year	6000		Less: O/s for Subscriptions for previous year	2400		
	16000		Add: O/s for Current year	4000		
Add: O/s salary of current year	3400			27600		
		19400	Less: Subscriptions received in advance for 2021-22	2000	25600	7
To Postage		1000	By Sale of Old news paper		400	
To General Expenses		400	By Sports fee		2400	
To Lighting Charges	2000		By Rent		12000	
Add: O/S Lighting charges	500	2500				
To Depreciation on Sports materials		12000				
To Depreciation on Furniture		1000				
To Surplus (Excess of Income over expenditure)		4100				
		40400			40400	
Balance Sheet as on 31.03.2021						
Liabilities	₹	₹	Assets	₹	₹	
Capital fund			Cash in hand		12000	
Opening Balance	64000		Sport materials	35000		
Add: 1) Surplus	4100		Add: Purchase of SM	14000		
2) Entrance fee	6000	74100		49000		
Donations for Building		40000	Less: Depreciation Furniture	12000	37000	5
			Add: Purchases	18000		
				20000		
				38000		
			Less Depreciation	1000	37000	
O/s Salary		3400	Investments		30000	
O/s Lighting charges		500	O/s Subscription.		4000	
Subs. Received in adva.		2000				
		120000			120000	

30.	Dr		Revaluation Account				Cr		
	Particulars			₹	Particulars			₹	
	To Machinery A/c (30000 X 5/100)			1500	By Buildings A/c			9000	3
	To Furniture A/c (20000 X 5/100)			1000	(60000 X 15/100)				
	To PDD A/c [(60000 X 10/100) – 3000]			3000					
	To old Partners Capital A/c								
	Akhila (3500 X 3/5 = 2100)								
	Bhagya (3500 X 2/5 = 1400)			3500					
				9000				9000	
	Dr		Partner's Capital Account						Cr
Particulars	Akhila ₹	Bhagya ₹	Chandana ₹	Particulars	Akhila ₹	Bhagya ₹	Chandana ₹		
To Profit & Loss A/c	9000	6000		By Balance B/d	80000	40000	-----	5	
To Akhil Capital A/c			18000	By Revaluation A/c	2100	1400	-----		
To Bhagya Capital A/c			12000	By General reserve	18000	12000	-----		
To Cash A/c (Goodwill withdrawn)	18000	12000		By Cash A/c (40000 + 30000)			70000		
To Balance C/d	91100	47400	40000	By Chandana Capital A/c	18000	12000			
	117200	65400	70000		181100	65400	70000		
Dr		Cash Account						Cr	
Particulars			₹	Particulars			₹		
To Balance b/d			16000	By Akhila's Capital A/c			18000	NOT COMPULSORY	
To Chandana's Capital A/c (40000 + 30000)			70000	By Bhagya's Capital A/c			12000		
			86000	By Balance c/d			56000		
							86000		
To Balance b/d			56000						
New Balance Sheet of Akhila , Bhagya & Chandana as on 01-04-2021									
Liabilities		₹	₹	Assets		₹	₹		
Creditors			48000	Cash			56000	4	
Bills Payable			20000	Debtors		60000			
Capitals :				Less: PBD (3000+3000)		6000	54000		
Akhila		91100		Stock			20000		
Bhagya		47400		Furniture		20000			
Chandana		40000	178500	Less: Depreciation		1000	19000		
				Machinery		30000			
				Less: Depreciation		1500	28500		
				Buildings		60000			
				Add: Appreciation		9000	69000		
			246500				246500		

31.	Dr Revaluation Account							Cr		3
	Particulars			₹	Particulars			₹		
	To Machinery A/c (20000 X 5/100)			1000	By Stock A/c			6000		
	To Furniture A/c (15000X5/100)			750	(30000 X 20/100)					
	To PDD A/c [(42000 X 10/100) – 2000]			2200	By Building A/c			10000		
To Partners Capital A/c				(90000 - 80000)						
Abhay (12050 X 2/5) = 4820										
Bhuvan (12050X 2/5) = 4820										
Chethan (12050X1/5) = 2410			12050							
			16000				16000			
Dr Partner's Capital Account							Cr		5	
Particulars	Abhay	Bhuvan	Chetan	Particulars	Abhay	Bhuvan	Chetan			
	₹	₹	₹		₹	₹	₹			
To Chetan's Capital A/c	2000	2000		By Balance B/d	60000	50000	40000			
				By Revaluation A/c	4820	4820	2410			
				By Reserve Fund A/c	12000	12000	6000			
				By Profit & Loss A/c	2000	2000	1000			
To Chetan's Loan A/c			53410	By Abhay's Capital A/c			2000			
To Balance C/d	76820	66820		By Bhuvan's Capital A/c			2000			
	78820	68820	53410		78820	68820	53410			
New Balance Sheet of Abhay, Bhuvan & Chetan as on 01-04-2021										
Liabilities	₹	₹	Assets	₹	₹					
Creditors		30000	Cash at Bank		40000					
Bills Payable		10000	Debtors	42000						
Chetan's Loan		53410	Less: PBD	4200	37800					
			(2000+2200)							
Capitals:			Stock	30000						
Abhay	76820		Add: Increase	6000	36000					
Bhuvan	66820	143640	Furniture	15000						
			Less: Depreciation	750	14250					
			Machinery	20000						
			Less: Depreciation	1000	19000					
			Building	80000						
			Add: Appreciation	10000	90000					
Total		237050	Total		237050					

32.	Dr Realisation Account Cr						
	Particulars	₹	₹	Particulars	₹	₹	
	To Stock A/c	10000	56000	By Loan A/c	3000	6000	6
	To Furniture A/c	4000		By Creditors A/c	3000		
	To Debtors A/c	20000		By Bank A/c			
	To Plant & Machinery A/c	22000		(Assets Realised)			
	To Bank A/c (Liabilities Paid)			Stock	9000	12500	
	Loan	3000		Furniture	3500		
	Creditors	3000	6000	By Mohan's capital A/c (Machinery taken over)		25000	
	To Bank A/c (Realization Expenses Paid)		500	By Punith's capital A/c (Debtors taken over)		18000	
			By Partners Capital A/c Mohan (1000X 3/4) = 750 Punith (1000X1/4) = 250		1000		
		62500			62500		
Dr Partner's Capital Account Cr							
Particulars	Mohan (₹)	Punith (₹)	Particulars	Mohan (₹)	Punith (₹)		
To P & L A/c	9000	3000	By Balance B/d	40000	20000	4	
To Realisation A/c (Asset Taken over)	25000	18000	By Reserve Fund	6000	2000		
To Realisation A/c (Loss)	750	250					
To Bank A/c	11250	750					
	46000	22000		46000	22000		
Dr Bank Account Cr							
Particulars	₹		Particulars	₹			
To Balance b/d	6000		By Realisation A/c (Liabilities paid)	6000		2	
To Realisation A/c (Assets Realised)	12500		By Realisation A/c (Realisation exp paid)	500			
			By Mohan's Capital A/c	11250			
			By Punith's Capital A/c	750			
	18500			18500			

33. Journal entries in the books of Sanjeev Co. Ltd					
Date	Particulars	LF	Debit (₹)	Credit (₹)	
1	Bank A/c (20000 X 20) Dr To Equity Share Application A/c (Share Application Money Received On 20000 Shares at ₹ 20 Per Share)		400000	400000	1
2	Equity Share Application A/c Dr To Equity Share Capital A/c (Share Application Money Transferred to Share Capital A/c)		400000	400000	1
3	Equity Share Allotment A/c Dr (20000 X 50) To Equity Share Capital A/c (20000 X 40) To Securities Premium A/c (20000 X 10) (Share Allotment Money due on 20000 Shares at ₹ 50 per Share including Premium of ₹ 10 per share)		1000000	800000 200000	2
4	Bank A/c Dr To Equity Share Allotment A/c (Share Allotment Money Received on 20000 Shares at ₹ 50 per Share)		1000000	1000000	1
5	Equity Share First & Final call A/c (20000X40) Dr To Equity Share Capital A/c (First & final call Money due on 20000 Shares at ₹40 per Share)		800000	800000	1
6	Bank A/c (19400 X 40) Dr To Equity Share First and Final call A/c (Share First & final call Money received on 19400 Shares at ₹ 40 per Share)		776000	776000	1
7	Equity Share Capital A/c (600 X 100) Dr To Share Forfeiture A/c (600 X 60) To Equity Share First and Final call A/c (600X40) (Forfeiture of 600 shares for the non-payment of first & final call money of ₹ 40 per Share)		60000	36000 24000	2
8	Bank A/c (600 X 80) Dr Shares Forfeiture A/c (600 X 20) Dr To Equity Share Capital A/c (Reissue of 600 Forfeited Shares at ₹80 per Share)		48000 12000	60000	2
9	Share Forfeiture A/c Dr To Capital Reserve A/c (36000 - 12000) (Balance in share Forfeiture account, transferred to Capital Reserve A/c after the re-issue)		24000	24000	1

34. Journal entries						
Date	Particulars	L F	Debit ₹	Credit ₹		
a	Bank A/c Dr To Debenture Application and Allotment A/c (Debentures Application & allotment Money Received)		200000			1
	Debenture Application & Allotment A/c Dr Loss on Issue of Debenture A/c (200000X5/100) Dr To 10% Debentures A/c To Premium on Redemption of Debentures A/c (Debentures Application & allotment Money Transferred to Debentures Account)		200000 10000		200000 10000	2
b	Bank A/c Dr To Debenture Application and Allotment A/c (Debenture Application & Allotment money received)		190000		190000	1
	Debenture Application & Allotment A/c Dr Loss on Issue of Debentures A/c Dr To 10% Debentures A/c (Debenture Application Money Transferred to Debentures Account)		190000 10000		200000	2
c	Bank A/c Dr To Debenture Application & allotment A/c (Being Debenture Application & Allotment Money received)		210000		210000	1
	Debenture Application & Allotment A/c Dr To 10% Debentures A/c To Securities Premium A/c (Debenture Application & allotment Money Transferred to Debentures Account & securities premium A/c)		210000		200000 10000	2
d	Bank A/c (105/100X200000) Dr To Debenture Application and Allotment A/c (Being Debenture Application & Allotment Money received)		210000		210000	1
	Debenture Application & Allotment A/c Dr Loss on issue of Debenture A/ c Dr To 10% Debentures A/c To Premium on Redemption of Debentures A/c (5/100X200000) To Securities Premium A/c (5/100X200000) (Debenture Application & allotment Money Transferred to Debentures Account)		210000 10000		200000 10000 10000	2

35.	Surya Company Ltd.				
	Common size Balance sheet as at 31.03.2020 & 31.03.2021				
	Particulars	Absolute Amount		% Of each item to Total Assets	
		31-03-2020 ₹	31-03-2021 ₹	31-03-2020 %	31-03-2021 %
I Equity and Liabilities					6
Shareholders Fund					
Share capital	800000	900000	50.00	50.00	
Reserves and Surplus	100000	60000	6.25	3.33	
2.Non-current Liabilities					
10% Debentures	500000	600000	31.25	33.33	
3. Current Liabilities					
Short term borrowings	150000	180000	9.37	10.00	
Trade Payables	50000	60000	3.13	3.33	
Total	1600000	1800000	100.00	100.00	
II Assets					6
Non-current Assets					
Tangible assets	700000	800000	43.75	44.44	
Intangible assets	500000	600000	31.25	33.33	
Current Assets					
Inventories	100000	150000	6.25	8.33	
Cash and cash equivalents	150000	170000	9.37	9.44	
Other current assets	150000	80000	9.37	4.44	
Total	1600000	1800000	100.00	100.00	
36.	Calculation of Accounting Ratio				
	a. Inventory turnover ratio = $\frac{\text{Cost of revenue from operation (COGS)}}{\text{Average Inventory (Stock)}} = \frac{700000}{100000} = 7 \text{ times}$				2
	Note: Cost of revenue from operation = Revenue from operation - Gross profit = 1000000 – 300000 = 700000				
	b. Trade receivable turnover ratio = $\frac{\text{Net credit revenue from operation}}{\text{Average trade receivables}} = \frac{750000}{150000} = 5 \text{ times}$				2
	c. Trade payable turnover ratio = $\frac{\text{Net credit purchase}}{\text{Average trade payables}} = \frac{500000}{200000} = 2.5 \text{ times}$				2
	d. Gross profit ratio = $\frac{\text{Gross Profit} \times 100}{\text{Net revenue from operation}} = \frac{300000 \times 100}{1000000} = 30\%$				2
	e. Operating ratio = $\frac{\text{COGS} + \text{operating expenses}}{\text{Net revenue from operation}} \times 100 = \frac{700000 + 100000 \times 100}{1000000} = 80\%$				2
	f. Net profit ratio = $\frac{\text{Net Profit} \times 100}{\text{Net revenue from operation}} = \frac{100000 \times 100}{1000000} = 10\%$				2

SECTION – E

37. a) Equally
 b) No
 c) No
 d) 6% PA
 e) No

(One Mark Each)

38	Dr Profit & Loss appropriation A/c for the year ending 31.03.2021		Cr		
	Particular	₹	Particular	₹	
	To Interest on capital $X = 200000 \times 10/100$ $Y = 150000 \times 10/100$	20000 15000	By Profit & Loss A/c (Net profit)	80000	
	To X's commission	2000	Interest on drawings X = 2000		
	To Y's Salary A/c	4000	Y = 1000	3000	
	To Partners capital a/c $X 42000 \times 3/5 = 25200$ $Y 42000 \times 2/5 = 16800$	42000			
		83000		83000	
39	Lakshmi company limited				
	Statement of Profit & Loss for the year ended 31.03.2021				
	Particulars	Note No.	Amount ₹		
	I. Revenue from operations		990000		
	II. Other income		10000		
	III. Total Revenue (I + II)		1000000		
	IV. Expenses		400000		
	V. Profit before Tax (III – IV)		600000		
	VI. Less: Tax (30%)		180000		
	VII. Profit after tax (V – VI)		420000		
40.	Comparative Statement Of Profit & Loss For The Year Ended 31.03.2020 & 31.03.2021				
	Particulars	31-03-2020 ₹	31-03-2021 ₹	Increase/ Decrease in ₹	Increase/ Decrease in %
	I. Revenue from operation	800000	900000	100000	12.50
	II. Other income	100000	60000	-40000	-40.00
	III. Total Revenue (I+II)	900000	960000	60000	6.66
	IV. Expenses				
	A. Cost of materials	150000	180000	30000	20.00
	V. Profit before Tax (III-IV)	750000	780000	30000	4.00
	VI. Less: Tax at 30%	225000	234000	9000	4.00
	VII. Profit after tax (V-VI)	525000	546000	21000	4.00