

ANSWER KEY

FIRST YEAR HIGHER SECONDARY EXAMINATION 2021

SEPTEMBER

PART-I/H/III

SUBJECT: ACCOUNTANCY WITH AFS

CODE NO: FY 272

(H1)

VERSION: 0

80 SCORES

2 1/2 HOURS

Qn. No	Sub Qns	Answer Key/Value Points	Score	Total Score
1		b. Journal	1	1
2.		b. Businessman	1	1
3.		b. Banker	1	1
4.		c. Trial Balance	1	1
5.		b. closing stock	1	1
6.		c. Outstanding Expenses	1	1
7.		c. Both Hardware and software	1	1
8.		The American Institute of Certified Public Accountants defines Accounting as, "the art of recording, classifying and summarising in a significant manner and in terms of money, transactions and events which are in part atleast, of financial character, and interpreting the results thereof."	2	2

Qn. No	Sub Qns	Answer Key/Value Points	Score	Total Score
9.		The basic accounting concepts are referred to as the fundamental ideas or basic assumptions underlying the theory and practice of financial accounting and are broad working rules for all accounting activities and developed by the accounting profession	2	2
10.		Book in which all transactions relating to cash receipts and cash payments are recorded	2	2
11.		A Trial Balance is a statement showing the balances or total of debits and credits, of all the accounts in the ledgers with a view to verify the arithmetical accuracy of posting into the ledger accounts.	2	2
12.		<p>a. To ascertain the arithmetical accuracy of ledger accounts</p> <p>b. To help in locating errors.</p>	1 1	2

Qn. No	Sub Qns	Answer Key/Value Points	Score	Total Score										
13		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Internal Users</th> <th style="width: 50%;">External Users</th> </tr> </thead> <tbody> <tr> <td>1. Chief Executive</td> <td>1. Investors</td> </tr> <tr> <td>2. Financial officers $\frac{1}{2}$</td> <td>2. Creditors $\frac{1}{2}$</td> </tr> <tr> <td>3. Vice President $\frac{1}{2}$</td> <td>3. Debenture holders $\frac{1}{2}$</td> </tr> <tr> <td>4. Managers $\frac{1}{2}$</td> <td>4. Tax Authorities $\frac{1}{2}$</td> </tr> </tbody> </table>	Internal Users	External Users	1. Chief Executive	1. Investors	2. Financial officers $\frac{1}{2}$	2. Creditors $\frac{1}{2}$	3. Vice President $\frac{1}{2}$	3. Debenture holders $\frac{1}{2}$	4. Managers $\frac{1}{2}$	4. Tax Authorities $\frac{1}{2}$	<p>1 1 1</p>	<p>3</p>
Internal Users	External Users													
1. Chief Executive	1. Investors													
2. Financial officers $\frac{1}{2}$	2. Creditors $\frac{1}{2}$													
3. Vice President $\frac{1}{2}$	3. Debenture holders $\frac{1}{2}$													
4. Managers $\frac{1}{2}$	4. Tax Authorities $\frac{1}{2}$													
14.		<p>1. b, Accounting period</p> <p>2. c. Cannot be expressed in terms of money</p> <p>3. a. Expressed in terms of money</p>	<p>1 1 1</p>	<p>3</p>										
15.		<p>A document which provides evidence of the transaction is called source document.</p>	<p>3</p>	<p>3</p>										
16.		<p>When the number of accounts to be debited or credited is more than one, entry made for recording the transactions is called Compound journal entry</p>	<p>3</p>	<p>3.</p>										

4/2

Q.No.	Sub. Qns.	Answer key/ value points	Score	Total score
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17.

Purchase Journal

Date	Invoice No.	Name of supplier	LF	Amount Rs.
2020 April 1	4526	General Electronics		12,15,000
April 10	10400	Modern Electronics		9,18,000
April 14	1041	A to Z Electronics		2,00,000
April 30				
				23,33,000

1

1

1

3

18.

Transactions that cannot be recorded in any special journal are recorded in journal called the journal proper.

3

3

19.

a. Cheque issued by the bank but not yet presented for payment

1

b. Cheques paid into bank but not yet collected

1

c. Direct debits made by the bank on behalf of the customer

1

3

20.

I. b - cash book

1

II. c. Overdraft

1

III. a. Pass books

1

3

21.

The amount of closing stock is entered on the credit side of Trading Account and also shown on the asset side of the Balance sheet

3

3

Answer key / value points

6/2

Score Total Score

27. I. c. Debit side of Trading Account
 II. c. Debit side of Trading Account
 III. a. Credit side of Trading Account
 IV. a. credit side of Trading Account

1
1
1
1
4

28. Trading and Profit and Loss Account is prepared to determine the profit earned or loss sustained by the business enterprise during the accounting period.

4 4

Trading Account 1

Particulars	Debit Amount	Particulars	Credit Amount
Opening stock	10,000 1/2	Sales	40,000 1/2
Purchases	5,000 1/2		
Wages 2000			
Add o/s wages 500	2,500 1/2		
Gross Profit c/d	22,500 1		
	40,000		40,000

4 4

Profit and Loss Account 1

Particulars	Debit Amount	Particulars	Credit Amount
Salary 25,000		Gross Profit b/d	50,000 1/2
Add o/s salary 2000	27,000 1/2		
Bad Debts	1,500 1/2		
Rent of building	4,000 1/2		
Net Profit transferred to Capital	17,500 1		
	50,000		50,000

4 4

31. a. Assets - Economic resources 1
 b. Liabilities - Obligations/ Debts 1
 c. Capital - Amount invested by the owner 1
 d. Purchases - Goods procured 1
 e. Drawings - withdrawal of money/goods 1

5 5

Q. No.	Sub. Qns.	Answer key/value Points	Score	Total Score
32.		I. Distinct and separate entity II. Expressed in terms of money III. Carryout its operations indefinitely IV. span of time V. Dual or two fold effect	1 1 1 1 1	5
33.		I. a. Debited II. b. Credited III. b. Credited IV. a. Debited V. b. Credited	1 1 1 1 1	5
34.		I. Cash Book II. Purchase Day Book III. Purchase Return Day Book IV. Sales Day Book V. Sales Return Day Book.	1 1 1 1 1	5
35.		All credit purchase of goods are recorded	5	5

Q.No. Sub Qns Answer key / value Points $\frac{8}{2}$ Score Total Score

36.

Trial Balance as on 31st March, 2020

Particulars	LF	Debit Amount	Credit Amount
Capital			1,00,000 $\frac{1}{2}$
Machinery		1,50,000	$\frac{1}{2}$
Purchases		25,000	$\frac{1}{2}$
Sales			50,000 $\frac{1}{2}$
Cash in hand		15,000	$\frac{1}{2}$ 5
wages		10,000	$\frac{1}{2}$
Sundry Creditors			40,000 $\frac{1}{2}$
Bills Payable			10,000 $\frac{1}{2}$
		2,00,000	2,00,000 1

5

37.

Trading Account for the year ended 31st March, 2020

Particulars	Debit Amount	Particulars	Credit Amount
Opening stock	45,000 $\frac{1}{2}$	Sales	3,00,000 $\frac{1}{2}$
Purchases	1,15,000 $\frac{1}{2}$	Closing stock	20,000 $\frac{1}{2}$
wages	30,000 $\frac{1}{2}$		
Carriage Inwards	5,000 $\frac{1}{2}$		
Gross Profit c/d	1,25,000 1		
	3,20,000		3,20,000

5 5

9/2

38. Profit and Loss Account for the year ended 31st March 2020

Particulars	Debit Amount	Particulars	Credit Amount
Salary	10,000 1/2	Gross Profit b/d	40,000 1/2
Legal Expenses	2,000 1/2	Rent	2,000 1/2
Administration Expenses	3,000 1/2	Interest	3,000 1/2
Selling and Distribution Expenses	5,000 1/2		
Discount Allowed	1,000 1/2		
Net Profit transferred to Capital	24,000 1		
	45,000		45,000

5 5

39. Balance sheet

Liabilities	Amount	Assets	Amount
Sundry Creditors	12,000	Cash at Bank	10,000
Capital	20,000	Prepaid salary	2,000
		Sundry Debtors	20,000
	32,000		32,000

5 5

40.

I. Identifying	1		
II. Recording	1		
III. Classification	1	5	5
IV. Summarising	1		
V. Adjusting Entries	1		

41. New Accounting Equation $95000 + 5000 = 100,000$ 2
- II. New Equation - $95000 + 7000 = 2000 + 100,000$ 2
- III. New Equation - $87000 + 7000 + 8000 = 2000 + 100,000$ 2
- IV. New Equation - $86000 + 7000 + 8000 = 1000 + 100,000$ 2

42

Cash Book (single column)

Receipts			Payments		
Date	Particulars	Amount	Date	Particulars	Amount
Feb. 1	Capital	1,00,000	Feb. 3	Bank	5000
8	Sales	500	5	Purchases	4000
9	Commission	1000	15	Rent	1000
			28	Salary	2000
				Balance c/d	89500
		101500			101500

43.

Trading and Profit and Loss Account for the year ended 31st March 2020

Particulars	Amount	Particulars	Amount
Opening stocks	10,000	Sales	83,000
Purchases	60,000		
wages	3500		
Gross Profit c/d	9,500		
	83,000		83,000
Salary	7000	Gross profit b/d	9,500
Advertisement	1500	Interest	250
Net Profit Transferred to Capital	1250		
	9,750		9,750

Balance sheet as on 31st March, 2020

Liabilities	Amount	Assets	Amount
Bank overdraft	750 $\frac{1}{4}$	Cash at Bank	72,000 $\frac{1}{4}$
Sundry creditors	11,000 $\frac{1}{4}$	Sundry debtors	20,000 $\frac{1}{4}$
Bills Payable	15,000 $\frac{1}{4}$	Furniture	15,000 $\frac{1}{4}$
Capital 2,30,000		Plant and Machinery	1,50,000 $\frac{1}{4}$
Less Drawings 1000			
<u>2,29,000</u>			
Add Net Profit 1250	2,30,250 $\frac{1}{4}$		
	2,57,000		2,57,000

8

2

44. Trading and Profit and Loss Account for the year ended 31st March 2020

Particulars	Amount	Particulars	Amount
Opening stock	8000 $\frac{1}{2}$	Sales	29,000 $\frac{1}{2}$
Purchases	7000 $\frac{1}{2}$	Closing stock	25,000 $\frac{1}{2}$
Wages	3500 $\frac{1}{2}$		
Gross profit c/d	35500 $\frac{1}{2}$		
	54,000		54,000
Salary 4000		Gross Profit b/d	35,500 $\frac{1}{2}$
Add o/s salary 600	4600 $\frac{1}{2}$	Commission	6000 $\frac{1}{2}$
Insurance 1400		Rent	1500 $\frac{1}{2}$
Less prepaid 400	1000 $\frac{1}{2}$		
Net profit Transferred to capital	37400 $\frac{1}{2}$		
	43,000		43,000

3

8

3

Q. No. Sub Qns

Answer key / value points

10/12

Score Total score

Balance sheet as on 31st March 2020

Liabilities	Amount	Assets	Amount
Outstanding Salary	600	Cash in hand	17000
Bills Payable	11000	Prepaid Insurance	400
Sundry creditors	6500	closing stock	25000
Capital 46000		Sundry Debtors	13000
Add Net Profit 37400	83400	Furniture	31100
		Building	15000
	101,500		101,500

2