# Answer Key - Accountancy

| Qn. No. | Value Points | Split Score | Total Score |
|---|---|---|---|
| 1 | d. Both 'b' and 'c' | 1 | 1 |
| 2 | d. An asset | 1 | 1 |
| 3 | Depreciation Rs.2000 debited in I/E a/c and Rs.23000 shown in the asset side of Balance Sheet | 1 | 1 |
| 4 | c. Legacy | 1 | 1 |
| 5 | d. Subscription received for the current year | 1 | 1 |
| 6 | Rs. 50,000 shown as an asset in the Balance Sheet and Rs.1,50,000 shown as subscription in the I/E a/c | 1+1 | 2 |
| 7 | Credit interest on investment Rs.2400 in I/E a/c and show Rs.2400 in the asset side of Balance Sheet as accrued interest | 1+1 | 2 |
| 8 | Since the firm made losses during the year, no interest on capital is allowed. <br> B) Rs. 7,000 & 5,000 respectively | 1 + 1 | 2 |
| 9 | Interest on drawings = Rs. 2,250 | 2 | 2 |
| 10 | No.The calculation is not correct. Actual expense is more than the fund and the difference | 1 | 2 |
| 10 | Rs. 2,000 is loss on match and debitd to I/E a/c and not shown in the Balance Sheet | 1 | 2 |
| 11 | Total interest on capital is Rs.1360. Deficency Rs.3227. A has to sacrifice Rs.1937 and B Rs.1290 to partner C in the ratio 3:2 | | 2 |
| 12 | a. Sale of old newspaper - Revenue - Credited in I/E a/c | 1 | 3 |
| 12 | b. Library fund- Capital - Liability side of B. S | 1 | 3 |
| 12 | c. Honorarium - Revenue - Revenue - Debited  in I/E a/c | 1 | 3 |
| 13 | Rs.40,000 credited in the R/P a/c | 1 | 3 |
| 13 | Rs.2,000 debited in the R/P a/c | 1 | 3 |
| 13 | Rs.3,000 Debited as loss on sale of books in I/E a/c | 1 | 3 |
| 14 | Stationery consumed during the year - Rs.30,500 | 1 | 4 |
| 14 | Add: Op stock - Rs.7000 | 1 | 4 |
| 14 | Add: Purchase - 25,500 | 1 | 4 |
| 14 | Less : Cl.Stock - 2000 | 1 | 4 |
| 15 | Interest on capital - Biju - Rs.4,000 to be debited | | 5 |
| 15 | Int. On drawings to be calculated only for 6 months, since date of withdrawal is not given. So Shibu -Rs.100 and Biju - Rs.50 only to be credited | | 5 |
| 15 | Partners capital - Shibu - Rs.17,370 & Biju - Rs.11580 | | 5 |
| 16 | Debit 'A' Capital a/c - Rs.200 and Credit 'B' with Rs.80 and Credit 'C' with Rs.120 | | 5 |
| 17 | Surplus - Rs.19,000 | 4 | 8 |
| 17 | Opening Balance Sheet total - 30,000; Capital fund - Rs.30,000 | 2 | 8 |
| 17 | Cl.Balance Sheet total - Rs.49,000 | 2 | 8 |
| 18 | For eplaining the accounts to be prepared - Cash book, asset a/c etc | 2 | 8 |
| 18 | For explaining R/P a/c | 2 | 8 |
| 18 | For explaining I/E a/c | 2 | 8 |
| 18 | For explaining Balance Sheet | 2 | 8 |