

**Unofficial Answer Key**  
**XII Accountancy CA – March 2021**      **SY-250**

Prepared by **Ajith Kanthi Wayanad**

Last updated on 24-04-2021, 5.30PM

**PART A ACCOUNTING**

<b>Answer any questions for 40 scores from Part A and 20 scores from Part B</b>		<b>Score</b>																
1	a) Surplus	1																
2	c) Partnership Deed	1																
3	d) All of these	1																
4	b) Gaining Ratio	1																
5	Characteristics of Non-for-profit organisation: 1. Providing service to a specific group such as education, healthcare etc. 2. Organized as charitable trusts or societies and subscribers are called members. (or any other 2 points)	2																
6	In the absence of partnership deed: 1. Profit Sharing - Equally,      2. Interest on Drawings – Not charging	2																
7	Journal entries on dissolution: a) Sale of Asset: Cash / Bank      Dr To Realisation Account b) Payment of realisations expenses: Realisation Account      Dr To Cash / Bank	2																
8	<b>Income and Expenditure Account Vs. Receipts and Payments Account</b> <table border="1" style="width: 100%; margin-top: 10px;"> <thead> <tr> <th></th> <th style="text-align: center;">Basis</th> <th style="text-align: center;">Income &amp; Expenditure A/c</th> <th style="text-align: center;">Receipts &amp; Payments A/c</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td>Nature</td> <td>It is like a P&amp;L A/c</td> <td>It is the summary of cash book</td> </tr> <tr> <td style="text-align: center;">2</td> <td>Nature of Items</td> <td>It records income and expenditure of revenue nature</td> <td>It records receipts and payments of revenue and capital nature</td> </tr> <tr> <td style="text-align: center;">3</td> <td>Period</td> <td>Items related to the current period only</td> <td>Items related to preceding and succeeding periods</td> </tr> </tbody> </table> <p style="text-align: right; margin-top: 5px;">(Any other differences may be considered)</p>		Basis	Income & Expenditure A/c	Receipts & Payments A/c	1	Nature	It is like a P&L A/c	It is the summary of cash book	2	Nature of Items	It records income and expenditure of revenue nature	It records receipts and payments of revenue and capital nature	3	Period	Items related to the current period only	Items related to preceding and succeeding periods	3
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9	Goodwill is the value of reputation of a firm in respect of the profits expected in future over and above the normal profits. Factors Affecting Goodwill: 1. Location of Business 2. Nature of Business (any other two factors) (Score 1+1+1)	3																

10	<p>Accounting Treatments on Retirement:</p> <ol style="list-style-type: none"> <li>1. Change in Profit sharing ratio.</li> <li>2. Calculation of gaining ratio.</li> <li>3. Adjustment regarding goodwill.</li> <li>4. Adjustment of reserves and accumulated profits/losses.</li> <li>5. Revaluation of assets and liabilities.</li> <li>6. Ascertainment of profit or loss up to the date of retirement.</li> <li>7. Calculation of total amount due to the retiring partner.</li> <li>8. Settlement of total amount due to the retiring partner.</li> <li>9. Adjustment of capitals of continuing partner. (Any 6: Score 6 x 1/2)</li> </ol>	3														
11	<p style="text-align: center;"><b>Difference between Fixed Capital and Fluctuating Capital Methods</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">FIXED CAPITAL METHOD</th> <th style="width: 50%;">FLUCTUATING CAPITAL METHOD</th> </tr> </thead> <tbody> <tr> <td>1. Two accounts are maintained, ie, capital a/c and current a/c</td> <td>1. Only one account ie, capital a/c is prepared.</td> </tr> <tr> <td>2. Usually, the amount of capital remains the same year after year.</td> <td>2. The amount of capital is fluctuating</td> </tr> <tr> <td>3. Adjustments like interest on capital, drawings, interest on drawings, etc. are made in the current a/c</td> <td>3. Adjustments are made in the capital a/c itself.</td> </tr> <tr> <td>4. Both the current a/c and the capital a/c are appeared in the Balance Sheet</td> <td>4. Only the capital a/c appears in the Balance Sheet.</td> </tr> <tr> <td>5. It should be specifically mentioned in the deed.</td> <td>6. It is not necessary.</td> </tr> <tr> <td colspan="2" style="text-align: right;">(Any 4 differences – Score 4 x 1)</td> </tr> </tbody> </table>	FIXED CAPITAL METHOD	FLUCTUATING CAPITAL METHOD	1. Two accounts are maintained, ie, capital a/c and current a/c	1. Only one account ie, capital a/c is prepared.	2. Usually, the amount of capital remains the same year after year.	2. The amount of capital is fluctuating	3. Adjustments like interest on capital, drawings, interest on drawings, etc. are made in the current a/c	3. Adjustments are made in the capital a/c itself.	4. Both the current a/c and the capital a/c are appeared in the Balance Sheet	4. Only the capital a/c appears in the Balance Sheet.	5. It should be specifically mentioned in the deed.	6. It is not necessary.	(Any 4 differences – Score 4 x 1)		4
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12	New Ratio: Amala, Nandana & Hajara = 5:3:2	4														
13	<p><b>Journal Entries – Treatment of Goodwill:</b></p> <p>(i) Cash A/c Dr. 24,000  To Ananya's Capital A/c 20,000  To Goodwill A/c 4,000  (Capital and Goodwill brought in by Ananya)</p> <p>(ii) Goodwill A/c Dr. 4,000  To Abhinav's Capital A/c 2,500  To Adarsh's Capital A/c 1,500  (Goodwill transferred to old partners in the ratio of 5:3)</p> <p>Journal entry <b>without raising Goodwill A/c</b> is also the correct answer</p> <p style="text-align: right;">(Score: 2 x 2)</p>	4														
14	New Ratio: Ameena and Gayathri = 7:3	4														

15	<b>Realisation A/c</b>				4																																					
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17	<b>Steps in the Preparation of Receipt and Payment Account:</b>				5																																					
<ol style="list-style-type: none"> <li>1. <b>Take the opening balances</b> of cash in hand and cash at bank and enter them on the debit side. In case there is bank overdraft at the beginning of the year, enter the same on the credit side of this account.</li> <li>2. Show the total amounts of <b>all receipts on its debit side</b> irrespective of their nature (whether capital or revenue) and whether they pertain to past, current and future periods.</li> <li>3. Show the total amounts of <b>all payments on its credit side</b> irrespective of their nature (whether capital or revenue) and whether they pertain to past, current and future periods.</li> <li>4. <b>None of the receivable income and payable expense is to be entered</b> in this account as they do not involve inflow or outflow of cash.</li> <li>5. <b>Find out the difference between the total of debit side and the total of credit side</b> of the account and enter the same on the credit side as the closing balance of cash/bank. In case, however, the total of the credit side is more than that of the total of the debit side, show the difference on the debit as bank overdraft and close the account.</li> </ol>																																										
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19	Goodwill _ Average Profit Method = Rs. 51,000	5																																																
20	<b>MODES OF RECONSTITUTION</b> ❖ Admission of a partner. ❖ Change in profit sharing ratio. ❖ Retirement of a partner. ❖ Death of a partner. (Brief explanation)	5																																																
21	<b>Receipts &amp; Payments A/c of Megha Charitable Trust</b> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 40%;">Receipts</th> <th style="width: 10%;">Amount</th> <th style="width: 40%;">Payments</th> <th style="width: 10%;">Amount</th> </tr> </thead> <tbody> <tr> <td>Balance b/d : Cash</td> <td style="text-align: right;">2000</td> <td>Rent paid</td> <td style="text-align: right;">6000</td> </tr> <tr> <td style="padding-left: 20px;">Bank</td> <td style="text-align: right;">14400</td> <td>Sports materials</td> <td style="text-align: right;">9600</td> </tr> <tr> <td>Subscriptions: 2017-18    1000</td> <td></td> <td>Refreshments</td> <td style="text-align: right;">1200</td> </tr> <tr> <td style="padding-left: 20px;">2018-19    15200</td> <td></td> <td>Expenses for playground</td> <td style="text-align: right;">4000</td> </tr> <tr> <td style="padding-left: 20px;">2019-20    <u>1800</u></td> <td style="text-align: right;">18000</td> <td>Salary</td> <td style="text-align: right;">5000</td> </tr> <tr> <td></td> <td></td> <td>Tournament expenses</td> <td style="text-align: right;">4800</td> </tr> <tr> <td>Sale of refreshments</td> <td style="text-align: right;">2000</td> <td>Furniture</td> <td style="text-align: right;">3000</td> </tr> <tr> <td>Entrance fee</td> <td style="text-align: right;">2000</td> <td>Office expenses</td> <td style="text-align: right;">2400</td> </tr> <tr> <td>Sale of old news papers</td> <td style="text-align: right;">2400</td> <td>Balance c/d: Cash</td> <td style="text-align: right;">800</td> </tr> <tr> <td>Donation for buildings</td> <td style="text-align: right;"><u>9200</u></td> <td style="padding-left: 20px;">Bank</td> <td style="text-align: right;"><u>13200</u></td> </tr> <tr> <td></td> <td style="text-align: right;"><u>50000</u></td> <td></td> <td style="text-align: right;"><u>50000</u></td> </tr> </tbody> </table>	Receipts	Amount	Payments	Amount	Balance b/d : Cash	2000	Rent paid	6000	Bank	14400	Sports materials	9600	Subscriptions: 2017-18    1000		Refreshments	1200	2018-19    15200		Expenses for playground	4000	2019-20 <u>1800</u>	18000	Salary	5000			Tournament expenses	4800	Sale of refreshments	2000	Furniture	3000	Entrance fee	2000	Office expenses	2400	Sale of old news papers	2400	Balance c/d: Cash	800	Donation for buildings	<u>9200</u>	Bank	<u>13200</u>		<u>50000</u>		<u>50000</u>	8
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<b>PART B    COMPUTERISED ACCOUNTING</b>																																																		
23	c) Cell address	1																																																
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27	<b>Two methods to add new worksheet:</b> a) Right click the mouse tab area and select 'insert sheet' from the popup menu. b) Click the plus mark (+) near the sheet tab (Or any other correct answer)	2																																																
28	<b>Types of Charts:</b> Column Chart, Bar Chart, Line Chart, Pie Chart (Or any other 4 types of charts)	2																																																
29	<b>Elements of a chart:</b> Chart area, Plot area, Chart floor, Chart main title (Or any other four elements)	2																																																
30	<b>Complete the Table:</b> a) Sales – Direct Income b) Wages – Direct expenses c) Discount received – Indirect income d) Salary – Indirect expenses	2																																																
31	Gross Salary = BP + DA + HRA Net Salary = Gross Salary – PF	3																																																

32	<p><b>Features of GNUKhata</b></p> <p>a) It is a free and open source accounting software  b) It is based on double entry book keeping  c) Comprehensive financial reports are available like Ledgers, Trial balance, Profit and loss Account, Balance sheet etc.  d) Source document can be attached along with the voucher entry.  e) Export and import of data from Spreadsheet is possible.  f) Password security and data audit facility provided.</p> <p style="text-align: right;">(Any 3 features)</p>	3															
33	<p><b>Advantages of CAS</b></p> <p>1. Timely generation of reports and information in desired format.  2. Alterations and addition in transactions are easy and gives changed results instantly  3. Ensures effective control over the system  4. Economy in the processing of accounting data  5. Confidentiality of data is maintained.</p> <p style="text-align: right;">(Any 4 merits)</p>	4															
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35	<p><b>Steps for Table creation in LibreOffice Base:</b></p> <p>1. Click on Create Table in Design View  2. Enter the Field Name  3. Enter the Field Type  4. Enter the Field Properties  5. Save the Table</p> <p style="text-align: right;">(Any 4 steps)</p>	4															
36	<p><b>Features of Computerised Accounting System</b></p> <p>1. Simple and Integrated  2. Accuracy and Speed  3. Scalability (Flexibility)  4. Transparency and control  5. Reliability <b>(Explanation required)</b></p>	5															
37	<p><b>Features of LibreOffice Calc:</b></p> <p>1) Easy calculation, 2) What-If Calculations, 3) Serves as a database, 4) Arranging data, 5) Dynamic charts (Explanation required)</p>	5															
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