## **Unofficial Answer Key**

## First Year Higher Secondary Examination – September 2021

## Accountancy with Computerised Accounting Code-FY-250

#### I. Answer all questions from 1 to 7. Each carry 1 score (7 x 1 =7)

- 1. b. Capital
- 2. c. Sales Book
- 3. b. Credit
- 4. b. Fixed Asset
- 5. d. All of the above
- 6. b. Creditor
- 7. d. Quality Report Note: All others are limitations of computer system

### II. Answer <u>any 4</u> questions from 8 to 15. Each carry 2 scores (4 x 2 =8)

8. Match the following

| (a) A person who owes money to an                    | (iv) Debtor    |
|--|----------------|
| enterprise   |                |
| (b) Withdrawal of money or goods by the $\checkmark$ | (iii) Drawings |
| owner from the business                              |                |
| (c) Excess of revenue over expenses                  | (I) Profit     |
| (d) Economic resources of an enterprise              | (ii) Assets    |
|  | (4 X ½ = 2)    |

- 9. (a) A business is separate from its owner- Accounting Entity/ Business Entity/entity concepts
  - (b) Assets= Liability + Capital Dual Aspect Concept

#### 10. Complete the Table as per Hint

| (a) Asset Increase     | Debit  |
|------------------------|--------|
| (b) Income increases   | Credit |
| (c) Expenses Increases | Debit  |

### 11. (a) Contra Entry:

The entries that affect both sides of the cash book are called contra entries. Against such entries, the letter 'C' (C stands for contra) should be written in the LF column on both sides to signify that these entries are not be posted to the ledger.

Example :(1) Cash deposited into bank or withdrawn from Bank

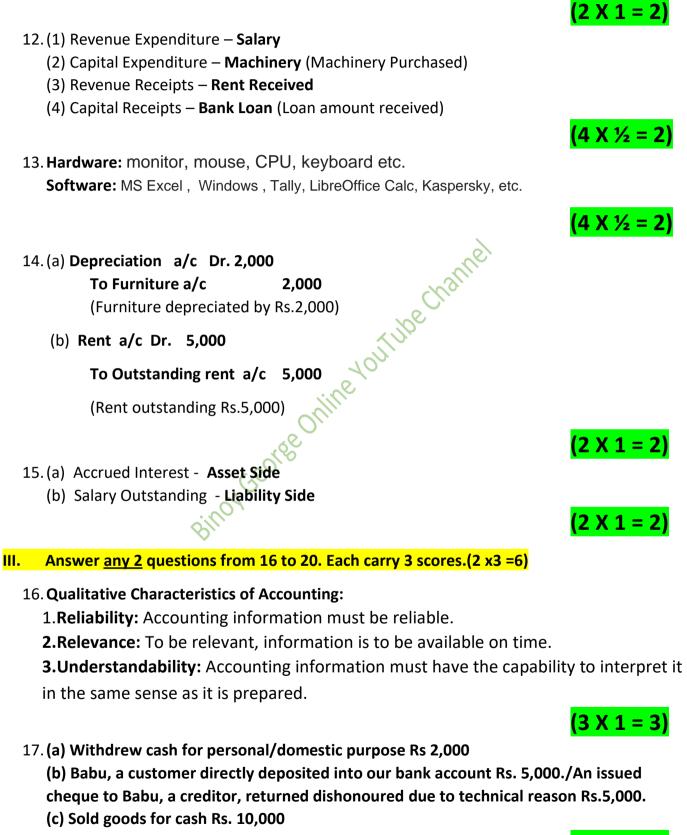
(7 X 1 = 7)

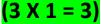
(2 X 1 = 2)

(2 X 1 = 2)

#### (b) Debit Note:

A debit note, also known as a debit memo, is issued from a buyer to their seller to request a return of funds due to incorrect or damaged goods, purchase cancellation, or other specified circumstances. It is the source document of purchase return day book.

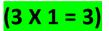




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#### 18. Needs for providing Depreciation (Any 3)

- 1. To ascertain true profit-Depreciation is an operating expense and it must be recorded in profit and loss account to get the true operating result.
- 2. To ascertain true value of the asset- If depreciation is not charged, the assets will be shown at value more than its actual value.
- 3. To ensure distribution of dividend out of profit only- If depreciation is not charged, the profit disclosed by profit and loss account will be more than the real profit.
- 4. To ascertain the accurate cost of production: For ascertaining the real cost of production, it is necessary to provide depreciation
- 5. To create fund for replacement of assets: The amount of depreciation accumulated during the working life of the asset provides necessary funds to replace the assets when it becomes useless.



#### 19. Calculate the maturity date of the following bills:

| 1. Drawn on January 10 <sup>th</sup> for 3 months | April 13 <sup>th</sup>                           |
|---|--|
| 2. Drawn on July 1 <sup>st</sup> for 4 months     | November 4 <sup>th</sup>                         |
| Drawn on June 12 <sup>th</sup> for 2 months       | August 14 <sup>th</sup>                          |
|   | Note: If due date falls on a public holiday, the |
|   | due date is preceding business day. August 15,   |
|   | being national holiday, August 14 has been       |
| • •   | supposed to be the due date.                     |
| OUIN  | <mark>(3 X 1 = 3)</mark>                         |

### 20. Calculate Cost of goods sold:

Cost of Goods Sold = Opening Stock + Net Purchase + Direct Expenses - Closing Stock

= 50,000+1,30,000 + 20,000 - 70,000

- = 2,00,000 70,000
- Cost of Goods Sold = <u>1,30,000</u>

(For Equation-1, Answer-2) **3** 

Answer any 2 questions from 21 to 25.Each carry 4 Scores.(2 x4 =8) IV.

#### 21. Objectives of accounting (Any 4)

#### **1.**Maintaining Accounting records

The main objective of accounting is to maintain systematic record of business transactions and events.

### 2.Ascertainment of result

The second objective of accounting is to ascertain the net profit earned or loss suffered on account of business transactions during a particular year.

### **3.Determining the Financial Position**

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The business man wants to know the financial position of the business. For this purpose, a statement called 'Balance Sheet' is prepared, it displays the values of assets and liabilities of the business.

#### **4.**Provide Information to Various Parties

Accounting is the 'language of business'. It communicates the relevant accounting information to various interested parties.



(4 X 1 = 4)

(4 X 1 = 4)

#### 22. Difference between Journal and Ledger (Any-4)

| No. | Journal  | Ledger                                   |
|-----|--|--|
| 1   | All transactions are first recorded in journal | All transactions recorded in journal are |
|     |  | later transferred to ledger.             |
| 2.  | In journal transactions are recorded in        | In ledger transactions are recorded in   |
|     | chronological order.                           | analytical order                         |
| 3   | Final accounts can't be prepared with the      | Final accounts can be prepared with      |
|     | help of journal                                | the help of ledger.                      |
| 4   | Process of recording entries in journal is     | Process of recording entries in the      |
|     | called journalising.                           | ledger is called posting.                |
| 5.  | Balancing is not done in journal               | All ledger accounts are                  |
|     |  | balanced/totaled                         |
|     | OUL  | (4 X 1 = 4)                              |

23.01-01-21 Opening Cash Balance/ Cash in Hand Rs.40,000 02-01-21 Purchased goods for cash Rs.30,000 20-01-21 Received cash from Rakesh Rs. 50,000 31-01-21 Paid Salary Rs.10,000

#### 24. Calculate profit during the year:

| Closing Capital    | 1,00,000 |
|--------------------|----------|
| Add: Drawings      | 30,000   |
| Less:              | 1,30,000 |
| Additional Capital | 25,000   |
|                    |          |
| Adjusted Capital   | 1,05,000 |
| Less:              |          |
| Opening Capital    | 40,000   |
| PROFIT             | 65,000   |
|                    |          |

One Score for each correct step



#### 25. (a) Prepaid Expenses:

Prepaid or un expired expenses are future expenses that are paid in advance, whose benefit will be available in the next accounting years. Example – Prepaid Insurance
(b) Rs.4,000
Calculation:

| Insurance paid during the year | Rs. 5,000    |
|--------------------------------|--------------|
| Less: Prepaid Insurance        | <u>1,000</u> |
|                                | <u>4,000</u> |

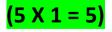
<u>(2 + 2 = 4)</u>

#### V. Answer <u>any 3</u> questions from 26 to 31.Each carry 5 Scores.(3 x 5=15) 26. Sales Day Book

| Date    | Invoice | Name of Customer                       | L.F | Amount      |
|---------|---------|--|-----|-------------|
|         | No.     | (Account to be debited)                |     |             |
| 1-1-21  |         | Babu:                                  |     |             |
|         |         | 7 Tables @ Rs.3,000 per table          |     | 21,000      |
| 8-1-19  |         | Mini:                                  |     |             |
|         |         | 5 Wooden Chair @ Rs.4,000 per chair    |     | 20,000      |
| 10-1-21 |         | Sreejith:                              |     |             |
|         |         | 4 Dining Table @ Rs.7,000 per table    |     | 28,000      |
| 20-1-21 |         | Salini:                                |     |             |
|         |         | 8 computer Table @ Rs. 2,500 per table |     | 20,000      |
| 30-1-21 |         | Ramu:                                  |     |             |
|         |         | 2 dressing Table @ Rs. 4,000 per table |     | 8,000       |
|         |         | Total                                  |     | 97,000      |
|         |         | Geo.                                   |     | (5 X 1 = 5) |

27. Causes of difference between bank balance as cash book and pass book.(Any-5)

- 1. Cheque issued but not presented for payment
- 2. Cheque deposited into bank but not yet collected and credited.
- 3. Bank charges debited by bank recorded only in passbook.
- 4. Interest and dividend collected and credited by bank recorded only in pass book
- 5. A customer directly deposited into bank account recorded only in pass book.
- 6. Payment made by bank on behalf of customer recorded only in pass book



28.

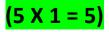
#### Trial Balance

| Debit<br>(Rs.)<br>25,000<br>80,000<br>35,000 | Credit<br>(Rs.)<br>60,000   |
|--|-----------------------------|
| 25,000<br>80,000                             | 60,000                      |
| 80,000                                       |                             |
|  |                             |
| 35,000                                       |                             |
| 35,000                                       |                             |
|  |                             |
|  | 70,000                      |
| 50,000                                       |                             |
| 30,000                                       |                             |
| 20,000                                       |                             |
| nel  | 5,000                       |
| Chall  | 45,000                      |
| Š.   | <mark>60,000</mark>         |
| 2,40,000                                     | 2,40,000                    |
| 2  | 30,000<br>20,000<br>Channel |

**Note:** Total of the trial balance/suspense account balance need not be considered for evaluation.

(10 X ½ = 5)

- 29. Features of computerized accounting are as follows
  - **1. Simplicity:** Computerized accounting system is an easy way to process the accounting transactions.
  - 2. **Comprehensive nature:** Most of the accounting packages are complete and comprehensive. They can handle various types of vouchers, day books, different registers, final accounts etc.
  - 3. **Accuracy**: The reports generated from computerized accounting are free from mistakes.
  - 4. **Speed:** Quick access and retrieval of data is possible in computerized accounting system
  - 5. **No difficulty in alterations :** In computerized accounting, system are updated automatically as and when accounting data are updated and stored.



#### 30. Calculate Sales:

Sales = Cost of goods sold + gross profit Cost of Goods sold = Opening Stock + Net Purchase + Direct Expenses – Closing Stock Cost of goods sold = 2,500+13,000+2,000 - 15,000= 17,500 - 15,000 = 2,500 Sales = Cost of goods sold + gross profit =2,500 +20,000 Sales =22,500 For equation-1 score, Cost of goods sold- 3 score, sales – 1 score

(1 + 3 + 1 = 5)

#### Particulars Amount **Particulars** Amount To Opening stock By Sales (Balancing Figure) 2.500 22,500 To Purchase By closing stock 13,000 15,000 To Wages 2,000 To Gross profit 20,000 37,500 37,500 George One score for each correct posting (5 X 1 = 5) 31. Adjustment entries a. Wages a/c Dr 2,000 To Outstanding Wages A/c 2,000 (Wages outstanding adjusted) b. Depreciation a/c Dr 5,000 **To Machinery** a/c 5,000 (Depreciate machinery by Rs 5,000) c. Rent received A/c Dr. 3.000 To Rent received in advance A/c 3.000 (Rent received in advance adjusted) d. Prepaid Salary A/c Dr. 7,000 To Salary A/c 7,000 (Prepaid salary adjusted) e. Accrued Interest A/c Dr. 4,000 (5 X 1 = 5)To Interest Received A/c 4,000 (Accrued interest adjusted) **Binoy George**

## **Trading and Profit and Loss Account**

OR

#### Answer any 2 questions from 32 to 35. Each carry 8 Scores. (2 x 8 = 16) VI.

#### 32. (a) GAAP: Generally Accepted Accounting principles

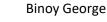
(b) In order to ensure uniformity in accounting procedures and methods, certain accounting principles, concepts and conventions have been followed by accountants all over the world. These principles, concepts and conventions are usually called Generally Accepted Accounting principles (GAAP).GAAP consists of accounting principles, concepts, modifying principles and accounting standards. All accounting procedures are developed on the basis of GAAP.

#### (c) 1. Quality of Manpower can't be recorded- Money Measurement Concept

- 2. For every debit there is an equal credit Dual aspect Concept
- 3. Treatment of outstanding salary Matching Concept
- 4. Business have got indefinite life Going Concern Concept

5. Stock is valued ate cost or market price whichever is less – **Conservatism** concept/Principle of prudence

33. UF Debit (Rs.) Date Particulars Credit (Rs.) 1e YouTUD 1-1-21 Cash a/c Dr. 1,00,000 To Capital 1,00,000 (Started business with cash) 3-1-21 Bank a/c Dr. 50,000 To Cash 50,000 (Cash deposited into bank) 5-1-21 Purchase a/c Dr. 20,000 To Cash a/c 20,000 (Purchased goods for cash) 8-1-21 Wages a/c Dr. 2,000 To Cash 2,000 (Wages paid) 5,000 10-1-21 Cash A/c Dr. To Commission 5,000 (Commission received) 15-1-21 Furniture A/c Dr. 10,000 To Cash 10,000 (Cash purchase of furniture) 20-1-21 Drawings a/c Dr. 4,000 Bank a/c 4,000 (Withdrew cash from bank for personal use) 30-1-21 Cash a/c Dr. 40,000 To Sales a/c 40,000 (Cash sales)



(8 X 1 = 8)

<u>+ 2 + 5 (5 x 1) = 8)</u>

Journal

## Petty Cash Book (Imprest system)

Petty Cash Book (Imprest System)

| Amount<br>Received | Date          | Particular<br>s | Voucher<br>No. | Amount<br>Paid |          | legraph             | 0              |            |         |                   |
|--------------------|---------------|-----------------|----------------|----------------|----------|---------------------|----------------|------------|---------|-------------------|
| Rs.                | March<br>2020 |                 |                | Rs.            | Carriage | Postage & Telegraph | Travelling Exp | Stationery | Repairs | Sundries          |
| 2,000              | 01            | Cash            |                |                |          |                     |                |            |         |                   |
|                    | 02            | Carriage        |                | 50             | 50       |                     |                |            |         |                   |
|                    | 04            | Postage         |                | 140            |          | 140                 |                |            |         |                   |
|                    | 05            | Taxi Fare       |                | 100            |          |                     | 100            |            |         |                   |
|                    | 10            | Refreshment     |                | 70             |          |                     |                |            |         | 70                |
|                    | 15            | Stationery      |                | 80             |          |                     | e              | 80         |         |                   |
|                    | 20            | Telegraph       |                | 40             |          | 40                  |                |            |         |                   |
|                    | 25            | Repairs         |                | 300            |          | Cho.                |                |            | 300     |                   |
|                    |               |                 |                | 780            | 50 🔪     | 180                 | 100            | 80         | 300     | 70                |
|                    | 31            | Balance c/d     |                | 1,220          | JUN N    |                     |                |            |         |                   |
| 2,000              |               |                 |                | 2,000          | $\sim$   |                     |                |            |         |                   |
| 1,220              | April         | Balance b/d     |                | ni,            | -        |                     |                |            |         |                   |
| 780                | 1             | Cash            |                | $O_{U_{I_i}}$  |          |                     |                |            |         |                   |
| 700                |               |                 | ores           |                |          |                     |                |            |         |                   |
|                    |               | Binc            | N O            | ne Score f     | for eac  | h correc            | t record       | ing (      | 8 X 1   | <mark>= 8)</mark> |

34.

#### for the Year ended ..... Cr. Dr. Particulars Amount **Particulars** Amount To Opening stock 20.000 By Sales 1.20.000 To Purchase 60,000 By closing stock 30,000 Carriage inwards 5,000 To Wages 10,000 To Gross profit c/d 55,000 1,50,000 1,50,000 To Salary 6,000 By Gross profit b/d 55,000 By Rent received To Insurance 4,000 15,000 3,000 To Interest paid To Stationery 2,000 echannel To Rent and rates 5,000 To Net profit transferred to capital account (B/F) 50,000 70,000 70,000

#### **Trading and Profit and Loss Account**

Balance Sheet as on .....

| Liabilities      |                  | Amount 2 | Assets            | Amount              |
|------------------|------------------|----------|-------------------|---------------------|
| Sundry Creditors |                  | 30,000   | Cash in hand      | 50,000              |
| Bank Loan        |                  | 20,000   | Closing stock     | 30,000              |
| Capital          | 1,50,000         | LOC L    | Furniture         | 40,000              |
| Add: Net Profit  | <u>50,000</u>    | 2,00,000 | Land and Building | 80,000              |
|                  | G                |          | Suspense Account  | <mark>50,000</mark> |
|                  | in <sup>or</sup> | 2,50,000 |                   | 2,50,000            |

Note: There will be a difference of 50,000 in the Balance Sheet as there is an error in the question.

This is only a suggestion: Since there is an error in the question, it would be appropriate  $(8 \times 1 = 8)$ 

to give 1 score for any correct posting.

Prepared By BINOY GEORGE, HSST, MKNM HSS, Kumaramangalam, Thodupuzha, Idukki Dt.

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| Online Test Paper Link Chapters-5,6,9,10&11       | https://forms.gle/H6qakn9nZ7hMWA8a8                |
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| To get complete idea about CMA (India) Course     | https://youtu.be/ANcIhWcsKdY                       |
| To get more idea about Google form                | https://youtu.be/ICo-PuUwcto?list=PLyD2oU-         |
| Video-1   | LkPCGZ527W1PAEGryeNWQgh3h5                         |
| To get more idea about Google form                | https://youtu.be/PLC_JbClMmk?list=PLyD2oU-         |
| Video-2   | LkPCGZ527W1PAEGryeNWQgh3h5                         |
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