ACCOUNTANCY WITH COMPUTERISED ACCOUNTING

SECTION-I

(Accountancy-Maximum Score-40)

A. Answer any 4 Questions from 1 to 6 . Each Carries 1 Score   **(4 X 1 = 4)**

1. **(b) Income and Expenditure Account**
2. **(d) Interest on Loan**
3. **(d) All of these**
4. **(b) Gaining Ratio**
5. **(a) All Partners Capital Account**
6. **(c) Compulsory Dissolution**

B. Answer all Questions from 7 to 9 . Each Carries 1 Score   **(3 X 1 = 3)**

7. **(a) Capital Receipt**
8. **(d) 12 Months**
9. **(c) Change in Profit Sharing Ratio**

PART -II

A. Answer the following questions, which carries 2 Scores.   **(1 X 2 = 2)**

10. **Features of Receipts and Payment Account (Any 2)**

- It is a **real account**.
- It is a **summary of cash book**.
- It is **prepared at the end of an accounting year on the basis of cash book**.
- It is **debited with all cash receipts and credited with all cash payments**.
- It is prepared on **cash basis** (records only actual cash receipts and payments).
- **It records all receipts and payments of current year, previous and succeeding years**.
- **It records all receipts and payments whether they are of capital and revenue nature**.
- **Non cash items** like depreciation, outstanding expenses, accrued income etc are **never recorded** in this account.

B. Answer any 1 Question from 11 to 12. Carries 2 Scores   **(1 X 2 =2)**

11. Journal entry to write off existing goodwill

    Anil A/c Dr   **6,000**

    Biju A/c Dr   **4,000**

     To Goodwill   **10,000**

    (Existing goodwill written off)

12. **Difference between Revaluation account and Realisation account**

Revaluation Account	Realisation Account
Revaluation account is prepared at the time of admission,retirement,death or change in profit sharing ratio of a partner	Realisation account is prepared at the time of Dissolution of Firm
It records only changes in values of assets and liabilities	Assets and liabilities are shown at the book values
Revaluation account is prepared to find out profit or loss on revaluation of assets and reassessment of liabilities	It is prepared to find out profit or loss on realization of assets and payment of liabilities.

PART-III

A. Answer any 3 questions from 13 to 16. Each carries 3 score   (3 x3 = 9)

13. **Calculation of Subscription**

Subscription received during the year 2020-21 Add:		54,000
Closing outstanding	8,000	8,000
		62,200
Less: Opening out standing	6,000	
Closing pre-received	4,000	10,000
Income from subscription during the current year (shown in the I &E a/c)		**52,000**

14. Interest on drawings
    (a) Interest on Drawings of A =36,000 x 9/100 x 6.5/12   =1,755
    (b) Interest on Drawings of B =36,000 x 9/100 x 5.5/12   = 1,485
    (c) Interest on Drawings of A =36,000 x 9/100 x 6/12   = 1,620

15. New profit sharing ratio
    Old ratio of Ajith & Balu =3: 2
    Dinu's Share=1/5 which he acquires equally, i.e 1/10 from Ajith and 1/10 from Balu.
    So Ajith's new share = Ajith's old share – Ajith's share acquired by Dinu
            =3/5 – 1/10 or 6/10 -1/10 = **5/10**
    Balu's new share = Balu's old share – Balu's share acquired by Dinu
            =2/5 – 1/10 or 4/10 -1/10 =**3/10**
    Dinu's share = 1/5 or **2/10**
    So new ratio of Ajith,Balu and Dinu =**5:3:2**

16.

Realisation Account

Particulars		Amount	Particulars	Amount
To Assets		1,20,000	By Liabilities	80,000
To Bank		78,000	By Bank	1,50,000
To Bank (R.Exp)		1,000		
To A's Capital (31,000* 3/5	18,600			
To B's Capital (31,000 *2/5)	12,400	31,000		
		2,30,000		2,30,000

B. Answer the following question, which carry 3 Scores   (1 X 3 =3)

17.   Here, Guaranteed partner is Sheeba
Sheeba's guaranteed profit = 70,000.

Profit sharing ratio between Divya and Reshma = 2:1

Firm's profit = 1,60,000

Divya's share of profit- 1,60,000 x 2/4=80,000

Reshma,s share of profit – 1,60,000 x 1/4=40,000

Sheebas,s share of profit – 1,60,000 x 1/4 =40,000

Sheeba's guaranteed share = 70,000

Deficiency in Sheeba's share = 30,000(70,000- 40,000),it should be shared by Divya and Reshma in their ratio (2:1)

Deficiency met by Divya = 30,000 x 2/3 = 20,000

Deficiency met by Reshma = 30,000 x 1/3 = 10,000

Profit and Loss Appropriation Account

Particulars		Amount	Particulars	Amount
To Divya's Capital	80,000		By Net profit	1,60,000
Less: Share of deficiency	20,000	60,000		
To Reshma's capital	40,000			
Less: Share of deficiency	10,000	30,000		
To Sheeba's capital	40,000			
Add:Deficiency	30,000	70,000		
(5,000+2000)				
		1,60,000		1,60,000

PART- IV

A. Answer any 2 questions from 18 to 20. Each carries 4 scores   (2 x 4 =8)

18.   Difference between Fixed Capital Method and Fluctuating Method

Basis	Fixed Capital Method	Fluctuating Capital Method
Number of Accounts	Two accounts are maintained for each partner viz.capital account and current account.	Only one account is mainained, i.e capital account.
Adjustments	All adjustments are recorded in a separate account known as current account.	All adjustments are recorded in the capital account itself.
Fixed Balance	The capital account balance remains unchanged unless there is addition to or withdrawal of capital.	The balance of the capital account fluctuates from year to year.

Credit Balance	The capital accounts will always show a credit balance.	The capital account may sometimes shows debit balance.
Appearance in the Balance Sheet	Both capital and current account balance will appear	Only capital account balance appears.

19.   Calculation of Goodwill

Actual Average Profit = 40,000+50,000+55,000+70,000+85,0000 / 5

Actual profit =3,00,000 / 5   =60,000

Normal Profit = Capital employed X Normal Rate of Return/ 100

    = 5,00,000 X 10/100 = 50,000

Super profit = Actual Profit – Normal Profit

Super profit = 60,000 – 50,000 = 10,000

Goodwill = Super profit X 3 Year's Purchase

    = 10,000 X 3 = **30,000**

20.

To write off General Reserve:

(a.) General Reserve A/c Dr 90,000

    To X's Capital A/c   45,000

    To Y's Capital A/c   30,000

    To Z's Capital A/c   15,000

    (General Reserve distributed among all partners in their old ratio)

(b)   X's Capital A/c Dr   30,000

    Y's Capital A/c Dr   20,000

    Z's Capital A/c Dr   10,000

        To   Accumulated Losses   60,000

    (Accumulated losses distributed among all partners in their old ratio)

B. Answer any 1 question from 21 to 22. Carries 4 scores(1 x 4 =4)

21.

(a) **Legacies:**

It is the amount received as per the will of a deceased person. It is a capital fund and should be shown on the receipt side of the receipts and payment account and should be added to the capital fund in the balance sheet.

(b) **Life membership fees:**

Some members prefer to pay lump sum amount as life membership fee instead of paying periodic subscription. Such amount is treated as capital receipt and added directly to the capital fund in the balance sheet.

(c) **Sale of periodicals**

It is an item of recurring nature (revenue receipts) and shown as the income side of the income and expenditure account.

(d) **Payment of Honorarium**

It is the amount paid to the person who is not a regular employee of the institution. It is a revenue expenditure and it should be shown on the expenditure side of the income and expenditure account

22.

Total capital of the new firm on the basis of C's capital = 40,000 x 4/1 =1,60,000

New ratio of A, B and C=2:1:1

A's new capital = 1,60,000 x 2/4 = 80,000

B's new capital = 1,60,000 x 1/4 =40,000

C's capital = 1,60,000 x 1/4 =40,000

Adjusted capital of A and B = 90,000 and 30,000

Surplus of A's capital = 90,000 – 80,000 = 10,000

shortage of B's capital = 40,000 – 30,000 = 10,000

Journal Entry: In case of A

A's Capital   A/c   Dr   10,000

To Cash A/c   10,000

(Excess capital withdrawn)

Journal Entry: In case of B

         Cash A/c Dr   10,000

              To B's Capital   10,000

         (Additional capital introduced)

PART-V

Answer any 1 question from 23 to 24. Carries 5 scores   (1 X 5 =5)

23.

Income and Expenditure Account
For The Year Ended 31-03-2021

Expenditure		Amount	Income		Amount
To Salaries	18,000		By Subscriptions	32,000	
Less: Prepaid	3,000	15,000	Add :		
To Rent	22,000		Closing Outstanding	4,000	36,000
Add: Outstanding	2,000	24,000	By Rent of hall		6,000
To Electricity		4,000			
To Stationery		2,000	Deficit (Excess of expenditure over income)		3,000
		45,000			45,000

24.

Revaluation Account

Particulars		Amount	Particulars	Amount
To Stock		3,000	By Land and Building	8,000
To Aflash Capital A/c	5,500		By Creditors	1,000
To Basith's Capital	5,500	11,000	By Investment	5,000
		14,000		14,000

SECTION-II
Computerised Accounting
(Maximum Score: 20)
PART-VI
A. Answer any 2 questions from 25 to 28. Each carries 1 scores(2 X1=2)

25. b. Block Codes
26. d. Spreadsheet
27. a. TODAY
28. c. Profit and Loss Account

B. Answer any 1 question from 29 to 30. Carries 1 Score (1 x 1 =1)

29. a. PMT
30. (c) Z axis

PART-VII
A. Answer any 3 question from 31 to 34 , Each carries 2 scores (3 x 2=6)

31.

a. Cell:

The intersection of a row and a column is called a cell. In a spread sheet data are recorded in cells.

b. A RANGE **is a group of adjacent cells that forms rectangular area. A range can be referenced by giving the address of the starting cell and ending cell separated by a colon (:) eg.The range starting from D1 to E10 is written as D1:E10**

32. (a) Syntax SLN =SLN(Cost,Salvage,Life)

(b) SyntaxDB =DB(cost,salvage,life,period,[month])

33. (a) Plot Area :

This is the area where your chart data is actually plotted. In addition to Data Series, the plot area also includes the chart's axes - such as the horizontal X axis and the vertical Y axis, the axis titles, gridlines, and data labels. It refers to that area of the chart where the data is graphically displayed.

(b) Legend: Legend is an identifier of a piece of information shown in the chart. On a chart, a legend identifies different categories of data. To distinguish them, they are given different colours and the legend then tells you what each colour is representing.

34. a.Field Name, b. Field Type, c. Description, d. Field Properties

B. Answer any 1 question from 35 to 36. Carries 2 Scores (1 x 2 =2)

35. Security Features in CA

1.Password Security

Password is the key word used by an authorized person to get access to the system. It is the secret word or code created by the user, which enables the user to access the system including data. Without password it is impossible to access the system.

2.Data Audit

It is a mechanism which provides the capability to the administrator to track the changes in the accounts .Through this system an administrator or auditor can easily traced out matters like who have made changes to the original data, when and how the changes have been made etc.

3.Data Vault

Data Vault features ensure the security of data even if the data falls into the wrong hand. Encryption means converting normally readable information into an unrecognizable format which can be decrypted to original format only by authorized persons. This feature will help the business to maintain confidentiality of information by encrypting the data.

36. **a. Deleting Ledger accounts:**

Deletion of Ledger Accounts

To delete a ledger account select '**Edit Account**' from '**Master**' Menu. Here select the ledger account we want to delete, click on **delete button** and confirm the deletion

Path to delete a ledger account:

Master-----Edit account-----Select the account to be selected----Delete-----Confirm Delete

b. View Trial Balance:

To Display Trial Balance: Report-------Trial Balance

PART- VIII
A Answer any 2 questions from 37 to 39. Each carries 3 Scores (2 X 3 = 6)

37. **List out the merits of computerized accounting over manual accounting**

Merits/ Advantages of Computerised Accounting System (CAS) (Any 3)

a. Timely generation of reports and information is possible in CAS.

b. Storage and retrieval of data is very easy in CAS.

c. Accurate and updated information is possible in CAS

d. Automated document preparation is possible in CAS.

e. Confidentiality of data can be easily maintained in CAS

f. Alterations and additions in transactions can be effected easily in computerized accounting

38.

a. Relative reference (Normal references)

In relative cell reference, when a formula is copied to another cell, the cell references given in the formula will automatically changes to suit the new location.

For cell **D1** contains the formula **=A1+B1+C1**, while coping the formula in **D1** to **D2** the formula will automatically change to **= A2+B2+C2**

b. Absolute cell reference

Unlike relative references, absolute reference cell does not change when copied to another location. An absolute cell reference is used to **keep a cell constant** in the formula.Here column and row (a Cell) remain constant .To set an **absolute reference** a **dollar** sign **($)** is use before the column name and/ row number.

c. Mixed reference

Mixed reference is used to keep a column or a row remains constant in a formula. It is partly absolute and partly relative. Example : C$5

39.

a. Payment Vouchers: Payment vouchers are used to record All payments made by cash or cheque. Function Key- F5

b. Purchase Voucher: Purchase vouchers are used to record all cash and credit purchase of goods. Function Key -F7

c. Contra Vouchers: Contra vouchers are used to record contra entries-Deposit or withdrawals of cash from bank, transfer of funds from one bank to another, transfer of cash to petty cash account etc. Function Key- F8

B. Answer the following question, which carries 3 scores (1 X 3 = 3)

40. a**. CONCATENATE:**

Concatenate means join together. This function used to combines several text strings in different cells into one string.Space BETWEEn strings are given in inverted coma(" ").

Syntax=concatenate(Text1,Text2,....,Text 30)

b. **RATE ()**

This function calculates the interest rate required to pay off specified amount of a loan, or to reach a target amount on investment, over a given period.

Syntax=RATE(NPER,PMT,PV,FV,Type,Guess)

c. NPV ()

Net present value is defined as the present value of the expected future cash flows less the initial cost of the investment. This function helps to compare projects with their relative profitability to ensure that only the most profitable ventures are pursued. A higher NPV indicates that the project or investment is more profitable.

Syntax=NPV(Rate,Value1,Value2,value3.........)

Study Materials	
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