

GOVERNMENT OF KARNATAKA
KARNATAKA SCHOOL EXAMINATION AND ASSESSMENT BOARD
II PUC ANNUAL EXAMINATION MAR – 2023
SCHEME OF EVALUATION

SUBJECT: ACCOUNTANCY

SUBJECT CODE:30

Q.No.	SUGGESTED ANSWER	Marks Allotted
PART – A		
I.		
1	(b) Service	01
2	(a) 3:1	01
3	(c) Authorised capital	01
4	(c) Statement of Profit and loss and Balance Sheet	01
5	(b) Horizontal analysis	01
II.		
6	Unlimited	01
7	Intangible	01
8	Interest Rate	01
9	Complimentary	01
10	Investing	01
III.		
11	a) iii) Fixed capital system	01
	b) iv) Admission of a partner	01
	c) v) Closing down the business of the firm	01
	d) ii) 2013	01
	e) i) Reserves and surplus	01
IV.		
12	1. It is a summary of cash book or 2. It includes both capital and Revenue items. (Any One)	01
13	Executor's account is prepared at the time of death of a partner	01
14	Debenture Redemption Reserve	01
15	False	01
16	Operating activities are the activities that constitute the primary or main activities of an enterprise.	01
PART B		
V.		
17	1. Sports club	1+1

	2. Government Schools and Colleges 3. Charitable Institutions etc., (OR Any Two)	
18	1. Name and Address of the Firm. 2. Capital Contributed by the partners. 3. Name and Address of the partners. (OR Any Two)	1+1
19	Fluctuating capital system is a system of maintaining partners' capital accounts in which all the adjustments relating to partners' capital are recorded in their capital accounts.	2
20	Realization Account Dr. To Asset Account (with narration)	2
21	Forfeiture of shares means cancellation of membership of a shareholder who fails to pay due on his shares.	2
22	1. To provide information about earning capacity of the Business. 2. To provide information about economic resources and obligations of a business. (OR Any Two)	1+1
23	1. Finance Manager 2. Invesotrs 3. Top Management 4. Trade Payables (Or Any other Two)	1+1
24	1. Helps in balancing cash flows 2. Enhances the comparability of the reporting of operating performance. (OR Any Two)	1+1

PART-C (6 marks)

25. Calculation of Interest on Latha's Drawings under Product Method

Date of Drawings	Amount	Number of months	Product	
01-06-2021	4,000	10	40,000	
30-09-2021	6,000	06	36,000	
30-11-2021	2,000	04	8,000	
01-01-2022	3,000	03	9,000	
		TOTAL PRODUCT	93,000	4 marks

Interest on Drawings = Total Product X Rate X 1/12
= 93,000 X 8/100 X 1/12
= Rs. 620.

01 Mark

1 Marks

(4+1+1)

26. Calculation of Gain Ratio of Yogeesh and Harish.

Gain Ratio = His New Share – His Old Share

$$\text{For Yogeesh} = \frac{5}{8} - \frac{3}{9} = \frac{45-24}{72} = \frac{21}{72}$$

$$\text{For Harish} = \frac{3}{8} - \frac{2}{9} = \frac{27-16}{72} = \frac{11}{72}$$

Gain Ratio of Yogeesh and Harish = $\frac{21}{72}$: $\frac{11}{72}$ or 21 : 11

06 Marks

27.				
Dr.		Akash's Capital A/c		Cr.
Particulars	Amount	Particulars	Amount	
To Akash Executor's A/C	1,23,250	By Balance b/d	70,000	06
		By Interest on Capital (70,000X10/100X9/12)	5,250	
		By Salary (3,000X9)	27,000	
		By P&L Suspense A/C (24,000 X 3/6 X 9/12)	9,000	
		By Anil's Capital A/C (Goodwill)	8,000	
		By Ajay's Capital A/C (Goodwill)	4,000	
	1,23,250		1,23,250	

28.					
Journal Entries in the books of Kumuda Company Ltd.,					
Date	Particulars	LF	Debit (Rs)	Credit(Rs)	
1.	Bank A/c (20000 X 20) To 10% Debenture Application A/C (Being Application money received on 20000 debentures at Rs 20 per debenture)	Dr	4,00,000	4,00,000	01
2.	Debenture Application A/C To 10% Debentures A/C (Being Application money transferred to debentures A/C)	Dr	4,00,000	4,00,000	01
3.	10% Debentures Allotment A/C (20000X40) Dr		8,00,000	8,00,000	01

4.	To 10% Debentures A/C (Being Allotment money due on 20000 debentures at Rs.40 per debenture)		8,00,000		
	Bank A/C Dr			8,00,000	01
5.	To 10 % Debentures Allotment A/C (Being Debentures allotment money received on 20000 debentures of Rs 40 per debenture)		8,00,000		
	10 % Debentures First and Final Call A/C (20000X40) Dr			8,00,000	01
6.	To 10% Debentures A/C (Being First and Final call money due on 20000 debentures at Rs.40 per debentures)		8,00,000		
	Bank A/C Dr			8,00,000	01 WITH NARRATION
	To 10% Debentures I and Final Call A/C (Being Debentures I and Final call money received on 20000 debentures at Rs.40 per debentures)				

29.				
Statement of Profit and Loss for the year ending 31.03.2022				
	Particulars	Note #	Amount	
I.	INCOME			
	Revenue from Operations		16,00,000	
	Other Incomes		NIL	
	TOTAL REVENUE (I)		16,00,000	01
II.	EXPENSES:			
	Cost of Material Consumed		4,00,000	
	Employee Benefit Expenses	1	2,00,000	02
	Depreciation and Amortization		1,00,000	
	Finance Cost	2	75,000	
	TOTAL EXPENSES (II)		7,75,000	01
III.	Profit before Tax (I – II)		8,25,000	
	Less : Tax		2,47,500	
	Profit After Tax		5,77,500	

Note to Accounts:

Note 1: Employee Benefit Expenses:

Salaries to Employees	1,50,000
Leave Encashment:	50,000
TOTAL	<u>2,00,000</u>

Note: 2 Finance Cost:

Interest on Debentures	50,000
Interest on Borrowings	25,000
TOTAL	75,000

02 Marks

(1+2+1+2=06 Marks)

30.

$$\begin{aligned} \text{Current Ratio} &= \frac{\text{Current Assets}}{\text{Current Liabilities}} \\ &= \frac{2,40,000}{60,00} \end{aligned}$$

$$\text{Current Ratio} = 4:1$$

03 Marks

$$\begin{aligned} \text{Quick Ratio} &= \frac{\text{Quick Assets}}{\text{Current Liabilities}} \\ &= \frac{1,20,000}{60,000} \end{aligned}$$

$$\text{Quick Ratio} = 2:1$$

03 Marks

31.		04
Cash flow from financing activities for the year ending 31.03.2022		
Particulars	Amount	
1) Issue of Debentures(see notes)	(+),6,00,000	
2) Issue of Preference shares(10,00,000-6,00,000)	(+),4,00,000	
3) Redemption of Debentures	(-),2,00,000	
Cash inflow from financing activities	(+),8,00,000	

Note: Debentures Issued		02
Particulars	Amount	
Closing Balance of debentures	20,00,000	
Add: Debentures redeemed	2,00,000	
TOTAL	22,00,000	
Less: Opening Balance of Debentures	16,00,000	
Fresh debentures issued	6,00,000	

PART - D

VII.

32

Unity Sports Club, Bangalore
Income and Expenditure Account for the year ending 31st Mar 2022

Dr.

Cr.

	Expenditure	Rs.	Rs.	Income	Rs.	Rs.	
	Salary	20,000		Subscriptions	65,000		
	+ o/s Salary	<u>2,000</u>		- Subn. Last			
	(-) Last year	22000		Year	<u>3,000</u>		
	o/s	5,000	17,000	+ Current year	62,000		
	Postage		1,000	o/s subn.			
	Electricity				<u>5,000</u>	67,000	06
	Charges		2,500	Entrance Fee			
	Depreciation			(10000X1/2)			
	of Sports		5,000	Sale of old		5,000	
	Materials		62,000	sports			
	Surplus			Material		3,000	
	(Excess of			Rent		12,500	
	Income over						
	Expenditure)						
			87,500			87,500	

Balance Sheet as on 31st March 2022

	Liabilities	Rs.	Rs.	Assets	Rs.	Rs.	
	o/s Salary		2,000	Cash at Bank		19,000	
	Capital fund:-			O/s			
	Opening			Subscription		5,000	
	Capital	60,000		Sports			
	+ Entrance			Materials	30,000		
	fees	5,000		+ additions	<u>15,000</u>		
	+ Surplus	<u>62,000</u>	1,27,000		45,000		6
				- Depreciation	5,000	40,000	
				Furniture		20,000	
				Investment		25,000	
				Fixed Deposit		20,000	
			1,29,000			1,29,000	

33.								
Dr.				Revaluation Account				Cr.
Particulars			Rs.	Particulars			Rs.	
Furniture (10000X 10/100)			1,000	Buildings			10,000	3
PDD (45,000 X 5/100)			2,250					
O/s Salary			2,000					
Profit on Revaluation								
Transferred to partns.								
cap.A/c			<u>4,750</u>					
			<u>10,000</u>				<u>10,000</u>	
Uma = 4750 X 3/5 = 2,850								
Geeta=4750X 2/5 = 1,900								
Partners' capital A/c								
Dr.				Cr.				
Particulars	Uma ₹	Geeta ₹	Kamala ₹	Particulars	Uma ₹	Geeta ₹	Kamala ₹	
Uma's cap. a/c	-	-	15,000	Balance b/d	60,000	40,000	----	5
Geeta Cap. a/c	-	-	10,000	Cash A/c	-----	-----	75,000	
Balance c/d	92,850	61,900	50,000	General Reserve 25000 X 3:2/5	15,000	10,000	-----	
				Kamala's Cap A/c	15,000	10,000	-----	
				Revaluation A/c	2,850	1,900	-----	
					92,850	61,900	75,000	
				Balance b/d	92,850	61,900	50,000	

New Balance Sheet of the firm as on 01-04-2022

Liabilities		₹	₹	Assets		₹	₹
Creditors			50,000	Cash			
Bills payable			15,000	(15,000+50,000+25,000)			90,000
O/s Salary			2,000	Stock			30,000
Capital A/c				Debtors	45,000		
Uma	92,850			(-) PDD	<u>2,250</u>		42,750
Geeta	61,900			Investment			40,000
Kamala	50,000	2,04,750		Furniture	10,000		
				(-) Depreciation	1,000		9,000
				Building			
				(+) App.	50,000		
					<u>10,000</u>		60,000
			2,71,750				2,71,750

34 Dr. Realisation A/c							
Particulars		₹	₹	Particulars		₹	₹
Bills Receivable			8,000	Creditors			30,000
Debtors			30,000	Bills Payable			10,000
Stock			17,000	Bank A/c (Assets			
Furniture			10,000	Realised)	6,500		
Machinery			25,000	Bills Receivable	25,000		
Building			60,000	Debtors	15,000		
Bank A/c				Stock	22,000		
(liabilities Paid)	30,000			Machinery	<u>65,000</u>		1,33,500
Creditors	<u>10,000</u>	40,000		Building			9,000
Bills Payable				Manju's Cap A/c			
Bank A/c			2,000	Loss on			
(Expenses)				Relisation			
				Transferred to			
				Partner Capital			9,500
				A/c.			
				Mohan - 5700			
				Manju - 3800			
				(3:2)			
			1,92,000				1,92,000

Dr. Partners' Capital A/c						
Particulars	Mohan	Manju	Particulars	Mohan	Manju	
Realisation A/c (Furniture taken over)		9,000	Balance b/d	60,000	40,000	3
Realisation A/c	5,700	3,800	Reserve fund 15,000 X 3:2/5	9,000	6,000	
Bank A/c	63,300	33,200				
	69,000	46,000		69,000	46,000	

Dr. Bank Account Cr.				
Particulars	₹	Particulars	₹	
Balance b/d	10,000	Realisation A/c	40,000	02
Realisation A/c	1,33,500	(Liabilities Paid Off)		
		Realisation A/c	2,000	
		Mohan's Loan	5,000	
		Mohan's Capital A/c	63,300	
		Manju's Capital A/c	33,200	
	1,43,500		1,43,500	

35 Journal entries in the books of Kalpatharu Company Limited						
Date	Particulars	L/F	Debit	Credit		
1	Bank A/c To Equity share application A/c	Dr.	2,00,000	2,00,000	01	
2	Eqity share application A/c To Equity share capital A/c	Dr.	2,00,000	2,00,000	01	
3	Equity share allotment A/C To Equity share capital A/c To Securities Premium Reserve A/c	Dr.	5,00,000	4,00,000 1,00,000	02	
4	Bank A/c To Equity Share allotment A/c	Dr.	5,00,000	5,00,000	01	
5	Equity Share First and Final Call A/c Dr. To Equity share capital A/c		4,00,000	4,00,000	01	

6	Bank A/c To equity share first and final call A/c	Dr.		3,60,000	3,60,000	01
7	Equity share capital A/c To forfeited share A/c To Equity share first and final call A/c	Dr.		1,00,000	60,000 40,000	02
8	Bank A/c Forfited Shares A/c To equity share capital A/c	Dr. Dr.		80,000 20,000	1,00,000	02
9	Forfited Shares A/c To capital Reserve A/c	Dr.		40,000	40,000	01

Simple Entry 1 Mark Each. Compound Entry 2 Mark Each with narration.

36 Journal entries						
Date	Particulars	L/F	Debit	Credit		
1 a)	Bank A/c To Debenture Application and allotment A/c	Dr.	5,50,000	5,50,000		01
	Debenture Application and allotment A/c To 12% Debenture A/c To Securities premium reserves A/c	Dr.	5,50,000	5,00,000 50,000		02
2 b)	Bank A/c To Debenture Application and allotment A/c	Dr.	4,50,000	4,50,000		01
	Debenture Application and allotment A/c Loss on Issue of Debentures A/c To 12% Debentures A/c To Premium on Redemption of Deb. A/c	Dr. Dr.	4,50,000 1,00,000	5,00,000 50,000		02
3 c)	Bank A/c TO Debenture Application and allotment A/c	Dr.	5,50,000	5,50,000		01
	Debenture Application and allotment A/c Dr. Loss on Issue of Debenture A/C Dr. To 12% Debentures A/c To Securities Premium Reserve A/c To Premium on Redemption of Debentures A/c	Dr.	5,50,000 50,000	5,00,000 50,000 50,000		02
4 d)	Bank A/c To debenture application and allotment A/c	Dr.	4,50,000	4,50,000		01
	Debenture application and allotment A/c Discount on Issue of Debentures A/c To 12% Debentures A/c	Dr.	4,50,000 50,000	5,00,000		02

Simple Entry 1 Mark Each. Compound Entry 2 Mark Each with narration.

37. Union Company Limited Common Size Balance Sheet as on 31 st March 2021 & 2022						
	Particulars	Absolute Amount		% of each item to total		
		31-03-2021	31-03-2022	31-03-2021 (%)	31-03-2022 (%)	
	I. Equity and Liabilities:-					
	1. Share holders fund					
	(a) Share capital	10,00,000	16,00,000	50.00	53.33	
	(b) Reserves & Surplus	3,00,000	5,00,000	15.00	16.67	
	2. Non Current Liabilities					06
	Long term borrowings	4,00,000	3,00,000	20.00	10.00	
	3. Current Liabilities:-					
	Trade payables	2,00,000	4,00,000	10.00	13.33	
	Other Current Liabilities	1,00,000	2,00,000	5.00	6.67	
	Total	20,00,000	30,00,000	100%	100%	
	II. Assets:-					
	1. Non Current Assets					
	(a) fixed assets	6,00,000	10,00,000	30.00	33.34	
	(b) Non current Investments	3,00,000	4,00,000	15.00	13.33	06
	2. Current Assets					
	(a) Inventories	5,00,000	7,00,000	25.00	23.33	
	(b) Trade receivables	4,00,000	5,00,000	20.00	16.67	
	(c) Cash and Cash Equivalents	2,00,000	4,00,000	10.00	13.33	
	Total	20,00,000	30,00,000	100%	100%	

38.

Calculation of Ratios:-

$$a) \text{ Inventory turnover ratio} = \frac{\text{cost of Revenue from operations}}{\text{Average Inventory}}$$

$$\begin{aligned} \text{Cost of Revenue Operation} &= \text{Revenue from operation} - \text{Gross Profit} \\ &= 10,00,000 - 2,00,000 \\ &= 8,00,000 \end{aligned}$$

$$\frac{8,00,000}{1,00,000} = 8 \text{ times}$$

02 Marks

b) *Trade receivable turnover ratio* =

$$\frac{\text{Net credit revenue from operations/average}}{\text{Average trade receivable}}$$

$$\frac{6,00,000}{1,50,00} = 4 \text{ times}$$

02 Marks

c) *Trade payable turnover ratio* =

$$\frac{\text{net credit purchases}}{\text{average trade payable}} = \frac{5,00,000}{2,50,00} = 2 \text{ times}$$

02 Marks

d) *Gross Profit ratio* =

$$\frac{\text{Gross profit}}{\text{Net Revenue from operations}} \times 100$$

$$\frac{2,00,000}{10,00,000} \times 100 = 20\%$$

02 Marks

e) *Operating Ratio* =

$$\frac{\text{cost of revenue from operations} + \text{operating Expenses}}{\text{Net Revenue from operations}} \times 100$$

$$\frac{8,00,000+1,00,00}{10,00,000} \times 100 = 90\%$$

02 Marks

$$f) \text{ Net Profit Ratio} = \frac{\text{Net Profit}}{\text{Net Revenue from Operations}} \times 100$$

$$= \frac{1,00,000}{10,00,000} \times 100 = 10\% \quad 02 \text{ Marks}$$

39.		
	a) Legacies - Capital	01
	b) Subscriptions - Revenue	01
	c) Cost of Computer Purchased - Capital	01
	d) Honorarium Paid - Revenue	01
	e) Donation received for constructing a swimming pool - Capital	01

40.						
Dr.			X's Executor Loan Amount		Cr.	
Date	Particulars	Amount	Date	Particulars	Amount	05
31.12.2016	To Bank A/c (50,000+10,000)	60,000	01.01.2016	X's Cap. A/c (transfer)	1,00,000	
31.12.2016	Balance c/d	50,000	31.12.2016	Interest A/c $\frac{10}{100} \times 1,00,000$	10,000	
		<u>1,10,000</u>			<u>1,10,000</u>	
31.12.2017	Bank A/c (50,000+5,000)	55,000	1.1.17	Balance b/d	50,000	
				Interest A/c $\frac{10}{100} \times 50,000$	5,000	
		<u>55,000</u>			<u>55,000</u>	

41.

**Comparative statement of Profit and Loss for the year ended 31st March
2017 and 2018**

Particulars	2016-17 Rs.	2017-18 Rs.	Increase (+) or Decrease (-)	(+) or (-) %	05
I. Revenue from operations.	10,00,000	15,00,000	5,00,000	50%	
II. Other Incomes	2,00,000	3,00,000	1,00,000	50%	
III. Total Revenue (I+II)	12,00,000	18,00,000	6,00,000	50%	
IV. (-) : Expenses	9,00,000	13,50,000	4,50,000	50%	
V. Profit before tax (III - IV)	3,00,000	4,50,000	1,50,000	50%	
VI. (-): Income tax @ 30%	90,000	1,35,000	45,000	50%	
VII. Profit after tax	2,10,000	3,15,000	1,05,000	50%	