

Marking Scheme (2019-20)
Elements of Book Keeping And Accountancy
Class - X



Time: 3 hours

MM: 70

A.No		Mark s														
1	Machine is used for complete year, hence depreciation is $10,000 \times \frac{20}{100} = 2,000$	1														
2	d) Net Profit	1														
3	c) Opening statement of affairs	1														
4	b) Decrease or increase in market price.	1														
5	c) Salaries	1														
6	Depreciation is fall in value of an asset because of its usage or with efflux of time or due to obsolescence or accident.	1														
7	a) pass book	1														
8	Statement of Affairs	1														
9	i) Repair of building – Revenue Expense ii) Construction of cycle shed for workers- Capital Expense	1														
10	a) - Capital Expenditure	1														
11	d) Interest on investment collected by bank	1														
12	Grace	1														
13	c) Incomplete System	1														
14	b) Drawee	1														
15	b) Land	1														
16	b) 4 th April, 2019	1														
17	<table><tr><td>Account</td><td>Trial Balance Debit or Credit</td></tr><tr><td>Capital Account</td><td>Credit</td></tr><tr><td>Furniture and Fixtures Account</td><td>Debit</td></tr><tr><td>Sales Expenses Account</td><td>Debit</td></tr><tr><td>Sales Returns Account</td><td>Debit</td></tr><tr><td>Bills Payable Account</td><td>Credit</td></tr><tr><td>Bank Loan</td><td>Credit</td></tr></table>	Account	Trial Balance Debit or Credit	Capital Account	Credit	Furniture and Fixtures Account	Debit	Sales Expenses Account	Debit	Sales Returns Account	Debit	Bills Payable Account	Credit	Bank Loan	Credit	½ X 6
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Bank Loan	Credit															

18	Capital Receipt is the amount received by the business on account of capital, loans or sale proceeds of fixed assets. They are not revenue for business. Revenue Receipt is the amount received by the business in regular course of business, for eg sale of goods and/or services. They are revenue for business. Or i) Sale of goods and/or Service ii) Interest Received iii) commission received	1 ½ 1 ½ 1 X 3																																								
19	Journal <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Amount (₹)</th><th>Amount (₹)</th></tr><tr><td></td><td>Gursimar's Account Dr To Sales A/c (Being goods sold on credit)</td><td></td><td>20,000</td><td>20,000</td></tr><tr><td></td><td>Bill Receivable Account Dr To Gursimar's Account (Being the acceptance received from Gursimar)</td><td></td><td>20,000</td><td>20,000</td></tr><tr><td></td><td>Cash Account Dr To Bill Receivable Account (being the amount of bill received)</td><td></td><td>20,000</td><td>20,000</td></tr></table> Or Journal <table><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Amount (₹)</th><th>Amount (₹)</th></tr><tr><td></td><td>Raman's Account Dr To Sales A/c (Being goods sold on credit)</td><td></td><td>45,000</td><td>45,000</td></tr><tr><td></td><td>Cash Account Dr Bill Receivable Account Dr To Raman's Account (Being the acceptance received from Raman)</td><td></td><td>20,000 25,000</td><td>45,000</td></tr><tr><td></td><td>Raman's Account Dr To Bill Receivable Account (being the bill dishonoured)</td><td></td><td>25,000</td><td>25,000</td></tr></table>	Date	Particulars	LF	Amount (₹)	Amount (₹)		Gursimar's Account Dr To Sales A/c (Being goods sold on credit)		20,000	20,000		Bill Receivable Account Dr To Gursimar's Account (Being the acceptance received from Gursimar)		20,000	20,000		Cash Account Dr To Bill Receivable Account (being the amount of bill received)		20,000	20,000	Date	Particulars	LF	Amount (₹)	Amount (₹)		Raman's Account Dr To Sales A/c (Being goods sold on credit)		45,000	45,000		Cash Account Dr Bill Receivable Account Dr To Raman's Account (Being the acceptance received from Raman)		20,000 25,000	45,000		Raman's Account Dr To Bill Receivable Account (being the bill dishonoured)		25,000	25,000	1 1 1 1 1 1
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20	It helps in detecting, if there is any error in recording the transactions and ascertaining the correct bank balance on a particular date. Hence following purposes are solved: (i) <u>Error of rectification</u>- errors that have been committed on part of bank or business is disclosed in BRS. (ii) <u>Reduction in chances of embezzlement</u>-Regular Cheque on office staff can be done by periodical comparison. (iii) <u>Completion of Cash Book</u>- Information about bank charges, direct payment, direct	1 1 1																																								

	deposits etc. which is entered in pass book first is timely revealed.																																				
21	<table><tr><th>Basis</th><th>Straight Line Method</th><th>Diminishing Balance Method</th></tr><tr><td>Depreciation Charge</td><td>Depreciation is calculated on original cost of a fixed Asset</td><td>Depreciation is calculated on Written Down Value or diminishing balance of a fixed Asset</td></tr><tr><td>Amount of Depreciation</td><td>The amount of depreciation remains same for all years</td><td>The amount of depreciation diminishes each year chronologically</td></tr><tr><td>Suitability</td><td>This method is more suitable for assets which get depreciated on account of expiry of working life of an asset</td><td>This method is more suitable for assets which require more maintenance in later years of working life</td></tr></table>	Basis	Straight Line Method	Diminishing Balance Method	Depreciation Charge	Depreciation is calculated on original cost of a fixed Asset	Depreciation is calculated on Written Down Value or diminishing balance of a fixed Asset	Amount of Depreciation	The amount of depreciation remains same for all years	The amount of depreciation diminishes each year chronologically	Suitability	This method is more suitable for assets which get depreciated on account of expiry of working life of an asset	This method is more suitable for assets which require more maintenance in later years of working life	1 1 1																							
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22	Deferred revenue expenditure is a revenue expenditure in nature but is written off or charged in more than one accounting period because it is estimated that benefit of such expenditure will accrue in more than one financial year For eg:- Heavy Expenditure on advertisement at time of launch of the product that will give benefit for more than one accounting period.	2 1																																			
23	Two causes of difference in the balances of cash book and pass book. i) Difference due to time gap between recording a transaction by firm and bank like, cheques issued but not presented for payment, cheques deposited into bank but not yet cleared ii) Difference due to entries which are accounted by bank but are recorded by cashier at firm on receiving the pass book statement. Like entries of bank interest, bank charges, interest or dividend collected, direct payments by bank etc iii) Errors or omission by cashier or by Bank. (any two)	2 X 2																																			
24	<table><tr><th colspan="5">Journal in books of Anita</th></tr><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Amount (₹)</th><th>Amount (₹)</th></tr><tr><td>15.7.19</td><td>Bill Receivable Account Dr To Kavita (Being the acceptance received from Kavita)</td><td></td><td>15,000</td><td>15,000</td></tr><tr><td>1.8.19</td><td>Sunita Dr To Bill Receivable Account To Discount Received Account (being bill received from Kavita Endorsed to Sunita)</td><td></td><td>16,000</td><td>15,000 1,000</td></tr></table> <table><tr><th colspan="5">Journal in books of Kavita</th></tr><tr><th>Date</th><th>Particulars</th><th>LF</th><th>Amount (₹)</th><th>Amount (₹)</th></tr><tr><td>15.7.19</td><td>Anita Dr To Bill Payable Account</td><td></td><td>15,000</td><td>15,000</td></tr></table>	Journal in books of Anita					Date	Particulars	LF	Amount (₹)	Amount (₹)	15.7.19	Bill Receivable Account Dr To Kavita (Being the acceptance received from Kavita)		15,000	15,000	1.8.19	Sunita Dr To Bill Receivable Account To Discount Received Account (being bill received from Kavita Endorsed to Sunita)		16,000	15,000 1,000	Journal in books of Kavita					Date	Particulars	LF	Amount (₹)	Amount (₹)	15.7.19	Anita Dr To Bill Payable Account		15,000	15,000	4
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15.7.19	Anita Dr To Bill Payable Account		15,000	15,000																																	

1.8.19	(Being the acceptance given to Kavita)			
	Bill Payable Account Dr To Cash Account (Being bill duly honoured)		15,000	15,000

Or

Journal

Books of Shiv

Date	Particulars	L.F.	Debit	Credit
2017 Mar.15	Himank 's A/c Dr. To Sales A/c (Sold goods to Himank on credit)		16,000	16,000
Mar.15	Bills Receivable A/c Dr. To Himank's A/c (Received Himank acceptance for three months)		16,000	16,000
Apr.15	Priya's A/c Dr. To Bills Receivable A/c To Discount Received A/c (Bill endorsed in favour of Priya in full settlement of her debt of Rs.16,500)		16,500	16,000 500

25

Profit and Loss Account			
Dr		Dr	
Particulars	Amount (₹)	Particulars	Amount (₹)
To Rent	5,000	By Gross Loss	6,000
To Discount allowed	3,000	By Interest Received	30,000
To Telephone expenses	2,000		
To Depreciation on machinery	4,000		

	To Net Profit	22,000			4																		
		36,000		36,000																			
26	<table><tr><td>Basis</td><td>Double Entry System</td><td>Single Entry System</td></tr><tr><td>Accounts Maintained</td><td>All personal, real and Nominal Accounts are maintained.</td><td>Only personal accounts and Cash/ Bank balances are generally maintained</td></tr><tr><td>Trial Balance</td><td>Trial Balance is prepared, hence arithmetic accuracy of the accounts is verified</td><td>Trial Balance is not prepared, hence arithmetic accuracy of the accounts is not verified</td></tr><tr><td>Profit or Loss</td><td>Correct Profit and Loss is ascertained through Profit and Loss Account</td><td>Estimated Profit and Loss is ascertained, which might / might not be correct, as scientific ways are not followed</td></tr><tr><td>Financial Position</td><td>Correct Financial Position is ascertained</td><td>Estimated Financial Position is ascertained</td></tr><tr><td>Authenticity</td><td>Court accepts it as an authentic system</td><td>Court doesn't accept it as an authentic system</td></tr></table> (any four) Or The limitations of Single entry system of bookkeeping are as follows : (a) As double entry system is not followed, a trial balance cannot be prepared and accuracy of accounts cannot be ensured. (b) Correct ascertainment and evaluation of financial result of business operations cannot be made. (c) Analysis of profitability, liquidity and solvency of the business cannot be done. This may cause a problem in raising funds from outsiders and planning future business activities. (d) The owners face great difficulty in filing an insurance claim with an insurance company in case of loss of inventory by fire or theft. (e) It becomes difficult to convince the income tax authorities about the reliability of the computed income. (Any Four)				Basis	Double Entry System	Single Entry System	Accounts Maintained	All personal, real and Nominal Accounts are maintained.	Only personal accounts and Cash/ Bank balances are generally maintained	Trial Balance	Trial Balance is prepared, hence arithmetic accuracy of the accounts is verified	Trial Balance is not prepared, hence arithmetic accuracy of the accounts is not verified	Profit or Loss	Correct Profit and Loss is ascertained through Profit and Loss Account	Estimated Profit and Loss is ascertained, which might / might not be correct, as scientific ways are not followed	Financial Position	Correct Financial Position is ascertained	Estimated Financial Position is ascertained	Authenticity	Court accepts it as an authentic system	Court doesn't accept it as an authentic system	1 X 4
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Date	Particulars	LF	Amount (₹)	Amount (₹)																			
1.7.17	Machinery A/c To Bank Account (Being Machinery purchased and insurance charges of ₹ 30,000 on spent ₹ 20,000 on	Dr	5,50,000	5,50,000																			

	Installation)			
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Dr			Machinery Account			Cr	
Date	Particulars	Amt (₹)	Date	Particulars	Amt (₹)		
1.7.17	To Bank A/c	5,50,000	31.3.18	By Depreciation A/c	27,500		
			31.3.18	By Balance c/d	5,22,500		
		5,50,000			5,50,000		
1.4.18	To Balance b/d	5,22,500	31.3.19	By Depreciation	55,000		
			31.3.19	By Balance c/d	4,67,500		
		5,22,500			5,22,500		
1.4.19	To Balance b/d	4,67,500					

2

2

Or

Dr			Machinery Account			Cr	
Date	Particulars	Amt (₹)	Date	Particulars	Amt (₹)		
1.4.16	To Bank A/c	2,00,000	31.3.17	By Depreciation A/c	20,000		
			31.3.17	By Balance c/d	1,80,000		
		5,50,000			5,50,000		
1.4.17	To Balance b/d	1,80,000	31.3.18	By Depreciation A/c	20,000		
1.10.17	To Bank A/c	40,000	31.3.18	By Balance c/d	2,00,000		
		2,20,000			2,20,000		
1.4.18	To Balance b/d	2,00,000	31.3.19	By Depreciation A/c	24,000		
			31.3.19	By Balance c/d	1,76,000		
		2,00,000			2,00,000		
	To Balance B/d	1,76,000					

1 ½

2

1 ½

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Bank Reconciliation Statement of M/s. Rattan Lal Dealers as on September 31, 2019

S.no		Amount (₹)
	Debit Balance as per Cash Book	75,000
	Add:	
b)	Interest collected by bank but not recorded in Cash Book	8,000
	Less:	
a)	Bank charges debited as per pass book	(1,000)
c)	Insurance premium paid by bank as standing instruction	(5,000)
d)	Cheque recorded in Cash Book but not sent for collection	(9,000)
	Credit Balance as per Pass Book	68,000

1

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29

Opening Statement of affairs (31-3-2018)

Liabilities	Amount (₹)	Liabilities	Amount (₹)
Opening Capital (balancing figure)	2,72,000	Cash in hand	2,000
Sundry Creditors	30,000	Cash at Bank	5,000
		Sundry Debtors	75,000
		Inventory	65,000
		Land and Building	1,50,000
		Bills Receivables	5,000
	3,02,000		3,02,000

1 ½

Closing Statement of affairs (31-03-2019)

Liabilities	Amount (₹)	Liabilities	Amount (₹)
Capital (balancing figure)	3,85,800	Cash in hand	5,000
Sundry Creditors	25,000	Cash at Bank	5,800
		Sundry Debtors	90,000
		Inventory	50,000
		Land and Building	2,50,000
		Bills Receivables	10,000
	4,10,800		4,10,800

1 ½

Statement of Profit or Loss for the year ended

Particulars	Amount (₹)
Capital as at 31-3-2019	3,85,800
Add Drawings during the year (2,000 X 4)	8,000
	3,93,800
Less additional capital introduced during the year	(30,000)
Adjusted capital as on 31-3-2019	3,63,800
Less capital at 31-3-2018	2,72,000
Net profit earned during the year	91,800

2

30

Trading Account

Particulars	Amount (₹)	Particulars	Amount (₹)
To Opening Stock	10,000	By Sales	8,00,800
To Purchases	5,05,000	Less Returns	(800)
Less returns	5,000	By Closing Stock	20,000
To Wages	35,000		
To Gross Profit transferred to Profit and Loss Account	2,75,000		
	8,20,000		8,20,000

5

Profit and Loss Account

Particulars	Amount (₹)	Particulars	Amount (₹)
To Telephone Expenses	7,200	By Gross Profit transferred to Profit and Loss Account	2,75,000
To Net Profit	2,78,200	By Miscellaneous Income	10,400
	2,85,400		2,85,400

Balance Sheet as on 31-3-2019

Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	54,800	Debtors	88,000
Capital 13,00,000		Patents	25,000
Add Net Profit 2,78,200	15,78,200	Land and Machinery	15,00,000
		Closing Stock	20,000
	1633000		1633000

Or

Calculation of Cost of goods Sold

Particulars	Amount (₹)
Opening Stock	6,00,000
Add: Purchases	30,00,000
Direct Expenses:	
Wages	4,00,000
Freight Inward	1,00,000
Carriage Inward	2,00,000
Less: Closing Stock	8,00,000
Cost of goods sold	<u>35,00,000</u>