



**BK BIRLA CENTRE FOR EDUCATION**  
SARALA BIRLA GROUP OF SCHOOLS  
SENIOR SECONDARY CO-ED DAY CUM BOYS' RESIDENTIAL SCHOOL



**MID TERM EXAMINATION 2024-25**

**ACCOUNTANCY (055)**

**MARKING SCHEME**

Class : **XI Commerce**  
Date : **21/09/2024**

Duration: **3 hrs.**  
Max. Marks: **80**

1.	(b) Where book keeping ends <b>OR</b> (c) Creditworthiness of the business	(1)
2.	(a) Debtor <b>OR</b> (b) Creditor	(1)
3.	(a) Goodwill <b>OR</b> (d) Stock	(1)
4.	(c) Business entity Concept <b>OR</b> (c) Cost price or realisable value whichever is less	(1)
5.	(a) Matching Concept <b>OR</b> (c) Materiality convention	(1)
6.	(c) Cash as well as credit transactions	(1)
7.	(a) Both [A] and [R] are true and [R] is the correct explanation of [A].	(1)
8.	(a) Both [A] and [R] are true and [R] is the correct explanation of [A].	(1)
9.	(a) Natural Personal A/c	(1)
10.	(b) Invoice <b>OR</b> (b) Cheque	(1)
11.	(d) Credit note	(1)
12.	(d) Transfer voucher	(1)
13.	(b) Compound <b>OR</b> (a) Pay-in -slip	(1)
14.	(b) Rs 18000	(1)
15.	(a) Rs 32640	(1)
16.	(c) Opening entries <b>OR</b> (d) Personal A/c & Real A/c	(1)
17.	(a) Principal Book <b>OR</b> (d) Ledger	(1)
18.	(d) All cash receipts and payments	(1)

19.	(a) contra entry	(1)												
20.	(c) All petty expenses which are paid in cash	(1)												
21.	<p><b>Objectives of Accounting:</b> [1+1+1]</p> <p>(i) The main objective of the accounting is to keep systematic record of business transactions. That is why, all financial transactions are first recorded in journal &amp; then posted into ledger.</p> <p>(ii) Accounting is helpful in preventing and detecting the errors and frauds.</p> <p>(iii) Accounting plays important role in calculating the profit or loss during a particular period by preparing Trading account and Profit and Loss Account.</p> <p>(iv) Accounting is helpful in ascertaining the financial position of the business.</p> <p>(v) Accounting provides useful information to its users.</p> <p style="text-align: center;"><b>OR</b></p> <p style="text-align: center;"><b>Difference between Book-Keeping and Accounting</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Basis of distinction</th> <th style="text-align: center;">Book-keeping</th> <th style="text-align: center;">Accounting</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;"><b>1. Scope</b></td> <td>It is concerned only with recording of monetary transactions.</td> <td>It also includes classifying, summarizing, analysing and also communicating the results to users.</td> </tr> <tr> <td style="text-align: center;"><b>2. Stage</b></td> <td>It's a primary stage.</td> <td>It's a secondary stage.</td> </tr> <tr> <td style="text-align: center;"><b>3. Objective</b></td> <td>To maintain systematic records of business.</td> <td>To calculate the net profit or net loss in the business.</td> </tr> </tbody> </table>	Basis of distinction	Book-keeping	Accounting	<b>1. Scope</b>	It is concerned only with recording of monetary transactions.	It also includes classifying, summarizing, analysing and also communicating the results to users.	<b>2. Stage</b>	It's a primary stage.	It's a secondary stage.	<b>3. Objective</b>	To maintain systematic records of business.	To calculate the net profit or net loss in the business.	(3)
Basis of distinction	Book-keeping	Accounting												
<b>1. Scope</b>	It is concerned only with recording of monetary transactions.	It also includes classifying, summarizing, analysing and also communicating the results to users.												
<b>2. Stage</b>	It's a primary stage.	It's a secondary stage.												
<b>3. Objective</b>	To maintain systematic records of business.	To calculate the net profit or net loss in the business.												
22.	<p><b>Capital as on 31.3.2019</b> [1+2]</p> <p>= Closing assets- Closing Liabilities[loan]</p> <p>= Rs 75000-12500</p> <p>= Rs 62500/-</p> <p><b>Profit or loss 31.3.2019</b></p> <p>= Closing capital+ Drawings – Additional capital-opening capital</p> <p>= Rs 62500+7500-12500-25000</p> <p>= Rs 70000 – 37500</p> <p>= Rs 32500/-</p>	(3)												
23.	<ul style="list-style-type: none"> <li>• <b>Personal Accounts</b> <i>Rule of Debit and Credit - Debit the receiver, Credit the giver.</i></li> <li>• <b>Real Accounts</b> <i>Rule of Debit and Credit - Debit what comes in, Credit what goes out.</i></li> <li>• <b>Nominal Accounts</b> <i>Rule of Debit and Credit - Debit all expenses and losses, Credit all incomes &amp; gains.</i></li> </ul>	(3)												

24.

[1+2] (3)

**Cash Memo:** When a trader sells goods for cash, he gives a cash memo and when he purchases goods for cash he receives a cash memo. It shows details of the items, quantity, rate & total price.

BUSINESS NAME			
BUSINESS ADDRESS LINE 1			
BUSINESS ADDRESS LINE 2			
BUSINESS PHONE NO., BUSINESS FAX NO.			
CASH MEMO			
S. NO. _____			DATE: _____
QUANTITY	RATE	DESCRIPTION	TOTAL
AMOUNT IN WORDS: _____			G. TOTAL: _____
			SIGN: _____

25.

- I. A Journal is a book of original entry in which transactions are recorded in chronological order. [1+1+1]
- II. Journalising
- III. Opening entry is a compound entry which carries forward all the balances of assets and liabilities of previous year to the current year.

(3)

26.

- [Any ONE] [1+1+1]
- I. \*all accounts are opened on separate pages in this book. Hence, all the transactions pertaining to an account are collected at one place in the ledger.
    - \* A trial balance can be prepared with the help of ledger balances which helps in ascertaining the arithmetical accuracy of the accounts.
    - \*trading and profit and loss account balance sheet can also be prepared with the help of ledger balances
  - II. Posting
  - III. Balancing of accounts means ascertaining the closing balance of a particular account on a particular date.

(3)

**OR** [2+1]

Dr				Cr			
Cash A/c							
Date	Particulars	JF	Amount	Date	Particulars	JF	Amount
April 5	To Sales A/c		60000	April 10	By StationeryA/c		5000
April 25	To Sales A/c		30000	April 15	By Rent A/c		2000
				April 15	By Postage A/c		3000
				April 30	By Balance c/d		80000
			<u>90000</u>				<u>90000</u>

  

Sales A/c							
Date	Particulars	JF	Amount	Date	Particulars	JF	Amount
				April 5	By CashA/c		60000
				April 25	By CashA/c		30,000
							90,000

27.	<p>[Any Four] <span style="float: right;">[1+1+1+1]</span></p> <p>I. <b>Current assets:</b> It refers to those assets which are to be converted into cash within one year. For e.g.-stock, debtors.</p> <p>II. <b>Current liabilities:</b> It refers to those which are to be paid in the near future. For e.g.-Creditors, Outstanding expenses.</p> <p>III. <b>Non-current assets:</b> It refers to those which are held for continued use in the business and not meant for sale. For e.g. –land, building.</p> <p>IV. <b>Non-current liabilities:</b> It refers to those which fall due for payment in a relatively longer period. For e.g. - long term loans.</p> <p>V. <b>Capital Expenditure:</b> It refers to expenditure, the benefit of which is received during more than one year. Example - Machinery.</p> <p>VI. <b>Revenue Expenditure:</b> It refers to any expenditure, the full benefit of which is received during one accounting period. e.g.- salaries, rent etc.</p>	(4)
28.	<p>[Any Two] <span style="float: right;">[2+2]</span></p> <p>I. <b>Going Concern Concept:</b> The concept of going concern assumes that a business firm would continue to carry out its operations indefinitely (for a fairly long period of time) and would not be liquidated in the near future.</p> <p>II. <b>Accounting Period Concept:</b> Accounting period refers to the span of time at the end of which the financial statements of an enterprise are prepared to know whether it has earned profits or incurred losses during that period and what exactly is the position of its assets and liabilities, at the end of that period.</p> <p>III. <b>Dual Aspect Concept:</b> This concept states that every transaction has a dual or two fold effect on various accounts and should therefore be recorded at two places. The duality principle is commonly expressed in terms of fundamental accounting equation, which is:</p> <p style="text-align: center;"><b>Assets = Liabilities + Capital</b></p> <p style="text-align: center;"><b>OR</b></p> <p>I. <b>Money Measurement Concept:</b> The concept of money measurement states that only those transactions and happenings in an organisation, which can be expressed in terms of money are to be recorded in the book of accounts. Also, the records of the transactions are to be kept not in the physical units but in the monetary units.</p> <p>II. <b>Full Disclosure Concept:</b> This concept requires that all material and relevant facts concerning financial performance of an enterprise must be fully and completely disclosed in the financial statements and their accompanying footnotes.</p> <p>III. <b>Consistency Concept:</b> This concept states that accounting policies and practices followed by enterprises should be uniform and consistent one the period of time so that results are comparable. Comparability results when the same accounting principles are consistently being applied by different enterprises for the period under comparison, or the same firm for a number of periods.</p>	(4)

29.	<b>Difference between Cash basis and Accrual basis</b>	(4)															
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">Point</th> <th style="width: 35%;">Cash basis</th> <th style="width: 35%;">Accrual basis</th> </tr> </thead> <tbody> <tr> <td>i. Profit or Loss</td> <td>Correct profit or loss is not ascertained because it records only cash transactions.</td> <td>Correct profit or loss is ascertained because it records both cash &amp; credit transactions.</td> </tr> <tr> <td>ii. Suitability</td> <td>Suitable for Not –for-profit organisations &amp; professionals such as CA, Lawyer, Doctor.</td> <td>Suitable for Profit motive organisations.</td> </tr> <tr> <td>iii. Recording of Outstanding expenses</td> <td>It records only expenses paid in cash. So O/s expense not take place.</td> <td>Both cash &amp; credit transactions considered. So O/s expenses are included.</td> </tr> <tr> <td>iv. Legal position</td> <td>It is not recognised by Indian Companies Act 2013</td> <td>It is recognised by Indian Companies Act 2013</td> </tr> </tbody> </table>	Point	Cash basis	Accrual basis	i. Profit or Loss	Correct profit or loss is not ascertained because it records only cash transactions.	Correct profit or loss is ascertained because it records both cash & credit transactions.	ii. Suitability	Suitable for Not –for-profit organisations & professionals such as CA, Lawyer, Doctor.	Suitable for Profit motive organisations.	iii. Recording of Outstanding expenses	It records only expenses paid in cash. So O/s expense not take place.	Both cash & credit transactions considered. So O/s expenses are included.	iv. Legal position	It is not recognised by Indian Companies Act 2013	It is recognised by Indian Companies Act 2013		
Point	Cash basis	Accrual basis															
i. Profit or Loss	Correct profit or loss is not ascertained because it records only cash transactions.	Correct profit or loss is ascertained because it records both cash & credit transactions.															
ii. Suitability	Suitable for Not –for-profit organisations & professionals such as CA, Lawyer, Doctor.	Suitable for Profit motive organisations.															
iii. Recording of Outstanding expenses	It records only expenses paid in cash. So O/s expense not take place.	Both cash & credit transactions considered. So O/s expenses are included.															
iv. Legal position	It is not recognised by Indian Companies Act 2013	It is recognised by Indian Companies Act 2013															
30.	<p><b>Qualitative Characteristics of Accounting:</b> <span style="float: right;"><b>[1.5+1.5+1.5+1.5]</b></span></p> <p>(i) <b>Reliability:</b> Accounting information should be reliable, verifiable and based on facts.</p> <p>(ii) <b>Relevance:</b> Only Relevant information should be disclosed. Information which is irrelevant and useless should be not be the part of financial statements.</p> <p>(iii) <b>Understand ability:</b> Accounting information should be presented in a very simple way so that it is easy to understand by its users.</p> <p>(iv) <b>Comparability:</b> Financial Statements should contain the figures of current year as well as figures of previous year so that the current performance of the business can be compared with the performance of previous year.</p> <p style="text-align: center;"><b>OR</b></p> <p><b>Advantages of Accounting (explain any two)</b></p> <ol style="list-style-type: none"> <li>1. Financial Information about Business</li> <li>2. Assistance to Management</li> <li>3. Replaces Memory</li> <li>4. Facilitates Comparative Study</li> <li>5. Facilitates Settlement of Tax Liabilities</li> <li>6. Facilitates Loans</li> <li>7. Evidence in Court</li> </ol> <p><b>Limitations of Accounting</b></p> <ol style="list-style-type: none"> <li>1. Accounting is not Fully Exact</li> <li>2. Accounting does not Indicate the Realizable Value</li> <li>3. Accounting Ignores the Qualitative Elements</li> <li>4. Accounting Ignores the Effect of Price Level Change</li> <li>5. Accounting may Lead to Window Dressing</li> </ol>	(6)															

31.	<u>Accounting Equation</u> [1+1+1+1+1+1]				(6)
	<b>Assets (Rs)</b>		=	<b>Liabilities (Rs)</b>	<b>Capital (Rs)</b>
	cash + furniture + stock		=	creditors	capital
1	100000				100000
2	+50000			50000	
3	-6000 +6000				
4	-2000				-2000
5	-3000				-3000
6	+40000 -30000				+10000
final equatio n	129000 + 6000 + 20000			50000	105000
Total	<b>Rs 155000=</b>			<b>Rs 155000</b>	
32.	<u>JOURNAL</u> [1+1+1+1+1+1]				(6)
	Date	Particulars	L.F	Dr. Rs	Cr. Rs
	i.	Bad debts A/cDr To Rohit		10000	10000
	ii.	Drawings A/c Dr To Purchases A/c		20000	20000
	iii.	Depreciation A/c Dr To Machine A/c		5000	5000
	iv.	Interest on capital A/c Dr To Capital A/c		75000	75000
	v.	Rent A/c Dr To Outstanding Rent A/c		10000	10000
	vi.	Charity A/c To Purchases A/c	Dr	50000	50000
	<b>OR</b>				
	<u>JOURNAL</u>				
	Date	Particulars	L.F	Dr. Rs	Cr. Rs
	i.	Machinery A/c To Bank	Dr	310000	310000
	ii.	Loss by fire A/c To Purchases A/c	Dr	20000	20000
	iii.	Prepaid Rent A/c To Rent A/c	Dr	15000	15000
	iv.	Depreciation A/c To Furniture A/c	Dr	5000	5000
	v.	Repairs A/c To office Equipment A/c	Dr	2500	2500
	vi.	Cash A/c Discount A/c Dr To kitty	Dr	17100 900	18000

33.	<b>JOURNAL</b> [1+1+1+1+1]					(6)
	Date	Particulars	L F	Dr. Rs	Cr. Rs	
i.	Cash A/c To Capital A/c	Dr		600000	600000	
ii.	Bank A/c To Cash A/c	Dr		450000	450000	
iii.	Machinery A/c To Bank A/c	Dr		230000	230000	
iv.	Purchases A/c To Cash A/c	Dr		40000	40000	
v.	Cash A/c To Sales A/c	Dr		70000	70000	
vi.	Insurance A/c To Bank A/c	Dr		25000	25000	

34.	<b>Dr CASH BOOK (with cash &amp; Bank column) Cr</b>										(6)
	DATE	PARTICULARS (Receipts)	LF	CASH Rs	BANK Rs	DATE	PARTICULARS (Payments)	LF	CASH Rs	BANK Rs	
2023 Jan 1	To Balance b/d		100000	170000	Jan 8	By Purchases A/c				35000	
Jan 13	To cheque-in hand A/c			20000							
Jan 16	To sales A/c		15000								
Jan 18	To Cash A/c	C		10000	Jan 18	By Bank A/c	C	10000			
					Jan 20	By shyam				12000	
					Jan 25	By Carriage A/c				3000	
Jan 28	To Bank A/c	C	40000		Jan 28	By Cash A/c	C		40000		
					Jan 30	By salaries A/c				50000	
	<b>Total Receipts</b>		<b>155000</b>	<b>200000</b>		<b>Total Payments</b>		<b>10000</b>	<b>140000</b>		
					Jan 31	By Balance c/d		<b>145000</b>	<b>60000</b>		
			<u>155000</u>	<u>200000</u>				<u>155000</u>	<u>200000</u>		
Feb 1	To Balance b/d		145000	60000							

OR

**Dr PETTYCASH BOOK Cr**

Analysis of payments

RECEI PTS Rs	DA TE 2024	PARTICU LARS	PAYME NTS Rs	Carta	Wage	Convey	postag	Station	Miscellane
				ge	s	ance	e	ery	ous
10000	Jan 1	To balance b/d							
	Jan 1	By cartage	200	200					
	Jan. 2	By wages	700		700				
	Jan. 2	By bus fare	100			100			
	Jan. 3	By postage	300				300		
	Jan. 4	By refreshment for	400						400

		employees							
	Jan. 6	By courier charges	150				<b>150</b>		
	Jan. 10	By cartage	400	<b>400</b>					
	Jan. 15	By taxi fare to manager	800			<b>800</b>			
	Jan. 18	By stationery	700					<b>700</b>	
	Jan. 20	By bus fare	50			<b>50</b>			
	Jan. 27	By postage stamps	1000				<b>1000</b>		
	Jan. 29	By entertainment expenses	800						<b>800</b>
	Jan. 31	By laundry expenses	600						<b>600</b>
		<b>Total payments</b>	<b><u>6200</u></b>	<b><u>600</u></b>	<b><u>700</u></b>	<b><u>950</u></b>	<b><u>1450</u></b>	<b><u>700</u></b>	<b><u>1800</u></b>
	Jan. 31	By balance c/d	<b>3600</b>						
<b><u>10000</u></b>			<b><u>10000</u></b>						
<b>3600</b>	Feb. 1	To Balance b/d							
<b>6200</b>	Feb. 1	To cash A/c							

\*\*\*\*\*#####\*\*\*\*\*