

Reg. No. :

SY-49

Name :

SECOND YEAR HIGHER SECONDARY EXAMINATION, MARCH 2022

Part – III

ACCOUNTANCY WITH ANALYSIS OF FINANCIAL STATEMENTS

Maximum : 80 Scores

Time : 2½ Hours

Cool-off time : 15 Minutes

General Instructions to Candidates :

- There is a 'Cool-off time' of 15 minutes in addition to the writing time.
- Use the 'Cool-off time' to get familiar with questions and to plan your answers.
- Read questions carefully before answering.
- Read the instructions carefully.
- Calculations, figures and graphs should be shown in the answer sheet itself.
- Malayalam version of the questions is also provided.
- Give equations wherever necessary.
- Electronic devices except non-programmable calculators are not allowed in the Examination Hall.

വിദ്യാർത്ഥികൾക്കുള്ള പൊതുനിർദ്ദേശങ്ങൾ :

- നിർദ്ദിഷ്ട സമയത്തിന് പുറമെ 15 മിനിറ്റ് 'കൂൾ ഓഫ് ടൈം' ഉണ്ടായിരിക്കും.
- 'കൂൾ ഓഫ് ടൈം' ചോദ്യങ്ങൾ പരിചയപ്പെടാനും ഉത്തരങ്ങൾ ആസൂത്രണം ചെയ്യാനും ഉപയോഗിക്കുക.
- ഉത്തരങ്ങൾ എഴുതുന്നതിന് മുമ്പ് ചോദ്യങ്ങൾ ശ്രദ്ധാപൂർവ്വം വായിക്കണം.
- നിർദ്ദേശങ്ങൾ മുഴുവനും ശ്രദ്ധാപൂർവ്വം വായിക്കണം.
- കണക്ക് കൂട്ടലുകൾ, ചിത്രങ്ങൾ, ഗ്രാഫുകൾ, എന്നിവ ഉത്തരപേപ്പറിൽ തന്നെ ഉണ്ടായിരിക്കണം.
- ചോദ്യങ്ങൾ മലയാളത്തിലും നല്കിയിട്ടുണ്ട്.
- ആവശ്യമുള്ള സ്ഥലത്ത് സമവാക്യങ്ങൾ കൊടുക്കണം.
- പ്രോഗ്രാമുകൾ ചെയ്യാനാകാത്ത കാൽക്കുലേറ്ററുകൾ ഒഴികെയുള്ള ഒരു ഇലക്ട്രോണിക് ഉപകരണവും പരീക്ഷാഹാളിൽ ഉപയോഗിക്കുവാൻ പാടില്ല.

SECTION - I
ACCOUNTANCY
PART - I

(4 × 1 = 4)

A. Answer any 4 questions from 1 to 6. Each carries 1 score.

1. Which of the following is not related to not-for-profit organisation ?
 - (a) Organised as charitable trusts or societies
 - (b) Profit motive
 - (c) Managed by executive committee
 - (d) Excess of income over expense is surplus

2. Partnership is the result of _____.
 - (a) Law
 - (b) Registration
 - (c) Agreement
 - (d) None of these

3. Goodwill is a/an _____.
 - (a) Tangible asset
 - (b) Intangible asset
 - (c) Current asset
 - (d) None of these

4. A, B and C are partners sharing profits in the ratio of 3:2:1. B retires and new ratio between A and C is _____.
 - (a) 3:2
 - (b) 2:1
 - (c) 3:1
 - (d) 1:2

5. If the firm is not in a position to pay the amount due to retiring partner, such amount is transferred to _____.
 - (a) Partner's Capital A/c
 - (b) Partner's Loan A/c
 - (c) Partner's Drawings A/c
 - (d) None of these

6. On dissolution of firm, sundry creditors is transferred to _____
- (a) Partner's Capital A/c (b) Bank A/c
(c) Cash A/c (d) Realisation A/c

B. Answer all questions from 7 to 9. Each carries 1 score.

(3 × 1 = 3)

7. Donations received for the construction of building is shown on _____.
- (a) Asset side of Balance Sheet
(b) Liabilities side of Balance Sheet
(c) Income side of Income & Expenditure A/c
(d) Expenditure side of Income & Expenditure A/c.
8. When a new partner with a guaranteed amount of profit is admitted in a firm, such assurance may be given by _____.
- (a) New partner (b) Old partners
(c) All partners (d) None of these
9. On retirement of a partner, the retiring partner's capital account will be credited with _____.
- (a) His share of goodwill
(b) Goodwill of the firm
(c) Share of goodwill of remaining partners
(d) None of these

PART – II

A. Answer the following question. Carries 2 scores.

(1 × 2 = 2)

10. Write any two differences between Income and Expenditure Account and Receipts and Payments Account.

(1 × 2 = 2)

B. Answer any 1 question from 11 to 12. Each carries 2 scores.

11. Write the two rights acquired by an incoming partner in a firm.

12. How the private property of a partner is utilised at the time of dissolution of a firm ?

PART - III

A. Answer any 3 questions from 13 to 16. Each carries 3 scores.

(3 × 3 = 9)

13. Show the following information in the financial statements of a club :

Tournament expenses ₹ 24,000

Tournament Fund ₹ 30,000

Donation for Tournament ₹ 15,000

14. Compute the value of goodwill on the basis of two years purchase of the average profits of last five years. Profits for the last five years were :

Year	2017	2018	2019	2020	2021
Profits (₹)	20000	25000	30000	25000	30000

15. Shameer withdrew the following amounts from his firm for personal use during the year ended 31st March 2021. Calculate interest on drawings at 6% p.a.

Date	Amount (₹)
May 1, 2020	15,000
July 31, 2020	20,000
Oct. 1, 2020	18,000
Jan 1, 2021	22,000

16. Write the differences between dissolution of firm and dissolution of partnership.

(1 × 3 = 3)

B. Answer the following question. Carries 3 scores.

17. Rana brothers earn an average profits of ₹ 60,000 with a capital of ₹ 4,00,000. The normal rate of return in the business is 10%. Calculate the value of goodwill under capitalization of super profit method.

PART – IV

A. Answer any 2 questions from 18 to 20. Each carries 4 scores.

(2 × 4 = 8)

18. What are the differences between fixed capital method and fluctuating capital method ?

19. Jithu and Muthu are partners in a firm sharing profits and loss in the ratio of 3:2. They admit Rithu into partnership and the new profit sharing ratio will be 2:1:1. Rithu brings in ₹ 60,000 for capital and required amount of premium in cash. The goodwill of the firm is valued at ₹ 80,000. Jithu and Muthu withdraw their share of goodwill. Give necessary journal entries.

20. Sunil, a partner in a firm retired on 1st April 2020. He is entitled to

(a) His share of capital ₹ 75,000.

(b) His share of goodwill is 1/4 share. Goodwill of the firm was valued at ₹ 60,000.

(c) He withdraw ₹ 10,000 during the year from the firm.

(d) Interest on capital at 8% p.a.

Prepare Sunil's Capital A/c.

B. Answer any 1 question from 21 to 22. Carries 4 scores.

(1 × 4 = 4)

21. From the following information, calculate the amount of stationery to be debited to Income and Expenditure A/c. for the year ended 31st March, 2021.

Stationery purchased during the year ₹ 25,000.

Stock of stationery (1st April, 2020) ₹ 14,000.

Stock of stationery (31st March 2021) ₹ 12,000.

22. Anju and Manju are partners in a firm sharing profits and losses in the ratio of 3:2. Sanju is admitted as to partnership. The new profit sharing ratio will be 2:1:2. Sanju brings in ₹ 20,000 as his capital, but not in a position to bring any amount for his share of goodwill. Goodwill of the firm was valued at ₹ 60,000. Give necessary journal entries, if there is no goodwill appearing in the books of the firm.

PART – V

- A. Answer any 1 question from 23 to 24. Carries 5 scores.**

(1 × 5 = 5)

23. The Receipts and Payments Account of Nelhaji Club is given below.

Receipts and Payments A/c for the year ended 31st March 2020.

Receipts	Amount (₹)	Payments	Amount (₹)
Balance c/d		Books	8,000
Cash in hand	12,000	Investment	25,000
Cash at bank	21,000	Postage	1,800
Subscriptions	42,000	Salaries	7,000
Donations	13,000	Rent	4,000
Legacies	14,000	Printing	3,600
Safe of old news-paper	2,400	Advertisement	5,000
Interest	3,000	Furniture	35,000
Entrance fee	2,100	Balance b/d	
		Cash in hand	6,500
		Cash at bank	13,600
	1,09,500		1,09,500

Additional information :

- (a) Salaries outstanding ₹ 1,000.
- (b) Rent prepaid ₹ 500.
- (c) Subscription outstanding on 1st April 2019, ₹ 1200 and on 31st March 2020, ₹ 2500.

Prepare Income and Expenditure A/c for the year ended 31st March 2020.

24. Anu and Bindu are partners in a firm sharing profits in the ratio of 2:1. Chandana is admitted into the firm with 1/4 share of profit.

Balance Sheet as on 31st March 2021

Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	16,000	Cash in hand	4,000
Bills payable	8,000	Cash at bank	20,000
General Reserve	12,000	Sundry debtors	16,000
Bank Overdraft	4,000	Stock	20,000
Capital		Furniture	10,000
Anu 1,00,000		Machinery	50,000
Bindu 60,000	1,60,000	Building	80,000
	2,00,000		2,00,000

At the time of admission of Chandana, Assets are revalued as :

- (a) Stock ₹ 18,000, Building ₹ 90,000, Furniture ₹ 9,200 and Machinery ₹ 52,000.
- (b) Provision for doubtful debts is to be created at 5% on debtors.

Prepare Revaluation A/c.

SECTION - II
ANALYSIS OF FINANCIAL STATEMENTS

PART - VI

A. Answer any 4 questions from 25 to 30. Each carries 1 score.

(4 × 1 = 4)

25. Which of the following is not a feature of a company ?
- | | |
|-------------------------|---------------------------|
| (a) Body corporate | (b) Separate legal entity |
| (c) Unlimited liability | (d) Perpetual succession |
26. A company issued 10000 equity shares of ₹ 10 each to the public and they received applications for 15000 equity shares. This situation is called _____.
- | | |
|--------------------------|-----------------------|
| (a) Minimum Subscription | (b) Over Subscription |
| (c) Under Subscription | (d) None of these |
27. Shares of a public company are _____.
- (a) Not freely transferable
 - (b) Freely transferable
 - (c) Transferable with the consent of other members
 - (d) None of these
28. Debentures which have created a charge on the assets of the company are called _____.
- | | |
|---------------------------|----------------------------|
| (a) Secured debentures | (b) Unsecured debentures |
| (c) Redeemable debentures | (d) Convertible debentures |
29. Commonsize analysis is also known as _____.
- | | |
|----------------|-------------------|
| (a) Horizontal | (b) Vertical |
| (c) Normal | (d) None of these |

30. Balance Sheet provides information about the financial position of a business organisation _____

- (a) Over a period of time (b) At a point of time
(c) For a period of time (d) None of these

B. Answer all questions from 31 to 33. Each carries 1 score.

(3 × 1 = 3)

31. Fill in the blanks :

$$\text{Total Assets to Debt Ratio} = \frac{\text{Total Assets}}{?}$$

- (a) Short term debt (b) Long term debt
(c) Total debts (d) None of these

32. _____ analyse cost of operations in relation to revenue from operations.

- (a) Operating profit ratio (b) Operating ratio
(c) Gross profit ratio (d) Net profit ratio

33. Which of the following is not a cash outflow from operating activities ?

- (a) Cash payment to suppliers of goods
(b) Cash payment to employees
(c) Cash payment to acquire fixed assets
(d) Cash payment to insurance premium

PART – VII

A. Answer the following question. Carries 2 scores.

(1 × 2 = 2)

34. Write a short note about unlimited company.

(1 × 2 = 2)

B. Answer any 1 question from 35 to 36. Carries 2 scores.

35. A company registered with 10000 equity shares of ₹ 10 each, offered 9000 equity shares to the public. But the company received applications for 8500 shares. Show the amount of authorised capital and subscribed capital in the Balance Sheet.

36. Shareholders fund includes share capital and _____ and _____.

PART – VIII

A. Answer any 3 questions from 37 to 40. Each carries 3 scores.

(3 × 3 = 9)

37. Write the features of a private company.

38. Ramesh a shareholder having 500 shares of ₹ 10 each did not pay the allotment money of ₹ 4 per share (including premium of ₹ 2/-) and the first and final call of ₹ 3/-. His shares were forfeited after the first and final call. Give journal entries for the forfeiture of shares.

39. Write any three differences between shares and debentures.

40. Write any three limitations of cash flow statement.

B. Answer the following question. Carries 3 scores.

(1 × 3 = 3)

41. ABC Ltd. purchased a machinery from XYZ Ltd. for ₹ 4,40,000 and agreed to make the payment of purchase consideration by issuing 4000, 9% Debentures of ₹ 100 each at a premium of 10%.

Pass journal entries in the books of ABC Ltd.

PART - IX

(2 × 4 = 8)

A. Answer any 2 questions from 42 to 44. Each carries 4 scores.

42. Quilon Ltd. issued 20000, 7% Debentures of ₹ 100 each payable ₹ 40 on application and balance on allotment. The public applied for 18000 debentures which were fully allotted and the amount was duly received. Give journal entries in the books of Quilon Ltd.

43. Write any four objectives of financial statement.

44. From the following information prepare a commonsize Income Statement for the year ended 31st March 2020, 31st March 2021.

Particulars	2020-21	2019-20
Revenue from operations	9,00,000	12,50,000
Cost of goods sold	5,00,000	6,00,000
Operating expenses	40,000	60,000
Non-operating expenses	6000	7,500
Depreciation	10,000	20,000
Wages	5,000	10,000

B. Answer any 1 question from 45 and 46. Carries 4 scores.

(1 × 4 = 4)

45. Monalisa Ltd. issued 20000 shares of ₹ 10 each to the public. All the shares were fully subscribed. The amount on shares were payable as ₹ 30 on application, ₹ 40 on allotment and ₹ 30 on first call. Company does not made first call. One shareholder having 100 shares paid first call money at the time of allotment. Pass Journal entries.

46. Write any four importance of Analysis of Financial Statements.

PART - X

Answer any 1 question from 47 to 48. Carries 5 scores.

(1 × 5 = 5)

47. Royal Ltd. issued 10000 equity shares of ₹ 10 each payable as ₹ 2 on application, ₹ 2 on allotment, ₹ 2 on first call, ₹ 2 on second call and ₹ 2 on final call. Company received applications, all the shares issued and amount were duly received. Pass journal entries.

48. Calculate Current Ratio and Quick Ratio from the following information :

Particulars	Amount (₹)
Inventories	25,000
Trade receivables	25,000
Advance Tax	2,000
Cash and Cash equivalents	15,000
Trade payables	50,000
Bank overdraft	2,000