

**ANSWER KEY**  
**SECOND YEAR HIGHER SECONDARY EXAM MARCH 2024**  
**PART III**  
**ACCOUNTANCY WITH AFS**  
**Code No:SY 549**

80 Scores

2½ Hrs

Qn No	Su Qn	Value Points	Score	Total Score															
<b>Answer any 5 questions from 1 to 6. Each carries 1 score ( 5 x 1 = 5)</b>																			
1		(c) Sacrificing Ratio	1	1															
2		(a) Old Partner's Capital A/c	1	1															
3		(b) 3 : 1	1	1															
4		Profit & Loss suspense A/c	1	1															
5		(c) Partner's Capital A/c	1	1															
6		e) Realisation A/c	1	1															
<b>Answer all questions from 7 to 10. Each carries 2 scores. (4 x 2 = 8)</b>																			
7		* When additional capital is introduced * A part of the capital is withdrawn as per the agreement among the partners.	1 1	2															
8		Nature of business Location Efficiency of management Market situation Special advantages (any 4)	½ ½ ½ ½	2															
9		Old ratio = 3:2 New ratio = 3:2:1 Sacrificing ratio = 3:2	2	2															
10		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Basis</th> <th>Dissolution of Partnership</th> <th>Dissolution of firm</th> </tr> </thead> <tbody> <tr> <td>Termination of business</td> <td>Business is not terminated</td> <td>Business of the firm is closed</td> </tr> <tr> <td>Settlement of assets and liabilities</td> <td>Assets and liabilities revalued</td> <td>Assets are sold and liabilities are paid-off.</td> </tr> <tr> <td>Intervention by court</td> <td>No intervention by the court.</td> <td>Court has inherent power to intervene</td> </tr> <tr> <td>Closure of books</td> <td>Does not require</td> <td>The books of account are closed.</td> </tr> </tbody> </table> <p style="text-align: center;"><b>Any 2</b></p>	Basis	Dissolution of Partnership	Dissolution of firm	Termination of business	Business is not terminated	Business of the firm is closed	Settlement of assets and liabilities	Assets and liabilities revalued	Assets are sold and liabilities are paid-off.	Intervention by court	No intervention by the court.	Court has inherent power to intervene	Closure of books	Does not require	The books of account are closed.	1x2	2
Basis	Dissolution of Partnership	Dissolution of firm																	
Termination of business	Business is not terminated	Business of the firm is closed																	
Settlement of assets and liabilities	Assets and liabilities revalued	Assets are sold and liabilities are paid-off.																	
Intervention by court	No intervention by the court.	Court has inherent power to intervene																	
Closure of books	Does not require	The books of account are closed.																	



Interest on capital:		Net profit	4,00,000	for each correct item	5
Asha	18000				
Nisha	<u>12000</u>	30,000			
Asha's salary		60,000			
Nisha's commission		10,000			
Partners capital:					
Asha	1,50,000				
Nisha	<u>1,50,000</u>	<b>3,00,000</b>			
		4,00,000	4,00,000		

**Answer any 1 question from 17 to 18. Carries 8 scores. (1 x 8 = 8)**

17	<b>Revaluation A/c</b>								3	8
	Particulars		Amount	Particulars		Amount				
	Stock		3,000	Plant & Machinery		20,000				
	Provision for bad debt		3,000	Building		15,000				
	<b>Partners capital</b>									
	Amal		19333							
	Bimal		<u>9667</u>							
			29,000							
			35,000			35,000				
	<b>Capital A/c</b>									
Particulars	Amal	Bimal	Kamal	Particulars	Amal	Bimal	Kamal			
				Balance b/d	180000	150000				
Bala c/d	265333	192667	120000	Cash			120000			
				Revaluation	19333	9667				
				Premium- GW	60000	30000				
				Reserve	6000	3000				
	265333	192667	120000		265333	192667	120000			
<b>Balance Sheet</b>								2		
<b>Liabilities</b>		<b>Amount</b>	<b>Assets</b>		<b>Amount</b>					
Creditors		61,000	Cash in hand		2,60,000					
Capital:			Debtors (60000-3000)		57,000					
Amal		265333	Stock		37,000					
Bimal		192667	Plant & Machinery		1,20,000					
Kamal		<u>120000</u>	Building		1,65,000					
		5,78,000								
		6,39,000			6,39,000					
18	<b>Realisation Account</b>								4	
	Particulars		Amount	Particulars		Amount				
	Stock		6,000	Creditors		38,000				
	Debtors		19,000	Bank (Assets realised)		53,000				
	Furniture		4,000	Stock		5000				
	Plant		28,000	Debtors		18500				
	Investments		10,000	Furniture		4500				
	Bank (creditors)		35,000	Plant		<u>25000</u>				
	Bank (expense)		2,000	Ajay's capital (Investment)		8,000				
				Partners capital						
			Ajay		3000					

		Vijay	2000	5,000			
		1,04,000		1,04,000			
<b>Capital Account</b>							
Particulars	Ajay	Vijay	Particulars	Ajay	Vijay		
Realisation (investment)	8,000		Balance b/d	12,000	11,000		
Realisation Bank	3000 16,000	2000 19,000	Reserve	15,000	10,000		
	27,000	21,000		27,000	21,000	2	
<b>Bank A/c</b>							
Particulars	Amount	Particulars	Amount				
Balance b/d	19,000	Realisation (Cr)	35,000				
Realisation (assets realised)	53,000	Realisation (expenses)	2,000				
		Ajay's capital	16,000			2	
		Vijay's capital	19,000				
	72,000		72,000				
<b>Answer any 5 questions from 19 to 24, each carries 1 score (5 x 1 = 5)</b>							
19	b) Owners of the company					1	1
20	c) Forfeited shares a/c					1	1
21	b) Cash outflow					1	1
22	b) Bearer debentures					1	1
23	c) Shareholders fund					1	1
24	a) Horizontal analysis					1	1
<b>Answer all questions from 25 to 28. Each carries 2 score (4 x 2 = 8)</b>							
25	Any two difference between shares and debentures					1 x 2	2
26	<ul style="list-style-type: none"> <li>* Does not consider price level changes</li> <li>* May be misleading without proper knowledge about the accounting procedure followed by the firm</li> <li>* Just a study of reports of the company etc (any 2)</li> </ul>					1 x 2	2
27	<p>Inventory Turnover ratio = <math>\frac{\text{Cost of Revenue from Operations}}{\text{Average Inventory}}</math></p> <p>Gross profit = 8,00,000 x 10% = 80,000</p> <p>Cost of Revenue from Operations = Revenue from 1 operation – GP = 8,00,000 – 80,000 = 7,20,000</p> <p>Inventory Turnover ratio = <math>\frac{7,20,000}{1,10,000} = 6.54</math> times</p> <p>( For correct equation give 1 score)</p>					2	2
28	<ul style="list-style-type: none"> <li>* Proceeds from issue of preference or equity shares</li> <li>* Proceeds from Issuance of Debts/Bonds</li> <li>* Procurement of loans etc (any 2)</li> </ul>					1 x 2	2
<b>Answer any 3 questions from 29 to 32. Each carries 3 scores. (3 x 3 = 9)</b>							

29	<p>a) Plant A/c Dr. 2,70,000 To Omega Ltd A/c 2,70,000</p> <p>b) Omega Ltd A/c Dr 2,70,000 To Share Capital A/c 2,25,000 To Securities Premium Reserve A/c 45,000</p>	1 2	3															
30	<p>a) Share Capital A/c Dr. 10,000 To Share forfeited A/c 8,000 To Share second &amp; final call a/c / calls in arrears A/c 2,000</p> <p>b) Bank A/c Dr. 9,000 Share forfeited A/c Dr. 1,000 To Share Capital A/c 10,000</p>	1½ 1½	3															
31	<p>* Provide information about economic resources and obligations of a business</p> <p>* Provide information about the earning capacity of the business</p> <p>* Provide information about cash flows</p> <p>* Judge effectiveness of management</p> <p>* Provide information about activities of business affecting the society</p> <p>* Disclosing accounting policies (any 3)</p>	1 x 3	3															
32	<p><b>Cash flows from Financing Activities</b></p> <p>Proceeds from loans - 3,00,000</p> <p>Repayment of loans - (2,00,000)</p> <p>Net cash inflow from financing activities - 1,00,000</p>	2 1	3															
<b>Answer all questions from 33 to 34. Each carries 5 scores. (2 x 5 = 10)</b>																		
33	<p>a) Bank a/c Dr 100 To Debentures a/c 100</p> <p>Debentures a/c Dr 100 To Bank a/c 100</p> <p>b) Bank a/c Dr 95 loss on issue of debentures a/c Dr 10 To Debentures a/c 100 To Premium on Redemption a/c 5</p> <p>Debentures a/c Dr 100 Premium on Redemption a/c Dr 5 To Bank a/c 105</p>	1 1 1½ 1½	5															
34	<p><b>Comparative statement of profit and loss for the year ended March 31, 2018 and 2019</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 40%;">Particulars</th> <th style="width: 10%;">2017-18 ₹</th> <th style="width: 10%;">2018-19 ₹</th> <th style="width: 10%;">Absolute increase/ decrease ₹</th> <th style="width: 10%;">Percentag e increase/ decrease %</th> </tr> </thead> <tbody> <tr> <td>I. Revenue from operations</td> <td style="text-align: right;">800000</td> <td style="text-align: right;">1000000</td> <td style="text-align: right;">200000</td> <td style="text-align: right;">25</td> </tr> <tr> <td>II. Less: Expenses</td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Particulars	2017-18 ₹	2018-19 ₹	Absolute increase/ decrease ₹	Percentag e increase/ decrease %	I. Revenue from operations	800000	1000000	200000	25	II. Less: Expenses						5
Particulars	2017-18 ₹	2018-19 ₹	Absolute increase/ decrease ₹	Percentag e increase/ decrease %														
I. Revenue from operations	800000	1000000	200000	25														
II. Less: Expenses																		



Employee benefit expenses	400000	500000	100000	25	1
Other Expenses	100000	50000	(50000)	(50)	1
Profit before tax	300000	450000	150000	50	1
III. Less tax	120000	225000	105000	87.5	1
Profit after tax	180000	225000	45000	25	1

Answer any 1 question from 35 to 36. Carries 8 scores. (1 x 8 = 8)

35	Bank a/c Dr	3,00,000			1	8
	To Share application a/c		3,00,000		1	
	Share application a/c Dr	3,00,000			1	
	To Share Capital a/c		3,00,000		1	
	Share Allotment a/c Dr	3,00,000			1	
	To Share capital a/c		3,00,000		1	
	Bank a/c Dr	3,00,000			1	
	To Share allotment		3,00,000		1	
	Share First call a/c Dr	2,00,000			1	
	To Share capital a/c		2,00,000		1	
	Bank a/c Dr	2,00,000			1	
	To Share First call a/c		2,00,000		1	
	Share Second & Final call a/c Dr	2,00,000			1	
	To Share capital a/c		2,00,000		1	
Bank a/c Dr	1,98,000			1		
To Share Second & Final call a/c		1,98,000		1		
or						
Bank a/c Dr	1,98,000			1		
Calls in arrears a/c Dr	2,000			1		
To Share Second & Final call a/c		2,00,000		1		
36	Current ratio =	Current assets	= 70,000/35,000 = 2:1		2	8
		Current liability			2	
	Liquid ratio =	Liquid assets	= 40,000/35,000 = 1.14:1		2	
		Current liability			2	
	Operating Ratio =	(Cost of Revenue from Operations + Operating Expenses) × 100				
	Net Revenue from Operations				2	
	= 1,00,000/1,20,000 × 100 = 83.33 %				2	
Gross Profit Ratio =	Gross Profit × 100				2	
	Net Revenue from Operations				2	
	= 60,000/ 1,20,000 × 100 = 50%				2	

**Scheme Finalized by:**

1. JAGAN H (450847), GOVT HSS, KIDANGARA, ALAPPUZHA
2. JOY J (631794), GOVT HSS, WEST KALLADA, KOLLAM
3. MALLIKA DEVI P G TRK HSS VANIYAMKULAM PALAKKAD
4. BINDU PK (209815), K C P HSS, KAVASSERRY, PALAKKAD

9446016999

9495115810

9288179033

9400823508

*[Handwritten signatures and initials]*

6. THOMAS K STEPHEN GHSS NJARAKKAL ERNAKULAM

9447071661

7. BINDU S GHSS PURATHUR MALAPPURAM

9495827170

8. SHAJI PEROZHI BROTHERS HSS MAVANDIYUR MALAPPURAM

9605025481

9. RATHEESH KUMAR S GHSS CHETTIYANKINAR MALAPPURAM

9995889143

10. REJI MATHAI GHSS KUMMIL KOLLAM

8281256790

