



**SECOND YEAR HIGHER SECONDARY
SECOND TERMINAL EXAMINATION, DECEMBER-2024**

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 നൽകിയിട്ടുണ്ട്.
- ആവശ്യമുള്ള സ്ഥലത്ത് സമവാക്യങ്ങൾ കൊടുക്കണം.
- പ്രോഗ്രാമുകൾ ചെയ്യാനാകാത്ത കാൽക്കുലേറ്ററുകൾ ഒഴികെയുള്ള ഒരു ഇലക്ട്രോണിക് ഉപകരണവും പരീക്ഷാഘോളിൽ ഉപയോഗിക്കുവാൻ പാടില്ല.

PART - A

(Scores : 40)

(ACCOUNTANCY)

(5 × 1 = 5)

Answer any 5 questions from 1 to 6. Each carries 1 score.

1. Deepa and Roopa are partners in a firm. Consider the following arguments of partners, if the Partnership deed is silent about them.

- (i) Deepa is an active partner. She wants a salary of ₹ 20,000 per year;
- (ii) Roopa had advanced a loan to the firm. She claims interest @ 6% per annum;
- (iii) Deepa has contributed ₹ 20,000 and Roopa ₹ 50,000 as capital. Deepa wants equal share in profits.
- (iv) Roopa wants interest on capital to be credited @ 6% per annum.

Which of the following option is correct ?

- (a) (i) & (iii)
- (b) (ii) & (iii)
- (c) (ii) & (iv)
- (d) (i) & (ii)

2. A and B are partners in a firm sharing profits equally. They decided to admit C into the firm for 1/3 share in profits. C will get the right to :

- (i) Share the assets of the firm
- (ii) Share the property of A and B
- (iii) Share the debts of A and B
- (iv) Share the future profits of the firm

Which of the following is correct ?

- (a) (i) & (iii)
- (b) (i) & (ii)
- (c) (ii) & (iii)
- (d) (i) & (iv)

3. On the admission of a new partner decrease in the value of liabilities is

- (a) debited to all partners' capital accounts.
- (b) credited to all partners' capital accounts.
- (c) credited to revaluation account.
- (d) debited to revaluation account.

4. Hari and Hafis are partners in firm sharing profits in the ratio of 2:3. They decided to admit Haniya into the firm for 1/4 share which she acquired equally from Hari and Hafis. Goodwill of the firm is valued at ₹ 80,000. How much of the goodwill will be credited to the old partner's capital account ?

- (a) ₹ 20,000 each
- (b) ₹ 10,000 each
- (c) ₹ 5,000 each
- (d) ₹ 40,000 each

5. Meena, Sheena and Neena are partners in a firm sharing profits equally. On retirement of Sheena, a goodwill of ₹ 50,000 appears in the Balance sheet of the firm. The goodwill will be written off
- (a) debiting retiring partner's capital accounts in their old ratio.
 - (b) debiting remaining partners' capital accounts in their old ratio.
 - (c) debiting all partners' capital accounts in their old ratio.
 - (d) debiting remaining partners' capital accounts in their gaining ratio.
6. A and B are partners in a firm sharing profits in the ratio of 3:2. They admitted C as a new partner for 1/4 share in profits. C brings in ₹ 30,000 as his share of goodwill. What will be the value of goodwill of the firm ?

Answer any 4 questions from 7 to 11. Each carries 2 scores.

(4 × 2 = 8)

7. Kamal and Manoj are partners in a firm sharing profits in the ratio of 5:3. Kamal surrendered 1/3 of his share and Manoj surrendered 2/3 of his share in favour of Unni who was admitted as a new partner in the firm. Calculate new profit sharing ratio.
8. James and Jaffer are partners in a firm sharing profits in the ratio of 3:2. At the time of admission of Janu as a new partner in the firm, the following balances were shown in the Balance sheet of the firm :
- (a) General Reserve ₹ 50,000
 - (b) Profit & Loss Account debit balance ₹ 25,000
- Pass necessary journal entries regarding the above two in relation to the admission of Janu.
9. Arya and Ameya are partners in a firm sharing profits and losses in the ratio of 5:4. They decided to admit Anvitha as a new partner and their new profit sharing ratio will be 3:2:1. Calculate sacrificing ratio.
10. Damodar, a partner in a partnership firm decided to retire from it. Identify the items to be debited or credited to his capital account at the time of his retirement.
- (a) Interest on drawings
 - (b) Share of profit up to the date of retirement
 - (c) Share of goodwill
 - (d) Share of accumulated losses

11. Anju, Manju and Sanju are partners sharing profits in the ratio of 3:2:1. Manju retired from the firm and the amount due to her amounted to ₹ 60,000. Anju and Sanju agreed to pay ₹ 72,000 to Manju in full settlement of her claim.
Write journal entries regarding the treatment of goodwill.

Answer any 5 questions from 12 to 17. Each carries 3 scores.

(5 × 3 = 15)

12. Appu and Ammu are partners in a firm. Their capital accounts as on April 1, 2023 showed a balance of ₹ 4,00,000 and ₹ 6,00,000 respectively. On July 1, 2023, Appu introduced additional capital of ₹ 1,00,000 and Ammu ₹ 1,20,000. On October 1, Appu withdrew ₹ 60,000, and on January 1, 2024 Ammu withdrew ₹ 30,000 from their capitals. Interest is allowed @ 8% p. a.
Calculate interest payable on capital for the year ending 31st March, 2024.
13. Jayesh, Ramesh and Sumesh are partners in a firm sharing profits and losses in the ratio of 3:3:2. They decided to share the profits equally w.e.f. April 1, 2015.
Find out the changes in their profits share.
14. A business has earned profits of ₹ 50,000, ₹ 40,000, ₹ 45,000, ₹ 55,000 for the last four years. Find out the value of goodwill by capitalization method, given that the assets of the business are ₹ 5,00,000 and its external liabilities are ₹ 1,00,000. The normal rate of return is 10%.
15. Anil and Bimal are partners in a firm sharing profits in 3:2 ratio. They admitted Sunil for 1/4 share in the profits of the firm. Sunil brings ₹ 2,00,000 for his capital and ₹ 40,000 for his 1/4 share of goodwill. Goodwill already appears in the books of Anil and Bimal at ₹ 20,000. Record the necessary journal entries in the books of the new firm.
16. Write the journal entries for the followings at the time of admission of a partner :
- Value of land increased by 10%, which shows a book value of ₹ 2,50,000.
 - There was an electricity bill yet to be paid for ₹ 2,000 not recorded in the books of the firm.
 - Loss on revaluation of assets and liabilities amounted to ₹ 2,500.
17. Reetha, Dilna and Mini are partners in a firm sharing profits in the ratio of 5:3:2. The profit made by the firm for the year ended 31st March, 2023 were ₹ 80,000. Dilna decided to retire from the firm on 1st July, 2023. Find out the amount of profit due to Dilna upto the date of retirement and pass necessary journal entry.

Answer any 2 questions from 18 to 20. Each carries 6 scores.

(2 × 6 = 12)

18. Abi, Baby and Chandy set up a partnership firm on April 1, 2022. They contributed ₹ 1,00,000, ₹ 80,000 and ₹ 60,000, respectively as their capitals and agreed to share profits and losses in the ratio of 3:2:1. Abi is to be paid a salary of ₹ 2,000 per month and Baby, a Commission of ₹ 10,000. It is also provided that interest to be allowed on capital at 6% p.a. The drawings for the year were Abi ₹ 12,000, Baby ₹ 8,000 and Chandy ₹ 4,000. Interest on drawings of ₹ 540 was charged on Abi's drawings, ₹ 360 on Baby's drawings and ₹ 180 on Chandy's drawings. The net profit as per Profit and Loss Account for the year ending March 31, 2023 was ₹ 71,320. Prepare the Profit and Loss Appropriation Account and Partners' Capital Accounts.

19. Given below is the Balance Sheet of A and B, who are carrying on partnership business on 31.12.2023. A and B share profits and losses in the ratio of 2:1.

| Liabilities | Amount (₹) | Assets | Amount (₹) |
|---------------|-----------------|-----------|-----------------|
| Bills Payable | 15,000 | Cash | 4,000 |
| Creditors | 10,000 | Debtors | 20,000 |
| Capital : | | Stock | 21,000 |
| A | 80,000 | Plant | 55,000 |
| B | 70,000 | Buildings | 75,000 |
| | 1,75,000 | | 1,75,000 |

C is admitted as a partner on the date of the balance sheet on the following terms :

- C will bring in ₹ 60,000 as his capital and ₹ 6,000 as his share of goodwill for 1/4 share in the profits.
- Plant is to be appreciated to ₹ 60,000 and the value of buildings is to be appreciated by 10%.
- Value of stock is reduced by ₹ 5,000.

Prepare the Revaluation Account and Partners' Capital Accounts, and show the Balance Sheet after the admission of C.

20. A partner in a firm decided to retire from the firm. Pass journal entries for the following in relation to his retirement :
- Value buildings reduced by 10%.
 - General reserve shown in the Balance sheet at the time of his retirement.
 - Profit upto the date of retirement from the last Balance sheet date.
 - His share of goodwill adjusted through the capital accounts of partners.
 - Amount due to him on retirement is treated as loan.
 - Revaluation loss.

ANALYSIS OF FINANCIAL STATEMENTS

Answer any 5 questions from 21 to 26. Each carries 1 score.

(5 × 1 = 5)

21. The liabilities of a member of a _____ is limited to the nominal value of share held by them.
- (a) Companies Limited by Guarantee (b) Companies Limited by Shares
(c) Unlimited Companies (d) None of these
22. Consider the following features of a company :
- (i) Free transferability of shares
(ii) Minimum two persons are required
(iii) No limit to the maximum number of members
(iv) Use the word Private Limited
- Which of the following is correct in relation to a private company ?
- (a) (i) & (iii) (b) (ii) & (iii)
(c) (ii) & (iv) (d) (i) & (iv)
23. As per Schedule III of the Companies Act, Trade receivables comes under _____ in the Balance sheet.
- (a) Current assets (b) Non-current assets
(c) Current liabilities (d) Other non-current assets
24. _____ is a financial tool for studying the key changes and trends in the financial position and operational result of a company.
25. _____ is the ratios calculated to measure the ability of a company to meet its contractual obligations towards external stakeholders.
- (a) Liquidity Ratios (b) Solvency Ratios
(c) Activity Ratios (d) Profitability Ratios
26. $\frac{\text{Current Assets}}{\text{Current Liabilities}} = \underline{\hspace{2cm}}$
- (a) Current ratio (b) Debt Equity ratio
(c) Quick ratio (d) Proprietary ratio

Answer any 4 questions from 27 to 31. Each carries 2 scores.

(4 × 2 = 8)

27. Private company has some privileges over public company. Analyse it.
28. Write a short note about secured debentures.
29. Classify the following under the headings :
Reserves and Surplus, Capital work-in-progress, Trade payables, Inventories

30. Calculate Liquid Ratio from the following information :

| | |
|---------------------|----------|
| Current liabilities | ₹ 50,000 |
| Current assets | ₹ 80,000 |
| Inventories | ₹ 20,000 |
| Advance tax | ₹ 5,000 |
| Prepaid expenses | ₹ 5,000 |

31. Identify the type ratio from the following statements :

- Measure the short-term solvency of the business.
- Measure the efficiency of operations of business based on effective utilisation of resources.

Answer any 5 questions from 32 to 37. Each carries 3 scores.

(5 × 3 = 15)

32. The current ratio is 2:1. State giving reasons, which of the following transactions would improve, reduce and not change the current ratio :

- Payment of current liability
- Sale of a Computer (Book value : ₹ 40,000) for ₹ 35,000 only.
- Sale of goods costing ₹ 20,000 for ₹ 22,000.

33. From the following statement of profit and loss of Maya Co. Ltd., prepare comparative statement of profit and loss for the year ended March 31, 2021 and 2022 :

| Particulars | 2021 | 2022 |
|---------------------------|----------|----------|
| Revenue from operations | 4,00,000 | 5,00,000 |
| Employee benefit expenses | 2,00,000 | 2,50,000 |
| Other expenses | 50,000 | 25,000 |
| Tax rate 40 % | | |

34. Show the following items in the balance sheet of Surya Ltd. as at March 31, 2023 :

| Particulars | Amount (₹) |
|--------------------------------------------------------|------------|
| General Reserve (since 31 March, 2019) | 2,50,000 |
| Statement of profit & loss (debit balance) for 2022-23 | (1,50,000) |

35. Adithya Ltd. issued 20,000, 12% debentures of ₹ 100 each payable ₹ 30 on application and remaining amount on allotment. The public applied for 19,000 debentures which were fully allotted, and all the relevant allotment money was duly received. Give journal entries in the books of Adithya Ltd.

36. Raja Company purchased assets of value of ₹ 4,40,000 from Brothers Company and agreed to make the payment of purchase consideration by issuing 4,000, 10% debentures of ₹ 100 each at a premium of 10%. Record necessary journal entries.

37. Jaya and Company purchased a machine from Safe Life Machine Limited for ₹ 7,60,000. As per purchase agreement, ₹ 40,000 were paid in cash and balance by issue of shares of ₹ 100 each. What will be the entries passed if the shares are issued at 20% premium.

Answer any 2 questions from 38 to 40. Each carries 6 scores.

(2 × 6 = 12)

38. Journalise the following transactions in the books of Himalaya Ltd. :

- (a) 400 shares of ₹ 100 each issued at a premium of ₹ 10 were forfeited for the non-payment of allotment money of ₹ 60 per share. The first and final call of ₹ 20 per share on these shares were not made. The forfeited shares were reissued at ₹ 70 per share as fully paid-up.
- (b) 800 shares of ₹ 50 each issued at par were forfeited for non-payment of final call of ₹ 10 per share. These shares were reissued at ₹ 45 per share fully paid-up.

39. From the following information, prepare a Common size Income Statement for the year ended March 31, 2020 and March 31, 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 | 6,000 | 7,500 |
| Depreciation | 10,000 | 20,000 |
| Wages | 5,000 | 10,000 |

40. Following information is given by a company from its books of accounts as on March 31, 2023 :

| Particulars | Amount (₹) |
|---------------------------------|------------|
| Inventory | 2,00,000 |
| Total Current Assets | 3,20,000 |
| Shareholders' funds | 8,00,000 |
| 13% Debentures | 6,00,000 |
| Current liabilities | 2,00,000 |
| Net Profit Before Tax | 7,02,000 |
| Cost of revenue from operations | 10,00,000 |

Calculate :

- (i) Current Ratio
(ii) Liquid Ratio
(iii) Debt Equity Ratio
(iv) Interest Coverage Ratio
(v) Inventory Turnover Ratio