



**SECOND YEAR HIGHER SECONDARY  
SECOND TERMINAL EXAMINATION, DECEMBER-2025**

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 പ്രാഥമ്യക്രമങ്ങൾ :**

- നിശ്ചിയു സമയത്തിന് പുതിയ 15 മിനിറ്റ് 'കുർഡ ഓഫ് ടെസ്റ്റ്' ഉണ്ടായിരിക്കും.
- 'കുർഡ ഓഫ് ടെസ്റ്റ്' പോലെങ്ങൾ പരിപയപ്പെടാനും ഉത്തരവേശി ആസൂത്രണം ചെയ്യാനും ഉപയോഗിക്കുക.
- ഉത്തരവേശി എഴുതുന്നതിന് മധ്യ പ്രാഥമ്യങ്ങൾ ശ്രദ്ധാപൂർവ്വം വായിക്കണം.
- നിശ്ചിയു സമയത്തിന് മധ്യവന്നും ശ്രദ്ധാപൂർവ്വം വായിക്കണം.
- കണക്ക് കുറലുകൾ, പിത്രങ്ങൾ, ഗ്രാഫുകൾ, എന്നിവ ഉത്തരപ്പെടുത്തിൽ തന്നെ ഉണ്ടായിരിക്കണം.
- പ്രാഥമ്യങ്ങൾ മലയാളത്തിലും നല്ലിയിട്ടുണ്ട്.
- ആവശ്യമുള്ള സ്ഥലത്ത് സമവാക്കുങ്ങൾ കൊടുക്കണം.
- എംബ്രോഡർ ചെയ്യാനാക്കാതെ കാണിക്കുവല്ലറുകൾ ഒഴികെയ്യുള്ള ഒരു ലൂപക്കുടണണിക്ക് ഉപകരണാവും പതിക്കംപഠാളിയിൽ ഉപയോഗിക്കുവാൻ പാടില്ല.

## (ACCOUNTANCY)

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

(5 x 1 = 5)

1. Which among the following is NOT true about Fixed capital method of maintaining capital accounts ?
  - Two separate accounts for each partner
  - Capital accounts always show a credit balance
  - Capital balance fluctuates from year to year
  - Capital balance remains unchanged unless there are additional capital or drawings out of capital
2. Which of the following is not a reconstitution of a Partnership firm ?
  - Admission of a partner
  - Dissolution of a Partnership firm
  - Retirement of a partner
  - Death of a partner
3. A & B are partners in a firm in the ratio of 3 : 2. They decided to admit C as a partner for  $1/4^{\text{th}}$  share. The sacrificing ratio of A & B will be :
 

(a) 1 : 1	(b) 3 : 2
(c) 2 : 1	(d) 2 : 3
4. Balance of Revaluation account prepared at the time of retirement of a partner is transferred to \_\_\_\_\_
  - All Partners' Capital Account in Old ratio
  - Existing Partners' Capital Account in New ratio
  - Old Partners' Capital Account in Gaining ratio
  - Existing Partners' Capital Account in Capital ratio
5. If the super profit is ₹ 12,000 and the normal rate of return is 6%, the value of goodwill under capitalisation of super profit method will be \_\_\_\_\_.
6. Retiring partner's share of goodwill is debited to the Continuing partners' capital A/c's in their :
 

(a) New ratio	(b) Old ratio
(c) Gaining ratio	(d) Sacrificing ratio

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

**(4 × 2 = 8)**

7. List out the different circumstances which leads to the valuation of goodwill in a partnership firm.
8. At the time of admission of a partner to a partnership firm, the assets and liabilities of the firm were revalued as follows :
  - (a) The value of plant be increased by ₹ 5,000
  - (b) Creditors were unrecorded to the extend of ₹ 2,000Give journal entries for revaluation (Account preparation not required).
9. State any four items usually shown on the debit side of retiring partner's capital account.
10. L, M and N are equal partners. N decides to retire. On the date of his retirement, the Balance Sheet of the firm showed a debit balance of ₹ 6,000 in Profit & Loss Account. Record the necessary journal entries for the treatment of accumulated profit or loss due to N's retirement.

11. Amal, Binu and Charles were partners in a firm sharing profits in 3:3:2 ratio. They admitted David as a new partner for  $4/7^{\text{th}}$  profit. David acquired his share  $2/7^{\text{th}}$  from Amal and  $1/7^{\text{th}}$  from Binu and  $1/7^{\text{th}}$  from Charles. Calculate new profit sharing ratio.

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

**(5 × 3 = 15)**

12. Balu, a partner in a firm, withdrew the following amounts during the year 2024-25 :

<b>Date of withdrawal</b>	<b>Amount</b> <b>(₹)</b>
May 31, 2024	3,000
June 30, 2024	5,000
October 1, 2024	4,000
March 1, 2025	3,000

Calculate the amount of interest on drawings to be charged from Balu @ 8% p.a.  
Books are closed on 31<sup>st</sup> March every year.

13. The Capital of a firm is ₹ 2,00,000 and the normal rate of return on firm's capital is 15%. During the year 2024, the firm earned a profit of ₹ 48,000. Calculate goodwill of the firm on the basis of 3 years' purchase of super profit.

14. Write a short note on Reconstitution of partnership firm and state any three modes of reconstitution.

15. Anil, Prasad and Devan are partners in a firm sharing profits in the ratio of 3:2:1. Prasad retires. After making all adjustments, the capital accounts of Anil and Devan showed a credit balance of ₹ 60,000 and ₹ 40,000 respectively. It was decided to adjust the capitals of Anil and Devan in their new profit sharing ratio. You are required to calculate the new capitals of the partners.

16. The Value of goodwill of a firm is determined by a number of factors. Explain any three such factors.

17. P, Q and R are partners in a firm. P retires from the firm and the total amount due to him from the firm on his retirement is ₹ 30,000. Give journal entries for settlement of P's account under the following situations :

- When the full amount is paid in cash
- When the full amount is treated as loan
- When 50 % of the amount is paid in cash and balance as loan

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

**(2 x 6 = 12)**

18. Aji and Sunil are partners in a firm, with capitals of ₹ 40,000 and ₹ 30,000 respectively. The profit of the firm, for the year ended 2024-25 is ₹ 20,000. As per the Partnership agreement, they share the profit in their capital ratio, after allowing a salary of ₹ 500 per month to Aji and interest on Partner's capital at the rate of 10% p.a. During the year Aji withdrew ₹ 4,000 and Sunil ₹ 3,000 for their personal use. You are required to prepare Profit and Loss Appropriation Account and Partners' Capital Accounts.

**PART - II**  
**(ANALYSIS OF FINANCIAL STATEMENTS)**

(Scores : 40)

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

$(5 \times 1 = 5)$

21. Which of the following item does not come under the head Shareholders' Fund in the Balance Sheet of a company ?

- (a) Share Capital
- (b) Reserves and Surplus
- (c) Money received against share warrants
- (d) Long term provisions

22. A company decided to reissue its forfeited shares of the face value of ₹ 10 due to the non-payment of final call of ₹ 4 per share. The minimum amount at which the company can reissue a single share is \_\_\_\_\_.

- (a) ₹ 4
- (b) ₹ 10
- (c) ₹ 6
- (d) ₹ 2

23. The debentures which do not carry a specific rate of interest is :

- (a) Secured debentures
- (b) Zero coupon rate debentures
- (c) Registered debentures
- (d) Specific coupon rate debentures

24. Which among the following is not a Solvency ratio ?

- (a) Debt-Equity Ratio
- (b) Proprietary Ratio
- (c) Stock turnover ratio
- (d) Interest Coverage Ratio

25. The technique used to study the operational results and financial position of a business over a series of years is \_\_\_\_\_.

- (a) Ratio Analysis
- (b) Cash Flow Analysis
- (c) Trend Analysis
- (d) Comparative Analysis

26. If the current ratio is 3:2 and current assets is ₹ 45,000. The value of current liabilities will be \_\_\_\_\_.

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

$(4 \times 2 = 8)$

27. AB Ltd. allotted 10,000 shares to the applicants of its shares. At the time of receiving first call money at ₹ 3 per share, a shareholder holding 200 shares pays his final call money of ₹ 2 per share along with first call money. Give journal entries for First call money due and its receipt.

28. Show the following items in the Balance Sheet of RK Ltd. as on 31.03.2025 :

Particulars	Amount (₹)
Equity Share Capital	5,00,000
Statement of Profit & Loss (Cr)	2,00,000

29. Calculate inventory turnover ratio from the given information :

Revenue from operation - ₹ 5,00,000

Gross Profit - ₹ 1,00,000

Average inventory - ₹ 80,000

30. State any two advantages of Ratio Analysis.

31. Give Journal entries for the following :

Issue of 1000, 9% debentures of ₹ 100 each at par and redeemable at a par.

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

(5 × 3 = 15)

32. Metro Ltd. purchased a machinery from KK Ltd. for ₹ 2,00,000. As per the purchase agreement ₹ 50,000 were paid in cash and the balance by issuing shares of ₹ 50 each. Give journal entries.

33. Describe any three objectives of financial statements.

34. State any three difference between shares and debentures.

35. MM Ltd., issued 10,000, 8% debentures of ₹ 100 each at a premium of 10% payable as follows :

On application ₹ 40

On allotment ₹ 70 (including premium)

The debentures were fully subscribed and all money was duly received. Record the journal entries in the books of a company.

36. From the following statement of profit and loss, prepare comparative statement of profit and loss for the year ended March 31, 2024 and 2025 :

Particulars	2023-2024	2024-2025
Revenue from operations	₹ 5,00,000	₹ 7,00,000
Expenses	₹ 3,20,000	₹ 4,00,000
Income tax	30%	30%

37. State any three limitations of Ratio Analysis.

Answer any 2 questions from 38 to 40. Each carries 6 scores. (2 × 6 = 12)

38. Following information is given by a company from its books of accounts as on March 31, 2025 :

Particulars	Amount (₹)
Current Assets	1,60,000
Shareholders' funds	4,00,000
13% Debentures	3,00,000
Current liabilities	1,00,000
Revenue from operations	1,80,000

Calculate :

- (i) Current Ratio
- (ii) Debt-Equity Ratio
- (iii) Working Capital Turnover Ratio

39. TVK Ltd. issued 40,000 equity shares of ₹ 50 each, payable as follows :

On application	₹ 10
On allotment	₹ 20
On first & final call	₹ 20

All the shares were subscribed by the public and the company received all the money due, with the exception of first & final call money on 2000 shares. These shares were forfeited. Give journal entries in the books of the company.

40. From the following information, prepare a common size income statement for the year ended March 31, 2025 :

Particulars	2023-2024 ₹	2024-2025 ₹
Revenue from operations	15,00,000	20,00,000
Cost of goods sold	9,00,000	11,00,000
Operating expenses	2,00,000	3,00,000
Non-operating expenses	50,000	1,00,000