

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															
Answer any 5 questions from 1 to 6. Each carries 1 score (5 x 1 = 5)																			
1		(c) Sacrificing Ratio	1	1															
2		(a) Old Partner's Capital A/c	1	1															
3		(b) 3 : I	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															
Answer all questions from 7 to 10. Each carries 2 scores. (4 x 2 = 8)																			
7		* When additional capital is introduced * A part of the capital is withdrawn as per the agreement among the partners.	1 1	2															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><tr><td>Basis</td><td>Dissolution of Partnership</td><td>Dissolution of firm</td></tr><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></table> <p>Any 2</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
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Answer any 3 questions from 11 to 14. Each carries 3 scores. (3 x 3 = 9)																																																																																																				
11	Interest on drawings: Anu = 60,000 x 6% x 6.5/12 = 1950 Manu = 1,20,000 x 6% x 5.5/12 = 3300			<div>1½</div> <div>1½</div> <div>3</div>																																																																																																
12	Average Profit = 6,00,000/5 = 1,20,000 Normal Profit = 10,00,00 x 10% =1,00,000 Super Profit = 1,20,000 -1,00,000 = 20,000 Goodwill = 20,000 x 3 = 60000			<div>½</div> <div>½</div> <div>1</div> <div>1</div>																																																																																																
13	Sacrificing ratio: The ratio in which the old partners have agreed to sacrifice their shares in profit in favour of the new partner is called sacrificing ratio. Gaining ratio: Gaining ratio is the ratio in which the continuing partners have acquired the share from the retiring or deceased partner			<div>1½</div> <div>1½</div> <div>3</div>																																																																																																
14	a) Realisation A/c Dr 3,000 To Bank A/c 3,000 b) Bank A/c Dr 5,000 To Realisation A/c 5,000 c) Realisation A/c Dr 10,000 To Furniture A/c 10,000			<div>1</div> <div>1</div> <div>1</div> <div>3</div>																																																																																																
Answer all questions from 15 to 16. Each carries 5 scores. (2 x 5 =10)																																																																																																				
15	<div>Antony's Loan Account</div> <table><thead><tr><th>Year</th><th>Particulars</th><th>Amount</th><th>Year</th><th>Particulars</th><th>Amount</th></tr></thead><tbody><tr><td>1</td><td>Cash</td><td>180000</td><td>1</td><td>Antony's capital</td><td>600000</td></tr><tr><td></td><td>Balance c/d</td><td>480000</td><td></td><td>Interest</td><td>60000</td></tr><tr><td></td><td></td><td>660000</td><td></td><td></td><td>660000</td></tr><tr><td>2</td><td>Cash</td><td>168000</td><td>2</td><td>Balance b/d</td><td>480000</td></tr><tr><td></td><td>Balance c/d</td><td>360000</td><td></td><td>Interest</td><td>48000</td></tr><tr><td></td><td></td><td>528000</td><td></td><td></td><td>528000</td></tr><tr><td>3</td><td>Cash</td><td>156000</td><td>3</td><td>Balance b/d</td><td>360000</td></tr><tr><td></td><td>Balance c/d</td><td>240000</td><td></td><td>Interest</td><td>36000</td></tr><tr><td></td><td></td><td>396000</td><td></td><td></td><td>396000</td></tr><tr><td>4</td><td>Cash</td><td>144000</td><td>4</td><td>Balance b/d</td><td>240000</td></tr><tr><td></td><td>Balance c/d</td><td>120000</td><td></td><td>Interest</td><td>24000</td></tr><tr><td></td><td></td><td>264000</td><td></td><td></td><td>264000</td></tr><tr><td>5</td><td>Cash</td><td>132000</td><td>5</td><td>Balance b/d</td><td>120000</td></tr><tr><td></td><td></td><td>132000</td><td></td><td>Interest</td><td>12000</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td>132000</td></tr></tbody></table>			Year	Particulars	Amount	Year	Particulars	Amount	1	Cash	180000	1	Antony's capital	600000		Balance c/d	480000		Interest	60000			660000			660000	2	Cash	168000	2	Balance b/d	480000		Balance c/d	360000		Interest	48000			528000			528000	3	Cash	156000	3	Balance b/d	360000		Balance c/d	240000		Interest	36000			396000			396000	4	Cash	144000	4	Balance b/d	240000		Balance c/d	120000		Interest	24000			264000			264000	5	Cash	132000	5	Balance b/d	120000			132000		Interest	12000						132000	<div>1</div> <div>1</div> <div>1</div> <div>1</div> <div>1</div> <div>5</div>
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		Interest on capital: Asha 18000 Nisha <u>12000</u> Asha's salary Nisha's commission Partners capital: Asha 1,50,000 Nisha <u>1,50,000</u> 3,00,000	30,000 60,000 10,000	Net profit	4,00,000	for each correct item	5
			4,00,000		4,00,000		

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

17

Revaluation A/c

Particulars	Amount	Particulars	Amount
Stock	3,000	Plant & Machinery	20,000
Provision for bad debt	3,000	Building	15,000
Partners capital			
Amal	19333		
Bimal	<u>9667</u>		
	29,000		
	35,000		35,000

Capital A/c

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

Balance Sheet

Liabilities	Amount	Assets	Amount
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

3

8

18

Realisation Account

Particulars	Amount	Particulars	Amount
Stock	6,000	Creditors	38,000
Debtors	19,000	Bank (Assets realised)	53,000
Furniture	4,000		
Plant	28,000	Stock	5000
Investments	10,000	Debtors	18500
Bank (creditors)	35,000	Furniture	4500
Bank (expense)	2,000	Plant	<u>25000</u>
		Ajay's capital (Invetment)	8,000
		Partners capital	
		Ajay	3000

4

18

Realisation Account

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		
Capital Account						
Particulars	Ajay	Vijay	Particulars	Ajay	Vijay	
Realisation (invstment)	8,000		Balance b/d Reserve	12,000 15,000	11,000 10,000	
Realisation Bank	3000 16,000	2000 19,000				
	27,000	21,000		27,000	21,000	
Bank A/c						
Particulars	Amount	Particulars	Amount			
Balance b/d	19,000	Realisation (CrS)	35,000			
Realisation (assets realised)	53,000	Realisation (expenses)	2,000			
		Ajay's capital	16,000			
		Vijay's capital	19,000			
	72,000		72,000			

Answer any 5 questions from 19 to 24, each carries 1 score (5 x 1 = 5)

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

Answer all questions from 25 to 28. Each carries 2 score (4 x 2 = 8)

25	Any two difference between shares and debentures	1 x 2	2
26	* Does not consider price level changes * May be misleading without proper knowledge about the accounting procedure followed by the firm * Just a study of reports of the company etc (any 2)	1 x 2	2
27	Inventory Turnover ratio = $\frac{\text{Cost of Revenue from Operations}}{\text{Average Inventory}}$ Gross profit = 8,00,000 x 10% = 80,000 Cost of Revenue from Operations = Revenue from operation – GP = 8,00,000 – 80,000 = 7,20,000 Inventory Turnover ratio = 7,20,000 / 1,10,000 = 6.54 times (For correct equation give 1 score)	2	2
28	* Proceeds from issue of preference or equity shares * Proceeds from Issuance of Debts/Bonds * Procurement of loans etc (any 2)	1 x 2	2

Answer any 3 questions from 29 to 32. Each carries 3 scores. (3 x 3 = 9)

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 & 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>Cash flows from Financing Activities</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															
Answer all questions from 33 to 34. Each carries 5 scores. (2 x 5 = 10)																		
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>Comparative statement of profit and loss for the year ended March 31, 2018 and 2019</p> <table><tr><th>Particulars</th><th>2017-18 ₹</th><th>2018-19 ₹</th><th>Absolute increase/ decrease ₹</th><th>Percentage increase/ decrease %</th></tr><tr><td>I. Revenue from operations</td><td>800000</td><td>1000000</td><td>200000</td><td>25</td></tr><tr><td>II. Less: Expenses</td><td></td><td></td><td></td><td></td></tr></table>	Particulars	2017-18 ₹	2018-19 ₹	Absolute increase/ decrease ₹	Percentage increase/ decrease %	I. Revenue from operations	800000	1000000	200000	25	II. Less: Expenses						5
Particulars	2017-18 ₹	2018-19 ₹	Absolute increase/ decrease ₹	Percentage 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	
		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	8
		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						1	
		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	
		Current liability						2	
		Liquid ratio = Liquid assets	= 40,000/35,000 = 1.14:1					2	
		Current liability						2	
		Operating Ratio =						2	8
		(Cost of Revenue from Operations + Operating Expenses) × 100						2	
		Net Revenue from Operations						2	
		= 1,00,000/1,20,000 × 100 = 83.33 %						2	
		Gross Profit Ratio =						2	
		Gross Profit × 100						2	
		Net Revenue from Operations						2	
		= 60,000/ 1,20,000 × 100 = 50%						2	

