

SECOND TERM EXAMINATION 2025
ACCOUNTANCY WITH AFS

Qn No	Value Points	Score
1	c) Capital balance fluctuates from year to year	1
2	b) Dissolution of a Partnership firm	1
3	b) 3:2	1
4	a) All partners partners capital account in old ratio	1
5	₹ 2,00,000	1
6	c) Gaining ratio	1
7	Change in profit sharing ratio Admission of a partner Retirement of a partner Death of a partner etc	2
8	a) Plant A/c Dr 5,000 To Revaluation A/c 5000 b) Revaluation A/c Dr 2000 To Creditors A/c 2000	2
9	Drawings Interest on drawings Share of loss Revaluation loss	2
10	L's capital a/c Dr 2,000 M's capital a/c Dr 2,000 N's capital a/c Dr 2,000 To Profit & Loss a/c 6,000	2
11	New ratio= 5:13:6:32	2
12	Interest on drawings = 680	3
13	Goodwill= 54000	3
14	Any change in the existing agreement amounts to reconstitution of the partnership firm. Modes of reconstitution: Admission of a new partner Change in the profit sharing ratio Retirement of an existing partner Death of a partner etc (any 3)	3
15	Total capital of the firm – 100000 New ratio= 3:1 New Capital of Anil – $100000 \times \frac{3}{4} = 75000$ New capital of Devan – $100000 \times \frac{1}{4} = 25000$	3
16	Nature of business Location	3

	Efficiency of management Market situation Special advantages (any 3)																																																																															
17	a) P's capital a/c Dr 30,000 To Cash A/c 30,000 b) P's capital a/c Dr 30,000 To P's loan A/c 30,000 c) P's capital a/c Dr 30,000 To cash A/c 15,000 To P's loan A/c 15,000	3																																																																														
18	<div>Profit and Loss Appropriation account</div> <table><tr><th>Particulars</th><th>Amount</th><th>Particulars</th><th>Amount</th></tr><tr><td>Interest on capital: Aji 4000 Sunil <u>3000</u></td><td>7000</td><td>Net profit</td><td>20,000</td></tr><tr><td>Aji's salary</td><td>6000</td><td></td><td></td></tr><tr><td>Partners capital: Aji 4000 Sunil <u>3000</u></td><td>7000</td><td></td><td></td></tr><tr><td></td><td>20000</td><td></td><td>20000</td></tr></table> <div>Partners Capital Account</div> <table><tr><th>Particulars</th><th>Aji</th><th>Sunil</th><th>Particulars</th><th>Aji</th><th>Sunil</th></tr><tr><td></td><td></td><td></td><td>Balance b/d</td><td>40000</td><td>30000</td></tr><tr><td></td><td></td><td></td><td>Salary</td><td>6000</td><td></td></tr><tr><td>Balance c/d</td><td>54000</td><td>36000</td><td>Interest on capital</td><td>4000</td><td>3000</td></tr><tr><td></td><td></td><td></td><td>P&L Appr A/c</td><td>4000</td><td>3000</td></tr><tr><td></td><td>54000</td><td>36000</td><td></td><td>54000</td><td>36000</td></tr></table>	Particulars	Amount	Particulars	Amount	Interest on capital: Aji 4000 Sunil <u>3000</u>	7000	Net profit	20,000	Aji's salary	6000			Partners capital: Aji 4000 Sunil <u>3000</u>	7000				20000		20000	Particulars	Aji	Sunil	Particulars	Aji	Sunil				Balance b/d	40000	30000				Salary	6000		Balance c/d	54000	36000	Interest on capital	4000	3000				P&L Appr A/c	4000	3000		54000	36000		54000	36000	6																						
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19	<div>Gaining ratio = 21:11</div> <div>Sachin's Loan A/c</div> <table><tr><th>Year</th><th>Particulars</th><th>Amount</th><th>Year</th><th>Particulars</th><th>Amount</th></tr><tr><td>1</td><td>Cash</td><td>21000</td><td>1</td><td>Sachin's capital</td><td>60000</td></tr><tr><td></td><td>Balance c/d</td><td>45000</td><td></td><td>Interest</td><td>6000</td></tr><tr><td></td><td></td><td>66000</td><td></td><td></td><td>66000`</td></tr><tr><td>2</td><td>Cash</td><td>19500</td><td>2</td><td>Balance b/d</td><td>45000</td></tr><tr><td></td><td>Balance c/d</td><td>30000</td><td></td><td>Interest</td><td>4500`</td></tr><tr><td></td><td></td><td>49500</td><td></td><td></td><td>49500</td></tr><tr><td>3</td><td>Cash</td><td>18000</td><td>3</td><td>Balance b/d</td><td>30000</td></tr><tr><td></td><td>Balance c/d</td><td>15000</td><td></td><td>Interest</td><td>3000</td></tr><tr><td></td><td></td><td>33000</td><td></td><td></td><td>33000</td></tr><tr><td>4</td><td>Cash</td><td>16500</td><td>4</td><td>Balance b/d</td><td>15000</td></tr><tr><td></td><td></td><td></td><td></td><td>Interest</td><td>1500</td></tr><tr><td></td><td></td><td>16500</td><td></td><td></td><td>16500</td></tr></table>	Year	Particulars	Amount	Year	Particulars	Amount	1	Cash	21000	1	Sachin's capital	60000		Balance c/d	45000		Interest	6000			66000			66000`	2	Cash	19500	2	Balance b/d	45000		Balance c/d	30000		Interest	4500`			49500			49500	3	Cash	18000	3	Balance b/d	30000		Balance c/d	15000		Interest	3000			33000			33000	4	Cash	16500	4	Balance b/d	15000					Interest	1500			16500			16500	6
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20	Revaluation profit = 7500 (Sarath – 4500, Santhosh-3000) Capital Balance- Sarath – 61100, Santhosh-37400,Sam- 20000	6																																																																														
21	d) Long term Provisions	1																																																																														

22	a) ₹ 4	1															
23	b) Zero coupon rate debentures	1															
24	c) Stock turn over ratio	1															
25	c) Trend analysis	1															
26	30000	1															
27	Share first call a/c Dr 30,000 To Share capital a/c 30,000 Bank A/c Dr 30400 To Share first call a/c 30,000 To Calls in advance a/c 400	2															
28	Balance sheet as on 31-03-2025 <table border="1"> <thead> <tr> <th>Particulars</th><th>Note No.</th><th>Amount</th></tr> </thead> <tbody> <tr> <td>I. Equity and Liabilities</td><td></td><td></td></tr> <tr> <td>1. Shareholders' Funds</td><td></td><td></td></tr> <tr> <td> a) Share capital</td><td></td><td>5,00,000</td></tr> <tr> <td> b) Reserve and surplus</td><td></td><td>2,00,000</td></tr> </tbody> </table>	Particulars	Note No.	Amount	I. Equity and Liabilities			1. Shareholders' Funds			a) Share capital		5,00,000	b) Reserve and surplus		2,00,000	2
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a) Share capital		5,00,000															
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29	Stock turn over ratio = $\frac{400000}{80000} = 5$ times	2															
30	Helps to understand efficacy of decisions Simplify complex figures and establish relationships Helpful in comparative analysis (any 2)	2															
31	Bank A/c Dr. 1,00,000 To 9 % Debentures 1,00,000 9 % Debentures A/c Dr. 1,00,000 To Bank A/c 1,00,000	2															
32	Machinery A/c Dr 200000 To Cash A/c 50000 To KK Ltd 150000 KK Ltd A/c Dr 150000 To Share Capital A/c 150000	3															
33	To provide information about economic resources and obligations of a business To provide information about the earning capacity of the business To provide information about cash flows etc	3															
34	Difference between Shares and debentures	3															
35	Bank A/c Dr 400000 To 8 % Debenture Application 400000 8 % Debenture Application A/c Dr 400000 To 8 % Debenture 400000 8 % Debenture Allotment A/c Dr 700000 To 8 % Debenture 600000 To Securities Premium Reserve A/c 100000 Bank A/c Dr 700000 To 8 % Debenture Allotment 700000	3															

36	<div>Comparative statement of profit and loss</div> <table><tr><th>Particulars</th><th>2023-24</th><th>2024-25</th><th>+/_</th><th>% +/_</th></tr><tr><td>Revenue from operations</td><td>500000</td><td>700000</td><td>200000</td><td>40</td></tr><tr><td>Less: Expenses</td><td>320000</td><td>400000</td><td>80000</td><td>25</td></tr><tr><td>Profit before tax</td><td>180000</td><td>300000</td><td>120000</td><td>66.67</td></tr><tr><td>Tax</td><td>54000</td><td>90000</td><td>36000</td><td>66.67</td></tr><tr><td>Profit after tax</td><td>136000</td><td>210000</td><td>74000</td><td>54.44</td></tr></table>	Particulars	2023-24	2024-25	+/_	% +/_	Revenue from operations	500000	700000	200000	40	Less: Expenses	320000	400000	80000	25	Profit before tax	180000	300000	120000	66.67	Tax	54000	90000	36000	66.67	Profit after tax	136000	210000	74000	54.44	3																		
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37	Limitations of accounting data Ignores Price-level Changes Ignore Qualitative or Non-monetary Aspects etc	3																																																
38	Current ratio = 1.6:1 Debt Equity Ratio = 0.75:1 Working capital turnover ratio = 3 times	6																																																
39	Bank a/c Dr 400000 To Share application a/c 400000 Share application a/c Dr 400000 To Share Capital a/c 400000 Share Allotment a/c Dr 800000 To Share capital a/c 800000 Bank a/c Dr 800000 To Share allotment 800000 Share First & final a/c Dr 800000 To Share capital a/c 800000 Bank a/c Dr 760000 To Share First & final 760000 Share capital a/c Dr 100000 To Share First & final 40000 To Share forfeiture a/c 60000	6																																																
40	<div>Common size income statement for the year ended March 31, 2024 & March 31, 2025</div> <table><tr><th rowspan="3">Particulars</th><th colspan="2">Absolute amounts</th><th colspan="2">Percentage of Net sales</th></tr><tr><th>2023-24</th><th>2024-25</th><th>2023-24</th><th>2024-25</th></tr><tr><th>₹</th><th>₹</th><th>%</th><th>%</th></tr><tr><td>Revenue from ope..</td><td>1500000</td><td>2000000</td><td>100</td><td>100</td></tr><tr><td>(-) Cost of goods so.</td><td>900000</td><td>1100000</td><td>60</td><td>55</td></tr><tr><td>Gross Profit</td><td>600000</td><td>900000</td><td>40</td><td>45</td></tr><tr><td>(-)Operating expen..</td><td>200000</td><td>300000</td><td>13.33</td><td>15</td></tr><tr><td>Operating income</td><td>400000</td><td>600000</td><td>26.67</td><td>30</td></tr><tr><td>(-)Non operat exp</td><td>50000</td><td>100000</td><td>3.33</td><td>5</td></tr><tr><td>Profit</td><td>350000</td><td>500000</td><td>23.33</td><td>25</td></tr></table>	Particulars	Absolute amounts		Percentage of Net sales		2023-24	2024-25	2023-24	2024-25	₹	₹	%	%	Revenue from ope..	1500000	2000000	100	100	(-) Cost of goods so.	900000	1100000	60	55	Gross Profit	600000	900000	40	45	(-)Operating expen..	200000	300000	13.33	15	Operating income	400000	600000	26.67	30	(-)Non operat exp	50000	100000	3.33	5	Profit	350000	500000	23.33	25	6
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