

## SECOND MID TERM TEST -NOV-2022

### 12 - STD

### ACCOUTANCY

Time : 1.30

Marks : 50

#### Section - A

\*Answer all the questions under this section

10 x 1= 10

\*Each question carries one mark

Choose the correct answer

- 1) If a share of ₹ 10 on which ₹ 8 has been paid up is forfeited. Minimum reissue price is  
 (a) ₹ 10 per share    (b) ₹ 8 per share    (c) ₹ 5 per share    (d) ₹ 2 per share
- 2) The financial statements do not exhibit  
 a) Non-monetary data    b) Past data    c) Short term data    d) Long term data
- 3) Which of the following tools of financial statement analysis is suitable when data relating to several years are to be analysed?  
 a) Cash flow statement    b) Common size statement  
 c) Comparative statement    d) Trend analysis
- 4) The amount received over and above the par value is credited to  
 (a) Securities premium account    (b) Calls in advance account  
 (c) Share capital account    (d) Forfeited shares account
- 5) That part of share capital which can be called up only on the winding up of a company is called:  
 (a) Authorised capital    (b) Called up capital    (c) Capital reserve    (d) Reserve capital
- 6) After the forfeited shares are reissued, the balance in the forfeited shares account should be transferred to  
 (a) General reserve account    (b) Capital reserve account  
 (c) Securities premium account    (d) Surplus account
- 7) ..... are the tools of financial analysis  
 (a) Comparative statements    (b) Trend analysis  
 (c) Common size statements    (d) All the above
- 8) In a common-size balance sheet, if the percentage of non-current assets is 75, what would be the percentage of current assets?  
 a) 175    b) 125    c) 25    d) 100
- 9) Which of the following statements is not true?  
 a) All the limitations of financial statements are applicable to financial statement analysis also.  
 b) Financial statement analysis is only the means and not an end.  
 c) Expert knowledge is not required in analysing the financial statements.  
 d) Interpretation of the analysed data involves personal judgment
- 10) Issue of equity shares to the existing shareholders of the company through a letter of offer is known as  
 (a) Public issue    (b) Private placement    (c) Right issue    (d) Bonus shares

## Section - B

4 x 2 = 8

\*Answer any four questions under this section

\*Each question carries TWO marks

(Question No. 15 is Compulsory)

- 11) What is a share?
- 12) Anitha was holding 500 equity shares of ₹10 each of Thanjavur Motors Ltd, issued at par. She paid ₹ 3 on application, ₹ 5 on allotment but could not pay the first and final call of ₹ 2. The directors forfeited the shares for nonpayment of call money. Give Journal entry for forfeiture of shares
- 13) From the following particulars, prepare comparative income statement of Arul Ltd.

| Particulars             | 2015-16<br>₹ | 2016-17<br>₹ |
|-------------------------|--------------|--------------|
| Revenue from operations | 50,000       | 60,000       |
| Other income            | 10,000       | 30,000       |
| Expenses                | 40,000       | 50,000       |

- 14) Write a short note on securities premium account
- 15) From the following particulars of Kumar Ltd, prepare a common-size income statement for the year ended 31st March, 2018.

| Particulars             | 2017-18 (₹) |
|-------------------------|-------------|
| Revenue from operations | 5,00,000    |
| Other income            | 20,000      |
| Expenses                | 3,00,000    |

- 16) List the tools of financial statement analysis

## Section - C

4 x 3 = 12

\*Answer any four questions under this section

\*Each question carries THREE marks

(Question No. 20 is Compulsory)

- 17) Briefly explain any three limitations of financial statements
- 18) Write a short note on (a) Authorised capital (b) Reserve capital
- 19) Paradise Ltd. purchased assets of ₹ 4,40,000 from Suguna Furniture Ltd. It issued equity shares of ₹10 each fully paid in satisfaction of their claim. What entries will be made if such issue at premium of 10%.
- 20) Jeyam Tyres issued 15,000 ordinary shares of ₹ 10 each payable as follows: ₹3 on application; ₹ 5 on allotment; ₹ 2 on first and final call. All money were duly received except one shareholder holding 100 shares failed to pay the call money. Pass the necessary journal entries for call (using calls in arrear account)
- 21) Progress Ltd. issued 50,000 ordinary shares of ₹ 10 each, payable ₹ 2 on application, ₹ 4 on allotment, ₹ 2 on first call and ₹ 2 on final call. All the shares are subscribed and amount was duly received. Pass journal entries at the time of application

22) Prepare Common-size balance sheet of Meena Ltd. as on 31st March, 2018.

| Particulars                     | 31st March 2018 (₹) |
|---------------------------------|---------------------|
| <b>I EQUITY AND LIABILITIES</b> |                     |
| Shareholders' funds             | 2,00,000            |
| Non-current liabilities         | 1,60,000            |
| Current liabilities             | 40,000              |
| Total                           | 4,00,000            |
| <b>II ASSETS</b>                |                     |
| Non-current assets              | 3,00,000            |
| Current assets                  | 1,00,000            |
| Total                           | 4,00,000            |

*Base value*  
*Base value*

**Section - D**

Answer all the questions under this section

4 x 5=20

23) a) Calculate trend percentages for the following particulars of Palai Ltd.

| Particulars                     | in lakhs |        |        |
|---------------------------------|----------|--------|--------|
|                                 | Year 1   | Year 2 | Year 3 |
| <b>I EQUITY AND LIABILITIES</b> |          |        |        |
| Shareholders' fund              | 250      | 275    | 300    |
| Non-current liabilities         | 100      | 125    | 100    |
| Current liabilities             | 50       | 40     | 80     |
| Total                           | 400      | 440    | 480    |
| <b>II ASSETS</b>                |          |        |        |
| Non-current assets              | 300      | 360    | 390    |
| Current assets                  | 100      | 80     | 90     |
| Total                           | 400      | 440    | 480    |

(OR)

b) State the differences between preference shares and equity shares

24) a) Prepare common-size statement of financial position for the following particulars of Rani Ltd.

| Particulars                     | 31st March, 2016(₹) | 31st March, 2017(₹) |
|---------------------------------|---------------------|---------------------|
| <b>I EQUITY AND LIABILITIES</b> |                     |                     |
| Shareholders' Fund              | 5,40,000            | 6,00,000            |
| Non-current liabilities         | 2,70,000            | 2,50,000            |
| Current liabilities             | 90,000              | 1,50,000            |
| Total                           | 9,00,000            | 10,00,000           |
| <b>II ASSETS</b>                |                     |                     |
| Non-current assets              | 7,20,000            | 8,00,000            |
| Current assets                  | 1,80,000            | 2,00,000            |
| Total                           | 9,00,000            | 10,00,000           |

(OR)

b) Thai Ltd. issued 1,00,000 equity shares of ₹ 10 each, payable ₹ 5 on application, ₹ 2 on allotment, ₹ 2 on first call and ₹ 1 on final call. All the shares are subscribed and amount was duly received. Pass journal entries

25) a) From the following particulars of Maria Ltd. and Kala Ltd. prepare a common-size income statement for the year ended 31st March, 2019.

| Particulars             | Maria Ltd (₹) | Kala Ltd(₹) |
|-------------------------|---------------|-------------|
| Revenue from operations | 1,00,000      | 2,00,000    |
| Other income            | 10,000        | 30,000      |
| Expenses                | 70,000        | 1,20,000    |

(OR)

b) Viswanath Furniture Ltd. invited applications for 20,000 shares of ₹ 10 each at a premium of ₹ 2 per share payable.

₹ 2 on application, ₹ 5 (including premium) on allotment, ₹ 5 on first and final call

There was over subscription and applications were received for 30,000 shares and the excess applications were rejected by the directors. All the money due were received.

Pass the journal entries.

26) a) Keerthiga Company issued shares of ₹10 each at 10% premium, payable ₹2 on application, ₹3 on allotment (including premium), ₹3 on first call and ₹3 on second and final call. Journalise the transactions relating to forfeiture of shares for the following situations:

(i) Mohan who holds 50 shares failed to pay the second and final call and his shares were forfeited.

(ii) Mohan who holds 50 shares failed to pay the allotment money, first call and second and final call money and his shares were forfeited.

(iii) Mohan who holds 50 shares failed to pay the allotment money and first call and his shares were forfeited after the first call

(OR)

b) From the following particulars, prepare comparative balance sheet of Malar Ltd as on 31st March 2016 and 31st March 2017.

| Particulars | 31st March 2016 (₹) | 31st March 2017(₹) |
|-------------|---------------------|--------------------|
|-------------|---------------------|--------------------|

**I EQUITY AND LIABILITIES**

## 1. Shareholders' fund

|                         |          |          |
|-------------------------|----------|----------|
| a) Share capital        | 2,00,000 | 2,50,000 |
| b) Reserves and surplus | 50,000   | 50,000   |

## 2. Non-current liabilities

|                      |        |        |
|----------------------|--------|--------|
| Long-term borrowings | 30,000 | 60,000 |
|----------------------|--------|--------|

## 3. Current liabilities

|                |        |        |
|----------------|--------|--------|
| Trade payables | 20,000 | 60,000 |
|----------------|--------|--------|

|              |                 |                 |
|--------------|-----------------|-----------------|
| <b>Total</b> | <b>3,00,000</b> | <b>4,20,000</b> |
|--------------|-----------------|-----------------|

**II ASSETS**

## 1. Non-current assets

|                            |          |          |
|----------------------------|----------|----------|
| a) Fixed assets            | 1,00,000 | 1,50,000 |
| b) Non-current investments | 50,000   | 75,000   |

## 2. Current assets

|                           |        |          |
|---------------------------|--------|----------|
| Inventories               | 75,000 | 1,50,000 |
| Cash and cash equivalents | 75,000 | 45,000   |

|              |                 |                 |
|--------------|-----------------|-----------------|
| <b>Total</b> | <b>3,00,000</b> | <b>4,20,000</b> |
|--------------|-----------------|-----------------|