

Ltd. On 31st March, 2017 and 31st March, 2018.

Particulars	31 st March 2017	31 st March 2018
	₹	₹
I. Equity and Liabilities		
1. Shareholder's fund		
a) Share capital	5,00,000	6,00,000
b) Reserves and surplus	4,00,000	3,60,000
2. Non current liabilities		
Longterm borrowings	8,00,000	2,40,000
3. Current liabilities		
Trade payables	3,00,000	-
Total	20,00,000	12,00,000
II. Assets		
1. Non-current assets		
a) Fixed assets	10,00,000	6,00,000
b) Non current investment	5,00,000	2,40,000
2. Current assets		
a) Inventories	3,00,000	1,20,000
b) Cash and cash equivalents	2,00,000	2,40,000
Total	20,00,000	12,00,000

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

Particulars	31st March 2016	31st March 2017
	₹	₹
I. Equity & Liabilities		
Share holder's 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
II. Assets		
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) From the following particulars, calculate the trend percentage of Kumar Ltd.

Particulars	₹ in thousands		
	2015-16	2016-17	2017-18
Revenue from operation	300	270	150
Other income	50	80	60
Expenses	250	200	125
Income tax %	40	40	40

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Reg. No. **Second Mid-Term Test - 2019****ACCOUNTANCY**

Time : 1.30 hrs.

Max. Marks : 50

SECTION - I

- I. Choose the correct answer** **10 x 1 = 10**
- That part of share capital which can be called up only on the winding up of a company is called
 - Authorised capital
 - called up capital
 - capital reserve
 - reserve capital
 - At the time of forfeiture, share capital account is debited with
 - face value
 - nominal value
 - paid up amount
 - called up amount
 - The amount received over and above par value is credited to
 - securities premium account
 - calls in advance account
 - share capital account
 - forfeited shares account
 - When shares are issued for purchase of assets, the amount should be credited to
 - Vendor's a/c
 - Sundry assets a/c
 - share capital a/c
 - Bank a/c
 - If a share of ₹10 on which ₹8 has been paid up is forfeited. Minimum reissue price is
 - ₹10 per share
 - ₹8 per share
 - ₹5 per share
 - ₹2 per share
 - Which of the following statements is not true?
 - Notes and schedules also form part of financial statements.
 - The tools of financial statement analysis include commonsize statement
 - Trend analysis refers to the study of movement of figures for one year.
 - The common size statements show the relationship of various items with some common base, expressed as percentage.
 - Balance sheet provides information about financial position of a business concern
 - over a period of time
 - as on a particular date
 - for a period of time
 - for the accounting period
 - The financial statement do not exhibit
 - Non monetary data
 - Post data
 - short term data
 - long term data.
 - The term 'fund' refers to
 - current liabilities
 - working capital
 - fixed assets
 - non current assets

10. Which of the following statement is not true?
 a) All the limitations of financial statement 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 financial statement.
 d) Interpretation of the analysed data involves personal judgement.

SECTION - II**Answer any five questions.****5 x 2 = 10**

11. What is over-subscription?
 12. What is working capital?
 13. Write a short note on securities premium account.
 14. 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 non payment of call money. Give journal entry for forfeiture of shares.
 15. From the following particulars, prepare comparative income statement of Tharun Co. Ltd.,
- | Particulars | 2016-17
₹ | 2017-18
₹ |
|-------------------------|--------------|--------------|
| Revenue from operations | 2,00,000 | 2,50,000 |
| Other incomes | 50,000 | 40,000 |
| Expenses | 1,50,000 | 1,20,000 |
16. What are financial statements?
 17. Muthu was holding 20 equity shares of ₹10 each on which he paid ₹2 on application but could not pay ₹3 on allotment and ₹1 on first call. Directors forfeited the shares after the first call. Give journal entry for recording the forfeiture shares.

SECTION - III**Answer any five questions.****5 x 3 = 15**

18. State the difference between preference shares and equity shares.
 19. Nivetha Ltd. forfeited 1,000 equity shares of ₹10 each for non payment of call of 4 per share. Of these 800 shares were reissued @ ₹7 per share. Pass journal entries for forfeiture and reissue.
 20. Rajan Ltd. purchased machinery of ₹6,00,000 from Jagan Traders. It is issued equity shares of ₹10 each fully paid in satisfaction of their claim. What entries will be made if such issue is made at a premium of 50%.

21. Briefly explain any three limitations of financial statements.
 22. Explain the procedure for preparing common size statement.
 23. From the following particulars, prepare comparative income statement of Daniel Ltd.

Particulars.	2015-16 ₹	2016-17 ₹
Revenue from operations	40,000	50,000
Operating expenses	25,000	27,500
Income tax (% of profit)	30	30

24. Prepare common size income statement for the following particulars of Raja Ltd. for the year ended 31st March, 2017.

Particulars	2016-17 ₹
Revenue from operations	4,50,000
Other income	67,500
Expenses	1,35,000

SECTION - IV**Answer all the questions.****3 x 5 = 15**

25. a) Bharath Ltd. issued 1,00,000 equity shares of ₹10 each to public at par. The details of the amount payable on the shares are as follows.
 On application ₹5 per share
 On allotment ₹3 per share
 On first and final call ₹2 per share
 Application money was received for 1,20,000 shares. Excess application money was refunded immediately. Pass journal entries to record the above. (OR)
 b) Khan Ltd. issued 50,000 shares of ₹10 each to the public payable ₹4 on application, ₹4 on allotment and ₹2 on first and final call. Applications were received for 65,000 shares. The directors decided to allot 50,000 shares on pro rata basis and surplus application money was utilised for allotment. Pass journal entries assuming that the amounts due were received.
 26. a) Viswanath Furniture Ltd. invited applications for 20,000 shares @ 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 application were received for 30,000 shares and excess applications were rejected by the directors. All the money due were received. Pass the journal entries. (OR)
 b) Prepare common-size statement of financial position of Saleem