

OSF

Date : 07-03-2024

STD 12 Commerce Elements of Account

Total Marks : 50

12th Account Practice Sheet Day 21 (Part 2 - Ch.4 to 6)

Section A

* Choose The Right Answer From The Given Options.

[10]

- The comparison of financial statements of different years is known as.....
(A) External analysis (B) Short-term analysis (C) Vertical analysis (D) Horizontal analysis
- On which basis is Profit and loss account prepared?
(A) On total of profit-loss (B) On dues (C) On purchase (D) On sales
- In a company, amount of cost of goods consumed of current year is Rs. 3,30,000 and in which 10 % increase with the comparison of previous year, then how much is the cost of goods consumed of previous year?
(A) Rs. 3,63,000 (B) Rs.3,00,000 (C) Rs.33,000 (D) Rs.30,000
- By which other names are the Trading Account and Profit and Loss Account known?
(A) Income Statement (B) Expenditure Statement (C) Cash Flow Statement (D) Funds Flow Statement
- Total of Balance Sheet of a Company is Rs.50,00,000 and the Tangible Assets are Rs.15,00,000. Find the percentage of Tangible Assets to the total of the Balance Sheet.
(A) 0.3 (B) 0.2 (C) 0.25 (D) 0.15
- Debtors turnover/creditors turnover shows for business
(A) profitability (B) liquidity (C) solvency (D) efficiency
- For which of the following items the ratio is computed in days?
(A) For total purchase (B) For credit sales
(C) For credit purchase (D) Both (b) and (c)
- In which terms ratios are presented ?
(A) Proportion (B) Percentage (C) Time (D) All of the given
- balance is while bank overdraft is
(A) Current liability, current liability (B) Current asset, current liability (C) Current liability, current asset (D) Current asset, current asset
- Bank overdraft
(A) is current liability but considered as financing activity
(B) is current liability but considered as operating activity
(C) is current liability but considered as investing activity
(D) is not activity of cash flow statement

Section B

* **Answer The Following Questions In One Sentence.** **[6]**

11. What creditors can determine through analysis of financial statements?
12. When the changes in stock is positive whether it will be added to cost of goods sold or deducted?
13. What is higher value of liquidity suggest?
14. What is to be excluded while calculating total assets value?
15. What are the financial expenses?
16. What is financing activities?

Section C

* **Answer The Following Questions.** **[18]**

17. Explain the significance of comparative financial statements.
18. Profit and loss statement for the year ending on 31-3-2016 and 31-3-2017 of Mina Company Limited are as follows. Prepare comparative profit and loss statement.

Particulars	Note No.	31-3-2017 (Rs.)	31-3-2016 (Rs.)
Sales revenue		45,00,000	52,00,000
Other income		2,00,000	10,00,000
Net purchase		32,00,000	38,00,000
Other Expenses (% of sales)		22%	18%
Changes in stock		(2,00,000)	(1,00,000)
Income tax rate 30%.			

19. Balance sheet of Small Company Ltd. as at 31-3-2016 and 31-3-2017 are as follows. Prepare comparative balance sheet.

Particulars	Note No.	31-3-2017 (Rs.)	31-3-2017 (Rs.)
(1) Equity and Liabilities			
1 Shareholders' funds:			
. (a) Share capital			
(i) Equity share capital		22,00,000	17,00,000
(ii) Preference share capital		10,00,000	12,00,000
(b) Reserves and surplus			
(i) General reserve		2,40,000	2,00,000
(ii) Profit-loss account		2,10,000	1,80,000
2 Non-current liabilities			
. 10% debentures		6,00,000	8,00,000

3	Current liabilities		
.	(i) Short-term borrowings	90,000	45,000
	(ii) Trade payables	90,000	1,35,000
	(iii) Other current liabilities	70,000	70,000
	Total	<u>45,00,000</u>	<u>43,30,000</u>
(2	Assets :		
)			
1	Non-current assets :		
.	(a) Fixed assets		
	(i) Tangible assets :		
	Machines	16,00,000	15,00,000
	Furniture	6,00,000	5,00,000
	(ii) Intangible assets :		
	Goodwill	80,000	1,00,000
	Patent	7,50,000	7,30,000
	(b) Non-current investments	9,00,000	8,00,000
2	Current assets:		
.	(i) Stock	1,80,000	1,60,000
	(ii) Trade receivables	1,80,000	2,00,000
	(iii) Current investments	1,40,000	2,70,000
	(iv) Cash and cash equivalent	70,000	70,000
	Total	<u>45,00,000</u>	<u>43,30,000</u>

20. Prepare common size statement of profit and loss from the following profit and loss statements of two years.

Particulars	Note No.	31-3-2017 (Rs.)	31-3-2016 (Rs.)
(I) Sales revenue		48,00,000	40,00,000
(II) Other income		4,80,000	2,40,000
(III) Total income		<u>52,80,000</u>	<u>42,40,000</u>
(IV) Expenses :			
(i) Cost of goods consumed		26,40,000	20,80,000
(ii) Net purchase		2,40,000	1,60,000
(iii) Changes in stock		(2,40,000)	1,20,000
(iv) Employees benefit expenses		7,20,000	6,00,000
(v) Financial cost		4,80,000	4,80,000
(vi) Depreciation		5,76,000	4,00,000
Total Expenses Profit before tax		<u>44,16,000</u>	<u>38,40,000</u>
(III) Profit before tax		8,64,000	4,00,000
(IV) Less : Income tax (30%)		2,59,200	1,20,000
(V) Profit after tax		<u>6,04,800</u>	<u>2,80,000</u>

21. From the following transactions, identify transactions of financing activities:
(i) Sale of machine

- (ii) Redemption of preference Share capital
- (iii) Dividend paid
- (iv) Interest paid
- (v) Dividend received
- (vi) Borrowed bank overdraft
- (vii) Purchase of investments
- (viii) Issue of new equity shares
- (ix) Interim dividend paid
- (x) Interest received
- (xi) Borrowed bank loan
- (xii) Commission received

22. From the following transactions calculate cash flow from operating activities:

Particulars	(Rs.)
Profit before taxes	99,000
Income tax provision	29,000
Proposed dividend	39,000
Depreciation	22,000
Dividend received	21,000
Interest received	20,000
Interest paid	28,000
Goodwill written off	15,000

Section D

* Answer The Following Questions With Necessary Calculations. [16]

23. As certain balancing figures for the following common size profit-loss statement :

No.	Particulars	Note No.	(Amount in ₹)		Percentage with sales	
			31-3-2019 (in ₹)	31-3-2018 (in ₹)	31-3-2019 (in %)	31-3-2018 (in %)
I	Sales revenue		75,00,000	60,00,000	100	100
II	Expenses		?	?	90	80
III	Profit before income tax		?	?	10	20
IV	Less : Income tax (30 %)		?	?	3	6
V	Profit after income tax		?	?	?	14

24. Balance sheets of Sunrise Ltd. as on 31-3-2018 and 31-3-2019 are as follows. From it prepare comparative statement :

Particulars	Note No.	31-3-2019 (Amount in ₹)	31-3-2018 (Amount in ₹)
I Equity and liabilities :			
(1) Shareholders fund		36,00,000	30,00,000
(2) Non-current liabilities		12,00,000	10,00,000
(3) Current liabilities		4,00,000	5,00,000
Total		52,00,000	45,00,000
II Assets :			
(1) Non-current assets		40,00,000	35,00,000
(2) Current assets		12,00,000	10,00,000
Total		52,00,000	45,00,000

25. From the following information of 'R' company Limited, calculate total assets-debt ratio:

Particulars	(Rs.)	Particulars	(Rs.)
Preference Share Capital	6,00,000	Non-current liabilities	4,00,000
Equity Share Capital	10,00,000	Current liabilities	4,00,000
Reserve and surplus	2,00,000		

26. From the following information calculate current ratio and liquid ratio:

Particulars	(Rs.)	Particulars	(Rs.)
Stock	3,00,000	Bills receivables	75,000
Debtors	2,50,000	Bad debts reserve	20,000
Cash and cash equivalent	1,20,000	Expenses paid in advance	60,000
Furniture	1,60,000	Creditors	2,00,000
Bills payable	60,000	Outstanding expenses	50,000
Short-term loan	40,000		
