

# OSF

Date : 07-03-2024

## STD 12 Commerce Elements of Account 12th Account Practice Sheet Day 24 (Part 2)

Total Marks : 100

### Section A

\* Choose The Right Answer From The Given Options. [20]

1. From year.....Companies Act was applicable in India.  
(A) 1923 (B) 1932 (C) 1956 (D) 1965
2. If premium amount has not been received on forfeited shares then proportionate amount of premium is .....  
(A) debited to securities premium account (B) credited to securities premium account  
(C) credited to capital reserve account (D) debited to share capital account
3. What is the maximum number of members for private company?  
(A) 2 (B) 7 (C) 10 (D) 200
4. At what minimum price per share company can issue shares according to current provision of Companies Act?  
(A) ₹ 100 (B) ₹ 1000 (C) ₹ 1 (D) ₹ 0.50
5. As per SEBI guidelines, the minimum amount on each share called by company on application must be at least \_\_\_\_\_ % of the issue price.  
(A) 25 (B) 30 (C) 5 (D) 20
6. Debentures which can be converted into shares are known as.....debenture.  
(A) convertible (B) bearer (C) registered (D) secured
7. Which account is to be debited when debentures are issued for consideration other than cash?  
(A) cash (B) debenture (C) seller's (D) assets
8. .... shows financial position of a company while ..... shows financial performance of a company.  
(A) Statement of profit and loss, cash flow statement  
(B) Balance sheet, cash flow statement  
(C) Statement of profit and loss, balance sheet  
(D) Balance sheet, statement of profit and loss
9. Under which main heading of the balance sheet pre-paid insurance premium is shown ?  
(A) Non-current assets (B) Non-current liability (C) Current assets (D) Current liabilities
10. 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
- 11.

On which basis mostly all stakeholders take their investment decisions?

- (A) On solvency                      (B) On budget                      (C) On earning capacity                      (D) On efficiency
12. A company has the purchase of ₹ 90,000, the purchase expenses of Rs.15,000, the changes in stock (₹ 15,000) and sales of ₹ 1,50,000. Determine the gross profit ratio.  
(A) 40                      (B) 13.33                      (C) 20                      (D) None of the given
13. Which of the following is not included in the current assets?  
(A) bank balance                      (B) cash balance                      (C) debtors                      (D) stock
14. Debtors ratio indicates ..... and creditors ratio indicates.....  
(A) Credit allowed, credit received                      (B) Credit allowed, credit allowed.                      (C) Credit received Credit allowed                      (D) Credit received, Credit received
15. For a company,, gross profit is Rs.80,000 and credit sales is Rs.3.20.000, cash sales is 20% of total. sales. Then gross profit ratio =.....  
(A) 0.18                      (B) 0.16                      (C) 0.2                      (D) 0.4
16. 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)
17. Cash withdraw from bank is.....  
(A) Not cash flow                      (B) Cash inflow of investing activities                      (C) Cash outflow of financing activities                      (D) Cash inflow of operating activities
18. 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
19. Decrease in current assets and increase in current liabilities ..... .  
(A) are cash inflow and cash outflow respectively                      (B) are cash outflow and cash inflow respectively  
(C) both are cash inflows                      (D) both are cash outflows
20. Which of the following is included in the operating activities?  
(A) Sales distribution                      (B) Income tax paid                      (C) Factory expense                      (D) All the above expense

**Section B**

**\* Answer The Following Questions In One Sentence.**

**[10]**

21. What is 'Lock-in period'?
22. What is meant by 'Loss on issue of debentures'?
23. What is debentures?

24. What is meant by 'Issue of debentures for consideration other than cash'?
25. What is financial statement?
26. Describe the types of financial analysis on the basis of time.
27. Which is better out of high interest coverage ratio and low interest coverage ratio?
28. When the changes in stock is positive whether it will be added to cost of goods sold or deducted?
29. Give example of two activities emerge from one transaction.
30. Which kind of relation is there between cash and cash equivalent with current assets and current liabilities?

### Section C

**\* Answer The Following Questions.**

**[12]**

31. Write a note on 'Redemption of debentures by the purchase of own debentures in the open market'.
32. Star Technology Limited issued 16, 000, 8.5% debentures of Rs.100 each at a discount of 10% as on 1-9-2017. All the debentures are redeemable at a premium of 8% after 6 years. The amount was payable as follows:  
On application Rs.60 per debenture, on allotment balance amount per debenture. Pass the necessary journal entries for Issue of debentures in the books of company.
33. Discuss any three limitations of financial analysis.
34. 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

### Section D

**\* Answer The Following Questions With Necessary Calculations.**

**[20]**

35. What is meant by calls-in-advance? State the provisions of it under Companies Act.
- 36.

Two year's balance sheets of Radheshyam Company are as follows. Ascertain balancing figures :

No.	Particulars	Note No.	(Amount in ₹)		Percentage with total of Balance sheet	
			31-3-2019 (in ₹)	31-3-2018 (in ₹)	31-3-2019 (in %)	31-3-2018 (in %)
<b>I</b>	<b>Equity and liabilities :</b>					
	(1) Shareholders fund		?	35,00,000	60	?
	(2) Non-current liabilities		?	12,00,000	30	?
	(3) Current liabilities		?	3,00,000	10	?
	<b>Total</b>		<b>35,00,000</b>	<b>50,00,000</b>	<b>100</b>	<b>100</b>
<b>II</b>	<b>Assets :</b>					
	(1) Non-current assets		24,50,000	?	?	80
	(2) Current assets		10,50,000	?	?	20
	<b>Total</b>		<b>35,00,000</b>	<b>50,00,000</b>	<b>100</b>	<b>100</b>

37. From the following information of Nirali Company Ltd. determine cash flow from investing activities.

Particulars	(₹)	Particulars	(₹)
Opening balance of machines	4,50,000	Depreciation provided on machines	50,000
Closing balance of machines	4,00,000	Selling price of machine	15,000
Book value of machine sold during the year	25,000		

38. From the following details of Brijmohan Ltd., prepare statement showing cash flow from investing activities :

Particulars	31-3-2017 (₹)	31-3-2016 (₹)
Investment in 12 % debentures of X Co.	6,00,000	4,00,000
Machines	4,00,000	2,00,000
Land-building	6,00,000	6,00,000
Furniture	1,00,000	80,000
Patent	80,000	1,00,000
Goodwill	60,000	90,000

Additional Information :

- (1) Provide 20 % depreciation on machines.
- (2) Provide 10 % depreciation on furniture.

(3) In the beginning of the year, 40 % investments sold for ₹ 3,00,000.

(4) Interest received on investments ₹ 60,000.

39. Following are the balance sheets as at 31-3-2016 and 31-3-2017 of Dahod Company Ltd., prepare cash flow statement.

Particulars	31-3-2017 (₹)	31-3-2016 (₹)
<b>I Equity and Liabilities :</b>		
(1) <b>Shareholders' Funds</b>		
(a) Share capital	20,00,000	18,00,000
(b) Reserves and surplus	7,50,000	5,00,000
(2) <b>Non-current Liabilities</b>		
10 % debentures	5,00,000	7,00,000
(3) <b>Current Liabilities</b>	4,00,000	3,00,000
<b>Total</b>	<b>36,50,000</b>	<b>33,00,000</b>
<b>II Assets :</b>		
(1) <b>Fixed assets</b>		
(i) Tangible assets : Land-building	22,00,000	20,00,000
(ii) Intangible assets : Patent	6,00,000	6,00,000
(2) <b>Current assets : (Excluding cash)</b>	7,00,000	6,00,000
Cash and cash equivalent	1,50,000	1,00,000
<b>Total</b>	<b>36,50,000</b>	<b>33,00,000</b>

### Section E

\* Answer The Following Questions In Detail.

[16]

40. Siddhpur Isabgul Limited issued 6,00,000 equity shares of Rs.10 each at a premium of Rs.7 per share. The amount was payable as under: Rs.10 per share on application (including premium); Rs.4 per share on allotment; Rs.3 per share on final call.

Applications were received for 9,00,000 shares. Excess applications were rejected and money paid thereon was refunded.

Siddharaj, who was allotted 6000 shares, did not pay money due on allotment and hence his shares were forfeited after allotment. Jaysinh, who was allotted 4,000 shares, did not pay money due on final call and hence his shares were forfeited after final call.

Allotment and final call amount was received on remaining shares. .

Company reissued 6000 shares of Siddharaj at Rs.7 per share to Minal and 4000 shares of Jaysinh at Rs.6 per share to Rudra.

Pass necessary journal entries in the books of company to record above transactions and also prepare shares forfeiture account.

41. Voltas Electric Limited purchased following assets and liabilities from Navrang Traders:

Land-Building	₹ 8,00,000	Stock	₹ 2,25,000
Machinery	₹ 2,75,000	Debtors	₹ 80,000
Furniture	₹ 1,20,000	Creditors	₹ 80,000

Machinery 2,75,000 Furniture \* 1,20,000 Debtors 80,000 Creditors 80,000 Decided to pay for a purchase consideration of 15,36,000. Voltas Electric Ltd. paid the purchase consideration by issuing 11 % debentures of 100 each at a premium of 20 %. Pass journal entries in the books of company.

**Section F**

\* **Answer The Following Essay Type Questions.**

**[22]**

42. 1. How will you show following balances in balance sheet of a company as per schedule III of Companies Act, 2013 ? [4 MARK]

- |   |  |
|---|--|
| (1) Debenture redeemable during next year | (5) Short-term loan (credit balance)   |
| (2) Cash credit from bank                 | (6) Provision for gratuity             |
| (3) Provision for tax                     | (7) Workmen accident compensation fund |
| (4) Rent received in advance              | (8) Preference share capital           |

2. Following balance are taken from the books of moon Ltd. Prepare balance sheet as on 31-3-2017 as per schedule-III of Companies Act 2013[7 MARK]

Balance	(Rs.)
(1) Interest accrued	30,000
(2) Plant-machinery	15,00,000
(3) Equity share capital	15,00,000
(4) Bank balance and cash	67,500
(5) General reserve	30,000
(6) Closing stock	2,70,000
(7) Creditors	6,00,000
(8) Debtors	3,45,000
(9) Provision for tax	90,000
(10) 12% bank loan	1,95,000
(11) Non-current investments	45,000
(12) Electricity deposit	1,87,500
(13) Provident fund	30,000

43. 1. How will you show following balances in balance sheet of a company as per schedule III of Companies Act, 2013 ?[4 MARK]

- |                        |                                     |
|------------------------|-------------------------------------|
| (1) Proposed dividend  | (5) Debenture redemption reserve    |
| (2) Unclaimed dividend | (6)Term loan                        |
| (3) Bond               | (7) Reserve fund                    |
| (4) Bills payable      | (8) Advance received from customers |

2. Following balances are taken from the books of Yuva Ltd. on 31 --3 2017 Prepare statement indicating equity and liabilities of balance sheet as at 31 -32017 as per schedule-III of Companies Act, 2013:[7 MARK]

Balance	(Rs.)
(1) 130,000 equity shares of Rs. 5 each	6,50,000
(2) General reserve	70,000
(3) Provident fund	3,60,000

(4) Creditors	86,000
(5) Public deposit	3,26,000
(6) Outstanding rent	13,000
(7) Provision for tax	68,000
(8) Other long-term liabilities	15,000
(9) Temporary loan (Credit balance)	12,000

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