

OSF

Date : 07-03-2024

STD 12 Commerce Elements of Account 12th Account Practice Sheet Day 25 (Part 2)

Total Marks : 100

Section A

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

- Which type of preference shares have right to receive dividend and additional dividend also?
(A) Redeemable preference share (B) Convertible preference share (C) Participating preference share (D) Non-convertible preference share
- After necessary amendments, Indian government has incorporated new Companies Act in the year.
(A) 2010 (B) 1956 (C) 2012 (D) 2013
- While writing the journal entry for share forfeiture, which amount is to be debited to share capital account?
(A) Fact/ at par value of share (B) Per share received amount (C) Per share called up amount (D) Per share amount not received
- Which type of preference share have right to receive capital amount during the life period of a company?
(A) Cumulative preference share (B) Redeemable preference share (C) Convertible preference share (D) Participating preference share
- To which account excess amount of share forfeiture account is to be transferred?
(A) Share premium account (B) Capital reserve account (C) Reserve capital account (D) Share instalment account
- Which type of debentures can be converted into shares?
(A) bearer (B) convertible (C) registered (D) listed
- When full amount of the debenture is called on application by the company then, that amount is credited to which account?
(A) Debenture application A/c (B) Debenture application and allotment A/c
(C) Debenture allotment A/c (D) Debenture holders A/c
- Which item is shown under the heading of non-current liabilities in the balance sheet ?
(A) Bills payable (B) Creditors (C) Bank overdraft (D) Debenture
- Cost of Goods consumed of a company for the current year is Rs. 1,12,500. If it has increased by 12.5% during current year as compared to last year, then what was the Cost of Goods consumed for the last year?
(A) 100000 (B) 110000 (C) 125000 (D) 150000
- What is the first objective of the financial statement?

- (A) To know the financial position of the business entity. (B) To know the profit or loss of the business entity. (C) To know the cash flow position of the business entity. (D) None of these given
11. When financial statements are analysed by the management for their decisions, then what is this analysis called?
 (A) Horizontal analysis (B) Vertical analysis (C) Internal analysis (D) External analysis
12. Total of Balance sheet as on 31 —3— '17 and 31 —3— '18 are Rs.28,00,000 and Rs. 42,00,000 respectively. Percentage to total of Balance sheet of both' year are 45 % and 47.62 % respectively, then determine the value of tangible assets as on 31 —3— '17.
 (A) Rs.20,00,000 (B) Rs.13,33,360 (C) Rs.18,90,000 (D) Rs.12,60,000
13. Which of the following analysis indicates the classification on the basis of time period ?
 (A) External Analysis (B) Internal Analysis (C) Vertical Analysis (D) Long-Term Analysis
14. Total of Balance Sheet of Shyam Company Ltd. Is Rs. 34,00,000. Find the Equity Share Capital of the company at 40%.
 (A) Rs.13,50,000 (B) Rs.13,70,000 (C) Rs.13,55,000 (D) Rs.13,60,000
15. Working capital turnover is 5 times, current assets is of Rs.7.00.000 and sales is at Rs.22,00,000 then find the value of current liabilities.
 (A) Rs.1.50,000 (B) Rs.7.50.000 (C) Rs.5.70.000 (D) Rs.2.60.000
16. Which of the following is not included in the current asset?
 (A) bank balance (B) investments (C) debtors (D) Stock Bank
17. Which of the following is not included in operating expense?
 (A) Loss on sale of asset (B) Loss due to fire
 (C) Interest paid (D) All of the given
18. 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)
19. 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
20. Increase in current assets and decrease in current liabilities means
 (A) Both are cash outflow
 (B) Both are cash inflows
 (C) are cash outflow and cash inflow respectively.
 (D) are cash inflow and cash outflow respectively.

Section B

[10]

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

21. What is under-subscription and over-subscription of shares?
(B) Empty
22. Which kind of balance 'share (security) premium' account has?
23. Show the classification of non-current liabilities.
24. State objectives of preparing financial statements.
25. State the profitability ratios.
26. Will the current ratio increase or decrease when the current assets increase and the current liabilities remain unchanged?
27. What is the other name of efficiency ratio?
28. Which transactions are always investing activities?
29. What is operating activities?
30. Give illustration of such transaction which is cash transaction but not cash flow.

Section C

[12]

*** Answer The Following Questions.**

31. Reserved Capital and Capital Reserve :
32. On 1-7-2017 Sundaram Limited issued 14,000, 8% debentures of Rs.300 each at a premium of 5%. These debentures are redeemed on 30-6-2023 at Rs.330 per debenture. Write the necessary journal entries in the books of company (without narration).
33. On 1-7-2017 Paras Pharma Limited issued 20,000, 9% debentures of f 400 each, are to be redeemed after 7 years at a premium of 12%. As per conditions in prospectus the amounts payable on application Rs.125 per debenture and balance amount at the time of allotment. Pass the necessary journal entries for the issue of debentures in the books of the company.
34. 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.**

[20]

35. From the following profit-loss statements for the year ending on 31-3-2019 and 31-3-2018 of Hidustan Ltd, prepare comparative profit-loss statement :

Particulars	Note No.	31-3-2019 (Amount in ₹)	31-3-2018 (Amount in ₹)
Revenue from sales		22,50,000	26,00,000
Other incomes		1,00,000	5,00,000
Net purchases		16,00,000	19,00,000
Other expenses (percentages of sales)		22 %	18 %
Changes in stock		(1,00,000)	(50,000)
Income tax rate is 30 %			

36. Determine gross profit ratio:

(1) Sales Rs.10,00,000, Gross profit Rs.3,00,000

(2) Sales Rs.15,00,000, Cost of goods sold Rs.12,00,000

(3) Sales Rs.20,00,000, Sales return Rs.2,00,000

Operating stock Rs.2,50,000, Closing-stock Rs.3,50,000

Purchase Rs.12,00,000, Purchase expenses Rs.50,000

37. Answer the following questions in brief :

(1) Describe the operating activities for the following companies :

(i) Trading companies (ii) Insurance companies (iii) Bank

38. From the following information and balance sheets of two years of Nirav Company, calculate cash flow from operating activities.

Particulars	(₹)
Profit of current year	3,20,000
Taxation provision	30,000
Proposed dividend	60,000
Goodwill written off	35,000
Depreciation charged	47,000
Loss on sale of asset	43,000
Rent received	45,000
Dividend received	65,000
Increase in current assets	1,00,000
Decrease in current liabilities	90,000

Section E

* **Answer The Following Questions In Detail.**

[16]

40. Write journal entries in the books of company for forfeiture and reissue of forfeited shares from the following information:

(i) Company forfeited 1200 equity shares of Rs.10 each held by Katara for non-payment of allotment money of Rs.14 per share (including premium Rs.10) and first and final call money of Rs.3 per share. Company reissued all the forfeited shares after giving maximum permissible discount. These shares were purchased by Kanu.

(ii) Ramesh holds 600 equity shares of Rs.10 each in company. He had paid application money at Rs.3 per share and allotment money at Rs.2.50 per share but could not pay first call money of Rs.2 per share. Company forfeited above shares before making final call after necessary formalities. Company reissued all these shares at a discount of Rs.4 per share.

(iii) Company forfeited 400 equity shares of Rs.100 each, issued at a premium of 20% on face value. Rs.80 per share (including premium) are called up on these shares. For non-payment of allotment money at Rs.50 (including premium) these shares were forfeited before making share first and final call. These shares reissued before first and final call at Rs.36,000 as fully paid up.

41. Sharda Limited issued 6,00,000 equity shares at Rs. 10 each, at a premium of Rs. 4 per share.

Amount called up per share is as under:

On application Rs. 4,

On allotment Rs. 3 + premium,

On share first and final call Rs. 3.

Subscription were received 3.5 times, out of which 4/7th the share applications were rejected full and pro-rata allotment was made to the remaining applicants. Excess application money were credited to share allotment and share calls.

Write the necessary journal entries in the books of Sharda Limited.

Section F

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

[22]

42. 1. Under which head, will you show the following balance of profit and loss as per schedule III of Companies Act 2013?[7 MARK]

- | | |
|--------------------------------|-------------------------------------|
| (1) Sales | (9) Advertisement expenses |
| (2) Salary | (10) Contribution to provident fund |
| (3) Depreciation | (11) Interest on bank overdraft |
| (4) Debenture interest receipt | (12) Bank charges |
| (5) Debenture interest paid | (13) Goodwill |
| (6) Audit fee | (14) Bonus to employees |
| (7) Sale of scrap | (15) Debenture discount written of |
| (8) Profit on sale of asset | |

2. Prepare statement indicating equity and liabilities of balance sheet as per schedule II of Companies Act, 2013 from the following balances.[4 MARK]

Trade payables	Rs. 30,000
Long-term provisions	Rs. 60,000
Reserves and surplus	Rs. 80,000
Other Current Liabilities	Rs. 25,000
Short-term borrowings	Rs. 24,000
Share capital	Rs. 2,00,000
Short-term provisions	Rs. 35,000
Long-term borrowings	Rs. 1,20,000
Other long-term liabilities	Rs. 76,000

43. Following is the balance sheet of Keyur Ltd. as on 31-3-2017

Particulars	Debit(Rs.)	Credit(Rs.)
Equity share capital		2,40,000
Office and sales expenses	24,000	
Purchase	4,26,000	
10% Debenture		1,20,000
Sales		9,60,000
Software	1,20,000	
Wages	24,000	
Debenture interest	12,000	
Salary	3,00,000	
Bank overdraft		14,400
Land-building	2,28,000	
Opening stock	36,000	
Discount received		15,600
Debtors	1,80,000	
	<u>13,50,000</u>	<u>13,50,000</u>

Other information:

- (1) Closing stock rs. 42,000
- (2) Make provision for tax at 50 % of net profit.

From the above-information, prepare final accounts of the company for the year ending on 31st March, 2017 as per schedule-III and Companies Act, 2013. Notes to the accounts are not required.
