



CHENNAI SAHODAYA SCHOOLS COMPLEX

(General Instructions)

- ❖ This question paper contains 15 printed pages.
- ❖ This question paper contains 34 questions.
- ❖ Write down the question number before attempting.
- ❖ An additional reading time of 15 minutes.
- ❖ All questions are compulsory.
- ❖ This question paper is divided into two parts, part A and part B.
Part-A is compulsory for all candidates.
Part -B has two options:(i) ANALYSIS OF FINANCIAL STATEMENTS and
(ii) COMPUTERISED ACCOUNTING.
- ❖ Students must attempt ONLY ONE of the given options
- ❖ Question 1 to16 and 27 to 30 carries 1 mark each.
Question 17 to 20 ,31and 32 carries 3 marks each.
Questions from 21,22 and 33 carries 4 marks each.
Questions from 23 to 26 and 34 carries 6marks each
There is no overall choice, However, an internal choice has been provided in 7 questions
of one mark, 2 questions of three marks, 1 Question of four marks and 2 questions of
six marks.

COMMON EXAMINATION

Class-12

ACCOUNTANCY 055

Maximum Marks: 80

Time Allowed: 3 hours

Date:25/01/2023

Roll No.:

Part-A:

Accounting for Partnership Firms and Companies

1.A and B are partners in a firm sharing profits and losses in the ratios of 3:2. They admit C as a partner for $\frac{1}{5}$ th share. A and B decide to share future profits and losses in the ratio of 13:7.Sacrificing ratio of A and B will be

- a)3:2 b)2:3 c)4:1 d)1:4 (1)

2. Assertion (A):Partners are the agents as well as principals of each other

Reason(R): Partnership is the relationship between two or more person who has agreed to share profit of a business carried on by all or any one of them acting for all.

In the context of above two statements which of the following is true.

- a)Assertion(A) is correct but reason(R) is wrong
b) both Assertion(A) and reason(R) are correct but reason(R) is not the correct explanation of assertion(A).
c)Both Assertion(A) and Reason(R) are incorrect.
d)Both Assertion(A) and Reason(R) are correct and Reason(R) is the correct explanation of Assertion(A). (1)

3. At the time of forfeiture of shares issued at a premium

- Share Capital account is debited with the called-up amount of shares forfeited.
- Share Capital account is debited with nominal value of shares forfeited.
- Share Capital account is debited with called-up amount (including premium) of shares forfeited.
- Share Capital account is credited with the called-up amount of shares forfeited.

OR

G limited had allotted 10000, 7% debentures of Rs.100 each to the applicants of 14000, 7% debentures on pro rata basis. Application money payable was Rs.20 per debenture. Aravind had applied for 420 debentures.

The number of debentures allotted and the excess application money adjusted against allotment money due from Aravind are

- | | | |
|---------------------------|---------------------------|-----|
| a) 60 debentures, Rs1200 | b) 320 debentures, Rs2000 | |
| c) 340 debentures, Rs1000 | d) 300 debentures, Rs2400 | (1) |

4) For which of the following situations old profit-sharing ratio of partners is used at the time of Admission of a partner.

- When new partner brings only a part of his share of goodwill.
- When a new partner is not able to bring his share of goodwill.,
- To write off goodwill existing in the Balance sheet.
- When the new partner brings his share of goodwill in cash.

OR

A, D and K were equal partners. They decided to change the profit-sharing ratio to 4:3:2.

For this purpose Goodwill of the firm was valued at Rs.90000. The journal entry for the treatment of goodwill on change in Profit-sharing ratio will be

a) K's Capital A/c	Dr.	Rs10000	
To A's Capital A/c			Rs10000
b) D's Capital A/c	Dr.	Rs.10000	
To A's Capital			Rs10000
c) A's Capital A/c	Dr.	Rs90000	
To K's Capital A/c			Rs90000
d) A's Capital A/c	Dr.	Rs10000	
To K's Capital A/c			Rs10000 (1)

5) Amen, Raman and Namen are equal partners in a firm. Amen gave a loan of Rs500000 to the firm on 1st July 2021. By the end of the year on 31-03-2022 firm incurred loss of Rs37500 before interest on loan. The effect of this will be

- Interest on Amen's loan Rs30000 and loss of Rs22500 to each partner.
- Interest on Amen's loan Rs22500 and loss of Rs20000 to each partner.
- No interest on Amen's loan and loss of Rs12500 to each partner.
- No interest on Amen's loan and loss of Rs37500 will be distributed between Raman and Namen Equally. (1)



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6) A company issued 50000,4% debentures of Rs100 each at a discount of 5% redeemable after 5 years at a premium of 10%. It received applications for 40000 debentures along with application money.

Which of the following statements in the context of above is not correct.

- a) Pro rata allotment is not applicable since number of debentures applied is less than the number of debentures issued for subscriptions.
- b) Debentures applied will be allotted to all the applicants.
- c) Debentures will not be allotted since minimum subscription is not received
- d) Debentures can be issues at discount redeemable at premium.

OR

Following journal entries are passed in the books of be limited on issue of Debentures

i) Bank A/c Dr.	Rs.384000	
To Debentures Application		
And Allotment A/c		Rs384000
(Application money received)		
ii) Debentures Application and Allotment A/c Dr.	Rs.384000	
Loss on issue of Debentures A/c Dr.	Rs.40000	
To 8% Debentures A/c		Rs.400000
To Premium of Redemption of Debenture A/c		
(8% Debentures issued)		Rs.24000

Based on the above journal entries identify the amount of discount on issue of Debentures

- a) Rs.40000
- b) Rs.24000
- c) Rs.16000
- d) Nil

(1)

7) Choose the correct option in respect of the following statement

- i) Preference shares can be issued at Premium redeemable at Premium
- ii) Preference shares can be issued at Discount redeemable at par.
- iii) Preference shares can be issued at discount redeemable at Premium.
- iv) Preference shares can be issued at premium redeemable at par.

- a) (i) and (ii) are correct
- b) (i) and (iii) are correct
- c) (i), (iii) and (iv) are correct
- d) (i) and (iv) are correct.

8. Arun, Varun and Vijai were Partners in a firm sharing profits and losses in the ratio of 5:1 .

Extract of Balance sheet is as follows

Balance sheet (Extract)			
Liabilities	₹	Assets	₹
		Machinery	40,000
			If the
			value of Machinery in the Balance sheet on Varun's retirement is under valued by 20% ,then
			at what value Machinery will be shown in the Balance sheet

- (a) ₹ 44,000 (b) ₹ 48,000 (c) ₹ 32,000 (d) ₹ 50,000

OR

D, F and L were Partners in a firm sharing profits in the ratio of 3:2:1. On 28th February 2022, F retired from the firm. On F's retirement, there was a balance of ₹ 12,000 in workmen's compensation Reserve against which claim does not exist. On F's retirement, this amount will be:

- Debited to the Capital accounts of all the Partners including Retiring Partner, in their profit sharing ratio.
- Credited to the Capital accounts of all the Partners including Retiring Partner, in their profit sharing ratio.
- Credited to the Capital accounts of D and L in their profit sharing ratio.
- Credited to the Capital accounts of F.

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Read the following hypothetical situation and answer question number 9 and 10
Josh and Krish entered in to a partnership on 1.4.21 and contributed ₹ 8,00,000 and ₹ 6,00,000 respectively as their Capitals. On 1.10.21 Josh gave loans of ₹ 2,00,000 to the firm. The terms of the Partnership agreement are as follows

- 20% of profit before charging interest on drawings but after making appropriations to be transferred to General Reserve.
 - Interest on Capital at 12% p.a and Interest on Drawings @ 10% p.a
 - Josh to get monthly salary of ₹ 50,000.
 - Krish is entitled to commissions of ₹ 70,000 p.a
 - Drawings of Josh and Krish were ₹ 4,00,000 and ₹ 5,00,000 respectively.
- Profits for the year ended 31st March 22 was ₹ 18,44,000. Before adjustments.

9. Amount transferred to General Reserve will be

- ₹ 2,50,000
- ₹ 2,00,000
- ₹ 3,00,000
- ₹ 1,75,000.

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10. Distributable profit after all adjustments will be

- ₹ 8,50,000
- ₹ 8,60,000
- ₹ 8,72,500
- ₹ 8,45,000

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11. Shiv, one of the Partner was to receive 2% of the value of net assets realized as remuneration for completing the dissolution process and was to bear realization expenses. Realization expenses ₹ 2500 were paid by Shiv. The assets (excluding Cash at Bank ₹ 7500) were realized for ₹ 3,75,000 and Cash paid to Outside Liabilities amounted to ₹ 1,00,000. Realization Account for remuneration to Shiv is debited with

- ₹ 5650
- ₹ 7,500
- ₹ 5,500
- ₹ 6,500.

1

12. P.Ltd had invited applications for 80,000, 8% Preference shares of ₹100 each.

Applications were received for 1,20,000 shares and allotment was made on pro rata basis to all applicants. Viral applied for 2400 shares, the number of shares allotted to him is

- 3200 Shares
- 2400 shares
- 3000 shares
- 1600 shares.

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13. Assertion (A) : B Ltd issued for subscription 2,00,000 equity shares of ₹ 5 each at a premium price ₹ 5 per share payable along with application. Applications were received for

3,00,000 equity shares and allotment was made to all the applicants on pro rata basis. Amit had applied for 600 Equity shares and will be allotted 200 Equity shares



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Reason (R) : Pro rata allotment will be made in the ratio of 3:2. Since Amit had applied for 600 Equity shares he will be allotted 900 Equity shares.

In the context of above two statements, which of the following is correct ?

- (a) Assertion (A) is correct but Reason (R) is wrong
(b) Both Assertion (A) and Reason (R) are correct but Reason (R) is not the correct explanation of Assertion (A).
(c) Both Assertion (A) and Reason (R) are incorrect
(d) Both Assertion (A) and Reason (R) are correct, and Reason (R) is the correct explanation of Assertion (A).

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14. Angel and simian were partners in a firm. Their Balance sheet showed Furniture at ₹ 2,00,000; stock at ₹ 1,40,000 ; Debtors at ₹ 1,62 000 and creditors ₹ 60,000 .Tina was admitted and new profit sharing ratio was agreed as 2:3:5. Stock was revalue at ₹ 1,00,000 Creditors of ₹ 15,000 are not likely to be claimed, Debtors for ₹ 2000 have become irrecoverable and provision for doubtful debts to be provided at 10%. Angel 's share in loss on Revaluation amounted to ₹ 30,000. Revaluation value of Furniture will be

- (a) ₹ 2,17,000 (b) ₹ 1,03,000 (c) ₹ 3,03,000 (d) ₹ 1,83,000

1

15. Gross profit of a partnership firm is ₹ 20,50,000 and indirect expenses other than Manager's commission is ₹70,000. The manager is entitled to commission of 10% on Net profit after changing such commission which amounted to

- (a) ₹ 1,95,000 (b) ₹ 2,00,000 (c) ₹ 1,80,000 (d) ₹ 1,98 000

OR

The Interest on Ram's drawings for the year is ₹ 6000. He withdrew fixed amount in each quarter for the year ended 31.3.22 Interest on drawings is charged at 10% p.a. His quarterly drawings is (a) ₹ 25,000 (b) ₹ 20,000 (c) ₹ 30,000 (d) ₹ 35,000

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16. At the time of dissolution of a firm creditors are ₹ 3,50,000; Firm's Capital is ₹ 6,00,000; Cash Balance is ₹ 50,000. Other assets realised ₹ 7,50,000. Gain/Loss in the Realization Account will be (a) ₹ 1,50,000 (Gain) (b) ₹ 2,00,000 (Gain) (c) ₹ 2,00,000 (loss) (d) ₹ 1,50,000 (loss)

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17. Harsh Tanish and Manish are partners. They have omitted Interest on Capital at 10% p.a for three years ended 31st March 2022 .Their fixed Capital on which interest to be calculated throughout the year were

Harsh	₹ 1,00,000
Tanish	₹ 80,000
Manish	₹ 70,000

Give the necessary journal entry with working notes.

3

OR

A, B and C entered into partnership on 1.4.21 to share profits and losses in the ratio of 4:3:3. A guaranteed that C ' s share of profit after allowing interest on Capital @5% p.a would not be less than ₹ 40,000 in any year. The Capital contributions were A ₹ 3,00,000 ; B ₹ 2,00,000 ;C ₹ 1,50,000. Profit for the year ended on 31.3.22 was ₹ 1,60,000. Prepare the profit and loss Appropriation Account.

18. On 1st April 2021, Sahil, Sukesh and Mohan start a business in partnership. Sahil invests ₹60000 at first instance but withdraws ₹20000 at the end of six months. Sukesh introduces ₹50000 at first and increases it to ₹60000 at the end of four months but withdraws ₹20000 at the end of eight months. Mohan invests first ₹50000 but increases it by ₹40000 at the end of seven months. During the year ended 31st March 2022, net profit was ₹45000. Show how the partners should distribute profit on the basis of the capital employed by each partner.

(Or)

On 1st April 2021, John and Robert started business with initial capital of ₹20000 and ₹30000 respectively. The partnership Deed provides as follows:

- Profits and losses will be shared in the ratio of 2:3 as between John and Robert.
- Partners will be entitled to interest on capital @6% p.a.
- Interest on drawings will be charged at 8%p.a.

During the year ended 31st March 2022, the firm earned net profit of ₹19280. The partners withdrew during the year ₹3000 each at the end of every quarter commencing from 30th June. You are required to pass necessary Journal entries for interest and distribution of profit. (3m)

19. Apple Orchards Ltd. Purchased Apple Grading Machinery for ₹10,00,000 from Prabhat on 1st January 2022. It paid the amount as follows:

- By issuing 7500, 7%p.a. Debentures of ₹100 each at 10% Discount, redeemable at 10% premium after 5 years.
- balance by cheque dated 1st March 2022.

It does not have balance in Securities Premium Account. Pass the journal entries in the books of Apple Orchards Ltd.

(Or)

Prime Channels Ltd. took over the running business of Star Word Ltd. having assets of ₹5,00,00,000 and liabilities of ₹5,00,000 for a consideration of ₹11,00,00,000. The consideration was paid by

- issuing 10,00,000 Equity Shares of ₹50 each at par;
- cheque for ₹1,50,00,000; and
- balance by issuing 8% Debentures of ₹100 each at a discount of 10% redeemable at par after 5 years.

Pass the journal entry in the books of Prime Channels Ltd. for payment of consideration giving the working. (3m)

20. Hari, Ravi and Kavi were partners in a firm sharing profits in the ratio of 3:2:1. They admitted Guru as a partner for 1/7th share in the profits. New profit-sharing ratio will be 2:2:2:1. Guru brought ₹3,00,000 as his capital and ₹45,000 for his 1/7th share of Goodwill.

Pass the necessary Journal entries in the books of the firm. (3m)

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21. Hp Computers Ltd is a company incorporated on 1st July 2021 with authorised capital of ₹2,00,00,000 divided into 20,00,000 Equity shares of ₹10 each. The Promoters made enormous efforts in promoting the company incurring expenses from their pockets. Their service were recognised by the company and issued 50,000 Equity shares of ₹10 each at par to them. The promoters subscribed 1,00,000 Equity shares at par paying the amount by cheque. It issued for subscription 10,00,000 Equity shares at a premium of ₹2 each payable ₹ 5 on application and balance on allotment. Amount due on allotment was received except on 10,000 shares held by Karan which were forfeited. Out of this, 5000 shares were reissued for ₹10 per share as ₹8 paid up. Show the share capital in the balance sheet of company prepared as per schedule III of the companies Act 2013. (4m)

22. M and N were partners in a firm . They decided to dissolve the firm on 31st march 2022. The financial position of the firm as on the date was as follows:

LIABILITIES	Rs	ASSETS	Rs
creditors	80,000	Bank	79,000
Workmen Compensation Reserve	25,000	Debtors	1,70,000
Parul's Current Account	24,000	Stock	34,000
Capital A/cs:		Machinery	79,000
Parul	1,50,000		
Gaurav	1,00,000		
		Gaurav's Current A/c	17,000
Total	3,79,000	Total	3,79,000

On the above date the firm was dissolved:

- Parul took 50% of the stock at 10% less than its book value. The remaining stock was sold for ₹10,000.
- Debtors were realised 5% less.
- An unrecorded asset was sold for ₹9,000 and machinery was sold for ₹18,000.
- Creditors were paid in full.
- There was an outstanding bill for repairs amounting to ₹14,000 which was settled at ₹12,000.

Prepare Realisation Account. (4m)

23. 'BMY Ltd' invited applications for issuing 1,00,000 equity shares of ₹10 each at a premium of ₹10 per share. The amount was payable as follows:

On application- ₹10 per share (including ₹5 premium)



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On allotment- balance.

The issue was fully subscribed. A shareholder holding 300 shares paid the full share money with application. Another shareholder holding 200 shares failed to pay the allotment money. His shares were forfeited. Later on these shares were re-issued for ₹4000 as fully paid up. Pass necessary Journal Entries for the above transactions in the book of BMY Ltd.

(Or)

'Blue star Ltd' was registered with an authorised capital of ₹2,00,000 divided into 20,000 shares of ₹10 each. 6000 of these shares were issued to the vendor for building purchased. 8000 shares were issued to the public and ₹5 per share were called up as follows:

On Application- ₹ 2 per share

On allotment - ₹1 per share

On first Call- Balance of the called up amount

The amount received on these shares were as follows :

On 6,000 shares- Full amount called

On 1,250 shares- ₹3 per share

On 750 shares- ₹ per share .

The directors forfeited 750 shares on which ₹2 per share were received. Pass necessary Journal Entries for the above transaction in the books of Blue Star Ltd. (6m)

24. Sonu and Monu are partners in a firm sharing profits and losses in the ratio of 3:1. They admit Gopal for 1/4th share on 31st March 2022 when their Balance Sheet was as follows:

Liabilities	Rs	Assets	Rs
Employee's provident fund	17,000	Stock	15,000
Workmen Compensation Reserve	6,000	Debtors	50,000
Investment Fluctuation Reserve	4100	Less: Provision	48,000
		2,000	
Capital A/cs:		Investments	7000
Sonu	54000		
Monu	35000		
		Cash	6100

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		Profit and loss account	40,000
Total	1,16,100	Total	1,16,100

The following adjustments were agreed upon:

- i. Gopal brings in ₹16,000 as goodwill and proportionate capital.
- ii. Bad debts amounted to ₹3000.
- iii. Market value of investments is ₹4,500.
- iv. Liability on account of Workmen Compensation Reserve amounted to ₹2,000.

Prepare Revaluation Account and Partners' Capital Accounts.

(Or)

Following is the Balance Sheet of Aruna, Karuna and Varuna as at 31st March 2022, who have agreed to share profits and losses in proportion of their capitals:

Liabilities	Rs	Assets	Rs
Capital A/cs:		Building	2,00,000
Aruna 2,00,000			
Karuna 3,00,000			
Varuna 2,00,000	7,00,000		
Bills Payable	50,000	Machinery	3,00,000
Sundry Creditors	50,000	Closing Stock	1,00,000
		Sundry Debtors	
		1,10,000	
		Less: Provision	
		10,000	1,00,000
		Cash at bank	1,00,000
Total	8,00,000	Total	8,00,000

On the above data Aruna retired the firm and the remaining partners decided to carry on the business. It was agreed to revalue the assets and reassess the liabilities on the following basis:

- i. Building to be appreciated by 30%
- ii. Machinery to be depreciated by 20%
- iii. There were bad debts of ₹17,000.

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iv. Goodwill of the firm was valued at ₹1,40,000 and Aruna's share of goodwill will be adjusted by Capital Accounts of the Partners.

v. Capital of the new firm will be same as before the retirement of Aruna and will be in the new profit sharing ratio of 4:3 of the continuing partners.

vi. Amount due to Aruna be settled by paying ₹50,000 in cash and the balance by transferring it to her loan account. (6m)

25. The balance sheet of Sudha, Radha and Karthiga who were sharing profits in the ratio of 3:3:4 as on 31st March 2022 was as follows:

Liabilities	Rs	Assets	Rs
General Reserve	10,000	Cash	16,000
Creditors	15,000	Stock	44,000
Loan	12,000	Investments	47,000
Capital A/cs:		Land and building	60,000
Sudha 60,000		Goodwill	10,000
Radha 50,000			
Karthiga 40,000	1,50,000		
		Sudha's Loan	10,000
Total	1,87,000	Total	1,87,000

Sudha died on 30th June 2022. The partnership deed provides the following:

i. Goodwill of the firm be valued at 2 years purchase of average profit for the last 3 years.

ii. Average profit of the last 3 years was ₹42,000.

iii. Sudha's share of profit till the date of her death was to be calculated on the basis of sales. Sales for the year ended 31.3.2022 amounted to ₹4,00,000 and that from 1st April to 30th June 2022 ₹1,50,000. The profit for the year ended 31.3.2022 was ₹1,00,000.

iv. Interest on capital was to be provided at 6%p.a. Prepare Sudha's Capital Account to be rendered to her executor. (6m)

26. 'M Ltd' issued 10,000 8% debentures on ₹100 each at par on 1st July 2021 redeemable at 2% premium on 31st October 2022. The issue price was payable along with application. Balance in securities premium account was ₹20,000.

i. Pass journal entries for the issue of debentures for the year rendered 31.3.2022.

ii. Prepare premium on Redemption of Debentures Account.



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- iii. State whether the issue of Debentures are Long term borrowing or short term borrowing. Give Reasons. (6m)

PART B

ANALYSIS OF FINANCIAL STATEMENTS

27) Which of the following statement shows the Financial Position of an enterprise as at a given date?

- a) Statement of Profit & Loss.
- b) Cash Flow Statement.
- c) Balance Sheet.
- d) Profit & Loss Account.

OR

Shareholder's Funds are known from

- a) Balance Sheet.
- b) Statement of Profit & Loss.
- c) Common-size Statement.
- d) Cash Flow Statement.

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28) Which one of the following is correct?

- I. Ratio is an arithmetical relationship of one number to another number.
- II. Liquid Ratio is also known as Acid test Ratio.
- III. Ideally accepted Current Ratio is 1:1
- IV. Debt-Equity Ratio is the relationship between Long-term Borrowings and Shareholder's Funds.

Which of the following option is correct?

- a) All I, II III and IV are correct.
- b) Only I, II and IV are correct.
- c) Only II III and IV are correct.
- d) Only II and IV are correct.

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29) Sony Entertainment Ltd. Declared interim dividend of Rs 2,00,000 in the year ended 31st March, 2022 and Rs 3,00,000 in the previous year. Amount that will be adjusted in preparing the Cash Flow Statement for the year ended 31st March, 2022 will be:

- a) Deduct Rs 2,00,000 from Net Profit before Tax and Extraordinary Items under Cash flow from Operating Activities.
- b) Deduct Rs 3,00,000 from Net Profit before Tax and Extraordinary Items under Cash flow from Operating Activities.
- c) Add Rs 2,00,000 to Net Profit before Tax and Extraordinary Items under Cash flow from Operating Activities.
- d) Add Rs 3,00,000 to Net Profit before Tax and Extraordinary Items under Cash flow from Operating Activities.

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OR

Damage to machinery due to earthquake was compensated by the Government. It will be shown in the Cash Flow Statement as:

- Extra-ordinary item under Cash Flow from Operating Activities as outflow.
- Extra-ordinary item under Cash Flow from Operating Activities as inflow.
- Extra-ordinary item under Cash Flow from Investing Activities as outflow.
- Extra-ordinary item under Cash Flow from Investing Activities as inflow.

1

30. Following is the extract of Balance sheet of Max Ltd. For the year ended 31st March, 2022.

Equity and Liabilities	31 st March 2022 (Rs)	31 st March 2021 (Rs)
Surplus, i.e, Balance in Statement of Profit & Loss	11,00,000	5,00,000
Dividend Payable	50,000	40,000

Additional Information:

Proposed Dividend in the years ended 31st March 2021 and 2022 were Rs 7,00,000 and Rs 6,00,000 respectively.

Which of the following options is correct as Net Profit before Tax and Extraordinary Items?

- Rs 6,40,000
- Rs 8,40,000
- Rs 11,40,000
- Rs 13,00,000

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31) Classify the following Items under Major-heads and Sub-heads (if any) in the Balance Sheet of a Company as per Schedule III of the Companies Act, 2013:

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- Marketable Securities.
- Stores and Spares.
- Interest Accrued and due on Debentures.
- Debentures payable within the period of 12 months or Operating Cycle period from the date of Balance Sheet.
- Debentures Repayable after three years.
- Debentures Redemption Reserve.

32 Opening Inventory Rs 1,20,000; Closing Inventory 1.5 times of opening inventory; Inventory Turnover Ratio 6 times; Selling Price 33 1/3 % above cost. Calculate the Gross Profit ratio. 3

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33) Following is the Balance Sheet of X Ltd. As at 31st March, 2022:

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Particulars	Note No	Rs
EQUITY AND LIABILITIES:		
1.Shareholder's Funds		
Share Capital		5,00,000
Reserves and Surplus		1,00,000
2.Non-Current Liabilities		
Long-term Borrowings		1,60,000
Long-term Provisions		40,000
3.Current Liabilities		
		50,000
TOTAL		<u>8,50,000</u>
ASSETS		
1.Non-Current Assets		
		5,20,000
2.Current Assets		
		3,30,000
TOTAL		<u>8,50,000</u>

Calculate Debt to Capital Employed Ratio.

OR

Calculate Net Assets Turnover Ratio from the following information:

	Rs
Plant & Machinery	1,80,000
Intangible Assets (Goodwill)	20,000
Non-Current Investments	40,000
Inventory (including Loose tools for Rs 20,000)	1,50,000
Trade Receivables	1,00,000
Cash and Cash Equivalents	40,000
Trade Payables	30,000
Cost of Revenue from Operations (Cost of Sales)	12,80,000
Gross Profit 25% on Cost	

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34) Following are the Balance Sheets of Krishna Ltd as on 31st March, 2022 and 2021.

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Particulars	Note No	31 st March 2022 (Rs)	31 st March 2021(Rs)
EQUITY AND LIABILITIES:			
1.Shareholder's Funds	1	14,00,000	10,00,000
a) Share Capital	2	5,00,000	4,00,000
b) Reserves and Surplus			1,40,000
2.Non-Current Liabilities		5,00,000	
Long-term Borrowings (10% Debentures)			
3.Current Liabilities			
a) Trade Payables	3	1,00,000	60,000
b) Short-term Provisions		80,000	60,000
TOTAL		<u>25,80,000</u>	<u>16,60,000</u>
ASSETS			
1.Non-Current Assets	4	16,00,000	9,00,000
a) Property, Plant & Equipment and Intangible Assets			
(i)Property, Plant and Equipment		1,40,000	2,00,000
b) Intangible Assets (Goodwill)			
2.Current Assets			
a) Inventories		2,50,000	2,00,000
b) Trade Receivables		5,00,000	3,00,000
c) Cash and Cash equivalents		90,000	60,000
TOTAL		<u>25,80,000</u>	<u>16,60,000</u>

Notes to Accounts

31.03.2022 31.03.2021

Particulars

Particulars	(Rs)	(Rs)
1.Share Capital		
Equity Share Capital	12,00,000	6,00,000
10% Preference Share Capital	2,00,000	4,00,000
	<u>14,00,000</u>	<u>10,00,000</u>
2.Reserve & Surplus:		
Surplus i.e. Balance in Statement of Profit and Loss	5,00,000	4,00,000
3.Short-term Provisions		
Provision for Tax	80,000	60,000
4. Property, Plant and Equipment		
Machinery	17,60,000	10,00,000
Less: Accumulated Depreciation	(1,60,000)	(1,00,000)
	<u>16,00,000</u>	<u>9,00,000</u>

CHENNAI SAHODAYA SCHOOLS COMPLEX

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Prepare a Cash Flow Statement after taking into account the following adjustments

- I. Tax paid during the year amounted to Rs 70,000.
- II. During the year, a machine costing Rs 1,40,000 (depreciation provided thereon Rs 60,000) was sold for Rs 50,000.
- III. 10% Preference shares were redeemed at par at the end of the year.
- IV. New Debentures have been issued on 1st July, 2021.

*****END OF PAPER*****