50 QUESTIONS OF ACCOUNTANCY
CLASS – 12

Ques – 1 A and B are partners in a firm sharing profits and losses in the ratio of 2 : 1. They decide to take C into partnership for 1/5th share on 1st April 2011. For this purpose goodwill is to be valued at 80% of the average annual profits of the previous three or four years, whichever is higher.

The average profits for the last four years are :

	Rs.
Year ending on 31st March 2008	98,000
Year ending on 31st March 2009	80,000
Year ending on 31st March 2010	76,000
Year ending on 31st March 2011	1,20,000

Calculate the value of Goodwill.

Ques – 2

(a) Lucky and Zeny were partners in a firm sharing profits in 4 : 3 ratio. They admitted Allen as a new partner for 20% of share in the profits. Allen acquired his share of profits in the ratio of 1 : 2 from Lucky and Zeny. Calculate the new profit sharing ratio of Lucky, Zeny and Allen.

(b) A, B and C are partners sharing profits in 3 : 2 : 2 ratio. They admitted D as a new partner for 1/5 share which he acquired from A, B and C in 2 : 2 : 1 ratio respectively. Calculate new profit sharing ratio.

Ques – 3 X and Y are partners in a firm sharing profits in the ratio of 5 : 3. On March 1, 2014 they admitted Z, their manager for the past ten years, as a new partner. The new profit sharing ratio will be 4 : 3 : 2. Z brought in Rs.1,00,000 in cash as his share of capital but could not bring any amount for goodwill in cash. The firm's goodwill on Z's admission was valued at Rs.1,80,000. X and Y decided to Z can bring his share of premium for goodwill later or it can be adjusted against his share of profits. At the time of Z's admission goodwill existed in the books of the firm at Rs.2,40,000.

(c) You are required to (i) Pass necessary journal entries in the books of the firm on Z's admission. (ii) Identify the value fulfilled by X and Y.

Ques – 4 The following was the Balance Sheet of Anurag and Bhawna, who were sharing profits in the ratio of 2/3 and 1/3 as at 31st March, 2012:-

Liabilities	Rs.	Assets	Rs.
Creditors	65,900	Cash	1,200
Capitals:		Sundry Debtors	9,700
Anurag	30,000	Stock	20,000
Bhawna	20,000	Plant & Machinery	35,000
		Building	50,000
	1,15,900		1,15,900

On 1st April, 2012 they agreed to admit Monika into partnership on the following terms:-

(a) Monika was to be given 1/3 share in profits, and was to bring Rs.15,000 as capital and Rs.6,000 as share of goodwill.

(b) That the value of stock & plant machinery were to be reduced by 10%.

(c) That a provision of 5% was to be created for doubtful debts.

(d) That the building account was to be appreciated by 20%.
(e) Investments worth Rs.1,400 (not mentioned in the Balance Sheet) were to be taken into account.
(f) That the amount of goodwill was to be withdrawn by the old partners.

Pass necessary journal entries and prepare the Revaluation A/c, Capital Accounts and the Opening Balance Sheet of the new firm.

Ques – 5 Leela and Meeta were partners in a firm sharing profits and losses in the ratio of 5 : 3. On 1st April, 2014 they admitted Om as a new partner. On the date of Om's General reserve and Rs.2,40,000 (Cr) in Profit and Loss Account. Record necessary journal entries for the treatment of these items on Om's admission. The new profit sharing ratio between Leela, Meeta and Om was 5 : 3 : 2.

Ques – 6 X and Y are in partnership sharing profits and losses in the ratio of 3 : 2. Their balance sheet as at 31st March, 2012, was as under:

Liabilities	Rs.	Assets	Rs.	Rs.
Creditors	15,000	Cash		5,000
General Reserve	12,000	Debtors	20,000	
Capital Accounts:		Less: Provision	8,000	19,200
X	60,000	Patents		14,800
Y	30,000	Investments		8,000
Current		Fixed Assets		72,000
Accounts:	10,000	Goodwill		10,000
X	2,000			
Y	1,29,000			1,29,000

They admit Z 1st April, 2012 on the following terms:

1. A provision of 5% is to be created on Debtors.
2. Accrued Income of Rs.1,500 does not appear in the books and Rs.5,000 are outstanding for salaries.
3. Present market value of Investments is Rs.60,000. X takes over the Investments at this value.
4. New profit sharing ratio of partners will be 4 : 3 : 2. Z will bring in Rs.20,000 as his capital.
5. Z is to pay in cash an amount equal to his share in firm's goodwill valued at twice the average profits of the last 3 years which were Rs.30,000; Rs.26,000 and Rs.25,000 respectively.
6. Half the amount of goodwill is withdrawn by old partners.

You are required to pass journal entries, prepare Revaluation A/c, Capital A/cs, Current A/cs and the opening Balance Sheet of the new firm.

Ques – 7 A and B hare the profits of a business in the ratio of 5 : 3. They admit C, a differently abled person, who is an MBA from Delhi University into the firm for 1/4th share in the profits to be contributed equally by A and B. On the date of admission of C, the Balance Sheet of the firm was as follows:

Liabilities	Rs.	Assets	Rs.
A's Capital	40,000	Machinery	30,000

B's Capital Workmen's Compensation Reserve Creditors Provident Fund	30,000 4,000 2,000 10,000 86,000	Furniture Stock Debtors Bank	20,000 15,000 15,000 6,000 86,000

Terms of C's admission were as follows:

(i) C will bring Rs.30,000 for his share of capital and goodwill.

(ii) Goodwill of the firm has been valued at 3 year's purchase of the average super profits of last four years.

Average profits of the last four years are Rs.20,000 while the normal profits that can be earned with the capital employed are Rs.12,000.

(iii) Furniture is undervalued by Rs.12,000 and the value of stock is reduced to Rs.l13,000. Provident Fund be raised by Rs.1,000.

(iv)Creditors are unrecorded to the extent of Rs.6,000.

Prepare Revaluation Account, Partner's Capital Accounts and the new Balance Sheet of A, B and C. Also, identify the values involved in the question.

Ques – 8 A and B are partners sharing profits in the ratio of 2 : 1 C is admitted as a new partner and the new ratio is decided as 5 : 3 : 2. The assets and liabilities are revalued as:

(i) Building was appreciated by 25% (Book value of Building Rs.4,00,000).

(ii) The provision for doubtful debts was reduced from Rs.5,000 to Rs.3,000.

(iii) A provision for Rs.4,000 was to be made for an outstanding bill for repairs.

(iv) Unrecorded investments were worth Rs.10,000.

(v) Unrecorded liability towards suppliers was Rs.12,000.

Pass the necessary journal entries.

Ques – 9 A and B are partners in a firm. Their balance sheet as at 31st March, 2010 was as follows:

Liabilities	Rs.	Assets	Rs.
Provision for Doubtful Debts Workmen Compensation Reserve Outstanding Expenses Creditors Capitals: A B	4,000 5,60 3,000 30,000 50,000 60,000 1,52,600	Cash Sundry Debtors Stock Fixed Assets Profit & Loss A/c	10,000 80,000 20,000 38,600 4,000 1,52,600

C was taken into partnership as from 1st April, 2010. C brought Rs.40,000 as his capital but he is unable to bring any amount for goodwill. New profit sharing ratio is 3 : 2 : 1. Following terms were agreed upon:

1. Claim on account of Workmen's Compensation to Rs.3,000.
2. To write off Bad Debts amounting to Rs.6,000.
3. Creditors are to be paid Rs.2,000 more.
4. Rs.2,000 be provided for an unforessen liability.
5. Goodwill is valued at 1 1/2 year's purchase of the average profits of last three years, less Rs.12,000. Profits of 3 years amounted to Rs.12,000;b Rs.18,000 and Rs.30,000.

Prepare journal entries, capital accounts and opening Balance Sheet.

Ques – 10 Srijan Limited issued Rs.10,000 new capital divided into Rs.100 shares at a premium of Rs.20 per share, payable as under:

On Application	Rs.10 per share
On Allotment	Rs.40 per share (including premium of Rs.10 per share)
On First and Final Call	Balance

Over-payments on application were to be applied towards sums due on allotment and first and final call. Where no allotment was made, money was to be refunded in full.

The issue was oversubscribed to the extent of Rs.13,000 shares. Applicants for Rs.12,000 shares were allotted only Rs.2,000 shares and applicants for Rs.3,000 shares were sent letters of regret and application money was returned to them.

All the money due was duly received.

Give Journal Entries to record the above transactions (including cash transactions) in the books of the company. (C.B.S.E. Sample Paper 2013, Set I) (8 marks)

QUE: 11

On April 1, 2006, a Limited Company was incorporated with an authorised capital of Rs.8,00,000 divided into shares of Rs.10 each.

It offered to the public for subscription of Rs.60,000 shares payable as follows:

On Application	Rs.3 per share
On Allotment (May 1, 2006)	Rs.2 per share
On First and Final Call (One month after allotment)	Rs.5 per share

Public applied for Rs.92,000 shares and the application money was duly received on April 15, 2006. Application for Rs.2,000 shares were rejected and applicants for Rs.90,000 shares were allotted Rs.60,000 shares.

Give journal entries to record the transactions in the books of the company if:

(i) The amount due has been duly received.

(ii) The company maintains the combined account for application and allotment.

QUE - 12

Pawan Ltd. was registered with an authorised Capital of Rs.5,00,000 divided into shares of Rs.10 each. It purchased a Building from Y for Rs.2,00,000 and issued fully paid shares to Y for purchase consideration. It invited applications for the balance Rs.30,000 shares payable as under: - Rs.3 per share on Application; Rs.3 per share on Allotment; Rs.2 per share on First Call; and Rs.2 on Final Call.

Ashok, who had been allotted Rs.500 shares Filed to pay both the Calls. His shares were forfeited and re-issued at Rs.9 per share to Hari, as fully paid up. Make necessary entries in the Journal of the company.

QUE -13

X Ltd. invited applications For Rs.20,00 shares of Rs.10 each payable As under : Rs.3 per share on application; Rs.3 per share on Allotment; Rs.2 per share on First Call; and Rs.2 on Final Call.

Final Call was not made by the company. An applicant who had been allotted RTs.100 shares failed to pay Allotment and First Call money due from him. His shares were forfeited after the First Call and were immediately re-issued at Rs.8.50 per share. Make necessary entries in the Journal of the company.

QUE - 14

Dinesh Ltd. invited applications for issuing Rs.10,000 Equity Shares of Rs.10 each. The amount was payable as follows:

On Application	Rs.1
On Allotment	Rs.2
On First Call	Rs.3
On Second and Final Call	Balance

The issue was fully subscribed. Ram to whom Rs.100 shares were allotted, failed to pay the allotment money and his shares were forfeited immediately after allotment. Shyam to whom Rs.150 shares were allotted, failed to pay the first call. His shares were also forfeited after the first call. Afterwards the second and final call was made. Mohan to whom Rs.50 shares were allotted failed to pay the second and final call. His shares were also forfeited. All the forfeited shares were r-issued at Rs.9 per share fully paid up. Pass necessary journal entries on the books of Dinesh Ltd.

QUE - 15

A Ltd. makes an issue of Rs.10,000 equity shares of Rs.100 each, payable as follows:

On application and allotment	Rs.50
On first call	Rs.25
On second call	Rs.25

Members holding 400 shares did not pay the second call and the shares are duly forfeited, 300 of which are re-issued as fully paid at Rs.80 per share. Pass Journal entries in the books of the company.

QUE - 16 Hero Honda Limited made an issue of Rs.1,00,000 Equity Shares of Rs.10 each, payable as follows:

On Application	Rs.2.50 per share
On Allotment	Rs.2.50 per share
On Call	Balance amount

Members holding 400 shares did not pay the call money and the shares were duly forfeited. 200 of the forfeited shares were reissued as fully paid at Rs.5 per share.

Draft necessary journal entries and prepare share capital and forfeited shares accounts I the books.

Ques- 17 Give journal entries for the issue of debentures in the following conditions.

I. Issued 2,000, 12% debentures of Rs.100 each at par, redeemable also at par.

II. Issued 2,000, 12% debentures of Rs.100 each at a discount of 2%, redeemable at par.

III. Issued 2,000, 12% debentures of Rs.100 each at a premium of 5%, redeemable also at par.

IV. Issued 2,000, 12% debentures of Rs.100 each at par but redeemable at 5% premium.

V. Issued 2,000, 12% debentures of Rs.100 each at a discount of 2%, redeemable at a premium of 5%.

VI. Issued 2,000, 12% debentures of Rs.100 each at a premium of 5%, redeemable at a premium of 10%.

Ques – 18 On 1st April, 2013, Relaxo Ltd. purchased assets of Rs.5,00,000 and took over liabilities of Rs.90,000 of Greg Ltd. at an agreed same date, the company issued 500, 11% Debentures of Rs.100 each as a collateral security to a bank who had advanced a loan of Rs.45,000 to it for a period of 3 years and also issued 5,000, 12% Debentures of Rs.100 each at par, redeemable after 3 years at 5% premium.

Additional information:

The interest on debentures is paid half yearly on 30th September and 31st March each year. Tax deducted at source @ 20%. The Company had Rs.1,20,000 in its Security Premium Reserve Account at the end of the year. (Ignore interest on bank loanvalue of Rs.3,80,000. It issued to the vendor, 10% Debentures of Rs.100 each at 5% discount, redeemable at par after 5 years, in full satisfaction of the purchase price.

You are required to show journal entries in the books of Relaxo Ltd. for the year ending 31st March 2014.

Ques – 19 Vikas Ltd. Has an authorised capital of Rs. 40,00,000 divided into Equity shares of Rs. 10 each. The company invited applications for 3,00,000 equity shares. The amount was payable as follows :

On Application Rs. 3, On Allotment Rs. 5 and on final call Rs. 2.

The public applied for 2,80,000 shares and all the money was duly received. Show how Share Capital will appear in the Balance Sheet of the company. Also prepare notes to accounts.

Ques – 20 MN Ltd. Has an authorised capital of Rs. 50,00,000 divided into equity shares of Rs. 10 each. The company invited applications for 3,00,000 shares. Applications for 2,75,000 shares were received. All calls were made and were duly received except the final call of Rs 3 per share on 5,000 shares. 4,000 of the shares on which the final call was not received were forfeited. Show how Share Capital will appear in the Balance Sheet of the company as per Schedule III part I of the companies Act 2013? Also prepare notes to accounts.

Ques – 21 On 1st April 2013, Nissan Ltd. Was formed with an authorised capital of Rs. 60,00,000 divided into 6,00,000 equity shares of Rs. 10 each. The company issued prospectus inviting applications for 4,50,000 shares. The issue price was payable as under:

On Application	Rs. 3
On Allotment	Rs. 4
On Call	Balance

Issue was fully subscribed and the company allotted shares to all the applicants.

The company did not make the call during the year. All money due on allotment was duly received except on 2,000 shares.

Show the Share Capital in the Balance Sheet of the company

Ques – 22 From the following Balance Sheet of Royal Industries as at 31st March, 2013 and 2012, prepare a comparative Balance Sheet:

Particulars	Note No.	31.3.2013 Rs.	31.3.2012 Rs.
I. EQUITY AND LIABILITIES:			
Shareholder's Funds:			
(a) Share Capital		8,00,000	5,00,000
(b) Reserves and Surplus		1,00,000	1,00,000
Non-Current Liabilities			
Long-term Borrowings		4,00,000	3,00,000
Current Liabilities			
Short-term Borrowings		2,00,000	1,00,000
		15,00,000	10,00,000
II. ASSETS:			
Non-Current Assets:		6,00,000	4,00,000
Current Assets:			
(a) Inventories		3,00,000	2,00,000
(b) Trade Receivables		4,00,000	3,00,000
(c) Cash and Cash Equivalents		2,00,000	1,00,000
		15,00,000	10,00,000

Ques – 23 . Prepare a Comparative Statement of Profit & Loss with the help of following information:

	Note No.	2011-12 Rs.	2012-13 Rs.
Revenue from Operations		20,00,000	30,00,000
Expenses		12,00,000	21,00,000
Other Incomes		4,00,000	3,60,000
Income Tax		50%	50%

Ques – 24 Prepare a Comparative Statement of Profit with the help of following information:

Particulars	Note No.	31-3-2012 Rs.	31-3-2011 Rs.
Revenue from Operations		30,00,000	20,00,000
Purchase of Stock in Trade		16,00,000	12,00,000
Changes in Inventories		(1,25,00,000)	2,50,000
Other Expenses		10% of Revenue from Operations	8% of Revenue from Operations

Ques – 25. (A) Current Assets of a Company are Rs. 40,00,000 and its Current Liabilities are Rs. 1,25,000. It purchased goods for Rs. 75,000 on Credit. Calculate the revised current ratio.
(B) Current Liabilities of a Company were Rs. 1,20,000 and its Current ratio was 2.4. After this it made payment of a B/P for Rs. 10,000. Calculate the Current ratio after the payment.

Ques - 26. From the following compute Current Ratio:

	Rs.
Total Assets	40,00,000
Non Current Assets	22,00,000
Shareholder's Funds:	
Share Capital	24,00,000
Reserve & Surplus	3,00,000
Non Current Liabilities	8,00,000

Current Ratio = Rs. 18,00,000/Rs. 5,00,000 = 3.6 : 1

Ques - 27. Calculate Current Ratio from the following information:

	Rs.		Rs.
Total Assets	12,00,000	Non Current	1,40,000
Land and Building	6,00,000	Investments	8,50,000
Machinery	1,00,000	Shareholder's Funds	1,10,000
		Non Current Liabilities	

Ques - 28. Following is the Balance Sheet of Ganpati Ltd. as at 31st March, 2012:

Particulars	Note No.	Rs.
I. EQUITY AND LIABILITIES:		
Shareholder's Funds:		8,00,000
(a) Share Capital		4,00,000
(b) Reserve & Surplus		2,00,000
Non-Current Liabilities		
Current Liabilities:		3,80,000
(a) Trade Payables	1	20,000
(b) Other Current Liabilities		18,00,000
TOTAL		
II. ASSETS:		
Non- Current Assets		8,00,000
(a) Fixed Assets		1,40,000
(b) Non-Current Investments		
		5,30,000
Current Assets:		2,90,000
(a) Inventory		30,000
(b) Trade Receivables	2	10,000
(c) Cash & Cash Equivalents		18,00,000
(d) Other Current Assets		

TOTAL		

Note: (1) Other Current Liabilities:

Outstanding Expenses 20,000

(1) Other Current Assets:

Prepaid Expenses 10,000

An insurance claim for loss by fire for Rs. 2,00,000 filed by the Company was pending in the court. It has now been awarded in favour of the Company and the amount will be received very shortly. Show the effect of the court order on Current Ratio and Liquid Ratio on 31st March, 2012.

Ques - 29. (A) Current Ratio of a Company is 2 : 1. Which of the following suggestions would improve the ratio, which would reduce it and which would not change it?

I. Purchase of goods on Credit.
II. Purchase of goods against Cheque.
III. Sale of goods Costing Rs. 50,000 for Rs. 60,000 on Credit.
IV. To sell a fixed asset at a slight loss.
V. To borrow money on a promissory note (B/P).
VI. To give promissory note to a Creditor.

Ques – 30 The current ratio of a company is 2.5 : 1. Which of the following suggestions would improve, reduce and not change it?

(i) Payment to trade payables.
(ii) Sell machinery against cheque.
(iii) Sale of Inventory at loss against Cheque.
(iv) Cash collected from trade receivables.
(v) B/R dishonoured.
(vi) Issue of shares.
(vii) Issue of shares against the purchase of a building.
(viii) Redemption (Repayment) of Debentures.

Ques – 31 Assuming that the current ratio is 1.5 : 1, state giving reasons, which of the following transactions would (i) improve, (ii) reduce; (iii) not after the current ratio:-

(i) Realisation of current assets
(ii) Payment of current liabilities
(iii) B/R dishonoured
(iv) Sale of goods as par
(v) Sale of goods at profit
(vi) Sale of goods at loss
(vii) Purchase of goods for cash
(viii) Purchase of goods on credit of 3 months
(ix) Sale of furniture for cash
(x) Sale of machinery on a credit of 5 months
(xi) Sale of land on long-term deferred payment basis
(xii) Purchase of motor car for cash

(xiii) Purchase of a building on a credit for 4 months
(xiv) Purchase of a plot of land on long-term deferred payment basis
(xv) Repayment of long-term loan which was availed from a bank.
(xvi) Issue of shares for Cash

Statement showing the effect of various transactions on Current Ratio:

Ques – 32 The Current Ratio of a Company is 3 : 1. State giving reasons which of the following suggestions would (i)improve; (ii) reduce; (iii) not change; the Current Ratio:-

(a) Payment of Trade payables.
(b) Sale of goods costing Rs. 20,000 for Rs. 20,000 for Cash.
(c) Sale of goods costing Rs. 20,000 for Rs.18,000 on Credit.
(d) Sale of goods costing Rs. 20,000 at a profit of Rs. 1,000.
(e) Purchase of goods on Credit.
(f) Purchase of goods for Cash.
(g) Purchase of machinery against long-term loan.

Ques – 33 The Quick Ratio of a Company is 1.5 : 1. State giving reasons which of the following transactions would (i) Improve; (ii) Reduce; (iii) Not change; the Quick Ratio:

(a) Payment of Outstanding Liabilities
(b) Purchase of goods for Cash
(c) Purchase of goods on Credit of 2 months.
(d) Sale of goods Costing Rs. 50,000 for Rs. 50,000.
(e) Sale of goods Costing Rs. 50,000 for Rs. 45,000.
(f) Cash received from Trade Receivables.
(g) Paid rent Rs. 3,000 in advance. (C.B.S.E. 2014)
(h) Trade receivables included a debtor Sh. Ashok who paid his entire amount due Rs. 9,700. (C.B.S.E. 2014)

Ques – 34 Calculate Current Ratio from the following:
Working Capital Rs. 1,92,000; Long-term Debt Rs. 80,000 and Total Debt Rs. 2,00,000.

Ques – 35 Calculate Current Ratio from the following:
Working Capital Rs. 4,80,000; Trade Payables Rs. 2,00,000 and Bank Overdraft Rs. 40,000.

Ques – 36 Calculate Current Ratio from the following:
Working Capital Rs. 4,80,000; Current Assets Rs. 6,00,000; Inventory Rs. 4,00,000 and Trade Receivable Rs. 1,50,000.

Ques – 37 A firm had current assets of Rs.4,10,000. It then paid trade payables of Rs.50,000. After this payment, the current ratio was 2.4 : 1. Ascertain the amount of Current Liabilities and Working Capital after the payment.

Ques – 38 A firm had current assets of Rs.7,20,000. It then purchased goods for Rs.30,000 on credit. After this purchase, the current ratio was 3 : 1. Ascertain the amount of Current Liabilities and Working Capital after the purchase.

Ques – 39 Current Ratio 2 : 1, Quick Ratio 1.5 : 1, Current Liabilities Rs.1,60,000. Calculate Current Assets, Quick Assets and lnventory.

Ques – 40 Current Ratio 2.5 : 1, Quick Ratio 0.95 : 1, Current Assets Rs.17,00,000. Calculate Current Liabilities, Quick Assets and Inventory. (C.B.S.E. Sample Paper, 2015)

Ques – 41 Working Capital Rs.5,40,000; Current Ratio 2.8 : 1; Inventory Rs.3,30,000. Calculate Current Assets, Current Liabilities and Quick Ratio.

Ques – 42 A company earns a gross profit of 25% on cost. Its credit revenue from operations are twice its cash revenue from operations. If the credit revenue from operations are Rs.8,00,000, calculate the gross profit ratio of the company.

Ques – 43 Gross Profit of a Company is 20% of Cost of revenue from operations. Its Cash Revenue from Operations are 1/3rd of its Credit revenue from operations. Calculate the G.P. Ratio if the Cash Revenue from Operations are Rs.3,00,000.

Ques – 44 Following information is available for the year ending 31st March, 2008. Calculate gross profit ratio:

		Rs.
Cash Revenue from Operations		25,000
Credit Revenue from Operations		75,000
Purchases:	Cash	15,000
	Credit	60,000
Carriage Inwards		2,000
Salaries		25,000
Decrease in Inventory		10,000
Return Outwards		2,000
Wages		5,000

Ques – 45 Average Inventory Rs.60,000; Inventory Turnover Ratio 5 Times; Selling price 40% above cost. Calculate Gross Profit Ratio.

Ques – 46 Q. 10. The following is the Statement of Profit and Loss of Z Ltd. for the year ended March 31, 2013:

Particulars	Amount
	Rs.
I. Revenue from Operations	40,000
II. Expenses:	
Purchases	22,00,000
Changes in Inventories (Opening Inventory – Closing Inventory)	
(Rs.8,00,000 – Rs.9,00,000)	(1,00,000)
Depreciation and Amortization Expenses	80,000
Other Expenses	10,20,000
Total Expenses	32,00,000
III. Profit before Tax (I - II)	8,00,000

Additional Information:

(i) Sundry Creditors increased by Rs.40,000 during the year.

(ii) Sundry Debtors increased by Rs.70,000 during the year.

(iii) Outstanding wages decreased by Rs.10,000 during the year.

(iv) Bills Receivable decreased by Rs.5,000 during the year.

(v) Prepaid expenses decreased by Rs.20,000 during the year.

Compute net Cash from operations by the indirect method.

Ques – 47 **Prepare a Cash –Flow Statement from the following Balance Sheets of ONIDA Ltd. :-**

Particulars	Note	31.3.2013	31.3.2012
EQUITY AND LIABILITIES:		Rs.	
Shareholder's Funds:			
Share Capital		2,00,000	2,00,000
Reserve and Surplus		1,07,000	25,000
Non-Current Liabilities:			
Long term Borrowings	1	1,20,000	---------
Current Liabilities:			
Trade Payables		1,39,000	90,000
Short term Provision	2	40,000	30,000
TOTAL		6,06,000	3,45,000
ASSETS:			
Non-Current Assets:			
Fixed Assets:			
Tangible Assets		1,80,000	1,20,000
Intangible Assets		34,000	50,000
Current Assets:			
Inventory		2,10,000	1,00,000
Trade Receivables		1,20,000	50,000
Cash & Cash Equivalents		52,000	13,000
Other Current Assets		10,000	12,000
TOTAL		6,06,000	3,45,000

Notes: (1) Long-term Borrowings: 31.3.2013
31.3.2012
12% Debentures Rs.1,20,000
-
(2) Short-term Provision:
Provision for Taxation Rs.40,000
Rs.30,000

Additional Information:-

(I) Debentures were issued on 1st October 2012. Interest has been paid up-to date.

(II) Machinery whose original cost was Rs.50,000 (accumulated depreciation thereon being Rs.27,000) was sold for Rs.35,000.

(III) Depreciation on Machinery charged during the year Rs.15,000.

(IV) Dividend paid during the year was @ 15% on Share Capital.

Ques – 48 From the following Balance Sheets of Tarun Fashions Ltd., prepare a Cash -Flow Statement:-

Particulars	Note No.	31-3-2012	31-3-2011
I. EQUITY AND LIABILITIES:		Rs.	Rs.
(1) Shareholder's Funds:			
(a) Share Capital		1,50,000	1,20,000
(b) Reserve and Surplus		1,78,000	75,000

(2) Non-Current Liabilities:			
Long term Borrowings	1	-	50,000
(3) Current Liabilities:			
(a) Trade Payables		16,500	55,000
(b) Short-term Provisions	2	57,000	42,000
TOTAL		4,01,500	3,42,000
II. ASSETS:			
(1) Non-Current Assets:			
Fixed Assets:			
(i) Tangible Assets	3	2,08,000	1,40,000
(ii) Intangible Assets	4	35,000	20,000
(2) Current Assets:			
(a) Inventory		1,05,000	1,20,000
(b) Trade Receivables		33,500	37,000
(c) Cash & Cash Equivalents		20,000	25,000
TOTAL		4,01,500	3,42,000

Notes: (1) Long-term Borrowings: 31.3.2012
31.3.2011
15% Debentures -
Rs.50,000
(2) Short-term Provisions:
Provision for Taxation Rs.42,000
Rs.30,000
Provision Dividend Rs.15,000
Rs.12,000
Rs.57,000
Rs.42,000
(3) Tangible Assets:
Building Rs.80,000
Rs.1,00,000
Plant and Machinery Rs.1,28,000
Rs.40,000
Rs.2,08,000
Rs.1,40,000
(4) Intangible Assets:
Goodwill Rs.35,000
Rs.20,000

Additional Information:
(I) Depreciation of Rs.10,000 was provided on Plant and Machinery.
(II) Gain on sale of a part OF Building Rs.25,000.
(III) Debentures were redeemed on 1st April, 2011.
(IV) Provision for tax made during the year Rs.50,000.

Q. 49 Prepare a Cash –Flow Statement from the following Balance Sheets of Dry Fruits Ltd. :-

Particulars	Note	31.3.2012	31.3.2011

EQUITY AND LIABILITIES:			
Shareholder's Funds:			
(a) Share Capital	1	2,00,000	2,00,000
(b) Reserve and Surplus		84,000	(8,000)
(2) Non-Current Liabilities:			
Long term Borrowings	2	1,35,000	1,00,000
(3) Current Liabilities:			
Trade Payables		68,000	62,000
TOTAL		4,87,000	3,54,000
ASSETS:			
Non-Current Assets:			
Fixed Assets	3	1,20,000	1,30,000
Current Assets:			
Current Investments (Marketable Securities)		22,000	15,000
Inventories		61,000	80,000
Trade Receivables		40,000	29,000
Cash & Cash Equivalents		2,44,000	1,00,000
TOTAL		4,87,000	3,54,000

Notes: (1) Reserve and Surplus: 31.3.2012
31.3.2011
General Reserve Rs.24,000 -
Profit & Loss Balance Rs.60,000
(Rs.8,000)
Rs.84,000
(Rs.8,000)
(2) Long-term Borrowings:
12% Mortgage Loan Rs.135,000
Rs.1,00,000
(3) Fixed Assets:
Machinery Rs.1,45,000
Rs.1,60,000
Less: Accumulated Depreciation Rs.25,000
Rs.30,000
Rs.1,20,000
Rs.1,30,000

Additional Information:

I. Interest paid on mortgage loan amounted to Rs.14,100.
II. Dividend paid during the year Rs.20,000.
III. Machinery costing Rs.40,000 (accumulated depreciation thereon being Rs.18,000) was sold for Rs.5,000.

Ques – 50 Prepare a Cash –Flow statement from the following:-

Particulars	Note	31.3.2012	31.3.2011

EQUITY AND LIABILITIES:		Rs.	Rs.
Shareholder's Funds:			
Share Capital		3,00,000	2,00,000
Reserve and Surplus	1	65,000	50,000
Current Liabilities:			
Trade Payables	2	1,05,000	52,000
Other Current Liabilities	3	-------	16,000
Short-term Provision	4	20,000	2,000
TOTAL		4,90,000	3,20,000
ASSETS:			
Non-Current Assets:			
(a) Fixed Assets		2,25,000	1,10,000
(b) Non-Current Investments		55,000	60,000
(2) Current Assets:			
Inventory		26,000	50,000
Trade Receivables		1,80,000	92,000
Cash & Cash Equivalents		4,000	8,000
TOTAL		4,90,000	3,20,000

Notes: (1)Reserve and Surplus: 31.3.2012
31.3.2011
Securities Premium Reserve Rs.20,000
-
Profit & Loss Balance Rs.45,000
Rs.50,000
Rs.65,000
Rs.50,000
(2) Trade Payables:
Sundry Creditors Rs.95,000
Rs.52,000
Bills Payables Rs.10,000 -
Rs.1,05,000
Rs.52,000
(3) Other Current Liabilities:
Outstanding Salaries -
Rs.16,000
(4) Short-term Provision
Provision for Doubtful Debts Rs.20,000
Rs.2,000

Additional Information:-

I. During the year, company sold 60% of its original non-current investments at a profit of 25%.

II. Depreciation provided during the year was Rs.35,000.