

# OSF

Date : 08-03-2024

## STD 12 Commerce Elements of Account Account Practice Sheet Day 10 (Part 2 - Ch.3)

Total Marks : 30

### Section A

\* **Choose The Right Answer From The Given Options.** [4]

1. Which particular / item is not included in long term liabilities from the following ?

- (A) Provident fund      (B) Workers' saving account      (C) Provision for tax      (D) Workers' profit sharing fund

**Ans. : (C) Provision for tax**

2. The unit of mutual fund which has more than 12 months is called .....

- (A) Long term loans advances      (B) Current investments      (C) Non-current investments      (D) Other non-current assets

**Ans. : (C) Non-current investments**

3. Assets and liabilities of a company are classified into ..... and ..... as per Companies Act, 2013.

- (A) current, fixed      (B) fixed, fixed  
(C) for short-term, for long-term      (D) current, non-current

**Ans. : current, non-current**

4. .... assets is considered as current asset.

- (A) Convertible into cash during 12 months after the date of balance sheet  
(B) Realisable during 12 months after the date of balance sheet  
(C) Consumable within 12 months after the date of balance sheet  
(D) All of the given

**Ans. : All of the given**

### Section B

\* **Answer The Following Questions In One Sentence.** [4]

5. What is included in financial statements?

**Ans. : As per section-2(40) of the Companies Act 2013, 'Financial statement' in relation to company includes –**

- A balance sheet as at the end of the financial year.
- A profit and loss account or in case of a entity carrying on any activity not for profit, an income and expenditure account for the financial year.
- Cash flow statement for the financial year.
- A statement of changes in equity, if applicable.
- Notes related to the accounts.

6. State characteristics of financial statements.

**Ans. :** Following are some of the characteristics of financial statements :

- Financial statements are called historical statements as they are related to past period.
- Figures stated in financial statements are expressed in terms of money.
- Financial statements are based on recorded facts.
- Profit and loss accounts shows profit or loss for a given period.
- Balance sheet gives an idea about the financial position of a company.
- Financial statements are prepared based on generally accepted accounting principles.

7. State objectives of preparing financial statements.

**Ans. :** Following are some of the objectives of preparation of financial statements :

- To know about true and fair view of financial performance of a company.
- To know the true and fair view of financial position of a company.
- To comply with legal requirements.
- To communicate financial information of the company to various interested parties.

8. Show the classification of current liabilities as per schedule-III of Companies Act, 2013.

**Ans. :** Classification of current liabilities :

- Short-term borrowings,
- Trade payables,
- Other current liabilities,
- Short-term provisions.

**Section F**

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

**[22]**

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

- |                              |                        |               |
|------------------------------|------------------------|---------------|
| (1) Equity share capital     | (4) Calls in advance   | (7) Debenture |
| (2) Calls in arrears         | (5) Securities premium | (8) Creditors |
| (3) Forfeited shares account | (6) General reserve    |               |

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

Balance	(Rs.)
(1) Current investments	12,000
(2) Short-term loans and advances	16,000
(3) Other current assets	7,200
(4) Fixed assets tangible	5,60,000
(5) Cash and cash equivalents	14,000
(6) Inventory	46,000

(7) Trade receivables	15,800
(8) Other non-current assets	18,000
(9) Non-current investments	26,000
(10) Fixed assets intangible	1,20,000
(11) Long-term loans and advances	22,000

Ans. :

1.

No.	Particulars	Balance sheet head	Main head	Sub head
1.	Equity share capital	Equity and liabilities	Shareholders' funds	Share capital
2.	Calls in arrears	Equity and liabilities	Shareholders' funds	Deducted from share capital
3.	Forfeited shares A/c	Equity and liabilities	Shareholders' funds	Share capital
4.	Calls in advance	Equity and liabilities	Current liabilities	Other current liabilities
5.	Securities premium	Equity and liabilities	Shareholders' funds	Reserves and surplus
6.	General reserve	Equity and liabilities	Shareholders' funds	Reserves and surplus
7.	Debentures	Equity and liabilities	Non-current liabilities	Long-term borrowings
8.	Creditors	Equity and liabilities	Current liabilities	Trade payables

Ans:

2.

**Balance Sheet of Seema Limited as at 31-3-2017**

Particulars	Note No.	Amount (Rs.)	As on (31-3-2017)
<b>Assets:</b>			
<b>(1) Non-current assets:</b>			
(a) Fixed assets:			
(1) Tangible		5,60,000	
(2) Intangible		1,20,000	
(b) Non-current investments		26,000	
(c) Long-term loans' and advances		22,000	
(d) Other non-current assets		18,000	7,46,000
<b>(2) Current assets:</b>			
(a) Current investments		12,000	
(b) Inventories		46,000	
(c) Trade receivables		15,800	
(d) Cash and cash equivalent		14,000	
(e) Short-term loans-advances		16,000	
(f) Other current asset		7,200	1,11,000
			<b>8,57,000</b>

10.

Following is the trial balance of Parth Ltd. as on 31-3-2017: (11 mark)

Balance	Debit (Rs.)	Credit (Rs.)
Sales		11,25,000
Employee benefit expenses	1,95,000	
Inventories	1,65,000	
Finance costs	26,250	
Security premium		60,000
Fixed assets tangible	12,00,000	
Trade payables		90,000
Equity share capital		7,50,000
Trade receivables	60,000	
Other income		30,000
Long-term borrowings		5,25,000
Cash and bank balance	90,000	
Depreciation	33,750	
Cost of goods sold	6,00,000	
Non-current investments	2,10,000	
	<u>25,80,000</u>	<u>25,80,000</u>

From the above information, prepare final accounts of the company for the year ended on 31-3-2017 as per schedule III of Companies Act, 2013. Notes to the accounts are not required.

Ans. :

**Statement of profit and loss for Parth Limited for the year ending on 31-3-2017**

Particulars	Note No.	Amount (Rs.)	As on (31-3-2017)
(1) Revenue from operation Sales		11,25,000	
(2) Other income		30,000	
(3) Total Revenue (I + II)			11,55,000
(4) Total Expenses:			
Cost of goods sold		6,00,000	
Employees benefit expenses		1,95,000	
Financial cost		26,250	
Depreciation		33,750	
<b>Total</b>			8,55,000
(5) Profit before tax (III- IV)			3,00,000
(6) Provision for tax			-
(7) Total Profit (Transferred to balance sheet)			<u>3,00,000</u>

**Balance sheet of Parth Limited as on 31-3-2017**

Particulars	Note No.	Amount (Rs.)	As on (31-3-2017)
<b>Equity and Liabilities:</b>			
(1) <b>Shareholder's funds:</b>			
(a) Equity share capital		7,50,000	

(b) Reserve and surplus Profit		3,00,000	11,10,000
(c) Securities premium		60,000	
(2)	<b>Non-current Liabilities:</b>		
(a) Long-term borrowings loan		5,25,000	5,25,000
(3)	<b>Current Liabilities:</b>		
(a) Trade payables		90,000	90,000
<b>Total</b>			<b><u>17,25,000</u></b>
<b>Assets:</b>			
(1)	<b>Non-current assets:</b>		
(a) Permanent asset Tangible		12,00,000	14,10,000
(b) Non-current investments		2,10,000	
(2)	<b>Current assets:</b>		
(a) Inventories		1,65,000	3,15,000
(b) Trade receivables		60,000	
(c) Cash and bank balance		90,000	
<b>Total</b>			<b><u>17,25,000</u></b>

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