

Ans 16

Issued - 50,000 Sh @ 10 + 2

$$\frac{AP}{6} + \frac{AL}{1+2} + \frac{FC}{3}$$

applied = 68,000

no. of shares applied	no. of shares allotted	Amount	APP	AL	Bank
60,000	50,000	36,00,000	3,00,000	60,000	48,000
8,000	-	48,000	-	-	-
		<u>4,08,000</u>	<u>3,00,000</u>	<u>60,000</u>	<u>48,000</u>

Case 1 applied : allotted

$$\frac{1800}{8} = \frac{300}{5} \times N$$

$$N = \frac{1800 \times 5}{8} = 1500$$

amt to be paid on allotment = 45000 + 30000  
 less amt paid ( ~~60,000~~ x 1500 )  
~~50,000~~

Premium not paid

## Solution

In the books of Rakesh Ltd

Date	Particulars	₹ Amt Rs	Amts
	Bank A/c	4,08,000	
	To Share application A/c		4,08,000
	(Being application on 68,000 shares received)		
	Share application A/c	4,08,000	
	To Share Capital A/c		3,00,000
	To Share allotment A/c		20,000
	To <del>Shareholders premium A/c</del>		60,000
	To <del>Bank A/c</del>		40,000
	(Being app on 50,000 shares adjusted)		48,000
	Share allotment A/c (50,000 x 3)	1,50,000	
	To Securities Premium A/c		1,00,000
	To Share Capital A/c		50,000
	(Being allotment made due)		
	Bank A/c	8,73,000	
	To Share allotment A/c		8,73,000
	(Being allotment received)		

Date

Particulars

₹ Amt

₹ Amt

Share Capital A/c (1500 x 7)

₹ 10500

Share Premium A/c

₹ 2700

To Share allotment

2700

To Share forfeited A/c

10500

(Being 1500 shares forfeited for non payment of allotment)

Share A/c (48500 x 3)

₹ 145500

145500

To Share Capital A/c

Bank A/c

₹ 139500

139500

To Share A/c (Being final call received)

Share Capital A/c (2000 x 10)

₹ 20000

6000

To Share A/c (Being share forfeited for non payment of final call)

₹ 14000

Ques 17

A : B

3 : 2

C

C : S : 3 : 2

$$A's \text{ SAC} = \frac{3}{5} - \frac{5}{10} = \frac{6-5}{10} = \frac{1}{10}$$

$$SR = 10\%$$

$$B's \text{ SAC} = \frac{2}{5} - \frac{3}{10} = \frac{4-3}{10} = \frac{1}{10}$$

Solution

Revaluation A/c

Purchances

₹

Purchases

₹

To balance A/c

20,000

By balancing

50,000

To provision for debts A/c

5,100

By

To machinery A/c

20,000

To freight charges

2940

A

1960

4900

B

50,000

50,000

A

Partners

Capital A/c

G

Particulars  
To goodwill

A 12000  
B 8000

Particulars  
By bal b/d  
By Cash A/c

A- 1,00,000  
B 1,00,000

C 80,000

To bal c/a

1,57,540  
1,52,060

By Premium  
By A's share  
By workmen share  
By revaluation  
By PV  
By P/L  
By reserve fund

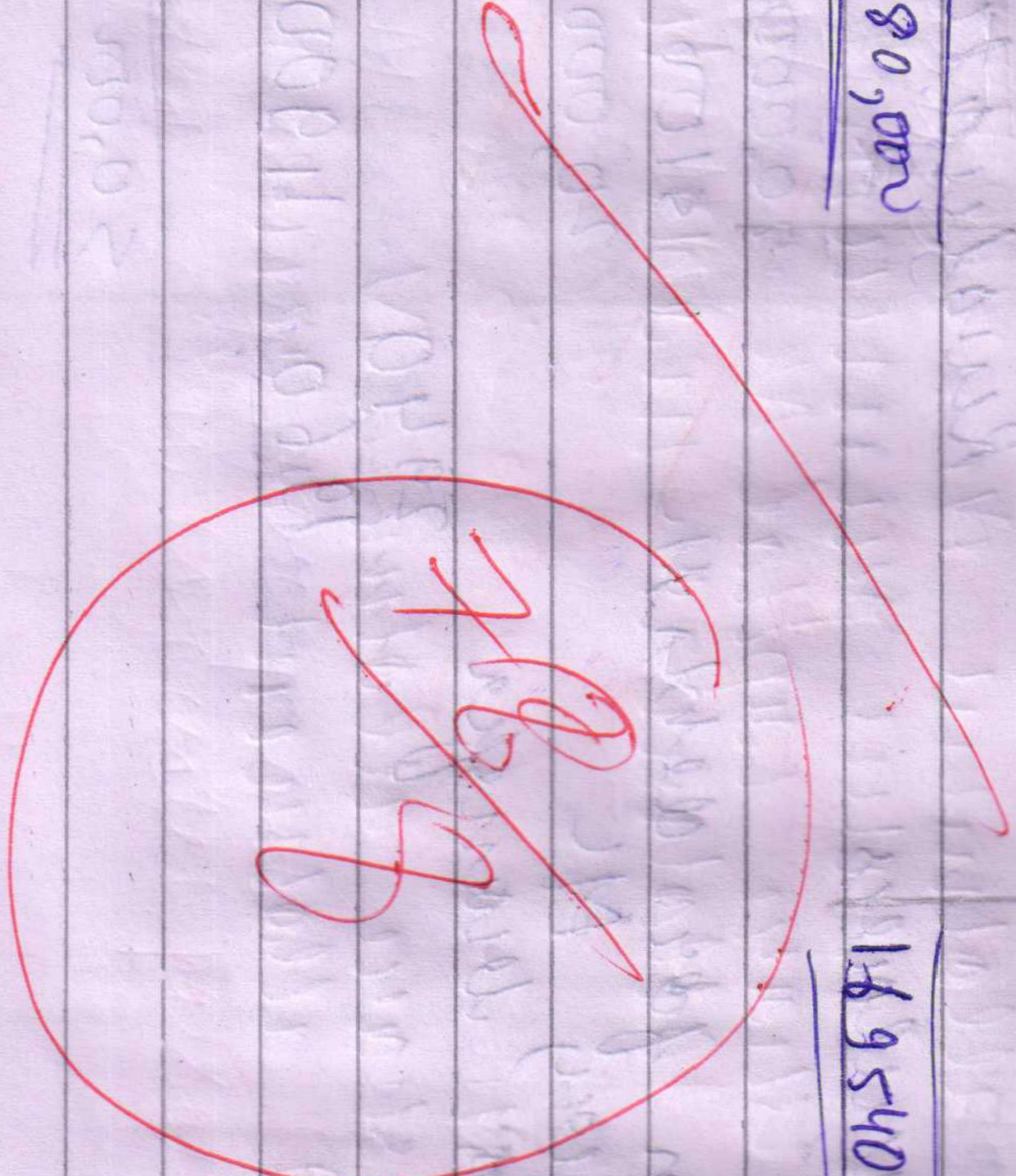
10,000  
5,000  
6,000  
2,940  
3,600  
18,000  
24,000

10,000  
5,000  
4,000  
1,960  
2,400  
12,000  
16,000

1,69,540  
1,60,060

1,69,540  
1,60,060  
80,000

1,54,360



PART B

Q18

no flow of cash, because it is a non cash expense

Q19

- payment of salary to chefs
- receipts for sales food item

Q20

- current assets
- cash & cash equivalent
- other current assets
- inventories
- Trade ~~payables~~ receivables

current liabilities

- short term borrowings
- other current liabilities
- Trade payables
- short term provisions

Q

$= 3600 \frac{25}{50} \times 100 = 60\%$

Que 21

Temperature Balance Sheet

- Particulars
- 1. Shareholders fund
  - Share Capital
  - Reserve & Surplus

	2014	2015	Absolutely	% Change
Shareholders fund	2,00,000	3,00,000	1,00,000	50%
Share Capital	2,00,000	2,00,000	0	0%
Reserve & Surplus				

- 2 Non current liabilities
- Long term borrowing

Non current liabilities	1,00,000	1,60,000	1,20,000	300%
Long term borrowing				

- 3. Current liabilities
- Trade payables

Current liabilities	60,000	1,00,000	40,000	66.66%
Trade payables				

TOTAL

TOTAL	5,00,000	7,60,000	2,60,000	52%
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ASSETS

- 1. Non current assets
- Fixed assets
- Non current investments

Non current assets	3,60,000	5,60,000	2,00,000	55.5%
Fixed assets				
Non current investments	40,000	40,000	0	0%

- 2. Current assets
- Trade receivables

Current assets	1,00,000	1,60,000	60,000	60%
Trade receivables				
TOTAL	5,00,000	7,60,000	2,60,000	52%

Ans 22 (i) Quick Ratio =  $\frac{\text{Quick Assets}}{\text{Current Liabilities}}$

$$= \frac{\text{Current Assets} - \text{Stock}}{\text{Current Liabilities}}$$

$$= \frac{1,40,000}{2,60,000}$$

$$= 0.53 : 1$$

(ii) Inventory Turnover Ratio =  $\frac{\text{Cost of Goods Sold}}{\text{Average Stock}}$

$$\text{where Cost of Goods Sold} = \text{Purchases} \quad ₹100,000$$

$$\text{Change in Inventories} = (10,000)$$

$$1,90,000$$

Quick

$$\text{Expenses} = \underline{16,000}$$

$$206,000$$



Average stock =  $\frac{\text{Opening stock} + \text{Closing stock}}{2}$

$$= \frac{50,000 + 60,000}{2} = 55,000.$$

Inventory Turnover Ratio =  $\frac{206,000}{55,000}$

~~3.7~~ = 3.7 times.

ii) Return on Investment =  $\frac{\text{Profit before Interest & Tax}}{\text{Capital Employed}}$

$$= \frac{1,40,000 \times 100}{3,40,000} = 41.1\%$$

• Return on Capital Employed =  $\frac{\text{Total Assets} - \text{Current Liabilities}}{\text{Capital Employed}}$

$$= \frac{3,40,000}{3,40,000}$$

### Cash flow Statement Partnership

Partnership from operating activities

net difference in the balance of P&L  
general issues

Preference dividend

Partnership dividend

Provision for tax

PROFIT BEFORE TAX

ADD: depreciation

interest on debentures

less: interest on investments

operating profit before working capital changes

ADD: Increase in trade payables in venture

less: Increase in

net cash from operating activities

less taxes

net cash generated from operating activities

cash flow from investing activities

purchase of investment

2,96,000

48,000

48,000

36,000

4,28,000

1,00,000

40,000

(6,000)

5,62,000

38,000

1,36,000

1,98,000

4,64,000

4,52,000

(40,000)

1 1/2%

purchase of fixed asset (6,000,000)  
 interest on investments 6,000  
 net cash used in investing activities (6,34,000)

Cash flows from financing activities  
~~Redemption of share capital~~ 3,00,000  
 Redemption of preference shares (1,10,000)  
 Issue of debentures 1,50,000  
 Interest on debentures (40,000)  
 Dividend (48,000)  
 Bank overdraft (48,000)  
 net cash generated from financing activities 20,000

PB

net cash generated from all activities 24,000  
 add opening bal of cash & eq 12,000  
 current invest 12,000  
 closing balance 48,000