

Journal

JOURNAL

Date	Particulars			Amount (£) Cr	Amount (£) Dr
	Cash A/c	Dr		70,000 64,000	
	To Realisation A/c				70,000
	(Being drawings realised)				64,000
	Realisation A/c	Dr		6,650	
	To A's Capital A/c				6,650
	(Being A paid off her husband's loan)				
	B's Capital A/c	Dr		3,000	
	To Realisation A/c				3,000
	(Being uncoupled machine taken over)				
	A's Capital A/c	Dr		9,000	
	B's Capital A/c	Dr		9,000	
	C's Capital A/c	Dr		9,000	
	To Profit and Loss A/c				27,000
	(Being debit balance of Profit & Loss A/c)				

Date	Particulars	Dr	Cr
	Realisation A/c		4,000
	To contingent liability A/c	4,000	
	(Being contingent liability dis charged)		
	Realisation A/c		18,000
	To c's capital A/c	18,000	
	(Being remuneration received)		

5/6

Offered → 10,000 shares @ ₹10 each + 1 p.

Application $\frac{3}{4}$ + Attendance $\frac{1}{4}$ (3+1) = First & final call $\frac{4}{4}$

Public → 12,000 shares

Applied	Quoted	Amount received	Application $\frac{3}{4}$	Attendance $\frac{1}{4}$	First & final	Rejection
12,000	10,000	36,000	30,000	6,000	-	-

Arankshq (100 shares allotted)

Amount to be received on allotment (100 x 4) = ₹4,000
 Amt already received ($\frac{6,000}{10,000} \times 100$) = ₹60
₹3,400

Amt not received on call (100 x 4) = ₹400

Share (200 shares)

Amt not received on call (200 x 4) = ₹800

[SOLN:-]

JOURNAL

Date	Particulars	Dr	Cr
	Bank A/c	36,000	
	To share application A/c (being amt on application received)		36,000
	Share application A/c	36,000	
	To share capital A/c		30,000
	To share amount A/c (being amt on application made due)		6,000

Date Particulars

Share adjustment A/c (100000) Dr

To share capital A/c

To reserves premium A/c

(Being amt on adjustment made due)

Bank A/c (40,000 - 1,000 - 340) Dr

To share adjustment A/c

(Being amt on adjustment received)

Share first & final call A/c Dr

To share capital A/c

(Being amt on share first call due)

Bank A/c (40,000 - 800 - 400) Dr

To share first & final call A/c

(Being amt on call received)

Share capital A/c (100x10) Dr

Reserves premium A/c

To share forfeiture A/c

To share adjustment A/c

To share first call A/c

(Being 100 share forfeited)

Dr Amt (£) Cr Amt (£) Cr

40,000

30,000

~~10,000~~

33,660

~~33,660~~

40,000

~~40,000~~

38,800

~~38,800~~

1000

100

~~360~~

~~340~~

~~400~~

Date

Particulars

Share capital A/c (200 x 10)

To share forfeiture A/c

To share first & final call A/c

(Being 200 shares forfeited)

Dr

Cr

2000

1,200

800

Bank A/c (150 x 8)

Share forfeiture A/c

To share capital A/c

(Being 150 shares re-issued)

Dr

Dr

1,200

300

1,500

Share forfeiture A/c

To capital Reserve A/c

(Being amt trans ferred)

360 + ~~300~~ ³⁰⁰ (200 x 50) - 300

Dr

360

360

~~8~~

Dr

Particulars

To share capital

To capital reserve A/c

To balance c/d

Share forfeiture A/c

Amount

300

360

900

Particulars

By share capital

By share capital

Amount

360

1,200

Cr

~~4,800~~

~~4,800~~

1560

1560

Week 17

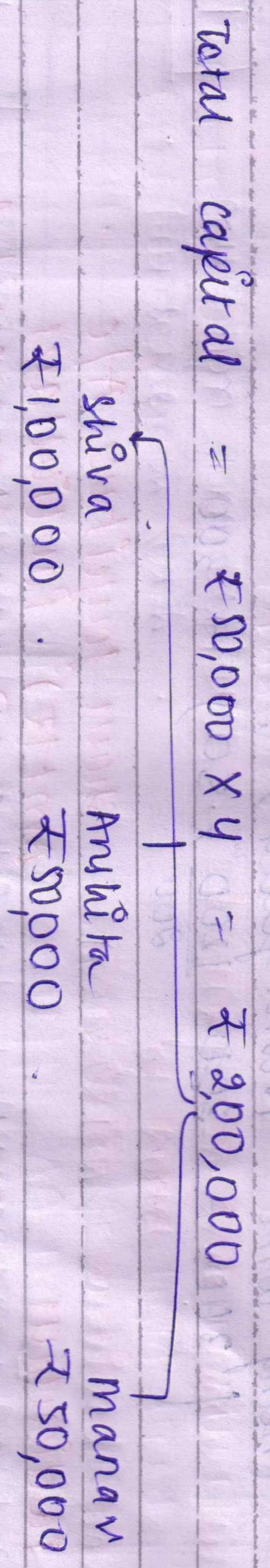
Shiva : Anshita
1 : 1

Manav → 1/4
Capital = ₹50,000
Goodwill = ₹42,000
Manav's share = ₹42,000 × 1/4

NPRK Shiva : Anshita : Manav
2 : 1 : 1

Shiva's sacrifice = $\frac{1}{2} - \frac{2}{4} = 0$ ₹5,250 ₹5,250

Anshita's sacrifice = $\frac{1}{2} - \frac{1}{4} = \frac{1}{4}$ (only Anshita sacrifice)



Dr Particulars

To Profit Transfer

Shiva

Ashwita

18,700

18,700

37,400

Cr.

Particulars

Amount (₹)

Particulars

Amount (₹)

By building

By provision for DD

By creditors

19,600

7,000

10,800

37,400

$\frac{8}{8}$

Dr Particulars

To cash Ac

To balance c/d

44,950

1,00,000

1,44,950

Cr.

Particulars

Shiva

Ashwita

Manav

Particulars

Particulars

By balance b/d

By cash Ac

By Premium Ac

By Provision for DD

By Investment F.F.

1,19,000

1,12,000

50,000

5,250

5,250

18,700

18,700

2,000

1,44,950

1,37,950

50,000

Balance sheet of New Firm

Liabilities	Assets
Sundry creditors	Building
Employee Provident Fund	Debtors
Capital	Cash
Shiva	
1,00,000	
Anshita	Investment
50,000	Plant & machinery
<u>50,000</u>	
	<u>2,85,200</u>
	<u>2,85,200</u>

Part-B

conclusion from ~~Debtors~~
purchase in cash

Limiting Income from ~~Debtors~~
by ~~hour~~ ~~commission~~ ~~received~~ from sales

operating Activity = Net Profit + Depreciation + Profit on sale
+ Revenue in ~~accounts~~ ~~receivables~~

$$= \text{₹ } 2,00,000 + 30,000 - 5,000 + 10,000$$

$$= \text{₹ } 2,35,000$$

Part-19

Ques: 20

~~Items~~

Items

debit balance of statement of profit, and loss

Advances from customers - (long term)

deposit with custom authorities

provision for employee benefit

capital Reserve

Trade Marks

Balance sheet side

Liabilities

Liabilities

~~Assets~~

Non-current assets

Liabilities

Non-current liability

Liabilities

Shareholders

Non-current assets

Intangible assets

Major Heading

~~Shareholders~~

Sub-heading. Reserves & surplus.

Non-current liability

~~long term~~ loan & advances

long term loan & advance

short term provisions.

Reserves & surplus

Fixed -

Intangible assets

b) TWO LIMITATIONS

- = (1) Window Dressing
- (2) Does not consider qualitative aspects

$\frac{3}{4}$

Ques 121

COMPARATIVE BALANCE SHEET

2013-14 (₹) 2014-15 (₹) Absolute change % change

Particulars

1. EQUITY AND LIABILITIES

- 1. Shareholder's Funds
 - a) Share Capital
 - b) Reserves & Surplus

- 2. Non-current liabilities
 - Long term borrowings

- 3. Current liabilities

- a) Trade Payables
- b) Short-term provisions

total

	2013-14 (₹)	2014-15 (₹)	Absolute change	% change
1. Shareholder's Funds	9,00,000	15,00,000	6,00,000	66.67%
a) Share Capital	3,00,000	3,00,000	—	0%
b) Reserves & Surplus	6,00,000	12,00,000	6,00,000	100%
2. Non-current liabilities	6,00,000	6,00,000	—	0%
Long term borrowings	6,00,000	6,00,000	—	0%
3. Current liabilities	2,00,000	4,00,000	2,00,000	100%
a) Trade Payables	1,00,000	2,00,000	1,00,000	100%
b) Short-term provisions	1,00,000	2,00,000	1,00,000	100%
total	21,00,000	30,00,000	9,00,000	42.8%

Particulars

ASSETS

1. Non-current assets

- a) Fixed asset Tangible assets
- b) Non-current investment

2. Current assets

- a) Trade receivable

Total

~~24~~

	2013-14 (£)	2014-15 (£)	Absolute change	% change
12,00,000	15,00,000	3,00,000	25%	
3,00,000	3,00,000	—	0%	
6,00,000	12,00,000	6,00,000	100%	
81,00,000	80,00,000	9,00,000	42.8%	

Ques: 22

~~13~~

Short term → Current Ratio and Liquid Ratio

Current Ratio = $\frac{\text{Current assets}}{\text{Current liabilities}}$ = $\frac{8,80,000}{97,500}$ = 9.02:1

Liquid Ratio = $\frac{8,80,000 - 25,000}{97,500 - 70,000}$ = $\frac{5,05,000}{4,10,000}$ = 5.20:1

4.2:1

Long Term → Debt to Equity Ratio

Debt to total asset

$$\frac{\text{Debt}}{\text{Equity}} = \frac{7,75,000}{6,35,000} = \boxed{1.23\%}$$

$$\frac{\text{Debt}}{\text{Total asset}} = \frac{7,75,000}{16,25,000} = \boxed{0.48\%}$$

$$\frac{\text{Debt}}{\text{Total Fund}} = \frac{8,92,500}{15,27,500} = \boxed{0.58\%}$$

Ques 23 (A)

Dr. Fixed Assets A/c Provision for depreciation A/c Cr.

Particulars Amount (₹) Particulars Amt (₹)

To Be Asset sold A/c 60,000 By balance b/d 3,00,000

By statement of P/L A/c (depreciation) 1,40,000

To balance c/d 3,80,000

4,40,000

4,40,000

Dr Fixed Assets

By Pauti curans Amt (₹) 1,40,000

To balance b/d 13,20,000 By Asset sold A/c 1,40,000

To Bank A/c (purchase) ~~₹ 4,40,000~~ 16,20,000

~~₹ 4,40,000~~ By balance c/d ~~₹ 6,20,000~~ 17,60,000

₹ 17,60,000 ₹ 17,60,000

Dr Asset sold A/c Amt (₹) 1,40,000

To Fixed Assets A/c 1,40,000

By Pauti curans 60,000

By Provision for dep 50,000

By Statement of P/L A/c (loss) 30,000

1,40,000 1,40,000

$\frac{2}{3}$

SOLN: -

CASH FLOW STATEMENT

Particulars

Amount

(A) CASH FLOW FROM OPERATING ACTIVITIES

(20,000)

Add Depreciation

1,40,000

Less on sale of fixed assets

30,000

1,70,000

NET CASH FLOW FROM OPERATING ACTIVITIES

(A) 1,50,000

(B) CASH FLOW FROM INVESTING ACTIVITIES

Purchase of fixed assets

~~4,40,000~~
4,40,000

Sale of fixed assets

50,000

~~(4,90,000)~~
(3,90,000)

NET CASH USED IN INVESTING ACTIVITIES

(B) (4,90,000)

(3,90,000)

A) CASH FLOW FROM OPERATING ACTIVITIES

surplus, statement of profit and loss A/c

Add: General Reserve	20,000	
Sinking Funds (Debtors redemption fund)	7,000	
Provision for tax	<u>30,000</u>	57,000

Net Profit before interest & tax		<u>97,000</u>
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Add: Depreciation	30,000	
Preliminary expenses written off	<u>5,000</u>	35,000

operating profit before changes in working capital		<u>1,32,000</u>
Am: Increase in working capital (excluding cash & cash equivalents)		(32,000)

Cash generated from operation		<u>1,00,000</u>
Am: Taxes paid		(25,000)

NET CASH FLOW FROM OPERATING ACTIVITIES (A)		<u>75,000</u>
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Notes :-

working capital	1,70,000	2,12,000
Am: cash and cash equivalent	<u>(30,000)</u>	<u>(40,000)</u>

	<u>1,40,000</u>	<u>1,72,000</u>
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