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| UNIT TEST EXAMINATION (2023-24)  Answer Key | | | |
| Subject: ACCOUNTANCY  Grade: XII | | Max. Marks:50Time:2 hrs 30 min | |
| 1 | (b) Realisation A/c Dr., To Bank A/c | | 1 |
| 2 | (c) Other current liability | | 1 |
| 3 | (c)Intra-firm comparison | | 1 |
| 4 | (d) All of the above | | 1 |
| 5 | (a) Horizontal analysis | | 1 |
| 6 | (b) Rs. 67,500 | | 1 |
| 7 | (b) When the business of the firm can’t be carried on except at a loss | | 1 |
| 8 | C) 35% | | 1 |
| 9 | d) Issue of Equity Shares of ₹2,00,000. | | 1 |
| 10 | a) Operating ratio | | 1 |
| 11 | C. Statement I is correct, and Statement II is incorrect. | | 1 |
| 12 | b) Rs. 2,000 will be deducted from Net Profit under Operating Activity and shown as an Extra-ordinary Item under Operating Activities. | | 1 |
| 13 | a) Rs. 10,00,000 as Inflow and Rs. 10,000 as Outflow. | | 1 |
| 14 | (a) Both Assertion (A) and Reason (R) are Correct and Reason (R) is the correct explanation of Assertion (A) | | 1 |
| 15 | d) 37,000 | | 1 |
| 16 |  | | 3 |
| 17 | For measuring the long-term solvency of any business, we calculate the following ratios.  1. Debt equity ratio indicates the relationship between the external equities or outsiders’ funds and the internal equities or shareholders’ funds. It is also known as external internal equity ratio. It is determined to ascertain the soundness of the long-term financial policies of the company.  2. Proprietary Ratio and Total Assets to Debt Ratio: Total assets to Debt Ratio or Proprietary Ratio are a variant of the debt equity ratio. It is also known as equity ratio or net worth to total assets ratio. This ratio relates the shareholder’s funds to total assets.  3. Interest Coverage Ratio: This ratio deals only with servicing of return on loan as interest. This ratio depicts the relationship between the amount of profit utilize for paying interest and amount of interest payable. A high Interest Coverage Ratio implies that the company can easily meet all its interest obligations out of its profit. | | 3 |
| 18 | Operating activities- a), c), d) Investing activities- b), e)  Financing activities- f) | | 3 |
| 19 | |  |  |  |  |  | | --- | --- | --- | --- | --- | | Date | Particulars | L.F. | Debit | Credit | | a) | Realization a/c  To Cash a/c |  | 20,000 | 20,000 | | b) | Cash a/c  To Realization a/c |  | 4,000 | 4,000 | | c) | Realization a/c  To John’s Capital a/c |  | 10,500 | 10,500 | | d) | Cash a/c  To Realization a/c |  | 1,08,000 | 1,08,000 | | | 4 |
| 20 | |  |  |  |  |  | | --- | --- | --- | --- | --- | | Particulars | 2015 | 2016 | Absolute change | % change | | Revenue From Operations | 900000 | 1050000 | 150000 | 16.67% | | Add: Other Incomes | 50000 | 50000 | Nil | - | | Total Revenue | 950000 | 1100000 | 150000 | 16.67% | | Less: expenses  Materials consumed | 270000 | 360000 | 90000 | 33.3% | | Office expenses | 400000 | 420000 | 20000 | 5% | | Total expenses | 670000 | 780000 | 110000 | 16.42% | | Profit before Tax | 280000 | 320000 | 40000 | 14.29% | | Less: Tax @ 50% | 140000 | 160000 | 20000 | 14.29% | | Profit after Tax | 140000 | 160000 | 20000 | 14.29% | | | 4 |
| 21 | Net Assets Turnover Ratio =  Revenue from Operations /Net Assets or Capital Employed  = 75,00,000/5000000=1.5 Times  Revenue from Operations= 75,00,000 (Given)  Capital Employed (Note) - Shareholders' Funds + Long-term Borrowingsworking capital turnover ratio = RFO/working capital = 75,00,000/15,00,000 = 5 times  Working capital = 25,00,000 – 10,00,000  Interest coverage Ratio = Profit before Interest and Tax / Interest on Long term Debts  Profit after Interest and Tax = `7,50,000  + Tax = `2,50,000  Profit before Tax = `10,00,000  + Interest on debenture = `72,000  = `10,72,000  Interest coverage Ratio = 10,72,000/72,000  = 14.89 times | | 3+3=6 |
| 22 | |  |  | | --- | --- | | Particulars | 31.03.2023 | | CASH FLOW FROM OPERATING ACTIVITIES |  | | Net profit before tax and extraordinary items | 2,74,000 | | Add: Depreciation of fixed assets 20,000  Writing off preliminary expenses 10,000  Loss on sale of furniture 1,000 |  | | Less: Profit on sale of Machinery (6,000) | 25,000 | | Operating Profit before working capital changes | 2,99,000 | | Add: Creditors 10,000  Bills Receivables 3,000 |  | | Less: Debtors (6,000)  Prepaid Expenses (200) |  | | Bill Payables (4,000) | 2,800 | | Cash Generated From Operations | 3,01,800 | | Less: Income tax paid | (1,60,000) | | Cash Flow from Operating Activities | 1,41,800 |   Cash Flow from Financing Activities   |  |  | | --- | --- | | Particulars | 31.03.2015  Rs. | | Proceeds from Issue of Equity Share Capital  Proceeds from Issue of 10% Preference Share Capital Cash paid for Redemption of 9% Debentures  Interest paid on Debentures Interim Dividend paid Final Dividend paid (3,00,000-50,000) Net Cash Used  in Financing Activities) | 1,00,000  1,00,000 (52,500) (12,500) (75,000) (2,50,000) | | 1,90,000 | | | 6 |
| 23 | Total number of shares applied by Rohan = {2080×124800/104000} =2496  Calculation of the amount due but not received on allotment from Rohan:   |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | | a) Application money received on shares applied (2496 × 2) | | | | 4992 | | | b) *Less*: Application money due on shares allotted (2080 × 2) | | | | 4,160 | | | c) Excess application money (a − b) | | | | 832 | | | d) Allotment money due on share allotted (2080 × 5) | | | | 10,400 | | | e) Allotment money due but not received (10400 − 832) | | | | 9,568 | | |  | | | |  | | | a)     Allotment money due (104000 × 5) | | | | 5,20,000 | | | b)    *Less*: allotment money already received on application stage (20800 × 2) | | | | -41,600 | | | c)     *Less*: allotment money not received | | | | -9,568 | | | Total Amount received on Allotment | | | | 4,68,832 | | | Date | Particulars | L.F. | Debit | | Credit | | |  | Machinery A/c |  | 11,88,000 | |  | | |  | To K Ltd. |  |  | | 11,88,000 | | |  | K Ltd.. |  | 2,37,600 | |  | | |  | To cash A/c  20% of 11,88,000 |  |  | | 2,37,600 | | |  | PM Ltd. |  | 9,50,400 | |  | | |  | To equity share capital A/c |  |  | | 9,50,400 | |   No. of shares to be issued = 950400/100 = 9504 | | 4+2=6 |