

NCERT SOLUTIONS

CLASS - 12th



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Class : 12th

Subject : Accountancy

Chapter : 3

Chapter Name : Financial statement of a company

Q1 Show the following items in the balance sheet as per the provisions of the Companies Act, 2013 in Schedule III:

Particulars	Rs.	Particulars	Rs.
Preliminary Expenses	2,40,000	Good will	30,000
Discount on issue of shares	20,000	Loose tools	12,000
10% Debentures	2,00,000	Motor Vehicles	4,75,000
Stock in Trade	1,40,000	Provision for tax	16,000
Cash at bank	1,35,000		
Bills receivable	1,20,000		

Answer.

Extract of Balance Sheet

as at March 31, 2013

Particulars	Note No.	Amount (Rs)
I. Equity and Liabilities		
1. Shareholders' Funds		
a. Share Capital		
b. Reserves and Surplus		
2. Non-Current Liabilities		
Long-term Borrowings	1	2,00,000
3. Current Liabilities		
Other Current Liabilities		
b. Short-term Provisions	2	16,000

II. Assets		
1. Non-Current Assets		
Fixed Assets		
i. Tangible Assets	3	4,75,000
ii. Intangible Assets	4	30,000
b. Non-Current Investments		
2. Current Assets		
Inventories	5	1,52,000
b. Trade Receivables	6	1,20,000
c. Cash and Cash Equivalents	7	1,35,000
d. Other Current Assets	8	2,60,000

Notes to Accounts

Particulars	Amount (Rs)
1. Long Term Borrowings	
10% Debentures	2,00,000
2. Short Term Provisions	
Provision for Tax	16,000
3. Tangible Assets	
Motor Vehicles	4,75,000
4. Intangible Assets	
Goodwill	30,000
5. Inventory	
Loose Tools	12,000
Stock	1,40,000
	<u>1,52,000</u>

		1,52,000
6. Trade Receivables		
Bill Receivable		1,20,000
7. Cash and Cash equivalents		
Cash at Bank		1,35,000
8. Other Current Assets		
Preliminary Expenses	2,40,000	
Discount on Issue of Shares	20,000	2,60,000
		2,60,000

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Q2 On 1st April, 2017, Jumbo Ltd. issued 10,000; 12% debentures of Rs. 100 each a discount of 20%, redeemable after 5 years. The company decided to write-off discount on issue of such debentures over the life time of the Debentures. Show the items in the balance sheet of the company immediately after the issue of these debentures.

Answer.

Balance Sheet
as at April 01, 2017

Particulars	Note No.	Amount (Rs)
I. Equity and Liabilities		
1. Shareholders' Funds		
a. Share Capital		
b. Reserves and Surplus		
2. Non-Current Liabilities		
a. Long-term Borrowings	1	10,00,000

3. Current Liabilities		
a. Other Current Liabilities		
b. Short-term Provisions		
Total		10,00,000
II. Assets		
1. Non-Current Assets		
a. Other Non-Current Assets	2	1,60,000
2. Current Assets		
a. Other Current Assets	3	40,000
b. Cash and Cash Equivalents	4	8,00,000
Total		10,00,000

Notes to Accounts

Particulars	Amount (Rs)
1. Long Term Borrowings	
12% Debentures	10,00,000
2. Other Non-current assets	
Unamortized discount on issue of Debentures	1,60,000
3. Other Current Assets	
Unamortized discount on issue of Debentures	40,000
4. Cash and Cash Equivalents	
Bank	8,00,000

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Q3 From the following information prepare the balance sheet of Gitanjali Ltd., as per the (Revised) Schedule VI:

Inventories Rs. 14,00,000; Equity Share Capital Rs. 20,00,000; Plant and Machinery Rs. 10,00,000; Preference Share Capital Rs. 12,00,000; Debenture Redemption Reserve Rs. 6,00,000; Outstanding Expenses Rs. 3,00,000; Proposed Dividend Rs. 5,00,000; Land and Building Rs. 20,00,000; Current Investments Rs. 8,00,000; Cash Equivalent Rs. 10,00,000; Short term loan from Zaveri Ltd. (A Subsidiary Company of Twilight Ltd.) Rs. 4,00,000; Public Deposits Rs. 12,00,000.

Answer.

Balance Sheet

as at ...

Particulars	Note No.	Amount (Rs)
I. Equity and Liabilities		
1. Shareholders' Funds		
a. Share Capital	1	32,00,000
b. Reserves and Surplus	2	6,00,000
2. Non-Current Liabilities		
a. Long-term Borrowings	3	12,00,000
3. Current Liabilities		
a. Other Current Liabilities	4	3,00,000
b. Short-term Borrowings	5	4,00,000
c. Short-term Provisions	6	5,00,000
Total		62,00,000
II. Assets		
1. Non-Current Assets		
a. Fixed Assets		
i. Tangible Assets	7	30,00,000
ii. Intangible Assets		
b. Non-Current Investments		

2. Current Assets		
a. Inventories		14,00,000
b. Current Investments		8,00,000
c. Cash and Cash Equivalents		10,00,000
Total		62,00,000

Notes to Accounts

Particulars		Amount (Rs)
1. Share Capital		
Equity Share Capital	20,00,000	
Preference Share Capital	12,00,000	32,00,000
		32,00,000
2. Reserve and Surplus		
Debenture Redemption Reserve		6,00,000
3. Long-term Borrowings		
Public Deposits		12,00,000
4. Other Current Liabilities		
Outstanding Expenses		3,00,000
5. Short-term Borrowings		
Loan from Zaveri Ltd.		4,00,000
6. Short-Term Provisions		
Proposed Dividend		5,00,000
7. Tangible Assets		

Land and Building	20,00,000	
Plant and Machinery	10,00,000	30,00,000
		30,00,000

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Q4 From the following information prepare the balance sheet of Jam Ltd. as per the (revised) Schedule VI:

Inventories Rs. 7,00,000; Equity Share Capital Rs. 16,00,000; Plant and Machinery Rs. 8,00,000; Preference Share Capital Rs. 6,00,000; General Reserves Rs. 6,00,000; Bills payable Rs. 1,50,000; Provision for taxation Rs. 2,50,000; Land and Building Rs. 16,00,000; Noncurrent Investments Rs. 10,00,000; Cash at Bank Rs. 5,00,000; Creditors Rs. 2,00,000; 12% Debentures Rs. 12,00,000.

Answer.

Balance Sheet

as at March 31, 2013

Particulars	Note No.	Amount (Rs)
I. Equity and Liabilities		
1. Shareholders' Funds		
a. Share Capital	1	22,00,000
b. Reserves and Surplus	2	6,00,000
2. Non-Current Liabilities		
a. Long-term Borrowings	3	12,00,000
3. Current Liabilities		
a. Short-term Borrowings		
b. Trade Payables	4	3,50,000
c. Short-term Provisions	5	2,50,000
Total		46,00,000

II. Assets		
1. Non-Current Assets		
a. Fixed Assets		
i. Tangible Assets	6	24,00,000
b. Non-Current Investments		10,00,000
2. Current Assets		
a. Inventories		7,00,000
b. Cash and Cash Equivalents	7	5,00,000
Total		46,00,000

Notes to Accounts

Particulars		Amount (Rs)
1. Share Capital		
Equity Share Capital	16,00,000	
Preference Share Capital	6,00,000	22,00,000
		22,00,000
2. Reserve and Surplus		
General Reserve		6,00,000
3. Long Term Borrowings		
12% Debentures		12,00,000
4. Trade Payables		
Creditors	2,00,000	
Bills Payable	1,50,000	3,50,000
		3,50,000

5. Short-Term Provisions		
Provision for Taxation		2,50,000
6. Tangible Assets		
Land and Building	16,00,000	
Plant and Machinery	8,00,000	24,00,000
		24,00,000
7. Cash and Cash Equivalents		
Bank		5,00,000

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Q5 Prepare the balance sheet of Jyoti Ltd. as at March 31, 2017 from the following information:

Building Rs. 10,00,000; Investments in the shares of Metro Tyers Rs. 3,00,000; Stores & Spares Rs. 1,00,000; Discount on issue of 10% debentures Rs. 10,000; Statement of Profit and Loss (Dr.) Rs. 90,000; 5,00,000 Equity Shares of Rs. 20 each fully paid-up; Capital Redemption Reserve Rs. 1,00,000; 10% Debentures Rs. 3,00,000; Unpaid dividends Rs. 90,000; Share options outstanding account Rs. 10,000.

Answer.

Balance Sheet

as at March 31, 2017

Particulars	Note No.	Amount (Rs)
I. Equity and Liabilities		
1. Shareholders' Funds		
a. Share Capital	1	10,00,000
b. Reserves and Surplus	2	10,000
2. Non-Current Liabilities		
Long-term Borrowings	3	3,00,000
3. Current Liabilities		

Other Current Liabilities	4	1,00,000
Total		14,10,000
II Assets		
1. Non-Current Assets		
a. Fixed Assets		
i. Tangible Assets	5	10,00,000
b. Non-Current Investments	6	3,00,000
2. Current Assets		
a. Inventories	7	1,00,000
b. Other Current Assets	8	10,000
Total		14,10,000

Notes to Accounts

Particulars	Amount (Rs)
1. Share Capital	
Equity Share Capital (50,000* shares of Rs 20 each)	10,00,000
2. Reserve and surplus	
Capital Redemption Reserve	1,00,000
Less: Statement of Profit or Loss (Debit)	90,000
	10,000
3. Long-term Borrowings	
10% Debentures	3,00,000
4. Other Current Liabilities	
Unpaid Dividend	90,000
Share Option Outstanding	10,000

	1,00,000
5. Tangible Assets	
Building	10,00,000
6. Non-Current Investments	
Shares of Metro Tyres	3,00,000
7. Inventory	
Stores and Spares	1,00,000
8. Other Current Assets	
Discount on Issue of 10% Debentures	10,000

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Q6 Brinda Ltd. has furnished the following information:

- (a) 25,000, 10% debentures of Rs. 100 each;
- (b) Bank Loan of Rs. 10,00,000 repayable after 5 years;
- (c) Interest on debentures is yet to be paid.

Show the above items in the balance sheet of the company as at March 31, 2017.

Answer.

Extract of Balance Sheet

as at March 31, 2017

Particulars	Note No.	Amount (Rs)
I. Equity and Liabilities		
1. Shareholders' Funds		
a Share Capital		

b. Reserves and Surplus		
2. Non-Current Liabilities		
Long-term Borrowings	1	35,00,000
3. Current Liabilities		
Other Current Liabilities	2	2,50,000

Notes to Accounts

Particulars		Amount (Rs)
1. Long Term Borrowings		
12% Debentures	25,00,000	
Bank Loan	10,00,000	35,00,000
		<u>35,00,000</u>
2. Other Current Liabilities		
Interest on Debentures		2,50,000

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Q7 Prepare a balance sheet of Black Swan Ltd., as at March 31, 2017 from the following information:

General Reserve : 3,000

10% Debentures : 3,000

Statement of Profit & Loss : 1,200

Depreciation on fixed assets : 700

Gross Block : 9,000

Current Liabilities	:	2,500
Preliminary Expenses	:	300
6% Preference Share Capital	:	5,000
Cash & Cash Equivalents	:	6,100

Answer.

Extract of Balance Sheet
as at March 31, 2017

Particulars	Note No.	Amount (Rs)
I. Equity and Liabilities		
1. Shareholders' Funds		
a. Share Capital	1	5,000
b. Reserves and Surplus	2	4,200
2. Non-Current Liabilities		
a. Long-term Borrowings	3	3,000
3. Current Liabilities		2,500
Total		14,700
II. Assets		
1. Non-Current Assets		
a. Fixed Assets		
i. Tangible Assets	4	8,300
2. Current Assets		
a. Cash and Cash Equivalents	5	6,100
b. Other Current Assets	6	300
Total		14,700

Notes to Accounts

Particulars		Amount (Rs)
1. Share Capital		
6% Preference Share Capital		5,000
2. Reserve and Surplus		
General Reserve	3,000	
Statement of Profit or Loss	1,200	4,200
		4,200
3. Long Term Borrowings		
10% Debentures		3,000
4. Tangible Assets		
Fixed Assets	9,000	
Less: Depreciation	700	8,300
		8,300
5. Cash and Cash Equivalent		
Cash		6,100
6. Other Current Assets		
Preliminary Expenses		300

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