

CLASS XII	VGR COACHING CENTER ACCOUNTS CHAPTER 7 & 8	MARK-60
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## PART-A

## CHOOSE THE CORRECT ANSWER

1. At the time of forfeiture, share capital account is debited with  
(a) Face value (b) Nominal value (c) Paid up amount (d) Called up amount
2. After the forfeited shares are reissued, the balance in the forfeited shares account should be transferred to  
(a) General reserve account (b) Capital reserve account (c) Securities premium account (d) Surplus account
3. The amount received over and above the par value is credited to  
(a) Securities premium account (b) Calls in advance account (c) Share capital account (d) Forfeited shares account
4. If a share of ` 10 on which ` 8 has been paid up is forfeited. Minimum reissue price is  
(a) ` 10 per share (b) ` 8 per share (c) ` 5 per share (d) ` 2 per share
5. Supreme Ltd. forfeited 100 shares of ` 10 each for non-payment of final call of ` 2 per share. All these shares were re-issued at ` 9 per share. What amount will be transferred to capital reserve account?  
(a) ` 700 (b) ` 800 (c) ` 900 (d) ` 1,000
6. The financial statements do not exhibit  
a) Non-monetary data b) Past data c) Short term data d) Long term data
7. Which of the following is not a tool of financial statement analysis?  
a) Trend analysis b) Common size statement c) Comparative statement  
d) Standard costing
8. The term 'fund' refers to  
a) Current liabilities b) Working capital c) Fixed assets d) Non-current assets
9. In a common-size balance sheet, if the percentage of non-current assets is 75, what would be the percentage of current assets?  
a) 175 b) 125 c) 25 d) 100
10. Expenses for a business for the first year were ` 80,000. In the second year, it was

increased to ₹ 88,000. What is the trend percentage in the second year?

- a) 10 % b) 110 % c) 90 % d) 11%

**PART-B ANY 5 QUESTION Q,NO 14 IS COMPULSORY**

11. What is a share?
12. What is over-subscription?
13. Why are the shares forfeited?
14. Anitha was holding 500 equity shares of ₹ 10 each of Thanjavur Motors Ltd, issued at par. She paid ₹ 3 on application, ₹ 5 on allotment but could not pay the first and final call of ₹ 2. The directors forfeited the shares for nonpayment of call money. Give Journal entry for forfeiture of shares.
15. From the following particulars of Kumar Ltd, prepare a common-size income statement for the year ended 31st March, 2018.

Particulars	2017-18
Revenue from operations	5,00,000
Other income	20,000
Expenses	3,00,000

16. List the tools of financial statement analysis.

**PART-C**

**Q.NO 21 IS COMPULSORY ANY 5**

17. Briefly explain any three limitations of financial statements
18. State the differences between preference shares and equity shares.
19. Jeyam Tyres issued 15,000 ordinary shares of ₹ 10 each payable as follows:  
₹ 3 on application; ₹ 5 on allotment; ₹ 2 on first and final call. All money were duly received except one shareholder holding 100 shares failed to pay the call money. Pass the necessary journal entries for call (using calls in arrear account).

20. Anu Company forfeited 200 equity shares of ` 10 each issued at par held by Thiyagu for nonpayment of the final call of ` 3 per share. The shares were reissued to Laxman at ` 6 per share. Show the journal entries for forfeiture and reissue.
21. Sara Company issues 10,000 equity shares of ` 10 each payable fully on application. Pass journal entries if the shares are issued
- (i) at par
  - (ii) at a premium of ` 2 per share.
22. From the following particulars, prepare comparative income statement of Abdul Co. Ltd.

Particulars	2015-16	2016-17
Revenue from operations	3,00,000	3,60,000
Other income	1,00,000	60,000
Expenses	2,00,000	1,80,000
Income tax	30%	30%

PART – D  
ANY 5

23. Sudha Ltd. offered 1,00,000 shares of ` 10 each to the public payable ` 3 on application, ` 4 on share allotment and the balance when required. Applications for 1,40,000 shares were received on which the directors allotted as: Applicants for 60,000 shares - Full  
Applicants for 75,000 shares - 40,000 shares (excess money will be utilised for allotment)  
Applicants for 5,000 shares - Nil  
All the money due was received. Pass journal entries upto the receipt of allotment.
24. Shero Health Care Ltd. invited applications for 3,00,000 equity shares of ` 10 each at a premium of ` 2 per share payable as follows:
- ` 3 on application
  - ` 5 (including premium) on allotment
  - ` 4 on first and final call
- There was over subscription and applications were received for 4,00,000 shares and the excess

applications were rejected by the directors. All the money due were received. Pass the journal entries.

25. From the following particulars, prepare comparative balance sheet of Malar Ltd as on 31st March 2016 and 31st March 2017.

Particulars	31st March 2016	31st March 2017
<b>I EQUITY AND LIABILITIES</b>		
1. Shareholders' fund		
a) Share capital	2,00,000	2,50,000
b) Reserves and surplus	50,000	50,000
2. Non-current liabilities		
Long-term borrowings	30,000	60,000
3. Current liabilities		
Trade payables	20,000	60,000
<b>Total</b>	<b>3,00,000</b>	<b>4,20,000</b>
<b>II ASSETS</b>		
1. Non-current assets		
a) Fixed assets	1,00,000	1,50,000
b) Non-current investments	50,000	75,000
2. Current assets		
Inventories	75,000	1,50,000
Cash and cash equivalents	75,000	45,000
<b>Total</b>	<b>3,00,000</b>	<b>4,20,000</b>

26. Prepare common-size statement of financial position of Saleem Ltd as on 31st March, 2017 and

31st March, 2018.

Particulars	31st March 2017	31st March 2018
<b>I EQUITY AND LIABILITIES</b>		
1. Shareholders' fund		
a) Share capital	5,00,000	6,00,000

b) Reserves and surplus	4,00,000	3,60,000
2. Non-current liabilities		
Long-term borrowings	8,00,000	2,40,000
3. Current liabilities		
Trade payables	3,00,000 -	
Total	20,00,000	12,00,000
II ASSETS		
1. Non-current assets		
a) Fixed assets	10,00,000	6,00,000
b) Non – current investments	5,00,000	2,40,000
2. Current assets		
Inventories	3,00,000	1,20,000
Cash and cash equivalents	2,00,000	2,40,000
Total	20,00,000	12,00,000

27. Compute trend percentages for the following particulars of Boomi Ltd.

Particulars `	in lakhs		
	Year 1	Year 2	Year 3
I EQUITY AND LIABILITIES			
1. Shareholders' fund			
a) Share capital	200	254	212
b) Reserves and surplus	60	60	90
2. Non-current liabilities			
Long-term borrowings	140	154	168
3. Current liabilities			
Trade payables	40	60	80
Total	440	528	550
II ASSETS			
1. Non-current assets			
a) Fixed assets	200	236	206

b) Non - current investments	80	100	120
2. Current assets			
Inventories	120	132	144
Cash and cash equivalents	40	60	80
Total	440	528	550

28. Vairam Ltd. issued 60,000 equity shares of ` 10 each at a premium of ` 2 per share payable as follows:

On application ` 6

On allotment ` 4 (including premium)

On first and final call ` 2

Issue was fully subscribed and the amounts due were received except Saritha to whom 1,000 shares were allotted who failed to pay the allotment money and first and final call money.

Her shares were forfeited. All the forfeited shares were reissued to Parimala at ` 7 per share.

Pass journal entries.

**PREPARED BY**

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