

Test - Financial Statements of Companies**Total Marks - 25****Time Allowed - 1 Hour****Question 1****[15]**

The following balances appeared in the books of Oliva Ltd. as on 31-03-2022.

Particulars		₹	Particulars		₹
Inventory 01-04-2021			Sales		17,10,000
- Raw Material	30,000		Interest		3,900
- Finished goods	<u>46,500</u>	76,500	Profit and Loss A/c		21,000
Purchases of raw material		12,60,000	Share Capital Secured		3,15,000
Manufacturing Expenses		2,70,000	Loans:		
Salaries and Wages		40,200	Short-term	4,500	
General Charges		16,500	Long-term	<u>21,000</u>	25,500
Building		1,01,000	Fixes Deposits (unsecured):		
Plant and Machinery		70,400	Short-term	1,500	
Furniture		10,200	Long-term	<u>3,300</u>	4,800
Motor Vehicles		40,800	Trade payables		3,27,000
Investments:					
Current	4,500				
Non-Current	<u>7,500</u>	12,000			
Trade receivables		2,38,500			
Cash in Bank		<u>2,71,100</u>			
		<u>24,07,200</u>			<u>24,07,200</u>

From the above balances and the following information, prepare the company's statement of Profit and Loss for the year ended 31st March, 2022 and company's Balance Sheet as on that date:

- Inventory on 31st March, 2022- Raw material ₹ 25,800 and finished goods ₹ 60,000.
- Outstanding Expenses: Manufacturing Expenses ₹ 67,500 & Salaries & Wages ₹ 4,500.
- Interest accrued on Securities ₹ 300.
- General Charges prepaid ₹ 2,490.
- Provide depreciation: Building @ 2% p.a., Machinery @ 10% p.a., Furniture @ 10% p.a. & Motor Vehicles @ 20% p.a.
- Current maturity of long-term loan is ₹ 1,000.
- The Taxation provision of 40% on net profit is considered.

Question 2**[10]**From the following particulars furnished by Ambience Ltd., prepare the Balance Sheet as on 31st March 2023 as required by Division I of Schedule III of the Companies Act, 2013.

Particulars		Debit ₹	Credit ₹
Equity Share Capital (Face value of ₹ 100 each)			25,00,000
Call in Arrears		2,500	
Land & Building		13,75,000	
Plant & Machinery		13,12,500	
Furniture		1,25,000	
General Reserve			5,25,000
Loan from State Financial Corporation			3,75,000
Inventories			
Raw material	1,25,000		

Finished Goods	<u>5,00,000</u>	6,25,000	
Provision for Taxation			3,20,000
Trade receivables		5,00,000	
Advances		1,06,750	
Profit & Loss Account			2,16,750
Cash in Hand		75,000	
Cash at Bank		6,17,500	
Unsecured Loan			3,02,500
Trade creditors (for Goods and Expenses)			5,00,000
		47,39,250	47,39,250

The following additional information is also provided:

- (i) 5,000 Equity shares were issued for consideration other than cash.
- (ii) Trade receivables of ₹ 1,30,000 are due for more than 6 months.
- (iii) The cost of the Assets was:
Building ₹ 15,00,000, Plant & Machinery ₹ 17,50,000 and Furniture ₹ 1,56,250
- (iv) The balance of ₹ 3,75,000 in the Loan Account with State Finance Corporation is inclusive of ₹18,750 for Interest Accrued but not Due. The loan is secured by hypothecation of Plant & Machinery.
- (v) Balance at Bank includes ₹ 5,000 with Global Bank Ltd., which is not a Scheduled Bank.
- (vi) Bills Receivable for 1,60,000 maturing on 15th June, 2023 has been discounted.
- (vii) Provide to doubtful debts @ 5% on trade receivables