

Practice Paper – 2012-13
ACCOUNTANCY (CFS only)
Class : XII

Time allowed: 90 minutes

Max. Marks: 25

1. State any one limitation of cash flow statement. (1)
2. State whether cash purchases is an operating, investing or financing activity. (1)
3. State whether purchase of machinery is an operating, financing or investing activity. (1)
4. Dividend paid by a manufacturing company is classified under which activity while preparing cash flow statement. (1)
5. How will the payment to creditors affect the flow of cash? (1)
6. How will the payment of bank overdraft affect the flow of cash in cash flow statement? (1)
7. Interest received by a finance company is classified under which kind of activity while preparing a cash flow statement? (1)
8. Following are the balance sheets of Mittal Ltd., as on 31st March 2011 and 2012: (6)

Particulars	Note No.	2010-11 ₹	2011-12 ₹
I. Equity and Liabilities			
(1) Shareholders' funds			
a) Share Capital		10,00,000	14,00,000
b) Reserves and Surplus	1	4,00,000	5,00,000
(2) Non-current Liabilities			
a) Long term borrowings	2	2,00,000	6,00,000
(3) Current Liabilities			
a) Short term provisions	3	60,000	80,000
Total		16,60,000	25,80,000
II. Assets			
(1) Non-Current Assets			
Fixed Assets			
(i) Tangible Assets	4	9,00,000	16,00,000
(ii) Intangible Assets	5	2,00,000	1,40,000
Other Non- Current Assets	6	25,000	5,000
(2) Current Assets			
a) Inventories		1,75,000	2,45,000
b) Trade Receivables		3,00,000	5,00,000
c) Cash and Cash Equivalent		60,000	90,000
Total		16,60,000	25,80,000

Notes to Accounts:

Particulars	2011 ₹	2012 ₹
1. Reserves & Surplus		
Statement of Profit and Loss	4,00,000	5,00,000
	4,00,000	5,00,000

12-CBSE-Accounts – Accountancy Practice Paper – Set A

2. Long Term Borrowings		
(i) 9% Deposits	2,00,000	6,00,000
	2,00,000	6,00,000
Short Term Provisions		
3. (i) Provisions for Tax	40,000	55,000
(ii) Provision for dividends	20,000	25,000
	60,000	80,000
4. Tangible Assets		
(i) Land & Building	7,00,000	9,50,000
(ii) Machinery	2,00,000	6,50,000
	9,00,000	16,00,000
5. Intangible Assets		
(i) Goodwill	2,00,000	1,40,000
	2,00,000	1,40,000
6. Other Non Current Assets		
Unamortised Expenses	25,000	5,000
	25,000	5,000

Adjustments:

- 1) The company paid interest ₹45,000 on its deposits.
- 2) Depreciation provided on machinery during the year ₹50,000
- 3) A piece of land costing ₹1,00,000 was sold at a profit of ₹90,000
- 4) Tax paid during the year amounted to ₹55,000

Prepare cash flow statement.

9. Following are the balance sheets of Delhi Cloth Industries Ltd., as on 31.03.2011 & 2012: (6)

Particulars	2010-11 ₹	2011-12 ₹
I. Equity and Liabilities		
Shareholders' funds		
Share Capital	2,00,000	2,00,000
Retained Earnings	40,000	85,000
General Reserve	5,000	15,000
Non-current Liabilities		
Mortgage Loan	20,000	--
Current Liabilities		
Provision for Tax	20,000	25,000
Unclaimed Dividend	---	5,000
Creditors	40,000	50,000
Bills Payable	15,000	10,000
Total	3,40,000	3,90,000

12-CBSE-Accounts – Accountancy Practice Paper – Set A

II. Assets		
Non-Current Assets		
Machinery	1,95,000	2,33,000
Preliminary Expenses	15,000	10,000
Current Assets		
Inventories	50,000	60,000
Debtors	40,000	55,000
Bills Receivable	30,000	10,000
Cash at bank	10,000	22,000
Total	3,40,000	3,90,000

10. Prepare Cash Flow Statement from the following balance sheets of Rama Ltd.

(6)

Particulars	2010-11 ₹	2011-12 ₹
I. Equity and Liabilities		
Shareholders' funds		
Equity Share Capital	3,00,000	3,00,000
12% Preference Share Capital	--	1,00,000
Profit & Loss A/c	40,000	60,000
Non-current Liabilities		
8% Debentures	1,00,000	1,50,000
Current Liabilities		
Creditors	40,000	50,000
Bills Payable	15,000	10,000
Provision for Tax	10,000	12,000
Total	5,05,000	6,82,000
II. Assets		
Non-Current Assets		
Fixed Assets	2,40,000	2,67,000
10% Investment	1,00,000	2,00,000
Goodwill	20,000	15,000
Share Discount	20,000	10,000
Debenture Discount	10,000	15,000
Current Assets		
Inventories	50,000	80,000
Receivable	40,000	65,000
Cash	25,000	30,000
Total	5,05,000	6,82,000

Adjustments:

1. Debenture discount written off during the year amounted to ₹5,000
2. Investments were issued on 1st April, 2011.
3. Interim dividend paid ₹25,000
4. Machinery worth ₹1,00,000 was purchased by issue of preference shares.
5. Depreciation charged on machinery during the year ₹43,000
6. A piece of machinery was sold at a loss of ₹3,400.

For queries contact at: knowledge_explore@yahoo.com

Email: knowledge_explore@yahoo.com

Approach of this paper:

1. In written paper of 80 marks, weightage of Cash Flow Statement (CFS) is 8 marks, which consists of one practical question of 6 marks and two questions of 1 marks each. This paper has also been prepared keeping this weightage in mind.
2. Ideally one question of 6 marks on CFS should take 15-20 minutes maximum, students should plan their time accordingly.
3. Even in Accountancy Practical paper weightage of CFS is 6 marks, in most of the cases on full fledged question is asked from CFS. This practice paper also fulfills this requirement.
4. Last question of this paper is of higher level; such questions are not expected in the board exam. Students not aspiring high score may leave this question. The question has been given here for expertise of good students. Though some of the adjustments given in the question can be part of any normal question.