

S.D.E.

T. Y. B. Com. (2008 Course) : SUMMER - 2019

SUBJECT: CORPORATE ACCOUNTING-II

Day: Wednesday

Date: 10/04/2019

Time: 03.00 PM TO 06.00 PM

Max. Marks: 80

S-2019-4696

N.B:

- 1) All questions are **COMPULSORY**.
- 2) Figures to the right indicate **FULL** marks.
- 3) Answers to the both the sections should be written in **SAME** answer book.

SECTION-I

Q.1 The following is the summarized Balance Sheet of H Ltd., and S Ltd., as on (16) 2018.

Liabilities	H. Ltd. Rs.	S. Ltd. Rs.	Assets	H. Ltd. Rs.	S. Ltd. RS.
Share Capital	2,00,000	50,000	Sundry Assets	1,80,000	1,20,000
Reserves as on 1-4-2017	30,000	10,000	Shares in S Ltd.	2,30,000	-
Profit and Loss (Balance as on 1-4-2017)	60,000	30,000	Cash at Bank	20,000	10,000
Profits for the year	40,000	10,000			
Creditors	1,00,000	30,000			
	<b>4,30,000</b>	<b>1,30,000</b>		<b>4,30,000</b>	<b>1,30,000</b>

H Ltd. acquired 80% of the shares in S ltd., on 1<sup>st</sup> October, 2017. Included in the assets of H Ltd., there is Rs. 30,000 Loan to S ltd., shown as Creditors of S Ltd., Sundry Assets of S Ltd., include Furniture and Fittings of Rs. 40,000 to be revalued at Rs. 50,000 being over depreciated as at 1/10/2017.

Prepare a Consolidated Balance sheet of H Ltd., as at 31/3/2018

OR

Write short notes on the following:

- a) Modes of winding up
- b) Pre-acquisition profits
- c) Brokerage
- d) Non-performing Assets

Q.2 Following is the Trial Balance of Sharada Co-operative Bank Ltd., Pune as on (16) 31/3/2018.

P.T.O.

Particulars	Debit Rs.	Credit Rs.
Subscribed Capital 56,250 Equity Shares of Rs. 10 each fully paid	-	5,62,500
Reserve Fund	-	2,81,250
Loan, Cash Credit and Overdraft	2,44,125	-
Premises	86,250	-
Indian Government Securities	4,50,000	-
Current Deposits	-	1,12,500
Fixed Deposits	-	1,40,625
Saving Bank Deposits	-	86,250
Salaries	31,500	-
General Expenses	30,375	-
Rent and Taxes	3,375	-
Director's Fees	2,250	-
Profit and Loss Account on 1/4/2017	-	20,250
Interest and Discount Received	-	1,40,625
Stock of Stationery	9,000	-
Bills purchased and discounted	51,750	-
Interim Dividend Paid	19,125	-
Shares of Company	56,250	-
Cash-in-hand and with Reserve Bank of India	2,13,750	-
Money at Call and Short Notice	90,000	-
Interest Paid	56,250	-
<b>Total</b>	<b>13,44,000</b>	<b>13,44,000</b>

**Adjustments:**

- i) Provided rebate on bills discounted Rs. 1,125.
- ii) Provide Rs. 3,375 for doubtful debts.
- iii) Authorised Capital was 1,20,000 Equity Shares of Rs. 10 each.
- iv) Provide Rs. 9,000 for Taxation Reserve.

You are required to prepare Profit and Loss Account for the year ended 31/3/2018 and the Balance Sheet as on that date.

**OR**

Vijaya Ltd. went into liquidation on 31<sup>st</sup> March, 2017. The Balance Sheet as on that date was as under:

Liabilities	Rs.	Assets	Rs.
<b>Share Capital:</b>		Freehold Property	80,000
<b>Issued and Subscribed:</b>		Plant and Machinery	69,000
• 8,000, 8% Preference Shares of Rs. 10 each	80,000		
• 12,000 Equity Shares of Rs 10 each	1,20,000		
5% Debentures (Secured on Freehold Property)	60,000	Stock	75,000
Income-Tax	4,000	Cash in Hand	1,000
Trade Creditors	65,000	Debtors	55,000
Bank Overdraft	30,000	Profit and Loss	79,000
	<b>3,59,000</b>		<b>3,59,000</b>

- a) The interest on debentures were paid up to 31<sup>st</sup> March 2016.
- b) Preference dividend were in arrears for two years.
- c) The assets realised were as follows:  
Freehold Property Rs. 1,60,000, Plant and Machinery Rs. 62,000, Stock Rs. 73,000 and Debtors Rs. 50,000.

- d) The expenses of liquidation amounted to Rs. 5,000 and liquidator's remuneration was fixed at Rs. 1,500 plus 2% on all assets realised except cash.
- e) The creditors include the Preferential Creditors which amounted to Rs. 5,000. Prepare the Liquidator's Final Statement of Account.

### SECTION-II

Q.3 Varun, keeps his books on single entry system. The following information is supplied by him for the year ended 31<sup>st</sup> March, 2014. (16)

Assets and Liabilities	As on 1/4/2013 Rs.	As on 31/3/2014 Rs.
Spare Parts	300	300
Creditors	9,400	8,350
Bills receivable	4,000	2,400
Bills Payable	3,471	5,051
Fixtures	1,700	1,700
Stock-in-Trade	7,900	8,800
Cash in hand	1,408	1,063
Petty Cash	500	500
Cash at Bank	2,000	400
Book Debts	9,361	8,355
Salary Payable	150	250

Dr. **Cash Book for the year ended 31<sup>st</sup> March, 2014** Cr.

Receipts	Rs.	Payments	Rs.
To Balance B/D		By Cartage	200
• Cash in hand	1,408		
• Petty cash	500		
• Cash at Bank	2,000		
To Bills Receivable	4,300	By Bills payable	3,000
To Sales	1,200	By Trading Expenses	450
To Sundry Debtors	2,450	By Salary	800
To Interest on Investments	30	By Investments	1,000
		By Purchase	600
		By General Expenses	250
		By sundry Creditors	1,425
		By Wages	700
		By Medical Expenses of Mr. Varun	1,500
		By Balance C/D	
		• Cash in Hand	1,063
		• Petty Cash	500
		• Cash at Bank	400
	<b>11,888</b>		<b>11,888</b>

	Rs.
• Bad Debts	560
• Acceptances Received from Debtors	3,000
• Discount Allowed to customers	400
• Acceptances given to creditors	4,580
• Discount Allowed by suppliers	355
• Bills Receivable dishonored	300

In addition to the above goods costing Rs. 94 were stolen away from the godown, no entry has been recorded for the same.

You are required to prepare Trading Account, Profit and Loss Account for the year ended 31<sup>st</sup> March, 2014 and Balance-Sheet as on that date.

- Q.4** From the following Trial Balance of Renuka Ltd. prepare 'Crop Account', 'Live Stock A/c', Profit and Loss Account for the year ended 31<sup>st</sup> March, 2018. (16)

	<b>Rs.</b>
Stock on 1/4/2017	
Growing Crops, wheat	10,000
Seeds and Fertilizers	10,000
Live Stock	25,000
Feeding Materials	6,000
Crop Expenses	10,000
Livestock Expenses	28,300
Farm House Expenses	1,200
Interest on Loan (Crop)	4,000
Salaries and Wages:	
Manager's Salary	6,000
Farm Labour	5,000
Staff Meals	500
Repairs to Machinery	1,000
Office Expenses	4,000
Livestock Purchases	12,500
Sales:	
Wheat	35,000
Livestock	75,000

**Additional Information:**

- a) Stocks on 31/3/2018
- |   |     |        |
|---|-----|--------|
| Growing Crops, Wheat, Seeds and Fertilizers | --- | 10,000 |
| Livestock                                   | --- | 40,000 |
| Feeding Materials                           | --- | 1,000  |
- b) The livestock A/c is chargeable with 20% of Manager's salary and staff meals.
- c) Farm product worth Rs. 1,000 is consumed by cattle's.

**OR**

There was a fire in the business premises of Runwal Traders, on 15-10-2014. From the following particulars, ascertain the loss of stock and prepare a claim for insurance.

	<b>Rs.</b>
Stock on 1/1/2013	15,300
Purchases from 1/1/2013 to 31/12/2013	61,000
Sales from 1/1/2013 to 31/12/2013	90,000
Stock on 31/12/2013	13,500
Purchases from 1/1/2014 to 14/10/2014	73,500
Sales from 1/1/2014 to 14/10/2014	75,000

The stock were always valued at 90% of the cost. The stock saved was worth Rs. 9,000. The amount of the policy was Rs. 31,500. There was an average clause in the policy.

- Q.5** The following are the summarised Profit and Loss Account Raj Ltd., for the year ended 31<sup>st</sup> March 2018. (16)

<b>Particulars</b>	<b>Rs.</b>	<b>Particulars</b>	<b>Rs.</b>
To Opening Stock	99,500	By Sales	9,50,000
To Purchases	5,45,000	By Closing Stock	1,50,000
To Carriage Inward	15,500		
To Gross Profit C/D	4,40,000		
	<b><u>11,00,000</u></b>		<b><u>11,00,000</u></b>
To Operating Expenses	2,00,000	By Gross Profit B/D	4,40,000
To Non-Operating Expenses	40,000	By Non-Operating Income	60,000
To Net Profit C/D	2,60,00		
	<b><u>5,00,000</u></b>		<b><u>5,00,000</u></b>

- a) Gross Profit Ratio
- b) Net Profit Ratio
- c) Operating Ratio
- d) Stock Turnover Ratio

**OR**

- Q.5** Write short notes on the following: (16)

- a) Objectives of Ratio Analysis
- b) Abnormal stock
- c) Merits of single entry system
- d) Short sales

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