

S.Y.B.COM. SEM – III (2014 COURSE) : SUMMER - 2018
SUBJECT : CORPORATE ACCOUNTING – I

Day : **Wednesday**
Date : **11/04/2018**

Time : **12.00 NOON TO 02.00 PM**
Max. Marks : 40

S-2018-0305

N.B.:

- 1) **Q.No.1 is COMPULSORY.** Attempt **ANY TWO** questions from the remaining.
- 2) Figures to the right indicate **FULL** marks.
- 3) Use of **CALCULATOR** is allowed.

Q.1 a) Following is the Trial Balance of Ravi Ltd., as at 31st March, 2017.

[15]

Trial Balance

Particulars	Debit ₹	Credit ₹
Share Capital: 75,000 shares of ₹ 10 each		7,50,000
Debtors and Creditors	1,20,000	88,000
Purchases and Sales	1,80,000	3,00,000
Land and Building	1,50,000	---
Bad Debts Reserve 1.4.2016	---	5,000
Stock 1.4.2016	1,00,000	---
Plant and Machinery	2,20,000	---
Wages	43,000	---
Investments	50,000	---
Profit and Loss Account 1.4.2016	---	30,000
Interest on Investment	---	5,000
Cash at Bank	92,000	---
Salaries	30,000	---
Bad Debts	3,000	---
Gas and Water	5,000	---
Rates and Insurance	2,000	---
Goodwill	1,50,000	---
Returns	2,000	2,000
Unclaimed Dividend	---	10,000
Trade Expenses	30,000	---
Preliminary Expenses	13,000	---
Total	11,90,000	11,90,000

Adjustments:

- i) Stock on 31.03.2017 ₹ 1,20,000.
 - ii) Provide for Depreciation on Plant and Machinery at 5%.
 - iii) Write off half of the preliminary expenses.
 - iv) Transfer ₹ 10,000 to General Reserve.
 - v) Provide for doubtful debts at 5%.
- Prepare Statement of Profit and Loss and Balance Sheet in vertical form as per revised Schedule VI of the Companies Act, 2013.

b) Write short note on **ANY ONE** of the following:

[05]

- i) Profit Prior to Incorporation
- ii) Types of Share Capital
- iii) Forfeiture of Shares

P.T.O.

- Q.2** Ajit Steel Ltd., issued for subscription 2,000 shares of ₹ 100 each at a premium of ₹ 20 per share payable as under: [10]
- On Application ₹ 20
 On Allotment ₹ 50 (including premium)
 On First Call ₹ 20
 On Final Call ₹ 30

Applications were received for 3,000 shares. The Directors refunded the excess application money on 1000 shares. All the amounts were duly received except Mr. Mohan to whom 100 shares were allotted. He fails to pay first and final call. His shares were forfeited and those shares were reissued to Mr. Sohan as fully paid at ₹ 80 per share.

Journalise the transactions in the books of the company.

- Q.3** The Jaihind Company Ltd., was formed to take over a running business of Antoni Enterprises with effect from 1st April, 2016. The company was incorporated on 1st August 2016 and certificate of commencement of business was received on 1st December, 2016. The following is the Profit and Loss Account for the year ended 31st March, 2017. [10]

Particulars	₹	Particulars	Credit ₹
To Salaries	30,000	By Gross Profit	1,74,000
To Printing and Stationery	2,400		
To Travelling Expenses	9,000		
To Advertisement	8,000		
To Miscellaneous Expenses	18,900		
To Rent	14,400		
To Electric Charges	2,400		
To Directors Fees	6,000		
To Bad Debts	1,600		
To Commission to Agents	8,000		
To Audit Fees	2,500		
To Interest to Vendors	2,100		
To Selling Expenses	12,600		
To Depreciation on Fixed Assets	5,100		
To Net Profit	51,000		
Total	1,74,000		1,74,000

- a) The turnover for the whole period amounted to ₹ 2,40,000 of which ₹ 60,000 related to period from 1st April 2016 to 31st July 2016.
 b) Rent per month was ₹ 1,000 per month but it was increased by ₹ 400 from October, 2016.
 c) Travelling Expenses includes ₹ 3,000 towards Sales Promotion.
 d) Depreciation includes ₹ 600 for assets acquired after incorporation.
 e) Interest paid to Vendor was upto 30th Sept, 2016.
 Find out profit prior to and after incorporation.

- Q.4** Active Company Ltd., issued 50,000 Redeemable Preference Shares at ₹ 10 each on 1st April, 2011, redeemable at the option of the company on or after 31.03.2015 in whole or in part. The following redemptions were made out of profits: [10]
- On 31st March 2015 ₹ 1,00,000
 On 31st March 2016 ₹ 2,00,000
 On 1st June 2016 company issued 30,000 equity shares of ₹ 10 each as a premium of ₹ 2 per share and redeemed the remaining redeemable preference shares from fresh issue. These shares were fully subscribed.
 Show the Journal Entries in the books of the company.