

S.D.E.

T. Y. B. COM. (2008 COURSE) : SUMMER - 2018

SUBJECT: CORPORATE ACCOUNTING - II

Day: Thursday
Date: 12/04/2018

Time: 3.00 P.M. TO 6.00 P.M.
Max. Marks: 80

S-2018-4185

N.B:

- 1) All questions are **COMPULSORY**.
- 2) Figures to the right indicate **FULL** marks.
- 3) Both sections should be written in **SAME** answer book.
- 4) Use of non – programmable calculator is **ALLOWED**.

SECTION - I

Q.1 B Finance Co. Ltd. Held on 1st January 2016 Rs. 1,00,000 4% (16)
Government Loan at 95,000. Three months interest had accrued. On 31st May
Company purchased further Rs. 40,000 of Loan at 96 cum – interest. On 31st
July Rs. 30,000 of Loan was sold at 94 ex – interest.

On 30th November Rs. 20,000 of Loan was sold at 96 cum – interest.
Interest on Loan is receivable of 31st March and on 30th September each year.
The price of Loan was 96 on 31st December 2016.

Brokerage is paid on buying and selling Loan at 20 paise per Rs. 100.

Write up Government Loan account closing it on 31st December. 2016
presuming that above Government Loan has nominal value of Rs. 100 each.

OR

From the following ledger balances of Pune Bank Ltd, as on 31st March, 2017 (16)
you are required to prepare Profit and Loss account for the year ended 31st
March, 2017 and Balance sheet as on that date.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
Share capital: Shares of Rs. 100 each, fully paid up	5,00,000	Cash in hand	2,25,000
Reserve Fund	1,50,000	Cash with RBI	6,50,000
Profit and Loss Account (01.04.2016)	1,30,000	Cash with other banks	7,25,000
Bills Payable	4,00,000	Premises (Cost Rs. 6,50,000)	6,00,000
Unclaimed Dividend	5,000	Dividend for 2015 – 16	25,000
Sundry Creditors	25,000	Miscellaneous expenses	10,000
Interest and Discount Received	3,25,000	Rent, Rated and Taxes	5,000
Borrowing from other banks	4,80,000	Salaries	50,000
Fixed Deposits	35,00,000	Interest paid	90,000
Saving Deposits	17,00,000	Investment in Govt. securities	10,00,000
Current deposits	9,75,000	Investment in shares	5,00,000
		Money at call and at short notice	2,90,000
		Non banking assets	1,70,000
		Bills discounted and purchased	2,50,000
		Loans, cash credits and OD	36,00,000
	81,90,000		81,90,000

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Adjustments:

- Provide rebate on bills discounted Rs. 10,000.
- Provide Rs. 12,000 for taxation reserve.
- Provide depreciation on premises at 5% on the original cost.
- Bills for collection amounted Rs. 1,00,000 and Acceptances on behalf of customers amounted to Rs. 2,00,000. Claims against the company not acknowledged as debts amounted to Rs. 2,50,000.

Q.2 The following Balance sheets are Presented to you, (16)

Balance Sheets as on 31 – 03 - 2017

Liabilities	Bharat Ltd. Rs.	Delhi Ltd Rs.	Assets	Bharat Ltd. Rs.	Delhi Ltd. Rs.
Share Capital Shares of Rs. 100 each	7,00,000	2,00,000	Fixed assets	5,00,000	90,000
General Reserve	2,00,000	-	Stock – in Trade	3,00,000	50,000
Profit & Loss	1,80,000	-	Debtors	1,70,000	80,000
8% Debentures	-	1,00,000	8% Debentures acquired at par in Delhi Ltd	60,000	-
Trade Creditors	1,20,000	1,50,000	Shares in Delhi Ltd. 1,500 shares at Rs 80 each	1,20,000	-
			Bank	50,000	30,000
			Profit & Loss	-	2,00,000
	<u>12,00,000</u>	<u>4,50,000</u>		<u>12,00,000</u>	<u>4,50,000</u>

Bharat Ltd. Acquired the shares as on 1st June 2016. The Profit and loss account of deli Ltd. Showed a debit balance of Rs. 1,50,000 on 1st April 2016. Trade creditors of Delhi Ltd. include Rs. 30,000 for goods supplied by Bharat Ltd. On which Bharat Ltd. Made a profit of Rs. 2,000. Half of the goods were still in stock on 31st March 2017.

You are required to draft the consolidated balance sheet as at 31st March 2017 to be presented to the shareholders of Bharat Ltd.

OR

Altra – optimist Ltd, went into voluntary Liquidation on 31st March 2017. The following balance sheet was Prepared. (16)

Liabilities		Assets	
Subscribed Capital 19,500 Equity shares of Rs. 10 each fully paid	1,95,000	Goodwill	40,000
Sundry creditors		Patents	10,000
Preferential	24,200		
Partly Secured (Against freehold properly)	55,310		
Unsecured	99,790		
Bank overdraft (Unsecured)	12,000	Freehold Building	48,000
		Plant	65,500
		Stock in trade	56,800
		Sundry Debtors	64,820
		Bills Receivable	2,500
		Profit & Loss A/c	96,680
	<u>3,86,300</u>		<u>3,86,300</u>

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The Liquidator realized the assets as follows :

A	Freehold Property (Used to pay partly secured creditors)	35,000
B	Plant	51,000
C	Stock in trade	39,000
D	Bills Receivable	2,500
E	Debtors	58,500

The Expenses of liquidation amounted to Rs. 1,000 and the Liquidator's remuneration was agreed at $2\frac{1}{2}\%$ on the amount realized and 2% on the amount paid to unsecured creditors.

You are required to prepare

- 1) Liquidator's Final Statement of Account
- 2) The working of Liquidator's Remuneration.

SECTION - II

Q.3 From the following particulars submitted by a retail trader you are required to (16) prepare:

- a) Total Debtors Account.
- b) Total Creditors Account.
- c) Total Creditors Account
- d) Bills Payable Account

Particulars	1.1.2017 (Rs.)	31.12.2017 (Rs.)
Investment	20,000	20,000
Debtors	50,000	58,000
Bills receivables	20,000	18,000
Creditors	39,000	35,000
Bills payable	9,000	3,000
Stock	28,000	22,800
Plant and Machinery	60,000	65,000
Loan from Bank	30,000	20,000

Other information:

- i) Cash received form Debtors Rs. 21,000
- ii) Cash received form Bills Receivable Rs. 12,000.
- iii) Amount paid to creditors Rs. 22,000
- iv) Amount paid against Bills Payable Rs. 13,000.
- v) Discount allowed Rs. 4,000 and discount received Rs. 2,500
- vi) Purchases returns Rs.3,000 and sales return Rs.5,000.
- vi) Create reserve for Doubtful debts on debtors at 5%

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OR

Form the following trail balance of Golden Farms Draw of the final account (16)
for the year ending on 30-06-2017

Debit Balances		Rs.	Credit balances		Rs.
Stock on 1-07- 2016			Capital Balance		25,150
Livestock	7,500		Sales:		
Paddy	3,000		Livestock	2,400	
Cattle feed	500		Paddy	21,250	
Fertilizers	250		Milk	12,850	36,500
Seeds	250	11,500	Creditors		1,300
Purchases:			Outstanding expenses		200
Livestock	1500				
Cattle feed	5,400				
Fertilizers	800				
Seeds	250	7,950			
Debtors		1,050			
Farm Machinery Maintenance		1,100			
Farm Machinery		7,500			
Crop Expenses		2,700			
Live stock expenses		1,900			
General expenses		1,950			
Cash and bank		5,000			
Land		22,500			
		63,150			63,150

Adjustments:

- i) Closing stock on 2017 – Livestock Rs. 5,000 , Paddy – Rs. 2,500 ,
cattle feed – Rs. 300 and fertilizers Rs. 200
- ii) The farmer consumed milk of Rs. 1,500 and Paddy of Rs. 250 during the
year out of farm of output
- iii) Depreciation at 10% is to be provided on farm Machinery.

Q.4 From the following particulars ascertain the value of stock on the date of fire (16)

	2014 Rs.	2015 Rs.	2016 Rs.	Up to the date of fire Rs.
Opening Stock	15,000	?	?	?
Purchases Less Returns	50,000	75,000	90,000	60,000
Sales less Returns	60,000	80,000	1,30,000	84,000
Factory expenses	3,000	5,000	6,000	4,000
Closing stock	20,000	40,000	50,000	?

During the year 2016 closing stock included goods purchased but not recorded Rs. 5,000. The salvage is valued at Rs. 11,000. It is the practice of the firm to insure the goods at 90% cost.

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OR

Following are the financial statements of Manish Ltd. Mumbai for the year (16)
2015 and 2016

Liabilities	31-12-2016 Rs.	31-12-2015 Rs.	Assets	31-12-2016 Rs.	31-12-2015 Rs.
Equity Share Capital in Rs. 10 per shares	10,00,000	10,00,000	Fixed Assets	15,00,000	12,50,000
General Reserve	9,00,000	9,00,000	Current Asset Stock in – hand	4,25,000	3,50,000
Profit & Loss A/c	75,000	25,000	Sundry debtors	1,90,000	1,80,000
6% debentures	3,00,000	2,00,000	Cash at Bank	6,10,000	5,15,000
Sundry Creditors	3,50,000	1,20,000			
Proposed Dividend	1,00,000	50,000			
	27,25,000	22,95,000		27,25,00	22,95,000

Profit & Loss Accounts

Particulars	31-12-2016	31-12-2015	Particulars	31-12-2016	31-12-2015
To cost of Goods sold	- 18,00,000	- 16,00,000	By Sales	30,00,000	24,00,000
To Gross Profit	12,00,000	8,00,000			
	30,00,000	24,00,000		30,00,000	24,00,000
To Overhead Expenses	10,00,000	7,00,000	By Gross Profit	12,00,000	8,00,000
To net Profit	2,00,000	1,00,000			
	12,00,000	8,00,000		12,00,000	8,00,000

You are required to compute the following Ratios and give possible reasons
for changes in each case.

(1)Current Ratio, (2)Gross Profit Ratio, (3)Net Profit Ratio, (4)Equity to Total
Assets Ratio.

Q.5 Short Notes on: (ANY FOUR)

(16)

- Demerits of Single Entry.
- Features of Farm Accounting.
- Features of Single Entry.
- Need of insurance.
- Comprehensive policy.
- Nature of ratio analysis.

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