

S.D.E.

T. Y. B. Com. (2008 Course) : WINTER - 2018

SUBJECT: CORPORATE ACCOUNTING - II

Day: Wednesday

Date: 10/10/2018

Time: 03.00 PM TO 06.00 PM

Max. Marks: 80

W-2018-4306

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

**SECTION – I**

**Q.1** The following are the summarized Balance Sheets of H Ltd., and S Ltd., as on (16) 31-3-2018.

Liabilities	H Ltd. Rs.	S Ltd Rs	Assets	H Ltd. Rs.	S Ltd Rs
Share Capital:	1,80,000	1,00,000	Buildings	50,000	40,000
• Shares of Rs. Each			Machinery	80,000	20,000
Sundry Creditors	40,000	20,000	Furniture	60,000	20,000
Bills payable	20,000	10,000	Debtors	50,000	25,000
Bank Overdraft	20,000	-	Investments :	55,000	
Profit and Loss	35,000	-	(8,000 Equity Shares in S Ltd.)		
			Profit and Loss	-	25,000
	<b>2,95,000</b>	<b>1,30,000</b>		<b>2,95,000</b>	<b>1,30,000</b>

Other Information:

- i) Debtors include Rs. 10,000 due from S Ltd.
  - ii) H. Ltd., acquired the shares of S Ltd., on 1<sup>st</sup> April, 2017 when S Ltd., had a debit balance of Rs. 40,000 in its Profit and Loss Account.
- Prepare a Consolidated Balance Sheet as on 31-3-2018.

**OR**

Write short notes on the following

- a) Voluntary Liquidation
- b) Non-performing Assets
- c) Purchase and sale of securities at Ex – interest and cum – interest
- d) Pre – acquisition profits

**Q.2** Following is the Trial Balance of Vikas Bank Ltd. Mumbai as on 31 – 3-2018 (16)

Particulars	Debit Rs.	Credit Rs.
Premises Less Depreciation	1,85,000	-
Money at call and short notice	2,15,000	-
Furniture Less Depreciation	30,000	-
Depreciation on Bank's Assets	11,000	-
Non Banking assets Acquired in settlement of claims	20,000	-
Cash in hand	3,00,000	-
Cash in Banks	2,50,000	-
Investments	3,50,000	-
Loans, Cash Credit and Overdrafts	12,65,000	-
Interest on Deposits and Borrowings	2,00,000	-
Audit fees	4,500	-
Salaries and Allowances to Staff	40,500	-
Director's Fees	4,000	-
Postage and Telegrams	1,350	-
Printing and Stationery	3,700	-

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Other Expenditure	2,450	-
Interest and Discounts	-	3,67,500
<b>Share Capital:</b>		
<b>Authorized:</b> 7,500 Equity Shares of Rs. 100 each	-	-
Issued and Subscribed 6,000 Equity Shares of Rs. 100 each fully paid	-	6,00,000
Statutory Reserve	-	1,20,000
Deposits	-	12,50,000
Provident Funds	-	1,35,000
Borrowings from Maharaja Bank Ltd.	-	2,55,000
Unclaimed Dividend	-	4,000
Commission and Exchange	-	37,500
Profit on Sale of non – Banking Assets	-	1,200
Profit and Loss Account as on 1-4-2017	-	1,12,300
Total	<b>28,82,500</b>	<b>28,82,500</b>

- i) Provided Rs. 10,000 for Bad and Doubtful Debts.
- ii) Bills for collection amounted to Rs. 1,05,000.
- iii) Acceptances, Endorsements and Other obligations amounted to Rs. 52,000.
- iv) Provide Rs. 1,500 for Rebate on Bills discounted.
- v) Provide Rs. 10,500 for taxation.
- vi) Postage stamps of Rs. 160 and Stationery of Rs. 700 was in hand on 31-3-2018.

Prepare Profit and Loss Account for the year ended 31-03-2018 and the Balance Sheet as on that date.

**OR**

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

- a) The interest on debentures were paid upto 31<sup>st</sup> March, 2016.
- b) Preference dividend were in arrears for two years.
- c) The assets realized 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 liquidators remuneration was fixed at Rs. 1,500 plus 2% on all assets realized except cash.
- e) The Creditors include the Preferential creditors which amounted to Rs. 5,000.  
Prepare the Liquidator's final statement of account.

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**SECTION - II**

- Q.3** Rahul Ltd. Keeps his books of accounts under single entry system. From the following information relating to the year 2013 – 2014, prepare his Trading account and Profit and loss account for the year ended 31<sup>st</sup> March, 2014 and a Balance sheet (16)

**A) Particulars of Assets and Liabilities:**

Assets and Liabilities	As on 1-4-2013 Rs.	As on 31-3-2014 Rs.
Investments in 20% government bonds	30,000	30,000
Prepaid insurance	-	500
Acceptance receivable	30,000	27,000
Wages payable	-	1,530
Acceptances payables	12,300	4,200
Sundry debtors	75,000	87,000
Sundry creditors	59,100	53,700
Stock – in - trade	42,300	34,200
Outstanding printing	-	410
Machinery	90,000	90,000
Loan from Mohanlal @ 10%	45,000	45,000
Outstanding interest on Mohanlal's loan	-	4,500
Cash in hand	15,900	11,400

**B) Summary of cash transactions:**

Dr.		Cr.	
Receipts	Rs.	Payments	Rs.
To Opening cash in hand	15,900	By Sundry Creditors	59,100
To capital introduced on 1-4-2013	33,200	By Bills payable	45,900
To Sundry Debtors	31,900	By Wages	22,470
To Sales	43,500	By Cartage	1,330
To Interest on investments on Govt. Bonds	5,100	By Salaries	10,000
To Bills receivables	39,900	By Printing	1,590
		By postage	1,490
		By Accountancy charges	2,120
		By insurance	1,500
		By Insurance premium on Life insurance policy	2,600
		By sales promotion expenses	10,000
		By balance C/D	11,400
	<b>1,69,500</b>		<b>1,69,500</b>

- i) Depreciate Machinery @ 5% p.a on written down value method
- ii) Revenue stamps of Rs. 90 were in hand on 31-03-2014.
- iii) Interest on capital is to be provided @ 10% p.a.

- Q.4** From the following Trial Balance of Mr. Jayant prepare: i) Crop A/c ii) (16) Livestock A/c iii) Profit and Loss A/c for the year ended 31-3-2018.

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Particulars	Amount
<b>Stock 1-4-2017</b>	
Livestock	6,000
Crops	4,000
Feeding	200
Farm House Expenses	240
Crop Expenses	2,000
Livestock expenses	5,500
Livestock purchases	2,500
<b>Salaries and Wages</b>	
Farm labour (crop)	1,000
Manager's salary	1,200
Legal fees	600
Office expenses	200
Staff meals	100
Sundry expenses (livestock)	160
Repairs to machinery	400
Repairs and maintenance (crop)	100
Interest on loan (crop)	600
<b>Sales</b>	
Livestock	15,000
Corn and Strand	7,000

Adjustments:

- Crop worth Rs. 400 was used for feeding livestock during the year
- Office expenses and legal fees are purely of administrative nature.
- Charge 10% of salaries and staff meals to livestock A/c
- The manager is entitled to get a commission of 5% on profit made by livestock A/c before his commission
- Closing stock on 31-12-2010 were: Crowing crops, 2,000, Livestock 8,000, Feeding 400

OR

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

Particulars	Rs.
Stock on 1-1-2013	34,000
Purchases from 1-1-2013 to 31-12-2013	1,22,000
Sales from 1-1-2013 to 31-12-2013	1,80,000
Stock on 31-12-2013	30,000
Purchases from 1-1-2014 to 14-10-2014	1,47,000
Sales from 1-1-2014 to 14-10-2014	1,50,000

The stock salvaged was worth Rs 18,000. The amount of policy was Rs. 63,000. There was an average clause in the policy

Q.5 Indian cable Ltd. Submits the following profit and loss account for the year (16) ended 31<sup>st</sup> March, 2018.

Dr. Profit and Loss Account for the year ended on 31-3-2018 Cr.

Particulars	Rs.	Particulars	Rs.
To Opening stock	5,200	By Sales	32,000
To Purchase	16,000	By Closing stock	7,600
To Wages	4,800		
To Manufacturing expenses	3,200		
To Gross profit C/D	10,400		
	<b>39,600</b>		<b>39,600</b>

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