

BACHELOR OF COMMERCE (CBCS - 2018 COURSE)

S. Y. B. Com. Sem-III :SUMMER- 2022

SUBJECT : CORPORATE ACCOUNTING-I

Day : Saturday
Date : 2/7/2022

S-18149-2022

Time : 03:00 PM-06:00 PM
Max. Marks : 60

N.B.

- 1) All questions are **COMPULSORY**.
- 2) Figures to the right indicate **FULL** marks.
- 3) Use of non-programmable calculator is allowed.

Q.1 Sandvik Ltd. issued for public subscription 2,000 Equity shares of ₹100 each (12) at a premium of ₹ 5 per share payable as follows:
On Application of ₹ 35 per share (including premium)
On Allotment ₹ 25 per share
On 1st Call ₹ 30 per share
On final call ₹ 15 per share
Applications were received of 2,200 shares 2,000 equity shares were allotted to the applicants, the remaining applications for 200 equity shares were rejected and the application money thereon was refunded.
All the amounts were received except Miss Monika to whom 100 equity shares were allotted. She failed to pay the amount due on 1st and Final call. These shares were subsequently forfeited. The forfeited equity shares were sold to Miss Sanika as full paid at ₹ 80 per share. Pas necessary Journal Entries in the books of Sandvik Ltd.

Q.2 Pranita Ltd. was incorporated on 1st July 2018. It took over the business of (12) Vijaya Ltd. with effect from 1st April, 2018. The Statement of Profit and Loss of Vijaya for the year ended 31st March, 2019. Disclosed the following facts.

- i) Turnover for the year was ₹ 8,00,000 and that for period after incorporation was ₹ 5,00,000.
- ii) Gross profit for the year was ₹ 2,40,000.
- iii) Following expenses were debited statement of Profit and Loss.

| Particulars | ₹ |
|---|--------|
| Rent | 10,000 |
| Salaries | 18,000 |
| Directors Fees | 7,000 |
| Interest on Debentures | 6,000 |
| Allowance to Directors | 4,800 |
| Depreciation | 36,000 |
| Audit Fees | 2,400 |
| Advertising | 20,000 |
| Commission | 12,000 |
| Bad debts | 2,500 |
| (₹ 600 relate to the debt taken over from the firm) | |
| Interest to vendors on purchase price upto 1 st August, 2018 | 5,000 |

Find out profit prior to and after incorporation.

P.T.O.

Q.3

The following is the Trial Balance from the following:

(12)

| Particulars | Debit ₹ | Credit ₹ |
|---|-----------------|-----------------|
| Share capital 1,000, 8% Preference Shares of ₹ 100 each | | 1,00,000 |
| 2,500 Equity Shares of ₹ 100 each | | 2,50,000 |
| General Reserve | | 10,000 |
| Opening Stock | 85,000 | |
| Sundry Debtors | 80,000 | |
| Sundry Creditors | | 43,000 |
| Bills Receivable | 12,000 | |
| Profit and Loss A/c | | 6,000 |
| Business Premises | 1,00,000 | |
| Plant and Machinery | 80,000 | |
| Furniture | 23,000 | |
| Investments | 25,000 | |
| Cash in hand | 2,500 | |
| Cash at bank | 1,22,600 | |
| Interest paid | 5,200 | |
| Purchases | 2,25,000 | |
| Sales | | 4,30,000 |
| Carriage inward | 4,000 | |
| Manufacturing wages | 30,000 | |
| Bad debts | 1,100 | |
| Salaries | 7,000 | |
| Depreciation of assets | 25,000 | |
| Office expenses | 4,700 | |
| Preliminary expenses | 8,000 | |
| Bills payable | | 1,100 |
| Total | 8,40,100 | 8,40,100 |

Adjustments:

- 1) Closing stock was valued at ₹ 80,000 at cost and ₹ 85,000 at market price.
- 2) Outstanding salaries were ₹ 1,500 and office expenses were paid in advance amounted to ₹ 700.
- 3) Provide ₹.10,000 for taxation
- 4) Write off half of Preliminary Expenses.
- 5) Goods worth ₹.5,000 were sold as on 28/03/2019 and delivered to the customers, but not recorded in the sales book.
- 6) Directors decided to-
 - a) propose the dividend on Preference shares and 10% dividend on Equity shares.
 - b) Transfer ₹,3000 to General Reserve.

Prepare statement of Profit and Loss and Balance Sheet in vertical form as per revised schedule of the Companies Act 2013

OR

Explain the types of Share Capital.

Q.4 Honda Co. Ltd. issued 50,000 Redeemable Preference Share at ₹ 10 each (12)
on 1st April 2014, redeemable at the option of the company on or after
31/3/2018 in whole or in part. The following redemption were made out of
profits.
On 31st March 2018 ₹ 1,00,000
On 31st March 2019 ₹ 2,00,000
On 1st June 2019 company issued 30,000 equity shares of ₹ 10 each as a
premium of ₹ 2 per share and redeemable the remaining redeemable
preference shares from fresh issue. These share were fully subscribed.
You are required to Journalise the transactions in the books of Honda Co.
Ltd.

Q.5 Write short notes on any **THREE** of the following: (12)

- a) Issue of shares at premium
- b) Redemption of Preference Shares
- c) Profit prior to incorporation
- d) As-14 accounting for amalgamation
- e) Issue of shares at par

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