

B.Com. (Part-II) (CBCS Pattern) Sem-IV
UCA4C06 : Corporate Accounting
Paper-II

P. Pages : 10

Time : Three Hours



GUG/S/19/12035

Max. Marks : 60

- Notes :
1. All questions are compulsory.
 2. All questions carry equal marks.

1. a) A Sonal Bank Ltd. Chandrapur has given you the following balances on that basis prepare Profit & Loss A/c. **6**

	Rs.
Interest paid on Saving A/c	7,950
Interest on Loans & Advances	1,14,600
Discount on Bills Discounted	12,000
Director's fees	6,200
Salaries	21,200
Postage	50
Commission	12,000
Exchange	8,200
Brokerage	5,100
Profit on Sale of Investments	3,900
Interest on Fixed Deposits	10,000
Interest on overdrafts	8,000

Adjustments :

- i) Provide for bad debts Rs. 500
 - ii) Rebate on Bills Discounted Rs.1,000.
 - iii) Current year's depreciation on Building Rs.2,000
 - iv) Provide Rs.20,000 for tax.
 - v) Transfer necessary amount to statutory Reserve Fund from profit as per Banking Companies Act.
- b) Arjun Bank Ltd. Nagpur has given the following balances. Prepare Balance Sheet & related schedule of bank. **6**

	Rs.
Issued & subscribed share capital (60,000 shares of Rs. 100 each)	60,00,000
Called up & paid up share capital (60,000 shares of Rs.50 each)	30,00,000
Demand Deposits	68,20,000
Statutory Reserve (Previous year's)	7,00,000
Statutory Reserve (Current Year's provision)	1,14,000
Borrowing from other Banks	40,00,000
Cash in hand	3,20,000
Balance with R.B.I.	70,00,000
Saving Bank Deposits	51,30,000
Time Deposits	78,00,000
Profit & Loss A/c (Credit)	12,56,000
Bills Payable	26,00,000

Rebate on Bills Discounted	1,10,000
Balance with Banks	65,00,000
Government Securities	24,00,000
Bills Purchased & Discounted	28,00,000
Cash Credits	59,70,000
Premises	49,00,000
Furniture	16,40,000

OR

- c) From the following Trial Balance and additional information prepare Profit & Loss A/c and Balance Sheet of Bela Bank Ltd. as on 31st March 2018.

12

Particulars	Dr. Rs.	Particulars	Cr. Rs.
Building less Depreciation	50,000	Share Capital (50,000 shares of Rs.100 each)	5,00,000
Office furniture less Depreciation	60,000	General Reserve	1,00,000
Loans and Advances	2,50,000	Deposits	2,80,000
Money at Call & Short notice	35,000	Profit & Loss A/c	16,000
Investments	4,00,000	Interest & Discount	75,000
Freehold & Leasehold properties	50,000	Statutory Reserve	50,000
Bills Discounted & purchased	46,000	Borrowing from other Banks	1,00,000
Cash in hand	33,000	Commission	33,000
Cash with RBI	1,60,000	Rent Received	20,000
Interest paid on Deposits	24,000	Unclaimed Dividend	15,000
Salaries	28,000		
Operating Expenses	27,400		
Interest on Bank	5,600		
Borrowings other Assets	20,000		
	11,89,000		11,89,000

Additional Information :

- i) Provide Rs.5,000 for doubtful debts.
- ii) Rebate on Bills Discounted Rs.3,600
- iii) Interest accrued on Investment Rs.8,000.
- iv) Create a provision of Rs.2,500 for taxation.
- v) Director's propose dividend @ 4% for the year 2017-18.
- vi) Transfer to statutory reserve as per rule.
- vii) Endorsement of Bills on behalf of customers Rs.15,000.

2. a) From the following particulars of Piyu Insurance Co. Ltd. you are required to prepare Fire Revenue Account for the year ended on 31st March 2018.

6

	Rs.
Claims paid	4,80,000
Claims o/s on 1 st April 2017	40,000
Claims intimated but not accepted on 31 st March 2018	10,000
Claims accepted but not paid on 31 st March 2018	60,000
Premium Received	16,00,000

Reinsurance Premium paid	1,20,000
Reinsurance premium received	60,000
Commission	1,00,000
Commission on reinsurance ceded	10,000
Commission on reinsurance accepted	5,000
Premium o/s on 1 st April 2017	30,000
Expenses of Management	2,05,000
Provision for unexpired risks on 1 st April 2017	5,00,000
Additional Provision for unexpired risk on 1 st April 2017	20,000
Bonus in reduction of premium	12,000
Interest & Dividends (after deducting Income Tax Rs. 9,000)	18,000

Provide Reserve for unexpired Risk as per rule & for additional Reserve for unexpired Risk at 1% of the net premium in addition to the opening balance.

- b) From the following balances of India Insurance Co. Ltd. prepare the
- Fire Revenue A/c,
 - Marine Revenue A/c
 - Profit & Loss A/c
- for the year ended 31st December 2018 :

6

	Rs.
Bad debts (fire)	5,000
(marine)	12,000
Auditors fees	1,200
Director's fees	5,000
Share Transfer fees	800
Bad Debts Reserved	1,200
Fund (Fire) (1-1-2018)	2,50,000
(Marine) (1-1-2018)	8,20,000
Claims paid & o/s (Fire)	1,90,000
(Marine)	3,80,000
Commission paid Fire	90,000
Marine	1,08,000
Additional Reserve on 1-1-2018 (Fire)	50,000
Depreciation	35,000
Interest, Dividends etc. received	35,000
Difference in Exchange (Cr.)	14,000
Miscellaneous Receipts	5,000
Profit on sale of land	60,000
Premium less Re-insurance Fire	6,00,000
Marine	10,80,000
Management Expenses Fire	1,45,000
Marine	4,00,000
Commission earned on reinsurance ceded	
Fire	30,000
Marine	60,000

In addition to usual reserve, an Additional Reserve in case of Fire insurance is to be increased by 5% of net premium.

OR

c) Following balances are taken from the books of an Insurance Company on 31st March 2018.

12

Particulars	Rs.	Particulars	Rs.
Profit & Loss Appropriation A/c 1-4-2017 (Cr.)	60,000	Commission on Re-insurance accepted : Fire Marine	9,000 25,000
Transfer fees	1,500	Commission on Re-insurance ceded Fire Marine	15,000 15,000
Interest on Loans given and Investments	12,500	Claims Paid : Fire Marine	60,000 1,60,000
Management Expenses	45,000	Outstanding claims (1-4-2017) Fire Marine	5,900 22,000
Loss on realization of investments	34,000	Recoveries of claims : Fire Marine	3,100 28,000
Reserve for un-expired risk (1-4-2017) Fire Marine	4,00,000 3,00,000	Expenses of Management : Fire Marine	1,60,000 82,000
Additional Reserve fire (1-4-2017)	80,000	Legal Expenses : Fire Marine	6,000 18,000
Premium : Fire Marine	9,00,000 4,60,000		
Commission on Direct Business : Fire Marine	1,00,000 1,15,000		

Additional Information :

- Provide for reserve for unexpired risk at the end of the year as per rules :
- Outstanding claims on 31st March 2018
Fire Rs. 9,000 ; Marine Rs. 20,000
- Increase the amount of Additional Reserve to Rs. 2,00,000.
- Balance of Profit & Loss A/c (last year's) indicates the profit after paying a dividend of Rs.1,40,000 for the year 2016-17
- Transfer Rs.60,000 to investment fluctuation fund.
- Dividend declared for 2017-18 was Rs.2,00,000

Prepare :

- Fire Revenue A/c
- Marine Revenue A/c
- Profit & Loss A/c and
- Profit & Loss Appropriation A/c

3. a) Vana Trading Ltd. was formed on 1st April 2018 to take over the business of M/s Ram Traders, with effect from 1st January 2018. The following was the Profit & Loss A/c prepared in the year ending 31st Dec. 2018.

6

Profit & Loss A/c for the year ended 31st Dec. 2018

Particulars	Rs.	Particulars	Rs.
To Salaries & Wages	1,60,000	By Gross Profit	7,00,000
To Rent & Rates	35,000		
To Director's fees	18,000		
To Commission on sales	56,000		
To General Expenses	48,000		
To Advertising	14,000		
To Audit fees	10,000		
To Depreciation	64,000		
To Interest to Vendor (upto 30-6-2018)	10,000		
To Interest on Debentures	18,000		
To Net Profit	2,67,000		
	7,00,000		7,00,000

The following further information is available :

- The average monthly sales for the first three months during the year 2018 was Rs.1,60,000 whereas the monthly average sales for the subsequent period was Rs.3,20,000.
- Rent was paid Rs.2,000 per month upto 31st March 2018 and thereafter it was increased to Rs.3,000 per month.
- Audit fees is to be allotted on time basis.

Prepare the statement showing profit prior to and after incorporations of the company.

- b) A company was incorporated on 1st August 2017 to take over a business from the preceding 1st April. The accounts were made upto 31st March 2018 as usual and the Profit & Loss A/c gave the following results.

6

Particulars	Rs.	Particulars	Rs.
To Rent, Tax & Insurance	18,000	By Gross Profit	3,00,000
To Director's fees	20,000		
To Salaries	51,000		
To Office Expenses	48,000		
To Travellers Commission	12,000		
To Discounts	15,000		
To Bad Debts	3,000		
To Audit Fees	8,500		
To Depreciation	6,000		
To Debentures Interest	4,500		
To Net Profit	1,14,000		
	3,00,000		3,00,000

The sales of the above period was Rs.12,00,000. It is ascertained that the sales for February and March 2018 was one & half times the average of the year, while those for May & July was only half of the average.

Apportion the years profit between Pre & Post incorporation period.

OR

- c) Vinu Ltd. was incorporated on 1-7-2017. He took over business of a Vendor Sand & Sons w.e.f. 1-4-2017. Following information was made available for the year ended 31-3-2018.

	Rs. ('000)
Gross Profit	98,000
Commission	2,625
Advertisement	5,250
Discount	350
Director's fees	9,000
Salaries	18,000
Depreciation	2,800
Insurance	600
Preliminary Expenses	700
Rent & Taxes	3,000
Bad Debts	1,250
Interest to Vendors (upto 1-10-2017)	2,000
Audit & other fees	2,000
Bad debts realised (on 1-5-2017)	500

Additional Information :

- Average monthly turnover from September onwards was double than that of average monthly turnover of the first four months. However in August 2017 the turnover was 150% of the turnover in the following month.
- Rent for the first three months was paid @ Rs. 2,00,000 per month and there after it was increased by Rs.50,000 p.m.
- Bad Debts for the period from September 1, 2017 to March 31, 2018 amounted to Rs.3,50,000.

You are required to find out amount of profit for pre & post incorporation period.

4. a) Savi Ltd. which has a paid up share capital of Rs.2,00,000 and a loss of Rs.2,23,000 standing on its balance sheet, went into voluntary liquidation on 31st March 2018. The following are the particulars with regards to its assets and liabilities as on the above date. Machinery, Stock and debtors (which realised their book values) Rs.1,58,000, Cash Rs.2,000, Creditors Rs.80,000, 6% Debentures (which carry a floating charges) Rs.1,00,000 and interest accrued there on for 6 months Rs.3,000. The above debentures were paid off with interest upto 30th September 2018. On this date a first and final dividend was also paid to the creditors Rs.10,000 of the creditors are preferential and the rest are unsecured. The cost of liquidation amounted to Rs.1,000. The liquidator is entitled to 3% on the amount realised from the sale of the assets and 2% of the amount distributed to the unsecured creditors by way of his own remuneration. Prepare a liquidators final statement of A/c.

b) Following was the Balance Sheet of Chanda Ltd. as on 31st March 2018.

6

Liabilities	Rs.	Assets	Rs.
2,000, 8% preference shares of Rs.100 each fully paid	2,00,000	Goodwill	2,24,000
4,000, equity shares of Rs.100 each Rs.80 paid up	3,20,000	Land & Building	4,36,000
6,000 equity shares of Rs.100 each Rs.70 paid up	4,20,000	Plant & Machinery	1,80,000
8% Debentures	2,00,000	Furniture	20,000
Debentures Interest	8,000	Office Equipments	40,000
Creditors	3,20,000	Stock	1,98,000
		Debtors	1,70,000
		Bills Receivable	44,000
		Cash in Hand	16,000
		P & L A/c	1,40,000
	14,68,000		14,68,000

The Company went into voluntary liquidation as on that date :

- The preference dividend was in arrears for 3 years and as per the Articles it was to be returned before returning Equity Capital.
- Sundry Creditors include a loan of Rs.80,000, secured on the hypothecation of Plant & Machinery and preferential creditors of Rs.20,000.
- The liquidator realised the assets as follows :

Land & Building	Rs. 4,30,000	Stock	Rs. 1,40,000
Plant & Machinery	Rs. 1,00,000	Debtors	Rs. 1,20,000
Office Equipments	Rs. 25,000	Bills receivable	Rs. 28,000
Furniture	Rs. 16,000		

- Legal charges on liquidation amounted to Rs.2,000.
- The liquidation expenses were Rs.5,200.
- The liquidator's remuneration was fixed at Rs.2,000 plus 2% on sales of assets plus 4% on the amount distributed to unsecured creditors including preferential creditors.
- There was a typewriter which was completely written off from the books of accounts but liquidator sold it for Rs.1,000, which was not included in the amount of office equipments above.

Prepare liquidator's Final Statement of account if the amounts were paid on 30th June 2018.

OR

c) The following is the Balance Sheet of the unfortunate Co. Ltd. as on 31st December 2017.

12

Liabilities	Rs.	Assets	Rs.
Share Capital : 4,000 6% preferential shares of Rs.100 each	4,00,000	Land & Building	2,00,000
		Plant & Machinery	5,00,000
		Patents	80,000
2,000, equity shares of Rs.100 each Rs.75 per share paid	1,50,000	Stock	1,10,000
6,000 equity shares of Rs.100 each Rs.60 per share paid	3,60,000	Sundry Debtors	2,20,000
5% Debentures	2,00,000	Cash at Bank	60,000
Interest outstanding on debenture	10,000	P & L A/c	2,40,000
Creditors	2,90,000		
	14,10,000		14,10,000

On that date company went into liquidation. The dividends on preference shares were in arrears for two years. The arrears are payable on liquidation as per the Articles of Association of the company. Creditors include a loan of Rs.1,00,000 on mortgage of Land & Building. The assets realised as under :

Land & Building	Rs. 2,40,000
Plant & Machinery	Rs. 4,00,000
Patents	Rs. 60,000
Stock	Rs. 1,20,000
Sundry Debtors	Rs. 1,60,000

The expenses of liquidation amounted to Rs.21,800. The liquidator is entitled to a commission of 3% on all assets realised (except cash at bank) and a commission of 2% on amount distributed among unsecured creditors.

Preferential creditors amount to Rs.30,000. All the payments were made on 30th June 2018. Prepare liquidators final statement of Account.

5. Write in short.

- a) Functions of Banks. **3**
- b) Additional Reserve. **3**
- c) Define profit prior to incorporation. **3**
- d) Payment to debenture holders with interest. **3**

B.Com. (Part-II) (CBCS Pattern) Sem-IV
UCA4C06 : Corporate Accounting
Paper-II

Time : Three Hours

Max. Marks : 60

- सूचना :- 1. सर्व प्रश्न अनिवार्य आहेत.
2. सर्व प्रश्नांना समान गुण आहेत.

- | | | | |
|-------|-----------------------|--|----|
| 1. | अ) | इंग्रजी माध्यमानुसार. | 6 |
| | ब) | इंग्रजी माध्यमानुसार. | 6 |
| किंवा | | | |
| | क) | इंग्रजी माध्यमानुसार. | 12 |
| 2. | अ) | इंग्रजी माध्यमानुसार. | 6 |
| | ब) | इंग्रजी माध्यमानुसार. | 6 |
| किंवा | | | |
| | क) | इंग्रजी माध्यमानुसार. | 12 |
| 3. | अ) | इंग्रजी माध्यमानुसार. | 6 |
| | ब) | इंग्रजी माध्यमानुसार. | 6 |
| किंवा | | | |
| | क) | इंग्रजी माध्यमानुसार. | 12 |
| 4. | अ) | इंग्रजी माध्यमानुसार. | 6 |
| | ब) | इंग्रजी माध्यमानुसार. | 6 |
| किंवा | | | |
| | क) | इंग्रजी माध्यमानुसार. | 12 |
| 5. | थोडक्यात उत्तरे लिहा. | | |
| | अ) | बँकेची कार्ये | 3 |
| | ब) | अतिरिक्त संचिती | 3 |
| | क) | स्थापनेपूर्वीचा नफा - व्याख्या द्या. | 3 |
| | ड) | कर्जरोखेधारकांना व्याजासह कर्जरोख्यांचे शोधन | 3 |

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- सूचनाएँ :- 1. सभी प्रश्न अनिवार्य हैं।
2. सभी प्रश्नों के अंक समान हैं।

- | | | | |
|------|----------------------|--|----|
| 1. | अ) | अंग्रेजी माध्यम के अनुसार। | 6 |
| | ब) | अंग्रेजी माध्यम के अनुसार। | 6 |
| अथवा | | | |
| | क) | अंग्रेजी माध्यम के अनुसार। | 12 |
| 2. | अ) | अंग्रेजी माध्यम के अनुसार। | 6 |
| | ब) | अंग्रेजी माध्यम के अनुसार। | 6 |
| अथवा | | | |
| | क) | अंग्रेजी माध्यम के अनुसार। | 12 |
| 3. | अ) | अंग्रेजी माध्यम के अनुसार। | 6 |
| | ब) | अंग्रेजी माध्यम के अनुसार। | 6 |
| अथवा | | | |
| | क) | अंग्रेजी माध्यम के अनुसार। | 12 |
| 4. | अ) | अंग्रेजी माध्यम के अनुसार। | 6 |
| | ब) | अंग्रेजी माध्यम के अनुसार। | 6 |
| अथवा | | | |
| | क) | अंग्रेजी माध्यम के अनुसार। | 12 |
| 5. | संक्षिप्त में लिखिए। | | |
| | अ) | अधिकोष के कार्य। | 3 |
| | ब) | अतिरिक्त निधी। | 3 |
| | क) | स्थापनापूर्व का नफा - व्याख्या दीजिए। | 3 |
| | ड) | ब्याज के साथ ऋणपत्रधारकों को ऋणपत्रों का भुगतान। | 3 |
