

B.Com. Sem-IV (Old)
245 - Corporate Accounting Paper-II

P. Pages : 9

Time : Three Hours



GUG/S/19/904

Max. Marks : 80

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

1. a) From the following balances of Sonal Bank Ltd. prepare profit and loss account for the year ended on 31st March 2016. **8**

	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
Investment 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) From the following balances available from the books of Ankita Bank Ltd. on 31st March 2016 after preparing Profit and Loss Account for the year ended 31st March 2016. Prepare Balance Sheet as on that date : **8**

	Rs.
Issued and paid up capital	25,00,000
Bills Discounted and purchased	18,00,000
Reserves	7,70,000
Cash credit & overdraft	33,00,000
Unclaimed dividend	15,000
Loans	46,00,000
Current & Saving Deposits	38,00,000
Fixed Deposits	40,50,000
Furniture	40,000
Profit & Loss A/c (Cr.) (31-3-2016)	2,20,000
Stationary Stock	10,000
Cash in hand	6,70,000

Cash at Bank	13,50,000
Branch Adjustment (Dr.)	1,75,000
Investments	9,50,000
Loan taken from other Banks	12,00,000
Bills Payable	3,40,000
Bills for collection	50,000
Authorised capital of the Bank	50,00,000

The bank has accepted Bills on behalf of customers for Rs. 2,00,000.

OR

- c) Rani Bank Ltd. has an authorized capital of Rs.10,00,000 in equity shares of Rs.100 each. **16**
Its trial balance as on 31st March 2016 was as follows :

Particulars	Dr. (Rs.)	Cr. (Rs.)
Issued & subscribed capital : 5000 shares of Rs. 100 each	-	5,00,000
Premises less depreciation	2,00,000	-
Office car less depreciation	50,000	-
Money at Call & Short Notice	3,00,000	-
Bills Discounted & Purchased	1,00,000	-
Furniture less depreciation	32,500	-
Deposits	-	23,50,000
Investments	12,50,000	-
Interest & Discount	-	4,00,000
Reserve Fund	-	3,00,000
Cash in hand	1,83,000	-
Loans & Advances	16,00,000	-
Profit & Loss A/c balance on 1-4-15	-	75,000
Pension fund	-	25,000
Borrowings from other banks	-	4,00,000
Rent Received	-	10,000
Unclaimed Dividend	-	5,000
Commission	-	90,000
Cash with R.B.I.	1,47,500	-
Interest Paid on Deposits	1,45,000	-
Salary & Other operating exp.	1,17,000	-
Interest on Bank Borrowings	10,000	-
Non-Banking Assets	20,000	-
	41,55,000	41,55,000

Other Information :

- Rebate on bills discounted Rs. 2,000
- Provide Rs. 10,000 for doubtful debts.
- Create a provision of Rs. 50,000 for taxation.
- Directors propose Dividend @ 10% for the year 2015-16.
- Interest accrued on Investments was Rs. 11,500.

Prepare Profit & Loss Account for the year ended on 31st March 2016 and a Balance Sheet as on that date.

2. a) From the following information prepare Balance Sheet of Piyush's Marine Insurance Co. Ltd. as on 31st March 2016.

8

	Rs.
Reserve for unexpired Risk (31-3-16)	7,25,000
Outstanding Premium	42,000
Deposits with controller of Insurance	5,00,000
Furniture & Fittings	52,000
Amount due from Agents	27,000
Profit & Loss Appropriation A/c	1,00,460
General Reserve	80,000
Share Capital	5,00,000
Investments	7,40,000
Cash in Deposit Accounts	2,00,000
Outstanding Dividend on Investment	12,000
Amount due to Re-insurers	80,000
Sundry Creditors	27,400
Cash at Bank	10,000
Sundry Debtors	33,160

Additional Information :

- Outstanding claims due & initiated as on 31st March 2016 - Rs. 66,000
- Dividend at 8% has been proposed by the Directors out of current profits.
- Share Capital consists of equity shares of Rs. 100 each on which Rs. 50 per share has been called and paid up.

- b) Following information is taken from the books of Tanuj Insurance Company Ltd. on 31st March 2016 about Fire Insurance Business.

8

	Rs.
Reserve for Unexpired Risk (31-3-2015)	5,00,000
Additional Reserve (31-3-2015)	1,00,000
Claims Paid	6,40,000
Estimated Liability on Outstanding Claims	
On 31 st March 2015	65,000
On 31 st March 2016	90,000
Management Expenses (Including legal charges of Rs.30,000 in respect of claims)	2,80,000
Re-Insurance Premium	75,000
Re-Insurance Recoveries	20,000
Premium	11,20,000
Interest and Dividend	64,520
Income Tax on the above	6,520
Profit on Sale of Investments	11,000
Commission	1,52,000

50% of premium is to be reserved for unexpired risk and Additional Reserve is to be maintained at Rs.1,00,000 one-fourth (1/4) portion of the premiums and claims relate to business outside India.

Prepare Revenue Account of Fire Insurance Department for the year ended 31st March 2016.

OR

- c) The following balances extracted from the Paras Insurance Co. Ltd. on 31st March 2016 on the basis of which you are required to prepare -
- Profit & Loss Account
 - Profit & Loss Appropriation Account for the year ended 31st March 2016.
 - Balance Sheet as on that date.

16

	Rs.
Share Capital (90,000 Equity shares of Rs.10 each)	9,00,000
Profit & Loss Appropriation A/c (1-4-2015)	75,000
Sundry Creditors	22,500
Cash in hand & at Bank	1,82,462
Agents Balances (Dr.)	20,000
Fire Fund (31-03-2016)	10,35,603
Additional Reserve (31-3-2016)	3,30,000
Profit (Fire Revenue A/c)	11,13,963
Income from Investment	1,53,000
Rent, Rates & Taxes (General)	73,304
Audit Fees (General)	36,000
General Reserve	4,50,000
Investments	36,00,000
Premiums Outstanding	22,300
Claims Outstanding	1,04,000
Advance Payment of Tax	2,50,000

Adjustments :

- Income Tax to be provided @ 55% of Net Profit.
- Transfer to General Reserve Rs. 2,00,000.
- Proposed Dividend 8%.

3. a) Ansh Company was incorporated on 1st August 2016 to take over a business from the preceding 1st April 2015. The accounts were made upto 31st March 2016 as usual and the Trading and Profit & Loss Account gave the following results.

8

Trading and Profit & Loss A/c

Particulars	Rs.	Particulars	Rs.
To Opening Stock	14,000	By Sales	1,20,000
To Purchase	91,000	By Closing Stock	15,000
To Gross Profit C/d	30,000		
	1,35,000		1,35,000
To Rent, Rates & Insurance	1,800	By Gross Profit b/d	30,000
To Director's fees	2,000		
To Salaries	5,100		
To Office Exp.	4,800		
To Traveler's Commission	1,200		
To Discount	1,500		
To Bad debts	300		
To Audit fees	750		
To Depreciation	600		
To Debenture Interest	450		
To Net Profit	11,500		
	30,000		30,000

The sales from 1st April 2015 to 31st July 2015 was Rs. 30,000.
 Ascertain the profit of pre & post incorporation period.
 (Apply time ratio for allocation of Audit fees)

- b) Laxmi Trading Ltd. was formed on 1st April 2016 to take over the business of M/s Arjun Traders with effect from 1st January 2016. The following was the position of profit & loss Account prepared for the year ending 31st December 2016.

Profit & Loss A/c for the year ended 31st Dec. 2016

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 Exp.	48,000		
To Advertising	14,000		
To Audit fees	10,000		
To Depreciation	64,000		
To Interest to Vendor (upto 30-6-2016)	10,000		
To Interest on Debentures	18,000		
To Net Profit	2,67,000		
	7,00,000		7,00,000

The further information is available :

- The average monthly sales for the first three months during the year 2016 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 2016 and thereafter it was increased to Rs.3,000 per month.
- Audit fees is to be allocated on time basis.

Prepare the statement showing profit prior to & after incorporation of the company.

OR

- c) Kush Ltd. incorporated on 1st April 2016 with a capital of Rs. 50,000 in equity shares of Rs.10 each took over the running business of Surya Ltd. as from 1st January 2016. The purchase price of Rs.20,000 was settled on 1st July 2016 together with interest at 10% per annum by fully paid shares for Rs. 17,500 and the balance by cheque. The Company's Trial Balance as on December 31, 2016 was as follows :

16

Particulars	Dr. (Rs.)	Cr. (Rs.)
Cash & Bank Balances (Cash Rs. 1800)	4,860	-
Share Capital	-	22,500
Land & Building	8,000	-
Fixtures	750	-
Motor Cycles	1,000	-
Salaries	1,200	-
Purchases	48,500	-
Sales	-	45,000
Debtors & Creditors	4,500	3,000
Rent from tenants	-	600
Rent, Rates & Taxes	300	-
Building Upkeep	150	-
Director's fees	720	-
Sundry charges	120	-
Interest to Vendor	1,000	-
	71,100	71,100

Prepare the final A/c's dividing the Profit / Loss between the pre and post incorporation periods, considering the following additional information :

- i) Stock at the end Rs. 14,000
- ii) Bad debts Rs. 200 (including Rs. 50 on Debtors taken over from Vendors) to be written off.
- iii) Sales upto 1st April 2016 Rs. 7,500.
- iv) Provide for Doubtful Debts Rs. 250
- v) Depreciate buildings at 5% and Motor Cycles at 20%.

4. a) The share capital of the National Traders Ltd. is Rs.5,00,000 divided into 50,000 shares of Rs.10 each. The creditors of the company gave their consent and approved the resolution for voluntary liquidation of the company. The resolution of the liquidation was passed on 31st March 2016. On this date details of Assets & Liabilities were as under :

Asset	Book Value (Rs.)	Realisation Value (Rs.)
Machines	2,50,000	2,35,000
Debtors	1,00,000	80,000
Stock	75,000	71,000
Cash	5,000	-

The total creditors of the company are Rs.2,00,000 of which creditors of Rs.25,000 are preferential. The company has issued 6% Debentures of Rs.2,50,000 and the debenture holders have floating charge on all the Assets of the company upto 31st March 2016 interest of Rs.7,500 has accrued on these Debentures but the same remained unpaid till date.

The liquidator settled the claim of Debenture holders including interest upto 30th Sep. 2016. On the same day the liquidator made first & final payment to unsecured creditors partially. The liquidation expenses amounted to Rs.2,500. The liquidators is entitled to a commission @ 3% on realised value of Assets & 2% on payment to unsecured creditors.

Prepare liquidators final statement of Account.

- b) You are appointed as liquidator of Ankush Co. Ltd. which took a decision of liquidation on 31st March 2016 on which date the financial position of the company was as follows :

Liabilities	Rs.	Assets	Rs.
Share Capital : 4000 Equity shares of Rs. 100 each Rs. 80 called up	3,20,000	Building	3,00,000
1000 preference shares of Rs.100 each Rs. 70 called up	70,000	Machinery	1,00,000
Secured Loan from Bank on Mortgage of Building	1,50,000	Book Debts	3,00,000
Trade Creditors	2,60,000	P & L A/c (Dr.)	1,00,000
	8,00,000		
			8,00,000

The Assets were realised as follows :

Building	Rs. 2,50,000 (Sold by Bank)
Machinery	Rs. 50,000
Book Debts	Rs. 2,50,000

Expenses of liquidation amounted to Rs. 4,000. The liquidator is entitled to a remuneration of 5% on realised value of Assets sold by the liquidator & collection of Book Debts and 2% on the amount paid to equity share holders.

Prepare Liquidator's Final Statement of Account to be presented in the meeting of the shareholders.

OR

- c) The Pankaj Co. Ltd. went into liquidation on 31st December 2016 with the following Assets & Liabilities. **16**

	Rs.
1,00,000 equity shares of Rs.10 each fully paid	10,00,000
6% Debentures (secured by a floating charges on all Assets of the company interest paid upto (30-06-2016)	88,000
Sundry Creditors including preferential creditors of Rs.10,590	1,18,140
Bank Overdraft	8,000
Cash in hand	1,500
Stock in Trade (Which realised Rs.59,200)	65,000
Book Debts (Which realised Rs.98,400)	1,00,000
Furniture (Realised Rs.2,100)	3,650
Investments realised by Bank (Pledged with Bankers against overdraft)	9,800

Additional Information :

- The excess amount realised by the sale proceeds of the Investments was remitted by the bank to the liquidator.
- The Debentures were paid off on 31st Dec. 2016 together with interest to the date of winding up & first & final payment was made to the creditors.
- The liquidator's Remuneration is to be calculated @ 3% on the net amount realised from the sale of Assets (including cash in hand but excluding the amount paid to secured creditors out of the proceeds of the security) & 2% on the amount distributed to the unsecured creditors. (Excluding Preferential Creditors)
- Expenses of liquidation amounted to Rs. 2,029.50.

Prepare liquidator's final statement of Accounting showing the rate and amount of the final dividend payable to unsecured creditors.

5. Answer in brief :

- Functions of Bank **4**
- Types of Insurance **4**
- How is profit prior to Incorporation ascertained. **4**
- Appointments of company liquidator. **4**

B.Com. Sem-IV (Old)
245 - Corporate Accounting Paper-II

Time : Three Hours

Max. Marks : 80

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

- | | | | |
|----|----|--------------------------------------|----|
| 1. | अ) | इंग्रजी माध्यमानुसार. | 8 |
| | ब) | इंग्रजी माध्यमानुसार. | 8 |
| | क) | इंग्रजी माध्यमानुसार. | 16 |
| | | किंवा | |
| 2. | अ) | इंग्रजी माध्यमानुसार. | 8 |
| | ब) | इंग्रजी माध्यमानुसार. | 8 |
| | क) | इंग्रजी माध्यमानुसार. | 16 |
| | | किंवा | |
| 3. | अ) | इंग्रजी माध्यमानुसार. | 8 |
| | ब) | इंग्रजी माध्यमानुसार. | 8 |
| | क) | इंग्रजी माध्यमानुसार. | 16 |
| | | किंवा | |
| 4. | अ) | इंग्रजी माध्यमानुसार. | 8 |
| | ब) | इंग्रजी माध्यमानुसार. | 8 |
| | क) | इंग्रजी माध्यमानुसार. | 16 |
| | | किंवा | |
| 5. | | थोडक्यात उत्तरे लिहा. | |
| | अ) | बँकेची कार्ये | 4 |
| | ब) | विम्याचे प्रकार | 4 |
| | क) | स्थापनापूर्व नफा कसा निश्चित करतात ? | 4 |
| | ड) | कंपनीच्या निस्तारकाची नियुक्ती. | 4 |

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

1. अ) अंग्रेजी माध्यम अनुसार। 8
ब) अंग्रेजी माध्यम अनुसार। 8

अथवा

- क) अंग्रेजी माध्यम अनुसार। 16
2. अ) अंग्रेजी माध्यम अनुसार। 8
ब) अंग्रेजी माध्यम अनुसार। 8

अथवा

- क) अंग्रेजी माध्यम अनुसार। 16
3. अ) अंग्रेजी माध्यम अनुसार। 8
ब) अंग्रेजी माध्यम अनुसार। 8

अथवा

- क) अंग्रेजी माध्यम अनुसार। 16
4. अ) अंग्रेजी माध्यम अनुसार। 8
ब) अंग्रेजी माध्यम अनुसार। 8

अथवा

- क) अंग्रेजी माध्यम अनुसार। 16
5. संक्षेप में लिखिए।
अ) अधिकोष के कार्य। 4
ब) विमा के प्रकार। 4
क) समामेलन से पूर्व के लाभ कैसे निश्चित होता है? 4
ड) कंपनी के निस्तारक की नियुक्ति। 4
