

B.Com. (CBCS Pattern) Semester-IV
UCA4C06 - Corporate Accounting Paper-II

P. Pages : 10

Time : Three Hours



GUG/W/24/12035

Max. Marks : 60

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

1. a) Prepare Profit & Loss Account of National Bank Ltd. the year ended 31st March, 2020 in Prescribed format alongwith necessary schedules: **6**

	Rs.
Interest & Discount Received	37,01,738
Profit on Sale of Investment	2,00,000
Commission, Exchange & Brokerage	1,90,000
Salaries and Allowances	2,00,000
Rent Received	65,000
Interest Paid on Deposits	20,37,452
Postage, Telephone etc.	60,268
Rent and Taxes Paid	90,000
Audit Fees	5,000
Depreciation on Fixed Assets	30,000
Directors Fees & Allowances	30,000
Printing & Stationery	40,000
Rebate on Bills Discounted	4,000

- b) After preparing Profit and Loss Account for the year ended 31st March, 2015 the National Bank Ltd. desires to prepare Balance Sheet as on 31st March, 2015 by using the following balances in the Trial Balance you are required to prepare the Balance Sheet. **6**

Balances	Rs.
Paid-up Share Capital	10,00,000
Local Bills Discounted	9,00,000
Reserve Fund	3,85,000
Cash Credit and Overdraft	14,00,000
Unclaimed Dividend	5,000
Loans	23,00,000
Current Deposits	15,00,000
Saving Bank Deposits	10,00,000
Furniture	20,000
Fixed Deposits	20,00,000
Profit & Loss Account (Cr.)	1,10,000
Stock of Stamps and Stationery	5,000
Cash in Hand	2,50,000
Cash Balance with Banks	6,50,000
Investment at Cost	4,75,000

Additional Information :

- 1) The Directors require the Bank's Investments to be shown in the Balance Sheet at the Market Price on 31-03-2015 which is Rs. 5,25,000.
- 2) The Authorised Capital of the Bank is Rs. 12,00,000.
- 3) The Bank has bills for Collection of Rs. 50,000 and has accepted Bills on behalf of Customers for Rs. 4,00,000.

OR

- c) The following Trial Balance was prepared from the balances drawn from the books of Modern Bank Ltd. as on 31st March, 2020. 12

Particulars	Debit (Rs. 000)	Credit (Rs. 000)
Share Capital	-	3,00,000
Cash in Hand & with R.B.I.	46,350	-
Investments (Govt. Securities)	1,94,370	-
Other Investments	1,55,630	-
Gold	15,130	-
Interest accrued on Investments	24,620	-
Employees' Security Deposit	-	15,000
Saving Accounts	-	7,420
Current Ledger Control A/c	-	97,000
Fixed Deposits	-	23,050
Share Premium A/c	-	90,000
Statutory Reserve	-	1,40,000
Silver	2,000	-
Building	65,000	-
Furniture	5,000	-
Borrowings from Other Banks	-	77,230
Money at Call & Short Notice	26,000	-
Advances	2,00,000	-
P. & L. A/c (Balance)	-	6,500
Bills Discounted & Purchased	12,500	-
Interest	7,950	72,000
Commission & Brokerage	-	25,300
Discount	-	42,000
Audit Fees	5,000	-
Salaries & Allowances	32,450	-
Profit on Valuation of Gold	-	1,200
Managing Director's Remuneration	2,000	-
Miscellaneous Income	-	3,300
Loss on Sale of Investments	31,000	-
Deposits with Other Banks	75,000	-
Branch Adjustment (Dr.)	20,000	-
Depreciation Fund Building	-	20,000
Total	9,20,000	9,20,000

Prepare

- i) Profit & Loss Account for the year ended 31st March, 2020 and
- ii) Balance Sheet as on that date after considering the following-
 - a) Provision to be made for Rebate on Bills Discounted Rs. 50,00,000.
 - b) Pending before the Board of Arbitrators are Claims and Employees for Bonus amounting to Rs. 1,50,00,000.
 - c) Bills for Collection Rs. 4,35,00,000.
 - d) Acceptances on behalf of Customers Rs. 5,65,00,000.
 - e) Provide Rs. 50,00,000 for Depreciation on Building.
 - f) Transfer necessary amount to Statutory Reserve as per rules.
 - g) The directors have proposed a Dividend @ 8% on Capital.

2. a) New Insurance Co. Ltd. has furnished the following information for preparation of revenue account for the insurance business for the year ended 31st March, 2019 : 6

	Rs.
Claims admitted but not paid	63,564
Commission paid	75,000
Commission on reinsurance ceded	18,000
Share transfer fees	7,500
Expenses of management	1,17,000
Bad debts	3,750
Claims paid	22,500
Profit & Loss Appropriation A/c	15,000
Premiums received (less reinsurance)	8,28,000
Reserve for unexpired risk as on 1-4-2018	3,45,000
Additional Reserve as on 1-4-2018	60,000
Claims Outstanding as on 1-4-2018	40,500
Dividend on Share Capital	27,750

The following further information has also to be considered:

- i) Premiums outstanding at the end of the year Rs. 60,000.
 - ii) It is the policy of the company to maintain 50% of premium towards Reserve for Unexpired Risk.
 - iii) Additional Reserve at 10% of net premium to be maintained.
- b) From the following information prepare Balance Sheet of Ashirwad Insurance Co. Ltd. as on 31st March, 2018 : 6

Particulars	Rs.
Share Capital	15,00,000
Govt. Securities	52,50,000
Premises	25,00,000
Furniture	2,50,000
Due to other insurers	1,75,000
General Reserve	2,50,000
Profit & Loss Appropriation A/c (Cr.)	40,000
Additional Reserve (31-3-2018)	5,62,500
Cash at Bank	5,15,000

Additional Information :

- i) Claims outstanding on 31-3-2018 were :
Fire Rs. 1,25,000; Marine Rs. 1,25,000.
- ii) Premiums Outstanding on 31-3-2018 were :
Fire Rs. 1,00,000; Marine Rs. 75,000.
- iii) A Taxation Reserve of Rs. 1,50,000 is required.
- iv) Depreciate Furniture by 5% and Premises by 10%.
- v) Closing balance of Funds :
Fire Rs. 17,50,000; Marine Rs. 37,50,000.

OR

- c) From the following particulars relating to the Abhay Insurance Co. Ltd. as at 31st December, 2018. Prepare Final Accounts. 12

	Rs.
Premiums :	
Fire	3,00,000
Marine	36,00,000
Miscellaneous	9,00,000
Claims paid and outstanding :	
Fire	1,50,000
Marine	15,00,000
Miscellaneous	3,00,000
Commission :	
Fire	25,000
Marine	3,50,000
Miscellaneous	90,000
Expenses of Management :	
Fire	30,000
Marine	8,00,000
Miscellaneous	4,00,000
Funds on 1 st January, 2018 :	
Fire	1,00,000
Marine	28,00,000
Miscellaneous	7,50,000
Investments	40,25,000
Cash	9,37,000
Agents Balance (Dr.)	13,87,000
Investment Fluctuation Fund	2,00,000
General Reserve	4,00,000
Properties	15,00,000
Due to other Insurers	73,000
Profit & Loss Account (1-1-2018)	23,000
Sundry Assets	6,21,000
Sundry Liabilities	3,84,000
Interest, Dividends and Rents	3,25,000
Sundry Expenses	2,40,000
Paid-up Share Capital	25,00,000

Additional Information :

- i) The Reserve for Unexpired Risk is to be calculated at 50% of premium income in Fire and Miscellaneous and at 100% of premium income in Marine.
- ii) The Directors propose to declare a dividend at 6% on capital paid-up and carry Rs. 2,00,000 to General Reserve.

3. a) A limited company was incorporated on 1st May, 2020 to take over the business as a going concern from 1st January, 2020. The total turnover (sales) for the year was Rs. 2,00,000 out of which turnover of Rs. 50,000 were upto 1st May, 2020. 6
- The Profit & Loss Account for the year ended 31st December, 2020 was as follows :

Profit & Loss A/c			
Particulars	Rs.	Particulars	Rs.
To Rent, Tax & Insurance	3,900	By Gross Profit	52,000
To Establishment Exp.	4,200		
To Commission on Sales	6,000		
To Directors Fees	400		
To Auditors Fees	240		
To Bad Debts	4,000		
To Depreciation	9,000		
To Interest on Debentures	2,500		
To Stationery	750		
To Interest to Vendors (from 1 st Jan. to 31 st May @ 6% on Rs. 60,000)	1,500		
To Advertisement	600		
To Net Profit	18,910		
	52,000		52,000

Find out profit prior to incorporation and after incorporation.

- b) A company was incorporated on 1st August, 2022 to take over a business from the preceding 1st April. The account were made upto 31st March, 2023 as usual and the Profit and Loss Account 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 Traveller's 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, 2023 was one and half times the average of the year, while those for May and July was only half of the average.

Apportion the year's profit between pre and post incorporation period.

OR

- c) Sonex Pvt. Ltd. was incorporated on 1st July, 2022, to take over the running business of Mr. Agrawal with effect from 1st April, 2022. 12

The following Profit & Loss Account for the year ended 31st March, 2023 was drawn up :

Particulars	Rs.	Particulars	Rs.
To Commission (Sales)	2,6,25	By Gross Profit	98,000
To Advertisement	5,250	By Bad Debts Realised	500
To Managing Director's Remuneration	9,000		
To Depreciation	2,800		
To Salaries	18,000		
To Insurance	600		
To Preliminary Expenses written off	700		
To Rent & Taxes	3,000		
To Discount	350		
To Bad Debts	1,250		
To Net Profit	54,925		
	98,500		98,500

Further details :

- The average monthly sales from 1st July, 2022 onwards was double than that of the previous months.
- Rent, which was paid for the first months at Rs. 200 per month and thereafter increased by Rs. 50 per month for the balance of the period.
- Bad debts of Rs. 350 related only to the period after 1st Sept. 2022 and the balance related to the sales made up to 1st Sept. 2022.

Ascertain the profits earned prior to and after incorporation of the company.

4. a) A limited company decided to go into voluntary liquidation. 6

On that date its share capital consisted of :

4,000 Preference Shares of Rs. 50 each, fully paid.

40,000 Equity Shares of Rs. 20 each, fully paid-up.

40,000 Equity Shares of Rs. 20 each, Rs. 16 per share paid-up.

The Company's creditors were for actual amount of Rs. 4,50,000; out of which Rs. 20,000 were preferential and creditors for Rs. 1,30,000 were fully secured.

All the assets including those held by the creditors realized Rs. 6,50,000. Cost of liquidation amounted to Rs. 26,500. The liquidator was entitled for a commission at 5% on the amount realized from the sale of assets and at 3% on amounts paid to unsecured creditors (excluding the preferential creditors).

The liquidator made a call of Rs. 3 per share on the partially paid-up shares. He realized the call money on all shares excluding 4,000 shares which were subsequently forfeited.

From the above information prepare the Liquidator's Final Statement of Account.

b) Following is the Balance Sheet of Roopali Co. Ltd. as on 31st December, 2016 :

6

Liabilities	Rs.	Assets	Rs.
Paid-up Capital : 1,000, 6% Preference Shares of Rs. 100 each fully paid	1,00,000	Fixed Assets : Land & Buildings Plant & Machinery	2,00,000 2,20,000
2,000 Equity Shares of Rs. 100 each fully paid	2,00,000	Current Assets : Stock Debtors Cash at Bank	1,00,000 1,00,000 30,000
3,000 Equity Shares of Rs. 100 each, Rs. 50 paid	1,50,000	Misc. Expenditure & Losses: Profit & Loss Account (Dr.)	1,00,000
Secured Loans : 6% Debentures (Floating charges on all assets) Other (mortgage on Land & Buildings)	1,00,000 1,00,000		
Current Liabilities : Sundry Creditors Income Tax Payable	90,000 10,000		
	7,50,000		7,50,000

The company went into liquidation on 1st January, 2017. Preference dividends were in arrears for 3 years. It is payable on liquidation.

The Liquidator realized assets as follows:-

	Rs.
Land & Buildings	2,40,000
Plant & Machinery	1,80,000
Stock	70,000
Debtors	60,000

Liquidation expenses amounted to Rs. 8,000.

Liquidator is entitled to a commission of 2% on the assets he realised and 3% on the amount distributed creditors including preferential creditors.

All payments were made on 30th June, 2017.

Prepare Liquidator's Final Statement of Account.

OR

c) Following was the Balance Sheet of Janata Ltd. as on 31st March, 2020 :-

12

Liabilities	Rs.	Assets	Rs.
Share Capital : 2,000; 8% Preference Share 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 & Buildings	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 (having A floating charge on all Assets)	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
		Profit & Loss Account	1,40,000
	14,68,000		14,68,000

The company went into voluntary liquidation as on that date:

- i) The preference dividend was in arrears for 3 years and as per the Articles it was to be returned before returning Equity Capital.
- ii) Sundry Creditors include a Loan of Rs. 80,000, secured on the hypothecation of Plant & Machinery and Preferential Creditors of Rs. 20,000.
- iii) The liquidator realized 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		
- iv) Legal Charges on liquidation amounted to Rs. 2,000.
- v) The liquidation expenses were Rs. 5,200.
- vi) The liquidator's remuneration was fixed at Rs. 2,000 plus 2% on sale of assets, plus 4% on the amount distributed to unsecured creditors including preferential creditors.
- vii) 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, 2020.

5. Write a short notes.

12

- 1) Write a notes on non-banking Assets.
- 2) Bonus in reduction of Premium.
- 3) Explain the meaning of pre-incorporation profit.
- 4) Explain the types of liquidation.

B.Com. (CBCS Pattern) Semester-IV
UCA4C06 - Corporate Accounting Paper-II

Time : Three Hours

Max. Marks : 60

- सुचना :- 1. सर्व प्रश्न आवश्यक 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. | 12 |
| | 1) | गैर अधिकोषण संपत्तीवर टिपण लिहा. | |
| | 2) | बोनसने कमी केलेली प्रव्याजी. | |
| | 3) | स्थापनेपूर्वीच्या नफ्याचा अर्थ स्पष्ट करा. | |
| | 4) | निस्तारणाचे प्रकार स्पष्ट करा. | |

B.Com. (CBCS Pattern) Semester-IV
UCA4C06 - Corporate Accounting Paper-II

Time : Three Hours

Max. Marks : 60

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

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|----|----|--|----|
| 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 उत्तर लिखे। | 12 |
| | 1) | गैर-अधिकोषण संपत्तीपर टिपणी दिजिए। | |
| | 2) | बोनस से कम की प्रव्याजी। | |
| | 3) | स्थापनापूर्व लाभ का अर्थ स्पष्ट किजिए। | |
| | 4) | निस्तारण के प्रकार स्पष्ट करें। | |
