

B.Com. (CBCS Pattern) Semester-III
UCA3C06 - Corporate Accounting Paper-I

P. Pages : 7

Time : Three Hours



GUG/W/24/10668

Max. Marks : 60

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

1. A) Rishal Ltd was formed for the purpose of purchasing and was registered with a nominal capital of Rs. 2,00,000 divided into 2,000 equity shares of Rs. 100 each, 1,000 shares were issued as fully paid to the vendors in part payment of the purchase consideration. The remaining 1,000 shares were offered to public for subscription at a premium of Rs. 5 per share payable as under: **6**
- On Application Rs. 10 per share
On Allotment Rs. 25 per share
(including premium)
On First Call Rs. 40 per share
On Final Call Rs. 30 per share
- Applications were received for 900 shares which were duly allotted and the allotment, money was received in full. At the time of the first call, a shareholder who held 100 shares failed to pay the first call money.
Give necessary journal entries to record the above transactions.
- B) Sharvari Co. Ltd. issued 8% Debentures of Rs. 60,000 on 1st April 2019 and on insurance policy was taken on that date. The debentures were to be redeemed at the end of third year. Premium was being paid annually on 1st April Stating from 1st April 2019. The amount of premium was Rs. 19,500 on 31st March 2022 the policy amount was received. Prepare Debentures A/c and Debentures Redemption fund insurance policy A/c. **6**

OR

- C) Vrunda & Co. Ltd. Ballarpur. has an issued share capital of 6,500; 10% redeemable preference shares of Rs. 20 each and 45,000 Equity shares of Rs. 10 each. The preference share are redeemable on 1st April 2019. **12**
- As on 31st March 2019 the company's Balance Sheet was as under:

Balance Sheet

Liabilities	Amount	Assets	Amount
Share Capital: 6,500; 10% pref. Shares of Rs. 20 each	1,30,000	Land & Building	2,50,000
45,000 Equity shares of Rs. 10 each	4,50,000	Plant & Machinery	92,000
Profit and Loss A/c	92,000	Stock in Trade	1,50,000
Sundry Creditors	1,15,000	Debtors 2,10,000 (-) R.D.D. 10,000	2,00,000
		Investment	35,000
		Cash at Bank	60,000
	7,87,000		7,87,000

In order to facilitate the Redemption of the preference shares it was decided:

- a) To sell investments for Rs. 30,000:

- b) To finance part of redemption from company funds subject to leaving a balance in profit & loss account of Rs. 30,000 and
- c) To issue sufficient equity shares of Rs. 10 each at a premium of Rs. 2.50 per share to raise the balance of funds required.

Assuming that the equity shares were fully subscribed and preference shares were redeemed on due date.

You are required.

- 1) Pass necessary journal entries.
- 2) Balance sheet after redemption.

2. A) From the following balances of Suman trading Co. Ltd. prepare Trading and Profit & Loss Account for the year ended 31-03-2021. 6

Opening stock	Rs. 30,000	Director's fees	Rs. 7,500
Purchases	Rs. 1,20,000	Printing & Stationary	Rs. 6,000
Sales	Rs. 1,90,000	Building	Rs. 40,000
Purchase Return	Rs. 5,000	Bad Debts.	Rs. 5,000
Sales Return	Rs. 10,000	Plant & Machinery	Rs. 1,00,000
Interest on Investment	Rs. 6,000	Insurance	Rs. 12,500
Salary	Rs. 10,000	General Reserve	Rs. 20,000
Audit Fees	Rs. 5,000	Freight	Rs. 15,000
Wages	Rs. 25,000		

Additional Information:

- 1) Closing stock Rs. 60,000
- 2) Charge Depreciation 10% on Building.
- 3) Transfer Rs. 10,000 to Reserve Fund.

- B) Jaya food products Ltd. has an authorized capital of Rs. 10,00,000, divided into 10,000 equity shares of Rs. 100 each. The following balances are extracted from the book's of accounts for the year ended 31st March 2019. 6

Building	Rs. 3,85,450
Furniture	Rs. 24,150
Preliminary Expenses	Rs. 7,000
Subscribed capital	Rs. 3,00,000
General reserve	Rs. 75,000
Provision for Taxation	Rs. 90,300
Sundry creditor's	Rs. 70,150
Bank Loan (Secured)	Rs. 1,00,000
Loan to Director	Rs. 60,000
Closing stock	Rs. 1,08,700
Sundry Debtors	Rs. 78,200
Investment in Shares	Rs. 75,000
Cash and Bank Balance	Rs. 17,650
Profit & Loss (Cr. Balance)	Rs. 9,450
Outstanding Expenses	Rs. 13,600
Debentures	Rs. 90,000
Unclaimed Dividend	Rs. 10,000

Prepare Balance Sheet as on 31/03/2019 after taking the following information.

- 1) Depreciation on Building Rs. 85,250 & Furniture Rs. 5,350
- 2) On 1st July 2018 the company issued Bonus shares of the face value of Rs. 50,000 to the shareholders.

- 3) During the year loan was made to a director of the company of Rs. 75,000 of which he repaid Rs. 15,000 on 31st March 2019.
- 4) Sundry Debtors include Rs. 1,000 for calls-in- arrears.

OR

- C) Following is the Trial Balance of Pranita Co. Ltd as on 31st March 2022.

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Trial Balance

Particular	Amount	Particular	Amount
Stock on 31 st Mar. 2021	1,11,600	Interest on Govt. Bonds	7,440
8% Government Bonds	1,86,000	Sales	6,69,600
Building	5,58,000	Returns	14,880
Interim Dividend paid	37,200	Transfer Fees	3,720
Purchases	3,72,000	Bank Loan	2,04,600
Carriage inwards	5,580	Discount	3,720
Carriage outwards	2,976	Debentures Redemption Fund	37,200
Returns	18,600	Capital (7,440 shares of Rs. 100 each)	7,44,000
Productive Wages	74,400	Sundry creditors	75,516
Salary	18,600	Profit & Loss A/c (1 st April 2021)	44,640
Unproductive Wages	18,600	Commission	4,464
Trade Expenses	7,440	10% Debentures	1,86,000
Discount	4,464		
Rent	6,138		
Plant & Machinery	3,26,430		
Calls in arrears	7,440		
Sundry Debtors	1,86,000		
General Expenses	21,204		
Advertisement	2,976		
Interest paid on Debenture	9,300		
Cash	20,832		
	19,95,780		19,95,780

Prepare Trading and Profit and Loss Account for the year ended 31-03-2022 and Balance sheet as on that date after making the following adjustment.

- 1) Stock as on 31st March 2022 was Rs. 1,40,000.
- 2) One Month's rent @ Rs. 6,696 p.a. was due on 31st March 2022.
- 3) Insurance was paid on 1st October 2021 to run for one year Rs. 4,000
- 4) Provide @ 5% for discount on debtors and creditors.
- 5) Transfer Rs. 10,000 to Debentures Redemption fund.
- 6) Provide depreciation on Building @ 9 % p.a.

3. A) The following information is given below.

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- a) Average capital Employed Rs. 6,00,000
- b) Company declares 15% dividend on the shares of Rs. 10 each fully paid.
- c) Net Trading profit of the Company (after tax) for the past three years: Rs. 90,700, Rs.1,07,600 and Rs. 1,12,500.

You are required to compute the value of Goodwill on the basis of 5 years purchase of profits of the business.

- B) Average normal Profit of Raj Co. Ltd is Rs. 50,000. It is expected that for eight years company will go on making this profit. Normal field from similar company is 5%. The present value of an annuity of Rs. 0.077386 for eight years at 5% is rupee one, capital employed is Rs. 3,00,000.
Find out the value of Goodwill according to annuity method.

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OR

- C) The following is the Balance Sheet of a Sanjay Co. Ltd as on 31st December 2018.
Balance Sheet (as on 31-12-2018)

12

Liabilities	Amount	Assets	Amount
6,500 Equity shares of Rs. 10 each.	65,000	Goodwill	8,500
General Reserve	11,000	Land & Building	19,000
5% Debentures	15,000	Plants & Machinery	25,000
Sundry Creditors	10,000	Investment	20,000
Provision for Taxation	9,000	Stock	22,500
Profit & Loss A/c		Debtors	30,000
Balance on 1-1-2018 2,000			
Profit for the year <u>23,000</u>	25,000		
		Cash & Bank	9,000
		Expenses on Issue of Debentures	1,000
	1,35,000		1,35,000

Profit includes Rs. 1,000 income from investments, Market value of assets Land & Building Rs. 22,500, Plant & Machinery Rs. 20,000, Investment Rs. 25,000 and the current assets are worth book value.

You may assume that income tax @50% has been payable on the profit.

Calculate the value of Goodwill on the basis of 3 years purchase of super profit.

Normal rate of return on capital employed in this type of business is 10%.

4. A) The following is the Balance Sheet of Chandrapur Company Ltd. as on 31-03-2017.
Balance Sheet
(as on 31-03-2017)

6

Liabilities	Amount	Assets	Amount
Share Capital: 20,000 equity shares of Rs. 10 each	2,00,000	Land & Building	1,10,000
General Reserve	40,000	Plant & Machinery	1,30,000
Profit & Loss A/c	32,000	Trade Marks	20,000
Unsecured creditors	60,000	Stock	48,000
Sundry Creditors	98,000	Debtors	88,000
Workmen's saving A/c.	30,000	Cash at Bank	52,000
		Preliminary expenses	12,000
	4,60,000		4,60,000

The Plant & Machinery is worth Rs. 1,20,000 and Land & Building have been valued at Rs. 2,40,000 by an independent valuer Rs. 8,000 of the debts are bad. Goodwill may be taken to be worth Rs. 1,60,000.

Find out the intrinsic value of share.

- B) The following particulars of a company are available. 6
- 1) Equity share capital 30,000 Equity shares of Rs. 10 each fully paid.
 - 2) Reserve Rs. 50,000
 - 3) Balance of Profit & Loss A/c (Cr.) Rs. 30,000.
 - 4) Assets of the company includes preliminary expenses of Rs. 15,600
- Compute the value of each Equity share by Net worth method.

OR

- C) Balance Sheet of Gautam company Ltd. as on 31st March 2015 was as under 12

Balance Sheet
(as on 31-03-2015)

Liabilities	Amount	Assets	Amount
Issued capital (25,000 shares of Rs. 10 each)	2,50,000	Fixed Assets	2,50,000
Reserve Fund	20,000	Current Assets	1,50,000
Profit & Loss A/c	5,000	Goodwill	10,000
5% Debentures	75,000		
Currents Liabilities	60,000		
	4,10,000		4,10,000

On the above date fixed assets were valued at Rs. 3,00,000 and goodwill at Rs. 20,000. The profit of previous three years was. Rs. 30,000, Rs. 50,000 and Rs. 40,000. 20% profit is to be transferred to General Reserve Average Rate of Return is 10%.

Compute the value of shares by

- a) The Net Asset Method.
- b) The Yield valuation method.

5. Write short note.

- a) Need of D-Mat Account. 3
- b) Interim Dividend. 3
- c) Necessity for the valuation of Goodwill. 3
- d) Kinds of value of shares. 3

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- सुचना :- 1. सर्व प्रश्न आवश्यक आहेत.
2. सर्व प्रश्नांना समान गुण आहेत.

- | | | | |
|----|----|----------------------------------|----|
| 1. | अ) | इंग्रजी माध्यमाप्रमाणे | 6 |
| | ब) | इंग्रजी माध्यमाप्रमाणे | 6 |
| | | किंवा | |
| | क) | इंग्रजी माध्यमाप्रमाणे | 12 |
| 2. | अ) | इंग्रजी माध्यमाप्रमाणे | 6 |
| | ब) | इंग्रजी माध्यमाप्रमाणे | 6 |
| | | किंवा | |
| | क) | इंग्रजी माध्यमाप्रमाणे | 12 |
| 3. | अ) | इंग्रजी माध्यमाप्रमाणे | 6 |
| | ब) | इंग्रजी माध्यमाप्रमाणे | 6 |
| | | किंवा | |
| | क) | इंग्रजी माध्यमाप्रमाणे | 12 |
| 4. | अ) | इंग्रजी माध्यमाप्रमाणे | 6 |
| | ब) | इंग्रजी माध्यमाप्रमाणे | 6 |
| | | किंवा | |
| | क) | इंग्रजी माध्यमाप्रमाणे | 12 |
| 5. | | टिपा लिहा. | |
| | अ) | डी-मॅट खात्याची गरज | 3 |
| | ब) | अंतरीम लाभांश | 3 |
| | क) | ख्यातीच्या मूल्यांकनाची आवश्यकता | 3 |
| | ड) | भागाच्या मूल्याचे प्रकार | 3 |

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

- | | | | |
|----|----|----------------------------------|----|
| 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. | | टिपण लिखिए। | |
| | अ) | डी-मॅट खाते की आवश्यकता। | 3 |
| | ब) | अंतरीम लाभांश। | 3 |
| | क) | ख्याती के मूल्यांकन की आवश्यकता। | 3 |
| | ड) | भाग मूल्य के प्रकार। | 3 |
