

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

P. Pages : 8

Time : Three Hours



GUG/S/24/12035

Max. Marks : 60

- Notes : 1. Solve **any five** questions.  
2. All questions carry equal marks.

1. a) The following are the particulars of Prabuddha Commercial Bank Ltd. as on 31st March, 2023: 6

Commission charged to Customers	7,000
Discount on Bills Discounted.	2,10,000
Director's Fees	5,000
Establishment Expenses	60,000
Interest on Loans	2,80,000
Interest on Fixed Deposits	2,98,000
Interest on Cash Credit Account	2,40,000
Auditors' Fees	3,000
Interest on Current Accounts	45,000
Interest on Overdraft	60,000
Interest on Saving Bank Account	72,000
Postage	2,000
Printing and Stationery	3,000
Rebate on Bills Discounted (to be adjusted)	55,000
Rent and Taxes	22,000
Sundry charges	2,000

Prepare Profit and Loss Account for the year ended 31-3-2023.

- b) Goutami Bank Ltd. Chandrapur has given you the following balances. On that basis the have requested you to prepare balance sheet and 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 (Cr.)	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 Purchase & Discounted	28,00,000

Cash credits	59,70,000
Premises	49,00,000
Furniture	16,64,000

**OR**

- c) From the following Trial Balance and additional information prepare Profit & Loss Account and Balance sheet of Vena Bank Ltd. as on 31<sup>st</sup> March, 2023;

**12**

Trial Balance

Particulars	Dr. Rs.	Particulars	Cr. Rs.
Building less depreciation Office Furniture & Equipment	50,000	Share Capital (50,000 shares of Rs. 10 each)	5,00,000
Less depreciation	60,000	General Reserve	1,00,000
Loans & 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	Borrowings from other banks	1,00,000
Cash in hand	33,000	Commission	33,000
Cash with R.B.I.	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			
Borrowings	5,600		
Other Assets	20,000		
	11,89,000		11,89,000

Additional information:-

- 1) Provide Rs. 5,000 for doubtful debts.
- 2) Rebate on Bills discounted Rs. 3,600.
- 3) Interest accrued on Investment Rs. 8,000.
- 4) Create a provision of Rs. 2,500 for Taxation.
- 5) Directors propose Dividend @ 4% for the years 2022 -2023.
- 6) Transfer to Statutory Reserve as per rule.
- 7) Endorsement of Bills on behalf of customers Rs. 15,000

2. a) The profit as shown by the Revenue Account of an Accident Insurance Co. for the year ending 31<sup>st</sup> March, 2023 is Rs. 3,60,000 before taking the following into consideration.

**6**

	Rs.
i) Claims intimated and admitted but not paid	40,000
ii) Claims recoverable under re-insurance	12,000
iii) Interest accrued but not received	8,000
iv) Management expenses outstanding	16,000
v) Commission due to agents not yet paid	4,000

Pass Journal entries for the above omission and find out the profit from accident business thereafter.

- b) New Insurance Co. Ltd. has furnished the following information for preparation of revenue account for the insurance business for the year ended 31st March, 2023: 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 1-4-2022	3,45,000
Additional Reserve as on 1-4-2022	60,000
Claims Outstanding as on 1-4-2022	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.

**OR**

- c) From the following figures taken from the books of East & West Insurance Co. Ltd. doing fire insurance business, prepare the set of final accounts for the year ended 31<sup>st</sup> March, 2023:- 12

Fire Fund (1-4-2022)	13,95,000
General Reserve	6,75,000
Investments	54,00,000
Premium	40,50,000
Claims paid	9,00,000
Share Capital-divided into equity shares of Rs. 100 each	13,50,000
Additional Reserve (1-4-2022)	4,95,000
Profit & Loss A/c (Cr.)	1,12,500
Reinsurance Premium	1,68,000
Claims recovered from reinsurers	33,000
Commission reinsurance ceded	72,000
Advance Income-tax paid	3,75,000
Agents Balances (Dr.)	30,000
Commission on direct business	4,35,000
Commission on reinsurance accepted	90,000
Outstanding premium	33,000
Claims intimated but not paid (1-4-2022)	90,000
Expenses of Management	6,45,000
Audit Fees (General)	54,000
Rate & Taxes (General)	9,000
Rent (General)	1,04,000
Income from Investments	2,25,000
Cash in hand & at bank	2,54,500

The following further information is also to be noted :-

- i) Expenses of Management include Survey Fees and Legal Expenses of Rs. 74,000 and Rs. 30,000 relating to claims.
- ii) Claims intimated but not paid on 31<sup>st</sup> March, 2003, Rs. 1,56,000.
- iii) Income-tax to be provided at 55%.
- iv) Transfer to General Reserve Rs. 3,00,000.
- v) Proposed dividend 8%.
- vi) Reserve for Unexpired Risk to be kept at 50% of net premium and Additional Reserve to be carried forward.

3. a) Tejas Limited company was incorporated on 1<sup>st</sup> May, 2023. It had taken over a running business with effect from 1<sup>st</sup> January, 2023. Total sales of the company for the year ended 31<sup>st</sup> December, 2023 amounted to Rs. 1,00,000 out of which sales upto 1st May were to the time of Rs. 30,000. Gross Profit to the year was of Rs. 25,060. The total expenditure of the year was of Rs. 14,982 including Rs. 750 being Directors Fees. Calculate profit prior to incorporation and thereafter. 6
- b) Plank was incorporated on 1<sup>st</sup> July, 2023 to take over the business as a going concern from 1<sup>st</sup> March, 2023. The profit & loss account drawn on 31<sup>st</sup> December, 2023 was as under.

Profit and Loss Account

Particulars	Rs	Particulars	Rs.
To Management Exp.	7,000	By Gross Profit	77,000
To Rent	3,000		
To Office Exp.	2,000		
To Directors fees	1,200		
To Bad debts	1,500		
To Free samples	1,400		
To Formation Exp.	2,700		
To Debentures Interest	1,300		
To Commission & discount	700		
To Depreciation	2,500		
To Carriage outward	2,100		
To Goodwill written off	5,000		
To Dividend on shares	10,000		
To Net Profit	36,600		
	77,000		77,000

The following information is available:

- a) Sales in the 'pre' and 'post' incorporation periods were in the ratio of 3:4.
- b) Bad Debts Rs. 1,000 were written off in June, 2023.
- c) Rent had been paid only from 1<sup>st</sup> October, 2023 at Rs. 1,000 per month.
- d) In lieu of interest on purchase consideration, the vendors would get 75% of the profit earned prior to incorporation.

Ascertain the profits in the 'pre' and 'post' incorporation period.

**OR**

- c) Kusum limited company was incorporated on 1<sup>st</sup> May, 2023 to take over the business as a going concern from 1<sup>st</sup> January, 2023. The total turnover (sales) for the year was Rs.2,00,000 out of which turnover of Rs.50,000 were upto 1<sup>st</sup> May, 1998.  
The Profit & Loss Account for the year ended 31<sup>st</sup> December, 2023 was as follows:

## Profit &amp; 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 <sup>st</sup> Jan. to 31 <sup>st</sup> 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.

4. a) Jyotiba & Co. Ltd. went into liquidation. Its assets realised Rs. 3,50,000 excluding amount realised by the fully secured creditors from the sale of securities held by them. The following was the position:  
Share Capital: 1,000 shares of Rs.100 each.

6

	Rs.
Secured creditors (Securities realized Rs.40,000)	35,000
Preferential Creditors	6,000
Unsecured creditors	1,40,000
Debentures having a floating charge on the assets of the company	2,50,000
Liquidation expenses	5,000
Liquidator's remuneration	7,500

Prepare the liquidator's final statement of account.

- b) Mansaram limited company went into liquidation and its Balance Sheet as under:

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Liabilities	Rs	Assets	Rs.
Share capital: 10,000, 10% Pref. Shares of Rs.10 each	1,00,000	Sundry assets	7,00,000
20,000 Equity shares of Rs.10 each fully paid	2,00,000	Building	1,80,000
10,000 Equity shares of Rs.10 each, Rs.8 paid up	80,000	Profit & Loss A/c	1,00,000
15% Debentures	3,00,000	Preliminary Exp.	20,000
Creditors	2,70,000		
Preferential creditors	50,000		
	10,00,000		10,00,000

The liquidator realised Sundry Assets and Building for Rs.5,00,000 and Rs.2,70,000 respectively. Liquidation expenses were Rs. 5,500 and remuneration was Rs. 4,500.

Prepare final statement of account to be submitted by liquidator.

**OR**

- c) Jaibhim Wire Co. Ltd. went into voluntary liquidation. The share capital of Company consisted of the following: **12**

2,000 Preference Shares of Rs. 100 each, fully paid;  
8,000 Equity Shares of Rs. 100 each, fully paid;  
6,000 Equity Shares of Rs. 100 each, Rs.80 per share paid-up;  
2,000 Deferred Shares of Rs. 100 each, Rs. 80 per share paid-up.

According to the Articles of Association, for the repayment of capital, the preference shares have priority over the equity shares and the equity shares have priority over the deferred shares.

The expenses of liquidation including liquidator's remuneration amount to Rs. 14,000.

Sundry Creditors amounted to Rs. 1,78,000. The assets realised amounting to Rs. 3,74,000.

The liquidator made a call of the remaining Rs. 20 on the deferred shares which was paid in full (to adjust the rights of shareholders inter se).

A Call of Rs. 15 per share was made on the equity shares which were partly paid up. This was paid in full with the exception of that on 200 shares.

You are required to prepare liquidators final statement of account.

**5.** Write in short answers:

- a) Cash Reserve **3**
- b) Re-insurance Premium. **3**
- c) Time base method of pre-incorporation profit. **3**
- d) Functions of Liquidators **3**

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**UCA4C06 - Corporate Accounting Paper-II**

Time : Three Hours

Max. Marks : 60

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

- |    |    |  |    |
|----|----|--|----|
| 1. | अ) | इंग्रजी माध्यमाप्रमाणे                   | 6  |
|    | ब) | इंग्रजी माध्यमाप्रमाणे                   | 6  |
|    |    | <b>किंवा</b>                             |    |
|    | क) | इंग्रजी माध्यमाप्रमाणे                   | 12 |
| 2. | अ) | इंग्रजी माध्यमाप्रमाणे                   | 6  |
|    | ब) | इंग्रजी माध्यमाप्रमाणे                   | 6  |
|    |    | <b>किंवा</b>                             |    |
|    | क) | इंग्रजी माध्यमाप्रमाणे                   | 12 |
| 3. | अ) | इंग्रजी माध्यमाप्रमाणे                   | 6  |
|    | ब) | इंग्रजी माध्यमाप्रमाणे                   | 6  |
|    |    | <b>किंवा</b>                             |    |
|    | क) | इंग्रजी माध्यमाप्रमाणे                   | 12 |
| 4. | अ) | इंग्रजी माध्यमाप्रमाणे                   | 6  |
|    | ब) | इंग्रजी माध्यमाप्रमाणे                   | 6  |
|    |    | <b>किंवा</b>                             |    |
|    | क) | इंग्रजी माध्यमाप्रमाणे                   | 12 |
| 5. |    | थोडक्यात उत्तरे लिहा.                    |    |
|    | अ) | रोख संचिती                               | 3  |
|    | ब) | पुनर्विमा प्रव्याजी                      | 3  |
|    | क) | स्थापनेपूर्वीच्या नफ्याची समयाधार पध्दती | 3  |
|    | ड) | निस्तारकाची कार्ये                       | 3  |

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- सुचनाएँ :- 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  |
| <b>अथवा</b> |    |                                     |    |
|             | क) | अंग्रेजी माध्यम के अनुसार।          | 12 |
| 2.          | अ) | अंग्रेजी माध्यम के अनुसार।          | 6  |
|             | ब) | अंग्रेजी माध्यम के अनुसार।          | 6  |
| <b>अथवा</b> |    |                                     |    |
|             | क) | अंग्रेजी माध्यम के अनुसार।          | 12 |
| 3.          | अ) | अंग्रेजी माध्यम के अनुसार।          | 6  |
|             | ब) | अंग्रेजी माध्यम के अनुसार।          | 6  |
| <b>अथवा</b> |    |                                     |    |
|             | क) | अंग्रेजी माध्यम के अनुसार।          | 12 |
| 4.          | अ) | अंग्रेजी माध्यम के अनुसार।          | 6  |
|             | ब) | अंग्रेजी माध्यम के अनुसार।          | 6  |
| <b>अथवा</b> |    |                                     |    |
|             | क) | अंग्रेजी माध्यम के अनुसार।          | 12 |
| 5.          |    | संक्षिप्त में उत्तर लिखिए।          |    |
|             | अ) | रोख निधी                            | 3  |
|             | ब) | पुनर्विमा प्रव्याजी                 | 3  |
|             | क) | स्थापनापूर्व लाभ की समय आधारित विधि | 3  |
|             | ड) | निस्तारक के कार्य                   | 3  |

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