

245 - Corporate Accounting-II

P. Pages : 9

Time : Three Hours

**GUG/W/16/5163**

Max. Marks : 80

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

1. a) From the following Balances of x.y.z Bank Ltd prepare profit & loss Account for the year ended 31st March 2015. **8**

Particulars	Rs
Interest paid on saving A/c	7,950
Interest on Loans and 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

- 1) Provide for bad debts Rs. 500
- 2) Rebate on Bills discounted Rs. 1,000.
- 3) Current year's depreciation on Building Rs. 2,000
- 4) Provide Rs. 20,000 for Tax
- 5) Transfer necessary amount to statutory Reserve fund from profit as per Banking Companies Act.

- b) The following figures have been obtained from the Books of Soham Bank Ltd. for the year ending 31st March 2015. **8**

Particulars	Rs
Called & paid up capital	20,00,000
Statutory Reserve (1-4-2014)	9,00,000
Bills payable	25,000
Interest Accrued (cr)	75,000
Fix Deposits	2,75,000
Saving Deposits	3,25,000
Current Deposits	1,25,000
Cash Balance	2,00,000
Balance with outer Bank	4,00,000
Cash with R.B.I	1,00,000
Investment in Govt. securities	3,00,000
Other Approved Securities Investment	1,00,000
Bills purchased & Discounted	2,50,000
Cash credits, overdrafts & Demand Loans	14,25,000
Term Loan	8,90,000
Fixed Assets	16,25,000
Other Assets	50,000

Bill for collection	2,35,000
Borrowing from other Bank	3,00,000
Borrowing from R.B.I.	1,00,000
Transfer to statutory Reserve during the year	1,13,000
Balance in profit & Loss A/c	11,02,000

Prepare Balance sheet of the Bank as on 31st March 2015.

OR

- c) Janta Bank Ltd has an Authorised capital of Rs. 10,00,000 in Equity shares of Rs. 100 each. **16**
Its Trial Balance as on 31st March 2015 was as follow.

Particulars	Dr (Rs)	Cr (Rs)
Issued & subscribed capital 5,000 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 1-4-15		75,000
Pension Fund		25,000
Borrowings from other Bank		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 expenses	1,17,000	
Interest on Bank Borrowings	10,000	
Non. Banking Assets	20,000	
	41,55,000	41,55,000

The following information should also be considered

- 1) Rebate on bills discounted Rs. 2,000
- 2) Provide Rs. 10,000 doubtful debts.
- 3) Create a provision of Rs. 50,000 for Taxation.
- 4) Directors propose Dividend @ 10% for the year 2014-15
- 5) Interest accrued on investments was Rs. 11,500

Prepare profit & Loss Account for the year ended on 31st March, 2015 and a Balance sheet as on that date.

2. a) From the following information prepare Revenue Account of fire Insurance Co. Ltd for the year ended 31st December 2015. 8

Particulars	Rs
Reserve for unexpired Risks at as 31 st Dec 14	6,00,000
Additional Reserve for unexpired Risks as at 31 st Dec 14	1,00,000
Premium Received	4,50,000
Interest & Dividends (Gross)	80,000
Income-Tax deducted there on	10,000
Sundry Income	2,000
Claims paid during the year	4,00,000
Claims outstanding on 31 st Dec 2014	25,000
Claims outstanding on 31 st Dec 2015	30,000
Claims Recovered under re-Insurance	10,000
Commission to Agents	50,000
Comm, to agents, outstanding on 31 st Dec 15	6,000
Expenses of management (Including Rs 5,000 as legal expenses in connection with claims)	80,000
Miscellaneous expenses	5,000
Commission Received on Re, Insurance business	5,000

Keep a Reserve for unexpired Risks equal to 50% of the premium and Additional Reserve its to be extended by Rs. 20,000.

- b) Following balances are extracted from the Books of India Insurance Co Ltd as on 31st March 2015 prepare a Balance sheet. 8

Particulars	Rs
Share capital (Rs 10,000 share of Rs 100 each)	10,00,000
Fund as on 31 st March 2015	
Fire	2,55,000
Marine	1,54,000
General Reserve	1,70,000
Contingency Reserve	80,000
Investment fluctuation fund	55,000
Profits & Loss Appr. A/c (cr)	3,00,000
Claims outstanding as on 31 st March 15	
Fire	12,500
Marine	7,500
Sundry creditors	18,000
Outstanding Dividend	47,800
Due to Re-Insurers	36,600
Cash in Hand	10,800
Bank current A/c	90,000
Bank Deposits A/c	50,000
Sundry Debtors	28,000
Receivable Interest (Dr)	26,000
Agents Balances (Dr)	15,600
Furniture	47,000
Debentures of Indian company	2,84,000
Deposit with R.B.I	4,00,000
Loans on mortgages In India	5,60,000
Outstanding premium	1,60,000
Govt. securities	5,40,000

Additional Information:-

- 1) Transfer Rs 30,000 to General Reserve.
- 2) Transfer Rs 20,000 to contingency Reserve
- 3) Transfer Rs 25,000 to Investment Fluctuation Fund

OR

- c) From the following figures extracted from the Books of Chetan fire insurance Co. Ltd. you are required to prepare fire Revenue Account, Profit & Loss Account, Profit & Loss Appropriation Account for the year ended 31st March 2015 and the Balance sheet as on that Date.

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Particulars	Rs	Particulars	Rs
Share capital	8,00,000	Profit & Loss Appropriation A/c (Cr)	1,20,000
General Reserve	4,00,000	Rent (Dr)	50,000
Sundry Creditors	45,000	Director's fees	15,000
Loans (Dr)	6,00,000	Audit fees	10,000
Investments	26,00,000	Fire fund (1-4-14)	10,00,000
Agents Balance (Dr)	2,94,000	Premiums	18,00,000
Cash In Hand	25,000	Re-Insurance premiums	70,000
Cash at Bank	1,30,000	Additional Reserve (1-4-14)	3,00,000
Outstanding premium	20,000	Claims paid	4,20,000
Expenses of Management	2,50,000	Commission on Re-Insurance ceded	40,000
Income from investment	1,85,000	Claims Intimated but not paid (1-4-14)	30,000
Share Transfer fees	4,000	Claims Recovered from reinsurers	20,000
Commission on Direct Business	2,00,000		
Re-Insurance Accepted	60,000		

The following further information is also available:-

- 1) Claims intimated but not paid as on 31st March 2015 amounted to Rs. 50,000
- 2) Provide for Income-Tax Rs. 4,00,000
- 3) Transfer to General Reserve Rs. 1,80,000
- 4) Proposed dividend @ 15%
- 5) Reserve for unexpired Risk is to be provided In accordance with the 'Code of Conduct' of the General Insurance Companies
- 6) Provide for Additional Reserve at 2% of the net premium In addition to the opening Balance of Additional reserve.

3. a) A.B.C limited Company was Incorporated on 1st May 2015 to take over the business as a going concern from 1st January 2015. The total turnover (sales) for the year was Rs. 2,00,000 out of which turnover of Rs 50,000 were upto 1st May 2015. 8

The profit & Loss Account for the year ended 31st December 2015 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	18910		
	52,000		52,000

Find out profit prior to incorporation and After Incorporation.

- b) Subham Co Ltd was Incorporated on 1st July 2014 to take over the running business of Mr. Manohar with effect from 1st April 2014. The following was the profit & Loss Account for the year ended 31st March 2015. 8

Particulars	Rs	Particulars	Rs
To Advertisement	7,875	By Gross Profit	98,000
To Managing Director's Remuneration	9,000		
To Salaries	20,800		
To Insurance	600		
To Preliminary exp	700		
To Rent & Taxes	3,000		
To Discount	1,600		
To Net profit	54,425		
	98,000		98,000

The following Additional Information is available.

The average Monthly turnover from July 2014 onwards was double than that of the previous Months.

Prepare a statement showing profit and after Incorporation.

OR

- c) Max Ltd. was incorporated on 1st May 2015 to take over the business of M/s Sanika Brothers as a going concern from 1st January 2015 The Profit & Loss Account of the company for the year ending 31st December 2015 was as follows. 16

Particulars	Rs	Particulars	Rs
To Salaries & Allowances	60,000	By Gross Profit	2,00,000
To Rent & Taxes	23,000		

To General expenses	7,200		
To Director's fees	3,000		
To selling expenses	4,000		
To Discount on sales	1,000		
To Advertising	3,000		
To Audit fees	4,500		
To Formation exp	1,800		
To stationery	1,500		
To Interest on Debentures	1,400		
To Interest to vendor (upto 30-6-2015)	6,000		
To Repairs to Building	1,200		
To Depreciation	2,400		
To provision for Taxation	4,000		
To Net Profit	76,000		
	2,00,000		2,00,000

The following is further information

- 1) Rent was paid at Rs 1,000 Month up to 1st May 2015 and thereafter it was paid to Rs 2,000 per Month.
- 2) Audit fees was allocated on the time basis.
- 3) Average monthly sales for the first four months during the year was Rs. 60,000. subsequent period was Rs. 70,000 prepare the profit & Loss A/c showing the profit prior to and after incorporation of the company.

4. a) A and B Ltd. into voluntary Liquidation 1st Jan 2015 Their Balance sheet on that date was as follows.

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Balance sheet as on 1st Jan 2015

Liabilities	Rs	Assets	Rs
Share capital 20,000 5% Preferential shares of Rs 100 each	20,00,000	Cash	20,000
20,000 ordinary shares of 100 each	20,00,000	Debtors	8,00,000
6% Debentures	5,00,000	Sundry Assets	45,18,000
Creditors	10,50,000	Profit & Loss A/c	2,12,000
	55,50,000		55,50,000

Additional Information:

- 1) Liquidator recovered Rs. 38,00,000 from debtors and from sale of all the Assets.
- 2) Dividend on preferential shares is paid upto 31st Dec 2013.
- 3) Debenture holders were paid on 30th June 2015 with Interest upto the Date of payment.
- 4) Liquidation expenses were Rs 39,000.
- 5) Liquidator is entitled to Receive commission at 2% on Money collected by him and 2% on the Account refunded to ordinary share holders.
- 6) Creditors for Rs. 50,000 were preferential prepare Liquidator's final statement of Account.

- b) Monti & 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.

8

Particulars	Rs
Secured creditors c securities realised 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.

OR

- c) The OM Ltd went into voluntary liquidation on 31st Dec 2014 When their Balance sheet was as follows.

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Liabilities	Rs	Assets	Rs
5,000: 10% cumulative preference of share of Rs 100 each fully paid	5,00,000	Land & Buildings	2,50,000
2,500 Equity share of Rs 100 each Rs 75 paid	1,87,500	Plant & Machinery	6,25,000
7,500 Equity share of Rs 100 each of Rs 60 paid	4,50,000	Patents	1,00,000
15% Debentures (secured by a floating (Barge)	2,50,000	Stock	1,37,500
Interest outstanding on Debentures	37,500	Sundry Debtors	2,75,000
Creditors	3,18,750	Cash at Bank	75,000
		Profit & Loss A/c	2,81,250
	17,43,750		17,43,750

The preference dividends were in arrears for 2 year and the creditors include the preferential creditors of Rs. 38,000. The Assets realised were as follows Land & Building Rs. 3,00,000 plant & Machinery Rs. 5,00,000 patents Rs. 75,000 stock Rs. 1,50,000 Sundry Debtors Rs. 2,00,000. The expenses of liquidation Amount to Rs 27,250 the liquidator is entitled to a commission of 3% on assets realised except cash. Assuming the final payment including these on debentures is made on 30th June 2015 show the liquidator's final statement of Account. Equals were treated alike.

5. Write a short Note.

- Explain the functions of Bank?
- What is Re-Insurance premium?
- Explain the Method of ascertain the pre-Incorporation profit.
- Explain the kinds of liquidation.

4

4

4

4

B.Com.(with Credits)-Regular-Semester 2012 Sem IV
245 - Corporate Accounting-II

Time : Three Hours

Max. Marks : 80

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

1. इंग्रजी माध्यमानुसार
2. इंग्रजी माध्यमानुसार
3. इंग्रजी माध्यमानुसार
4. इंग्रजी माध्यमानुसार
5. थोडक्यात उत्तरे लिहा.

4X4

- अ) बँकाची कार्य स्पष्ट करा.
- ब) पूनर्विमा प्रव्याजी म्हणजे काय.
- क) स्थापनेपूर्वीचा नफा काढण्याच्या पद्धती स्पष्ट करा.
- ड) निसारनाचे प्रकार स्पष्ट करा.

B.Com.(with Credits)-Regular-Semester 2012 Sem IV
245 - Corporate Accounting-II

Time : Three Hours

Max. Marks : 80

- सूचनाएँ :-
1. सभी सवाल आवश्यक हैं।
 2. सभी सवालों को समान गुण हैं।

1. अंग्रेजी माध्यम के अनुसार।
2. अंग्रेजी माध्यम के अनुसार।
3. अंग्रेजी माध्यम के अनुसार।
4. अंग्रेजी माध्यम के अनुसार।
5. संक्षिप्त में उत्तर लिखीये।

4X4

- अ) अधिकोष के कार्य स्पष्ट किजीये।
- ब) पूर्वनिर्मा प्रव्याजी क्या है।
- क) स्थापनापूर्व लाभ आगणन पद्धती स्पष्ट किजीये।
- ड) समापन के प्रकार स्पष्ट किजीये।

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