

TILAK MAHARASHTRA VIDYAPEETH, PUNE
BACHELOR OF COMMERCE (B.COM)
EXAMINATION: MAY 2024
THIRD SEMESTER
Subject: Corporate Accounting (BCOM19-202/ BCC-301)

Date: 17/05/2024

Total marks: 60

Time: 2.00 pm to 4.30 pm

Instructions: 1) All questions are compulsory. 2) Figures to the right indicate full marks.

Q.1. (A) Fill in the blanks (Any 5) (05)

1. Share premium is ----- profit
 - a) capital
 - b) Fixed
 - c) Revenue
 - d) None of these
2. The company whose shares are held is called -----
 - a) Holding company
 - b) co-operative society
 - c) subsidiary company
 - d) Joint stock company
3. Joint stock company is ----- person created by law
 - a) Natural
 - b) Artificial person
 - c) Legal
 - d) None of the above
4. A share issued at more than the face value of the share is called -----
 - a) At premium
 - b) At discount
 - c) At par
 - d) None of the above
5. Creditors comes under ----- heading in company final account
 - a) reserve and surplus
 - b) current assets
 - c) loans and advances
 - d) none of the above
6. Dividends are usually paid on-----
 - a) Authorised capital
 - b) paid up capital
 - c) Issued capital
 - d) subscribed capital
7. ----- accounting standards deals with disclosure of accounting standards
 - a) AS-2
 - b) AS-1
 - c) AS-5
 - d) AS-6

(B) State whether the following statements are true or false (any 5) (05)

1. Carriage outward should be divided between pre and post incorporation period in time ratio
2. Forfeited share balance is transferred to capital reserve at the time of re-issued shares
3. Authorised capital registered with the registrar of company

4. In every winding up of the accountant is appointed to administer the property of the company.
5. Preference share- holders are the owners of the company.
6. Revenue profit is known as post acquisition profit.

Q.2. (A) Maharashtra Transport Ltd. Invited application for 40,000 equity shares of Rs- 100 each at a discount of Rs-4 per share. The amount was to be paid as follows: **(20)**

On application – 20

On allotment -36

On first and final call- 40

The public applied for 36,000 shares and these were allotted. All money due were collected with the exception of the first and final call on 4,000 shares and these were forfeited. 4000 of these shares were re-issued as fully paid for a payment of RS-80 per share.

Make journal entries in the books of the company.

OR

(B) Prakash co Ltd. and Kiran co. Ltd. carry on business of similar nature. They agree to amalgamate and form new co. Ravi co. Ltd. to take over the business of these companies as on 31st march 2014

Balance sheet

Liability	Prakash co.	Kiran co.
Eq. share capital Rs-10 each	40,000	50,000
Pref. share capital 100 each	20,000	25,000
P& L account	18,000	30,000
Creditors	14,000	25,000
	92,000	1,30,000
Assets		
Building	20,000	-
Plant and machinery	15,000	50,000
Goodwill	-	10,000
Stock	11,000	25,000
Debtors	40,000	40,000
Cash	4400	2500
Preliminary expenses	1600	1,000
Prepaid expenses	-	1500
	92,000	1,30,000

Ravi Ltd. agree to pay Rs- 75,000 to Prakash Ltd. by issue of 7000 Equity shares of Rs- 10 each at par as fully paid and by paying balance in cash.

Preference shareholder of Prakash co. Ltd agree to receive 1950 share in full satisfaction of there claim.

All assets and liabilities were taken over at book value except debtors which subject to provision 5% liquidation expenses amount to Rs- 1000

In respect of Kiran co Ltd. it was agreed the assets revalued as stock 27500, debtors 10 % provision, goodwill bookvalue, machinery 55,000; out of cash Rs- 1500 taken over and 10000 left with Kiran co. ltd. for meeting liquidation expenses, pref. share holder redeemed 10%pref. shares of Rs- 100 each. Balance of purchase consideration was to be satisfied by issue to Eq. shares of Rs- 10 each.

Prepare necessary ledger accounts

Q.3. (A) Y Ltd went into liquidation as on 31/12/1013 on which date it's balance sheet as follows **(10)**

Balance sheet

Particulars	Amount	Particulars	Amount
Share capital: 4800 eq. share of rs 50	2,40,000	Land & building	90,000
Unsecured loans	22,000	Plant & machinery	1,56,000
Creditors:		Stock	42,000
Partly secure	70,000	Debtors	32,000
Pref. creditors	4,100	Cash	10,000
Unsecured	38,900	P & L a/c	45,000
Total	3,75,000	Total	3,75,000

the liquidator realized the assets as follows

- 1) Land and building rs.65000 (which was used for paying partly secure creditors) plant and machinery rs. 102000 stock rs.31000, debtors rs- 22,000, cash rs-10000.
- 2) The liquidation expenses rs- 2200
- 3) The liquidators remuneration was fix 2% on asset including cash and 5% on the amount paid to the shareholder.

You are required to prepare the liquidators final statement of A/C.

(B) Write short notes. (Any 2) **(05)**

1. Accounting standards 2
2. Types of preference share
3. Modes of winding up
4. Minority interest

Q.4. (A) Balance sheet as on 31st March 2000 **(15)**

Liabilities	A ltd	B ltd	Assets	Rs	Rs
Share capital	300,000	1,50,000	Fixed assets	2,00,000	1,00,000
General reserve	20,000	5,000	Investment (1550 shares in B Ltd)	1,54,000	-
Profit and loss a/c	35,000	10,000	Current assets	86,000	1,10,000
Current liabilities	85,000	45,000			
	4,40,000	2,10,000		4,40,000	2,10,000

A Ltd acquire shares in B Ltd as on 1st April 2005, on 1st Jan 2005 G.R was Rs- 1000, profit and loss Rs- 5000
Show capital profit and revenue profit

OR

(B) A company acquires a business as on 1st January 2005, it being incorporated on 1st may 2005. The first accounts are drawn upto 30th September 2005.

The gross profit for the period is Rs-56000

The general was are rs-14220

Director's fees Rs- 12000

Formation expenses Rs- 1500

Rent upto 30th june was Rs- 1200 p.a after which it was increased to Rs-3000 p.a.

Salary of the manager , who upto incorporation of the company was made a director , was Rs- 6000 p.a. since the incorporation included director's fees above.

Show profit and loss account assuming that the net sales were Rs-820000 , the monthly average of which for the first four months of 2005 being one half of that of remaining period. The commodity earned a uniform profit.
