

S. B. B. Alias APPASAHEB JEDHE ARTS, COMMERCE & SCIENCE COLLEGE, PUNE 02.

TERM END EXAM. 2014 - 2015

SUB - CORPORATE ACCOUNTING

S.Y.B.Com.

Time - 2 hrs.

Marks - 60

N.B. : 1) All questions are compulsory.

2) Figures to the right hand indicate full marks.

3) Use of Calculator is allowed.

Q.1 (A) Fill in the Blanks . (Any 5)

5

- 1) Accounting Standard (AS) 2 deals with _____ .
- 2) The dividend which is declared between two Annual General Meeting is called as _____ dividend
- 3) Preference Shareholders are the _____ of the company.
- 4) Corporate life of the company brought to an end is called as _____ .
- 5) Paid up capital is that part of the _____ capital which is actually received in cash by the company
- 6) Accounting Standard (AS) 10 deals with _____ .
- 7) Liquidation means _____ up of a company.

(B) State Whether the following statement are True or False (Any 5)

5

- 1) Accounting Standard (AS) 14 deals with Accounting for Amalgamation.
- 2) All Governments dues are treated as preferential creditors.
- 3) Accounting Standard (AS) 21 deals with consolidated financial statements.
- 4) By giving a security the loan is taken by company is called as Secured Loan.
- 5) Debenture holders are not the owners but are the creditors of the company.
- 6) Dividend is payable on the amount of calls in advance.
- 7) Accounting standard (AS) 6 deals with depreciation accounting.

(C) Short Notes (Any 3)

12

- 1) Explain the Accounting Standard (AS) 6
- 2) Explain the Accounting Standard (AS) 21
- 3) Explain the Accounting Standard (AS) 14
- 4) Explain the term MIS
- 5) Explain the term Payroll Accounting.
- 6) Explain the term Inventory Accounting.

Q.2 The Minal Manufacturing Co. Ltd. was registered with a nominal Capital of ₹ 15,00,000 divided into equity shares of ₹ 100 each. On 31st March, 2014 the following the ledger balances in the Company books.

20

Particulars	Debit ₹	Credit ₹
Calls in Arrears	18,750	--
Plant & Machinery	9,00,000	--
Stock (31-3-2013)	1,87,500	--
Fixtures	18,000	--
Debtors	2,17,500	--
Building	7,50,000	--
Purchases	4,62,500	--
Interim Dividend paid	18,750	--
Rent	12,000	--
General Expenses	12,250	--
Debenture Interest	22,500	--
Bills Payable	--	95,000
General Reserve	--	62,500
Profit & Loss Appropriation A/c	--	36,250
Equity Share Capital fully called up	--	11,50,000
Preliminary Expenses	12,500	--
Freight	32,750	--
Goodwill	62,500	--
Wages	2,12,000	--
Cash in hand	5,875	--
Cash at Bank	95,750	--
Directors Fees	14,350	--
Bad Debts	5,275	--
Commission on Sales	18,000	--
Salaries	36,250	--
6% Debentures	--	7,50,000
Sales	--	10,37,500
4% Govt. Securities	1,50,000	--
Provisions for Bad Debts	--	8,750
Creditors	--	1,25,000
	32,65,000	32,65,000

The stock on 31st March, 2014 was estimated at ₹ 2,52,500. The following adjustments were also to be made.

P.T.O.

1. Depreciation on Plant and Machinery at 10% and on fixtures at 5%
2. ₹ 25,000 out of wages were utilized in adding rooms to the Building for which no entry has been passed.
3. Final Dividend at 5% be provided on paid capital.
4. Preliminary expenses to be written of by 20%
5. The provision for Bad debts to be maintained at 5% on Sundry debtors.
6. ₹ 25,000 were to be transferred to General Reserve.
7. A Provision for income tax to the extent of ₹ 62,500 was to be made.

You are required to prepare. Trading and Profit and Loss Account for the year ending 31st March, 2014 and the Balance Sheet as on that date in the form prescribed under the companies Act 2013.

Q.3 Sunrise Ltd. went into voluntary liquidation on 31st March 2014 when their Balance Sheet was as follows.

18

Liabilities	Amount ₹	Assets	Amount ₹
Issued & Subscribed Capital		Land & Building	10,00,000
20,000 10% cum. Pref. Shares of ₹ 100 each fully paid	20,00,000	Plant & Machinery	25,00,000
10,000 Equity shares of ₹ 100 each ₹ 75 paid	7,50,000	Patents	4,00,000
30,000 Equity shares of ₹ 100 each ₹ 60 paid	18,00,000	Stock	5,50,000
15% Debentures secured by a floating charge on all assets	10,00,000	Sundry Debtors	11,00,000
interest Outstanding on Debentures	1,50,000	Cash at Bank	3,00,000
Creditors	12,75,000	Profit & Loss A/c	11,25,000
	69,75,000		69,75,000

Preference dividends were in arrears for 2 years and the creditors included preferential creditors of ₹ 1,52,000.

The assets realized as follows :

Land and Buildings ₹ 12,00,000, Plant Machinery ₹ 20,00,000, Patents ₹ 3,00,000, Stock ₹ 6,00,000, Sundry Debtors ₹ 8,00,000.

The expenses of liquidation amounted to 1,09,000. The liquidator is entitled to a commission of 3% on assets realized except cash. Assuming the final payment including those on debentures in made on 30th June, 2014.

Show the Liquidator's Final Statement of Account.

OR

The following information was extracted from the books of Amit limited company on 31st March, 2014 on which date winding up order was made.

18

Particulars	₹
Cash in hand	15,000
Stock in trade (estimated to Produce ₹ 45000)	60,000
Fixture and Fitting (estimated to Produce ₹ 6300)	9,000
Plant and Machinery (estimated to Produce ₹ 46,800)	45,000
Freehold Land and Building (estimated to Produce 1,35,000)	90,000
Book Debts (estimated to Produce 15,600)	18,600
Unsecured Creditors	2,10,000
Preferential Creditors	6,000
Creditors Fully Secured (Value of securities 33,000)	27,000
Creditors Partly Secured (Value of Securities 18,000)	30,000
Bank Overdraft secured by a second charge on all the assets of the company	24,000
10% Debentures secured by floating charge on all the assets of the company (interest paid to date)	1,50,000
Equity share capital - 18,000 shares of 10 each	1,80,000
11% preference share capital - 19,500 shares 10 each	1,95,000
Call in Arrears on equity shares (Estimated to Produce 3,000)	7,500

Make out Statement of Affairs as regards creditors and contributories as on 30/06/2014 assuming that the payment was made upto that date.

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