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(A-2) Seat No. _____
SARDAR PATEL UNIVERSITY

No of printed pages: 4

F. Y B.B.A (ISM) II Semester Examination (NC -2010)

03rd May 2016 (Tuesday)

10.30 am to 12.30 pm

UMO2EBBS02 Corporate Accounting

Total Marks: 60

- Q-1 (A) Rahul Company Limited issued 60000 Equity Shares of Rs. 10 each at a premium of Rs. 3 per share. The amount payable was as follows. 10
On Application Rs.2; On Allotment Rs.5 (inclusive of premium); On First Call Rs.3 and on Final Call Rs.3

Applications were received for 100000 shares out of which additional applications were refused and the amount was refunded. Rupa holds 500 shares and Krupa holds 1000 shares – both of them unable to pay second call.

Pass necessary journal entries to record the above transactions in the books of the company.

- (B) Write a short note on: Calls in Arrears 05

OR

- Q-1 SHREE Sardar Limited issued 100000 Equity Shares of Rs. 10 each payable as under. 15

On Application Rs.3 per share, On Allotment Rs.2 per share, On First Call Rs.3 per share, On Final Call Rs.2 per share.

Company received applications for 200000 shares. Applications of 50000 shares regretted and refunded. Pro-rata allotment was made for the remaining applications. Mr. A holding 2000 shares failed to pay allotment money and two calls.

Pass journal entries in the books of the Company.

- Q-2 (A) What is the meaning of Debenture and explain the types of debenture. 07

- (B) Write a short note on: 1. debenture redemption fund 2. Debenture discount 3. Debenture redemption fund investment. 08

OR

- Q-2 XYZ Ltd. issued 10000, 12% debentures of Rs.100 each. Given journal entries if the debentures are- 15

- (1) Issued at a discount of 10% and redeemable at par.
- (2) Issued at a premium of 10% and redeemable at par.
- (3) Issued at par and redeemable at 10% premium and
- (4) Issued at a discount of 10% and redeemable at a premium of 10%.

(P.T.O.)

Q-3

The balance sheet of Shree Co. Ltd. on 31-3-2012 is as under :

15

Liabilities	Rs.	Assets	Rs.
Equity share capital of Rs.10 each paid up Rs.9 per share	450000	Fixed assets	975000
12% Red.Pref.Share capital of Rs.10 each, paid up Rs.8 per share	200000	Investments	100000
14% Red.Pref.Share capital of Rs.10 each fully paid up	150000	Bank balance	250000
General reserve	750000	Other current assets	400000
Profit and loss a/c	25000		
Share premium	25000		
Creditors	125000		
	1725000		1725000

It was decided to redeem 12% Red. Preference shares at a premium of 10% and 14% Red. Preference share at a premium of 5% on the date of the balance sheet, after abiding by necessary provisions of Companies Act. Investments were sold at Rs.75000. now bank balance to be maintained in the business is Rs.25000. For this purpose 15% Cumulative Preference shares were issued at a premium of 10% in adequate number.

Write journal entries in the book of Harsh Co. Ltd and also prepared a new balance sheet.

OR

Q-3

Write a short note on: 1. Provision of Company's Act for Redemption of Preference Shares. 2. Bonus share. 3. Preference share

15

Q-4

The following are the balances are taken from the books of Sagar LTD as on 31-12 99.

15

Debit balances	Rs.	Credit balances	Rs.
Cash Balance	30000	Equity Share Each	
Purchase	253000	Rs 100	350000
Investment	40000	10% Debenture	60000
Debtors	50000	Public Deposits	15000
Bills Receivable	10000	Income From	
Salaries	26000	Investment	6000
Carriage Inward	2000	Share Transfer Fees	
Equity Shares Of Paras		Profit And Loss A/C	3000
Ltd	100000	Bills Payable	
Prepaid Insurance	2000	Creditors	25000
Land & Building	200000	General Reserve	10000
Furniture	55000	Provident Fund	27000
Plant And Machinery	100000	Purchase Return	35000
Goodwill	70000	Sales	12000
Patents	6000		3000
Preliminary Expenses	10000		451000
Interest On Debenture	3000		

Sales Return	4000		
Directors Fees	3000		
Opening Stock	15000		
Loose Tools	12000		
Provident Fund			
Contribution	4000		
Postage And Telegram	5000		
	1000000		1000000

You are required to prepare the final accounts of the company for the year ended 31st December 1999 according to the requirements of the companies Act 1956 after taking into accounts the following additional information's:

1. The stock on 31-12 2000 was Rs. 90000
2. Reserve for bad debts on debtors to be maintained at 10%
3. 20% preliminary expense written off
4. An amount of Rs. 25000/- to be transferred to general reserve.
5. Outstanding salary Rs 3000/-
6. Depreciate land and building at 10% and plant and machinery and furniture at 5%.
7. Board of directors has recommended 12% dividend on equity shares.
8. Authorized share capital of the company amounted to Rs. 1000000.

OR

Q-4

The following is the trial balance of AYUSHI LTD as on 31-3-05.

15

Particulars	Dr. (Rs.)	Particulars
Opening stock	200000	Equity share each Rs. 100
Furniture	35000	Sales
Debtors	60000	8% debentures
Losses tools	20000	Purchase return
Wages	15000	Debenture redemption fund
Salaries	55000	Provident fund
Interest on debentures	1600	Capital reserve
Directors fees	6000	General reserve
Income tax	28000	Creditors
Purchases	204000	Bills payable
Land and building	350000	Profit & loss A/C.
Sales return	3000	Bank loan
Plant and machinery	100000	Income from investments
Preliminary expenses	10000	Public deposit
Investments	70000	
Rent	25000	
Postage and telegram	3000	
Goodwill	50000	
Debenture redemption fund		
Investments	30000	
Provident fund Contribution	3000	
Cash balance	50000	
	1318600	

(P.T.O.)

(2)

You are required to prepare the final accounts of the company for the year ended 31st March, 2005 accordingly to the requirements of the company Act, 1956 after taking into account the following additional information's:

Additional information:

1. The stock at the end was Rs. 180000.
2. Reserve for bad debts on debtors to be maintained at 10%.
3. 40% preliminary expenses written off.
4. An amount of Rs.25000 to be transferred to general reserve.
5. Depreciate plant and machinery at 4% and furniture and land - building at 10%.
6. Prepaid rent amount to Rs.1000.
7. Outstanding expenses - salaries Rs.2000 and wages Rs.3000.
8. The directors of the company recommend 12% dividend on equity share capital.
9. The authorized share capital of the co. amounted to Rs. 1000000.

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(4)