

(Please write your Exam Roll No.)

Exam Roll No.

01413780017

END TERM EXAMINATION

FOURTH SEMESTER [B.COM (HONS.) MAY- JUNE 2019

Paper Code: BCOM-206

Subject: Corporate Accounting

Time: 3 Hours

Maximum Marks: 75

Note: Attempt any five questions. All questions carry equal marks.

Q1 Following is the Balance Sheet of a company as on 31-03-2017:

Liabilities	Rs.	Assets	Rs.
8% Preference Share Capital: (20,000x Rs. 50) 10,00,000		Fixed Assets	12,25,000
Less: Call unpaid (2,000x Rs. 10) 20,000	9,80,000	Investments	2,00,000
		Bank	9,55,000
Equity Share Capital: 1,00,000 shares of Rs. 10 each, Rs. 7.50			
Called up 7,50,000			
Less: Calls unpaid 2,500	7,47,500		
Securities' Premium	50,000		
Reserves	6,00,000		
Calls-in-Advance	2,500		
	23,80,000		23,80,000

- (a) Fully paid preference shares are redeemed at a premium of 5%.
(b) 50,000 equity shares of Rs. 10 each are issued at par, whole amount due and received on applications.
(c) 1,000 equity shares on which call @ Rs. 2.50 per share is unpaid are forfeited.
(d) Final Call of Rs. 2.50 per share is made and collected.
(e) Forfeited shares are re-issued @ Rs. 9 per share credited as fully paid.

Required:

- (i) Journal Entries, and
(ii) Revised Balance Sheet of the Company after the above transactions.

Q2 A company had Rs. 80,000 5% debentures outstanding as on 1st April, 2015 are redeemable on 31st March 2016. On that day, the Sinking fund was Rs. 75,900 represented by Rs. 10,000 own debentures purchased at an average price of Rs. 98 and Rs. 66,000 (Nominal Value) 4% stock.

The annual installment was Rs. 2,940. On 31st March 2016 the investments were realized at Rs 97 and the debentures were redeemed. Give the journal entries and necessary accounts for the year 2015-16

Q3 Prepare in a summarized form the Balance Sheet of a Company as per 'Ind AS schedule iii format' of companies Act, 2013, taking imaginary figures.

Q4 On 31st December, 2018 the company's position was as follows:

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Upon revaluation of the assets, it was found that goodwill was worthless and the other assets were overvalued to the following extent:

Land and Buildings by Rs. 64,000 and Plant and Machinery by Rs. 88,000.

A provision for doubtful debts to the extent of Rs. 8,000 was necessary.

The following scheme of reorganization was approved by the court:

- (a) The creditors to accept 6% debentures to the extent of 50% of their claims, the balance to be paid in six months after the date.
- (b) The preference shares to be reduced to Rs 5 each.
- (c) The equity shares to be reduced to Re. 1 each.
- (d) The assets to be brought to the revalued figures and the debit balance of the P&L A/c to be wiped out.

✓ Draft Journal entries to give effect to the above scheme and prepare the revised Balance Sheet of the company.

Q7 (a) From the following information of a Commercial Bank on 31st March, 2012, calculate the amount of provision to be made for NPAs.

	Rs.
(i) Standard assets.....	20,60,500
(ii) Sub-standard assets.....	1,10,000
(iii) Doubtful assets (secured	
up to 1 year.....	40,000
1-3 year.....	25,000
More than 3 years.....	10,500
(iv) Doubtful assets (unsecured).....	22,500
(v) Loss of assets.....	15,500

(b) While closing the books of a bank on 31st March 2011, you find in the loan ledger an unsecured balance of Rs. 5,00,000 in the account of one customer Mr. Z whose financial condition is reported to you as bad. Interest on the same amounted to Rs. 50,000 during the year but yet to be recovered. During 2011-12, the bank is able to realize only 80 paise in a rupee on account of customer's bankruptcy. Show the necessary journal entries to record the above.

✓ Q8 What do you understand by liquidation of a company? Explain the performance and procedure for preparing liquidator's statement at the time of liquidation.

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