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**B.Com. (Part - II) (Semester - IV) Examination, April - 2017****CORPORATE ACCOUNTING (Paper - II)****Sub. Code : 63121****Day and Date : Tuesday, 11 - 04 - 2017****Total Marks : 50****Time : 3.00 p.m. to 5.00 p.m.**

- Instructions :**
- 1) All questions are compulsory.
  - 2) Figure to the right indicate full marks.
  - 3) Use of calculator is allowed.

**Q1)** The Vikas Industries Ltd. Sells it's business to the Manugraph industries Ltd. on 31<sup>st</sup> March, 2016 on which date it's Balance Sheet was as follows.

Liabilities	Rs.	Assets	Rs.
Share Capital (20000 Eq. Shares of Rs. 10 each	2,00,000	Goodwill	35,000
Reserve Fund	20,000	Land & Building	1,00,000
P & L A/C	10,000	Plant & Machinery	1,80,000
8% Debenture	1,00,000	Stock	60,000
Loan from Mr. Anil (as a shareholder)	50,000	Cash at Bank	50,000
Sundry creditors	1,20,000	Discount on debenture	10,000
		Sundry Debtors	65,000
	5,00,000		5,00,000

The Manugraph Industries Ltd. agreed to take over the business on following terms.

- a) The Manugraph Industries Ltd. to takeover all the assets except cash, the assets to be valued at 5% less than book values and Goodwill was valued at Rs.50000.

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- b) The Manugraph industries Ltd. to takeover Liabilities i.e. 8% Debenture and Sundry Creditors at their book value.
- c) The expenses of liquidation amounted to Rs.5000.
- d) The purchase consideration was to be discharged in cash Rs.64750 and balance in fully paid Eq.shares of Rs. 10 each valued at Rs.15 per share

**From the above information:**

- i) Calculate purchase consideration and Realisation A/C in the books of Vikas Industries Ltd. [10]
- ii) Prepare Equity shareholder A/C, Anil loan A/c, Manugraph Industries Lrd. A/c, Cash/Bank A/C in the books of Vikas Industries Ltd. [10]

**Q2)** Attempt any two of the following A, B & C.

- A) From the Balance Sheet of Aba & Baba Ltd. and the additional information given below, ascertain intrinsic value of each share. [10]

Balance Sheet as on 31-03-2016

Liabilities	Rs.	Assets	Rs.
Equity share capital (share of Rs. 10 each)	3,00,000	Goodwill	120000
12% pref. shares of Rs. 10/- each	1,00,000	leasehold properties	350000
General Reserve	80,000	Fixture	60000
P & L A/C	70,000	Investment	50000
Unsecured loan	1,00,000	Current Asset	75000
Current Liabilities	30,000	Loan & Advances	15000
		Miscellaneous Exp.	10000
	6,80,000		680000

Additional Information:

- a) Goodwill should be valued at 3 years purchase of average profits of last 5 years, the profit for the last 5 years are Rs.70,000, Rs.90,000 Rs.75,000, Rs.85,000 & Rs.80,000.
- b) Leasehold property and fixture are valued at Rs.400000 and Rs,50000 respectively.
- B) Sun Ltd, and Moon Ltd,decided to amalgamale their business and form a new company called Sunshine Ltd.with an authorised capital of Rs.1500000 divided into shares of Rs.10 each.The following are the Balance sheet. [10]

Balance Sheet as on 31-03-2016

Liabilities	Sun Ltd.	Moon Ltd.	Asset	Sun Ltd.	Moon Ltd.
Share Capital	300000	4,00,000	Goodwill	50,000	-
Reserve fund	60,000	-	Machinery	3,50,000	3,00,000
Surplus	40,000	-	Stock	80,000	60,000
Bank loan	1,00,000	-	Sundry Debtors	40,000	40,000
Sundry Creditors	50,000	65,000	Cash	30,000	10,000
Outstanding Expences	-	5,000	P & L A/C (loss)	-	60,000
	5,50,000	4,70,000		5,50,000	4,70,000

The terms of amalgation agreement were -

- a) The Assets & Libilities of Sun Ltd are to be takeover at book values except Goodwill, Machinery & stock which are to be valued at Rs.100000,Rs.320000 & Rs.90000/- respectively.
- b) The assets(Except Cash) of Moon Ltd are valued at 20% less than the book values and the Liabilities are taken over at book values.

Calculate the purchase price/ consideration of both the companies.

- C) The Bad Luck Ltd. went into voluntary liquidation as on 31<sup>st</sup> March 2015. The Balance Sheet as on that date. [10]

Balance Sheet as on 31.03.2015

Liabilities	Amount	Assets	Amount
15000 Pref. Shares of 10 each fully paid	1,50,000	Cash in hand	70,000
20000 Equity shares at Rs. 10 each	2,00,000	Stock of Raw Material	50,000
Secured loan from Bank (against pledge of stock of Raw Material)	38,000	Stock of finished goods	1,50,000
Preferential Creditors	1,200	Other Assets	1,45,000
Unsecured Creditor	1,01,800	profit & Loss A/C	76,000
	4,91,000		4,91,000

The assets realised as follows.

- Stock of Raw Material realised by Bank Rs.30000/-
- Stock of finished goods Rs.80000/-and other assets Rs.20000/- realised by liquidator.
- The liquidator entitled to fixed remuneration of Rs.1000/-plus 3% of the assets realised by him only.
- The expenses of liquidation amounted to Rs.11000/-
- Preference shares are preferential as regards Capital repayment Show the liquidators final statement of Account.

Q3) Write short notes (Any two) :

[10]

- Important features of Tally.
- Creation of company.
- Liquidators Remuneration.
- Valuation of shares.

