

**Goa Vidyaprasarak Mandal's
GOPAL GOVIND POY RAITURCAR COLLEGE OF COMMERCE
AND ECONOMICS, PONDA - GOA**

**B. COM. (SEMESTER – III) SUPPLEMENTARY EXAMINATION,
MAY/JUNE 2016
ACCOUNTING
(APPLIED COMPONENT)
(NEW COURSE)**

DURATION: 2 HOURS

MARKS: 80

INSTRUCTIONS:

1. Q. No. 1 is compulsory.
2. Answer any THREE questions from Q. No. 2 to Q. No. 6.
3. Figures to the right indicate full marks.
4. Working notes should form a part of the answer wherever necessary.

(20)

Q. 1. Dell Ltd. had on 1st January 2015 `50000 of 14% Debentures of Accenture Ltd., the cost of which was `53000. The interest on these securities was receivable on 31st March and 30th September. On 31st May the company purchased `36000 worth of debentures ex-interest at 6% premium. On 30th June `20000 debentures were sold cum-interest at 8% premium. On 31st August purchased `100000 debentures cum-interest at a discount of 5%. On 1st November sold `50000 debentures at 10% premium ex-interest. Prepare Investment Account for the year ending 31st December 2015

(20)

Q.2. Shri Maniklal filed his petition in bankruptcy on 31st March 2016. The information available is as follows:

The stock in trade at cost is ` 72000 of which ` 6000 worth is in hand of a creditor for `10000. Debtors: Good `7500, Doubtful `1200, expected to realize `400 and bad `1500, furniture `2300, cash in hand `100, Bills Receivables `11000 held by bank against overdraft of `40000 the balance of which is secured by a second charge on Freehold Property. Bills discounted likely to be dishonoured `3000. Freehold property `30000 subject to a first mortgage of `20000. The unsecured creditors amounted to ` 29800 in addition to preferential creditors of `2400. The stock in trade is estimated to be worth 75% of the book value and freehold property which cost `28000 is valued at `22000. Other assets were worth their book values.

Maniklal had a surplus of assets over liabilities of `50000 on 1st April 2013 since when he has withdrawn `45000. His profits for the year ended 31st March 2014 were `21000, for year ended 31st March 2015 profits were `4200 and for the year ended 31st March 2016 he suffered a net loss of `20800.

Prepare Statement of Affairs and Deficiency Account

(20)

Q.3. Following is the Trial Balance of Samrudhi Hotel as on 31st March 2016

Debit Balances	Amount	Credit Balances	Amount
Cash Balance	160000	Capital	1400000
Kitchen Equipment	400000	Creditors	180000
Building	800000	10% Bank Loan	100000
Visitors Ledger	200000	Collection from Visitors	618000
Opening Stock of Provisions	140000	Miscellaneous income	2000
Purchase of Provisions	490000		
Repairs and maintenance	10000		
Rates and taxes	12000		
Electricity	8000		
Salaries	40000		
Insurance	3000		
Wages	32000		
Interest on Bank Loan	5000		
	2300000		2300000

Prepare Trading and Profit and Loss Account for the year ending 31st March 2016 and Balance Sheet as on that date after considering the following adjustments:-

1. Closing stock of provisions as on 31st March 2016 was `100000.
2. Provide depreciation on kitchen equipment at 10% p.a.
3. Proprietor consumed meals worth `10000 from hotel.
4. Sales of meals worth `12000 are not recorded in the books of accounts.
5. Write off `12000 as bad debts and make a provision for bad debts at 10%.

(20)

Q.4. On 31st March 2016, a receiving order was made against a firm of X and Y when its Balance Sheet was as follows:-

Liabilities	Amount	Assets	Amount
Capital Balances		Goodwill	100000
X	280000	Machinery	180000
Y	260000	Building	90000
Creditors	190000	Debtors	135000
Bank overdraft	69000	Stock	289520
		Cash	4480
	799000		799000

Bank held as security building and X's life policy whose surrender value was `48000. One of the creditors for `90000 held machinery as security. All assets were expected to realize 25% except goodwill which was expected to realize `20000. Creditors included `12000 which were preferential. Bills discounted worth `24000 were likely to be dishonoured. X held government bonds of `90000 and household furniture `15000 in addition to life policy. His private creditors were `60000. Y had furniture worth `15000 and Government bonds worth `40000. His private creditors were `60000. Government Bonds and furniture of X and Y are expected to realize 80% of book value.

Prepare Statement of Affairs and Deficiency Account

(20)

Q.5. During the year ended 31st March 2016, Sam Ltd. entered into following transactions:

1. April 1, 2015 purchased 2000 equity shares of `10 each in Del Ltd. for ` 40000.
2. July1, 2015 Del Ltd. made a bonus issue of three equity shares for every two held.
3. August 1, 2015 sold 1500 shares for `15 each.
4. February 1, 2016 received dividend @ 20% on shares for the year ended 31st December 2015. No dividend was received on bonus shares.
5. March 1, 2016 sold 1000 shares for `15 each.

Prepare Investment Account in the books of Deal Ltd. for the year ended 30th June 2016

(20)

Q.6. A company issued 750000 equity shares of `10 each at par, 30% of the issue was reserved for promoters and balance was offered to the public, the entire amount being asked for with the applications. Ramesh, Umesh and Shyamesh agreed to underwrite the public issue in the ratio of 3:1:1 respectively and also agreed for firm underwriting of 15000, 10000 and 5000 shares respectively. The underwriting commission was fixed at 2%. The marked applications were Ramesh -275000, Umesh -100000 and Shyamesh-75000. Unmarked applications excluding for shares underwritten firm totaled 25000.

You are required to pass necessary journal entries for above transactions
