

(For those admitted in June 2023 and later)

<b>SEM</b>	<b>CATEGORY</b>	<b>COMPONENT</b>	<b>COURSE CODE</b>	<b>COURSE TITLE</b>
<b>IV</b>	<b>PART - III</b>	<b>CORE - 7</b>	<b>U23BA407</b>	<b>CORPORATE ACCOUNTING II</b>

**Maximum: 75 Marks**

[illegible]

Course Outcome	Bloom's K-level	Q. No.	<p align="center"><b>SECTION – B (5 X 5 = 25 Marks)</b>  <b>Answer ALL Questions choosing either (a) or (b)</b></p>																				
CO1	K3	11a.	<p>ABC Company Ltd. Passed resolution and got Court permission for the reduction of its share capital by Rs. 5,00,000 for the purposes mentioned as under:</p> <p>(i) To write off the debit balances of P&amp;L A/c Rs.2,10,000  (ii) To reduce the value of plant &amp; machinery by Rs. 90,000 and goodwill by Rs.40,000  (iii) To reduce the value of investments by Rs.80,000</p> <p>The reduction was made by converting 50,000 preference shares of Rs.20 each fully paid to the same number of preference shares of Rs.15 each fully paid and by converting 50,000 equity shares of Rs.20 each on which Rs. 15 is paid up into 50,000 equity shares of Rs.10 fully paid up.</p> <p>Pass journal entries to record the share capital reduction.</p> <p align="center"><b>(OR)</b></p>																				
CO1	K3	11b	Write the various methods of calculating purchase consideration.																				
CO2	K3	12a.	<p>Calculate rebate on bills discounted on 31<sup>st</sup> March, 2016 from the following dates.</p> <table border="1" data-bbox="493 940 1420 1176"> <thead> <tr> <th>Date of bill</th><th>Term of bill (Months)</th><th>Discounted @ % p.a.</th><th>Amount of bill Rs.</th></tr> </thead> <tbody> <tr> <td>21.11.2015</td><td>5</td><td>9</td><td>1,00,000</td></tr> <tr> <td>25.11.2015</td><td>5</td><td>10</td><td>75,000</td></tr> <tr> <td>09.01.2015</td><td>4</td><td>8</td><td>1,25,000</td></tr> <tr> <td>28.03.2015</td><td>2</td><td>11</td><td>1,40,000</td></tr> </tbody> </table> <p>Also show the necessary journal entry for the rebate.</p> <p align="center"><b>(OR)</b></p>	Date of bill	Term of bill (Months)	Discounted @ % p.a.	Amount of bill Rs.	21.11.2015	5	9	1,00,000	25.11.2015	5	10	75,000	09.01.2015	4	8	1,25,000	28.03.2015	2	11	1,40,000
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CO2	K3	12b	<p>On 31<sup>st</sup> March 2018, Bharat Commercial Bank Ltd. finds its advances classified as follows:</p> <p>Standard assets Rs. 14,91,300  Sub- standard assets Rs. 92,800  Doubtful assets (Secured)  :doubtful for one year Rs. 25,660  :doubtful for one year to 3 years Rs. 15,640  :doubtful for more than 3 years Rs. 6,580  Loss assets Rs. 10,350</p> <p>Calculate the amount of provision to be made by the bank against the above mentioned advances.</p>																				
CO3	K4	13a.	<p>A life insurance company gets its valuation made once in every two years. Its Life Assurance fund on 31.3.20 amounted to be Rs. 63, 84,000 before providing Rs. 64,000 for the shareholders' dividend for the year 2019-20. Its actuarial valuation due on 31.3.20 disclosed a net liability of Rs. 60, 80,000 under assurance annuity contracts. An interim bonus of Rs. 80,000 was paid to policy holders during the two years ending 31.3.2020. Prepare a statement showing the amount now available as bonus to policy holders.</p> <p align="center"><b>(OR)</b></p> <p>A Life Assurance Company prepared its Revenue A/C for the year</p>																				

CO3	K4	13b.	ended 31.03.2020 and ascertained its Life Assurance fund to be Rs.28,35,000. It was found later that the following had been omitted from the accounts: (a) Interest accrued on investments Rs.39,000 (b) Income tax liable to be deducted thereon is estimated to be Rs.10,500 (c) Bonus utilized for reduction of premium Rs.6,750 (d) Outstanding premium Rs.32,800 (e) Claims intimated but not admitted Rs.17,400 (f) Claims covered under reinsurance Rs.6,500 Develop new Life Assurance Fund of the Life Insurance Company on 31.03.2020																																										
CO4	K4	14a.	<div>H Ltd. acquired 3,000 equity shares in S Ltd. on 1<sup>st</sup>April 2020. On 31<sup>st</sup> December 2020 the balance Sheet of S Ltd. was as follows:</div> <table><tr><th>Liabilities</th><th>Rs.</th><th>Assets</th><th>Rs.</th></tr><tr><td><b>Share capital:</b> 4,000 equity shares of Rs. 100 each General reserve on 1.1.20 Profit &amp; loss a/c Balance on 1.1.20      20,000 Profit for 2020      80,000 Sundry creditors</td><td> 4,00,000 80,000  1,00,000 60,000</td><td>Sundry assets</td><td>6,40,000</td></tr><tr><td></td><td><b>6,40,000</b></td><td></td><td><b>6,40,000</b></td></tr></table> <div>Calculate Minority interest.</div> <div>(OR)</div>	Liabilities	Rs.	Assets	Rs.	<b>Share capital:</b> 4,000 equity shares of Rs. 100 each General reserve on 1.1.20 Profit & loss a/c Balance on 1.1.20      20,000 Profit for 2020      80,000 Sundry creditors	 4,00,000 80,000  1,00,000 60,000	Sundry assets	6,40,000		<b>6,40,000</b>		<b>6,40,000</b>																														
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CO4	K4	14b.	<div>The following are the balance sheets of M Ltd and its subsidiaries N Ltd as on 31<sup>st</sup> March 2016.</div> <table><tr><th>Liabilities</th><th>M Ltd Rs.</th><th>N Ltd Rs.</th><th>Assets</th><th>M Ltd Rs.</th><th>N Ltd Rs.</th></tr><tr><td>Share capital (shares of Rs.10 each)</td><td>4,00,000</td><td>3,00,000</td><td>Plant and machinery</td><td>2,00,000</td><td>2,00,000</td></tr><tr><td>Reserves</td><td>75,000</td><td>40,000</td><td>Investments – 20,000 shares in N Ltd</td><td>2,15,000</td><td>---</td></tr><tr><td>Profit &amp; Loss a/c</td><td>60,000</td><td>80,000</td><td>Stock</td><td>75,000</td><td>60,000</td></tr><tr><td>Creditors</td><td>55,000</td><td>30,000</td><td>Debtors</td><td>60,000</td><td>1,10,000</td></tr><tr><td></td><td></td><td></td><td>Cash and Bank</td><td>40,000</td><td>80,000</td></tr><tr><td><b>Total</b></td><td><b>5,90,000</b></td><td><b>4,50,000</b></td><td><b>Total</b></td><td><b>5,90,000</b></td><td><b>4,50,000</b></td></tr></table> <div>M Ltd acquired shares in N Ltd on 01.04.2015, when its reserves stood at Rs.10,000 and profit and loss a/c at Rs.20,000.</div> <div>Prepare a consolidated balance sheet.</div>	Liabilities	M Ltd Rs.	N Ltd Rs.	Assets	M Ltd Rs.	N Ltd Rs.	Share capital (shares of Rs.10 each)	4,00,000	3,00,000	Plant and machinery	2,00,000	2,00,000	Reserves	75,000	40,000	Investments – 20,000 shares in N Ltd	2,15,000	---	Profit & Loss a/c	60,000	80,000	Stock	75,000	60,000	Creditors	55,000	30,000	Debtors	60,000	1,10,000				Cash and Bank	40,000	80,000	<b>Total</b>	<b>5,90,000</b>	<b>4,50,000</b>	<b>Total</b>	<b>5,90,000</b>	<b>4,50,000</b>
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CO5	K5	15a.	Enumerate the ‘Lists’ included in the statement of affairs to be submitted by a company for the purpose of Liquidation. (OR)																																										
CO5	K5	15b.	The following particulars relate to a limited to company which went to voluntary liquidation:																																										

			<p>Preferential creditors Rs. 25,000 Unsecured creditors Rs. 58,000 6% Debentures Rs. 30,000</p> <p>The assets realized Rs. 80,000. The expenses of liquidation amounted to Rs. 1,500 and the liquidator's remuneration was agreed at 2.5% on the amount realized and 2% on the amount paid to unsecured creditors including preferential creditors. Show the liquidator's final statement of account.</p>
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Course Outcome	Bloom's K-level	Q. No.	<b>SECTION – C (5 X 8 = 40 Marks)</b> <b>Answer ALL Questions choosing either (a) or (b)</b>																																																	
CO1	K3	16a.	M Ltd and N Ltd. agreed to amalgamate on the basis of the following Balance sheets as on 31.3.2020																																																	
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<p>The assets and liabilities are to be taken over by a new company formed called P Ltd., at book values. P Ltd’s capital is Rs.2, 00,000 dividend into 10,000 equity shares of Rs.10 each and 10,000 9% preference shares of Rs. 10 each. P Ltd. issued the equity shares equally to the vendor companies and preference shares were issued for any balances of purchase price.</p> <p>Pass journal entries in the books of P Ltd. and prepare its Balance sheet, if the amalgamation is in the nature of purchase.</p>																																																				
<p align="center"><b>(OR)</b></p>																																																				
CO1	K3	16b.	The following is the Balance Sheet of United Industries Ltd. on 31.12.2020																																																	
			<table><tr><td>Liabilities</td><td>Rs.</td><td>Assets</td><td>Rs.</td></tr><tr><td>Share capital:</td><td>6,00,000</td><td>Goodwill</td><td>45,000</td></tr><tr><td>6,000 6% Preference Shares of Rs. 100 each</td><td></td><td></td><td></td></tr><tr><td>12,000 Equity Shares of Rs. 100 each</td><td>12,00,000</td><td>Land &amp; Building</td><td>6,00,000</td></tr><tr><td>8% Debentures</td><td>3,00,000</td><td>Plant &amp; Machinery</td><td>9,00,000</td></tr><tr><td>Bank overdraft</td><td>3,00,000</td><td>Stock</td><td>1,30,000</td></tr><tr><td>Sundry Creditors</td><td>1,50,000</td><td>Debtors</td><td>1,40,000</td></tr><tr><td></td><td></td><td>Cash</td><td>15,000</td></tr><tr><td></td><td></td><td>Profits &amp; Loss A/c</td><td>7,00,000</td></tr><tr><td></td><td></td><td>Preliminary expenses</td><td>20,000</td></tr><tr><td><b>Total</b></td><td><b>25,50,000</b></td><td><b>Total</b></td><td><b>25,50,000</b></td></tr></table>						Liabilities	Rs.	Assets	Rs.	Share capital:	6,00,000	Goodwill	45,000	6,000 6% Preference Shares of Rs. 100 each				12,000 Equity Shares of Rs. 100 each	12,00,000	Land & Building	6,00,000	8% Debentures	3,00,000	Plant & Machinery	9,00,000	Bank overdraft	3,00,000	Stock	1,30,000	Sundry Creditors	1,50,000	Debtors	1,40,000			Cash	15,000			Profits & Loss A/c	7,00,000			Preliminary expenses	20,000	<b>Total</b>	<b>25,50,000</b>	<b>Total</b>	<b>25,50,000</b>
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On the above date, the company adopted the following scheme of reconstruction:																																																				

			<div>a) The equity shares are to be reduced to shares of Rs. 40 each fully paid and the preference shares to be reduced to fully paid shares of Rs. 75 each.</div> <div>b) The debenture holders took over stock and debtors in full satisfaction of their claims.</div> <div>c) The Land &amp; Buildings to be appreciated by 30% and plant &amp; machinery to be depreciated by 30%</div> <div>d) The fictitious and intangible assets are to be eliminated</div> <div>e) Expenses of reconstruction amounted Rs. 5,000.</div> <div>Give journal entries incorporating the above scheme of reconstruction and prepare the reconstructed Balance Sheet.</div>																																								
CO2	K4	17a.	<div>From the following information prepare the profit and Loss Account of ABC Bank Ltd. for the year ended on 31<sup>st</sup> March 2020 in the prescribed form.</div> <div><table><tr><td></td><td>Rs.</td></tr><tr><td>Interest on loan</td><td>2,59,000</td></tr><tr><td>Interest on fixed deposits</td><td>2,75,000</td></tr><tr><td>Rebate on bills discounted required</td><td>49,000</td></tr><tr><td>Commission</td><td>8,200</td></tr><tr><td>Establishment</td><td>54,000</td></tr><tr><td>Discount on bills discounted</td><td>1,95,000</td></tr><tr><td>Interest on cash credit</td><td>2,23,000</td></tr><tr><td>Interest on current account</td><td>42,000</td></tr><tr><td>Rent and taxes</td><td>18,000</td></tr><tr><td>Interest on overdraft</td><td>1,54,000</td></tr><tr><td>Director's fees</td><td>3,000</td></tr><tr><td>Auditor's fees</td><td>1,200</td></tr><tr><td>Interest on savings bank deposits</td><td>68,000</td></tr><tr><td>Postage and telegram</td><td>1,400</td></tr><tr><td>Printing and stationery</td><td>2,900</td></tr><tr><td>Sundry charges</td><td>1,700</td></tr></table></div> <div><div>1. Bad debts to be written off amounted to Rs. 40,000.</div><div>2. Provision for taxation may be made @ 55%.</div><div>3. Balance of profit from last year was Rs. 1, 20,000.</div><div>4. The directors have recommended a dividend of Rs.20, 000 for the shareholders.</div></div> <div>(OR)</div>		Rs.	Interest on loan	2,59,000	Interest on fixed deposits	2,75,000	Rebate on bills discounted required	49,000	Commission	8,200	Establishment	54,000	Discount on bills discounted	1,95,000	Interest on cash credit	2,23,000	Interest on current account	42,000	Rent and taxes	18,000	Interest on overdraft	1,54,000	Director's fees	3,000	Auditor's fees	1,200	Interest on savings bank deposits	68,000	Postage and telegram	1,400	Printing and stationery	2,900	Sundry charges	1,700						
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CO2	K4	17b.	<div>The peoples bank ltd owns premises. From the following particulars relating to its account, prepare its balance sheet as on 31<sup>st</sup> march, 2020:</div> <table><tr><th>Particulars</th><th>Rs</th><th>Particulars</th><th>Rs</th></tr><tr><td>Authorised capital</td><td>40,00,000</td><td>Bank drafts</td><td>2,00,000</td></tr><tr><td>Subscribed capital</td><td></td><td>Short loans</td><td>40,000</td></tr><tr><td>400000 shares of Rs each, Rs. 5 paid</td><td>20,00,000</td><td>Rebated on bills</td><td></td></tr><tr><td>Investments</td><td>70,00,000</td><td>discounted</td><td>10,000</td></tr><tr><td>Bills discounted</td><td>1,50,00,000</td><td>Acceptances</td><td></td></tr><tr><td>Profit and loss account (cr)</td><td>8,50,000</td><td>for customers</td><td>50,00,000</td></tr><tr><td></td><td></td><td>Loans</td><td>1,00,00,000</td></tr><tr><td></td><td></td><td>Cash credit</td><td>1,00,00,000</td></tr><tr><td>Endorsements on bills negotiated</td><td>1,00,000</td><td>Bank overdrafts</td><td>10,00,000</td></tr></table>	Particulars	Rs	Particulars	Rs	Authorised capital	40,00,000	Bank drafts	2,00,000	Subscribed capital		Short loans	40,000	400000 shares of Rs each, Rs. 5 paid	20,00,000	Rebated on bills		Investments	70,00,000	discounted	10,000	Bills discounted	1,50,00,000	Acceptances		Profit and loss account (cr)	8,50,000	for customers	50,00,000			Loans	1,00,00,000			Cash credit	1,00,00,000	Endorsements on bills negotiated	1,00,000	Bank overdrafts	10,00,000
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			Liability on bills of exchange re-discounted amounts to Rs.3,70,000 and on account of outstanding forward exchange contracts Rs.2,00,000.																																								
CO3	K4	18a.	<table><tr><td colspan="2">Prepare fire revenue account in respect of fire insurance business of alliance general insurance company ltd from the following details for the year ending 31<sup>st</sup> march, 2020.</td></tr><tr><td>Particulars</td><td>Rs</td></tr><tr><td>Reserve for unexpired risk on 1.4.2019</td><td>2,15,000</td></tr><tr><td>Additional reserve</td><td>50,000</td></tr><tr><td>Liability for claims intimated on 1.4.2019</td><td>33,000</td></tr><tr><td>Liability for claims intimated on 31.3.2020</td><td>40,000</td></tr><tr><td>Claims paid</td><td>3,75,000</td></tr><tr><td>Legal expenses related to claims</td><td>7,500</td></tr><tr><td>Reinsurance recoveries</td><td>35,000</td></tr><tr><td>Medical expenses</td><td>5,000</td></tr><tr><td>Premium received</td><td>6,00,000</td></tr><tr><td>Premium on reinsurance accepted</td><td>50,000</td></tr><tr><td>Premium on reinsurance ceded</td><td>40,000</td></tr><tr><td>Commission on direct business</td><td>55,000</td></tr><tr><td>Commission on reinsurance accepted</td><td>3,000</td></tr><tr><td>Commission on reinsurance ceded</td><td>4,000</td></tr><tr><td>Management expenses</td><td>75,000</td></tr><tr><td>Directors fees</td><td>20,000</td></tr><tr><td>Bonus paid</td><td>12,500</td></tr><tr><td>Create reserve for unexpired risk at 50% of net premium</td><td></td></tr></table>	Prepare fire revenue account in respect of fire insurance business of alliance general insurance company ltd from the following details for the year ending 31 <sup>st</sup> march, 2020.		Particulars	Rs	Reserve for unexpired risk on 1.4.2019	2,15,000	Additional reserve	50,000	Liability for claims intimated on 1.4.2019	33,000	Liability for claims intimated on 31.3.2020	40,000	Claims paid	3,75,000	Legal expenses related to claims	7,500	Reinsurance recoveries	35,000	Medical expenses	5,000	Premium received	6,00,000	Premium on reinsurance accepted	50,000	Premium on reinsurance ceded	40,000	Commission on direct business	55,000	Commission on reinsurance accepted	3,000	Commission on reinsurance ceded	4,000	Management expenses	75,000	Directors fees	20,000	Bonus paid	12,500	Create reserve for unexpired risk at 50% of net premium	
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CO3	K4	18b.	<table><tr><td colspan="4">(OR)</td></tr><tr><td colspan="4">Prepare from the following a Life Insurance revenue A/c and Balance sheet as on 31.3.2020</td></tr><tr><td></td><td>Rs.</td><td></td><td>Rs.</td></tr><tr><td>Claims by Death</td><td>16,890</td><td>Outstanding interest on Advances (31.3.2020)</td><td>1,944</td></tr><tr><td>Agent' s salaries &amp; Allowances</td><td>6,420</td><td>Bonus paid with claims</td><td>2,700</td></tr><tr><td>Surrender values paid</td><td>2,810</td><td>Endowment assurance matured</td><td>24,415</td></tr><tr><td>Actuarial expenses</td><td>1,520</td><td>Annuities paid</td><td>1,350</td></tr><tr><td>Premiums</td><td>94,836</td><td>Interest revenue</td><td>19,060</td></tr><tr><td>Commissions to Agents</td><td>8,900</td><td>Rent, Rates &amp; Taxes</td><td>5,475</td></tr><tr><td>Salaries</td><td>13,500</td><td>General charges</td><td>1,860</td></tr></table>	(OR)				Prepare from the following a Life Insurance revenue A/c and Balance sheet as on 31.3.2020					Rs.		Rs.	Claims by Death	16,890	Outstanding interest on Advances (31.3.2020)	1,944	Agent' s salaries & Allowances	6,420	Bonus paid with claims	2,700	Surrender values paid	2,810	Endowment assurance matured	24,415	Actuarial expenses	1,520	Annuities paid	1,350	Premiums	94,836	Interest revenue	19,060	Commissions to Agents	8,900	Rent, Rates & Taxes	5,475	Salaries	13,500	General charges	1,860
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			<table><tr><td>Medical fees</td><td>1,200</td><td>Fees received</td><td>172</td></tr><tr><td>Travelling expenses</td><td>1,800</td><td>Bonus paid in cash</td><td>2,825</td></tr><tr><td>Director' fees</td><td>900</td><td>Advertisement</td><td>726</td></tr><tr><td>Agents balances</td><td>750</td><td>Consideration for annuities</td><td>12,853</td></tr><tr><td>Claim expenses</td><td>1,432</td><td>Printing &amp; Stationery</td><td>650</td></tr><tr><td>Premium outstanding (1.4.2019)</td><td>2,134</td><td>Claims O/S( 1.4.19)</td><td>2,376</td></tr><tr><td>Premium outstanding (31.3.2020)</td><td>3,143</td><td>Claims O/S (31.3.20)</td><td>3,735</td></tr><tr><td>Investments</td><td>1,46,700</td><td>Loans on policies</td><td>38,300</td></tr><tr><td>Share capital</td><td>2,00,000</td><td>Loan and mortgages</td><td>2,90,560</td></tr><tr><td>Sundry creditors</td><td>9,200</td><td>Freehold premises</td><td>1,22,600</td></tr><tr><td>Life assurance Fund (1.4.19)</td><td>3,53,672</td><td>Furniture &amp; fittings</td><td>64,100</td></tr><tr><td>Reserve fund</td><td>1,46,000</td><td>Cash on hand &amp; deposits</td><td>76,300</td></tr></table>	Medical fees	1,200	Fees received	172	Travelling expenses	1,800	Bonus paid in cash	2,825	Director' fees	900	Advertisement	726	Agents balances	750	Consideration for annuities	12,853	Claim expenses	1,432	Printing & Stationery	650	Premium outstanding (1.4.2019)	2,134	Claims O/S( 1.4.19)	2,376	Premium outstanding (31.3.2020)	3,143	Claims O/S (31.3.20)	3,735	Investments	1,46,700	Loans on policies	38,300	Share capital	2,00,000	Loan and mortgages	2,90,560	Sundry creditors	9,200	Freehold premises	1,22,600	Life assurance Fund (1.4.19)	3,53,672	Furniture & fittings	64,100	Reserve fund	1,46,000	Cash on hand & deposits	76,300
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CO4	K5	19a.	Elucidate the provisions of Companies Act for preparing consolidated Balance sheet.																																																
			(OR)																																																
CO4	K5	19b.	<p>The following are the balance sheets of H Ltd and its subsidiaries S Ltd as on 31<sup>st</sup> March 2015.</p> <table><tr><td>Liabilities</td><td>H Ltd Rs.</td><td>S Ltd Rs.</td><td>Assets</td><td>H Ltd Rs.</td><td>S Ltd Rs.</td></tr><tr><td>Share capital (shares of Rs.10 each)</td><td>2,00,000</td><td>1,00,000</td><td>Plant and machinery</td><td>1,00,000</td><td>50,000</td></tr><tr><td>Reserves</td><td>60,000</td><td>20,000</td><td>Investments – 6,000 shares in S Ltd</td><td>90,000</td><td>---</td></tr><tr><td>Profit &amp; Loss a/c</td><td>20,000</td><td>10,000</td><td>Stock</td><td>60,000</td><td>40,000</td></tr><tr><td>Creditors</td><td>20,000</td><td>10,000</td><td>Debtors</td><td>50,000</td><td>50,000</td></tr><tr><td>Bills payable</td><td>10,000</td><td>10,000</td><td>Cash and Bank</td><td>10,000</td><td>10,000</td></tr><tr><td><b>Total</b></td><td><b>3,10,000</b></td><td><b>1,50,000</b></td><td><b>Total</b></td><td><b>3,10,000</b></td><td><b>1,50,000</b></td></tr></table> <p>H Ltd acquired shares in S Ltd on 01.04.2014, when its reserves stood at Rs.5,000 and profit and loss a/c (Cr balance) at Rs.6,000. Prepare a consolidated balance sheet.</p>	Liabilities	H Ltd Rs.	S Ltd Rs.	Assets	H Ltd Rs.	S Ltd Rs.	Share capital (shares of Rs.10 each)	2,00,000	1,00,000	Plant and machinery	1,00,000	50,000	Reserves	60,000	20,000	Investments – 6,000 shares in S Ltd	90,000	---	Profit & Loss a/c	20,000	10,000	Stock	60,000	40,000	Creditors	20,000	10,000	Debtors	50,000	50,000	Bills payable	10,000	10,000	Cash and Bank	10,000	10,000	<b>Total</b>	<b>3,10,000</b>	<b>1,50,000</b>	<b>Total</b>	<b>3,10,000</b>	<b>1,50,000</b>						
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CO5	K5	20a.	<p>The Balance Sheet of X Ltd. as on 31.12.2020 was as follows:</p> <table><tr><td><b>Liabilities</b></td><td><b>Rs.</b></td><td><b>Assets</b></td><td><b>Rs.</b></td></tr><tr><td>Share capital: 8,000 preference shares of Rs. 10 each</td><td>80,000</td><td>Land &amp; Building</td><td>25,000</td></tr><tr><td>12,000 equity shares of Rs. 10 each</td><td>1,20,000</td><td>Other fixed assets</td><td>2,00,000</td></tr><tr><td>Bank loan</td><td>4,00,000</td><td>Stock</td><td>5,25,000</td></tr><tr><td>8% Debentures</td><td>1,00,000</td><td>Debtors</td><td>1,00,000</td></tr><tr><td>Interest outstanding on debentures</td><td>8,000</td><td>Profit &amp; Loss A/c</td><td>58,000</td></tr><tr><td>Creditors</td><td>2,00,000</td><td></td><td></td></tr></table>	<b>Liabilities</b>	<b>Rs.</b>	<b>Assets</b>	<b>Rs.</b>	Share capital: 8,000 preference shares of Rs. 10 each	80,000	Land & Building	25,000	12,000 equity shares of Rs. 10 each	1,20,000	Other fixed assets	2,00,000	Bank loan	4,00,000	Stock	5,25,000	8% Debentures	1,00,000	Debtors	1,00,000	Interest outstanding on debentures	8,000	Profit & Loss A/c	58,000	Creditors	2,00,000																						
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			<table><tr><td><b>Total</b></td><td><b>9,08,000</b></td><td><b>Total</b></td><td><b>9,08,000</b></td></tr></table> <p>The company went into liquidation on that date. Prepare liquidator's final statement of account after taking into account the following:</p> <ol style="list-style-type: none"><li>1. Liquidation expenses and liquidator's remuneration amounted to Rs. 3,000 and Rs. 10,000 respectively.</li><li>2. Bank loan was secured by pledge of stock.</li><li>3. Debentures and interest thereon are secured by a floating charge of all assets.</li><li>4. Fixed assets were realized at book value and current assets at 80% of book value.</li></ol> <p style="text-align: center;"><b>(OR)</b></p> <p>The following information is extracted from the books of X Ltd on 30th which date Winding up order was made:</p> <table><tr><td>Equity share capital, 80,000 shares of Rs.10 each</td><td>Rs.8,00,000</td></tr><tr><td>10% preference share capital 12,000 shares of Rs.100 each</td><td>Rs.12,00,000</td></tr><tr><td>Calls in arrears on equity share capital (estimated to produce Rs.8,000)</td><td>Rs.16,000</td></tr><tr><td>9% first mortgage debentures, secured by a floating charge on the whole assets of the company</td><td>Rs.8,00,000</td></tr><tr><td>Creditors fully secured (value of shares in X Ltd Rs.1,60,000)</td><td>Rs.1,40,000</td></tr><tr><td>Creditors partly secured (value of shares in Y Ltd Rs.80,000)</td><td>Rs.1,60,000</td></tr><tr><td>Preferential creditors</td><td>Rs.30,000</td></tr><tr><td>Bank overdraft, secured by a second charge on the whole assets of the company</td><td>Rs.80,000</td></tr><tr><td>Unsecured creditors</td><td>Rs.10,40,000</td></tr><tr><td>Estimated liability on bill discounted</td><td>Rs.40,000</td></tr><tr><td>Cash in hand</td><td>Rs.8100</td></tr><tr><td>Book debts - Good</td><td>Rs.1,50,000</td></tr><tr><td>Doubtful (estimated to produce 40%)</td><td>Rs.30,000</td></tr><tr><td>Bad debts</td><td>Rs.18,000</td></tr><tr><td>Stock in trade (estimated to produce Rs.2,38,700)</td><td>Rs.2,88,000</td></tr><tr><td>Freehold Land &amp; Building (estimated to produce Rs.7,82,000)</td><td>Rs.6,60,000</td></tr><tr><td>Plant &amp; Machinery (estimated to produce Rs.2,12,000)</td><td>Rs.3,00,000</td></tr><tr><td>Fixtures &amp; Fittings (estimated to produce Rs.30,000)</td><td>Rs.50,000</td></tr></table> <p>Prepare Statement of affairs as a) regards creditors b) regards contributories</p>	<b>Total</b>	<b>9,08,000</b>	<b>Total</b>	<b>9,08,000</b>	Equity share capital, 80,000 shares of Rs.10 each	Rs.8,00,000	10% preference share capital 12,000 shares of Rs.100 each	Rs.12,00,000	Calls in arrears on equity share capital (estimated to produce Rs.8,000)	Rs.16,000	9% first mortgage debentures, secured by a floating charge on the whole assets of the company	Rs.8,00,000	Creditors fully secured (value of shares in X Ltd Rs.1,60,000)	Rs.1,40,000	Creditors partly secured (value of shares in Y Ltd Rs.80,000)	Rs.1,60,000	Preferential creditors	Rs.30,000	Bank overdraft, secured by a second charge on the whole assets of the company	Rs.80,000	Unsecured creditors	Rs.10,40,000	Estimated liability on bill discounted	Rs.40,000	Cash in hand	Rs.8100	Book debts - Good	Rs.1,50,000	Doubtful (estimated to produce 40%)	Rs.30,000	Bad debts	Rs.18,000	Stock in trade (estimated to produce Rs.2,38,700)	Rs.2,88,000	Freehold Land & Building (estimated to produce Rs.7,82,000)	Rs.6,60,000	Plant & Machinery (estimated to produce Rs.2,12,000)	Rs.3,00,000	Fixtures & Fittings (estimated to produce Rs.30,000)	Rs.50,000
<b>Total</b>	<b>9,08,000</b>	<b>Total</b>	<b>9,08,000</b>																																								
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