Seat No:		Enrollment No:
	PARUL UNIVERSITY	
	FACULTY OF MANAGEMENT	

BBA Winter 2018 - 19 Examination Semester: 3 Date: 26/10/2018

Subject Code: 06101205 Time: 10:30am to 1:00pm

Subject Name: Company Accounts Total Marks: 60

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- 1. All questions are compulsory.
- 2. Figures to the right indicate full marks.

	uitable assumptions wherever necessary. ew question on new page.					
Q.1 A)	Select the correct answer	(1) 5)			
	1. A new company cannot issue shares at					
	a) Premium	b) Discount				
	c) Par	d) None of these				
	2. A company wishes to pay dividend on shares. So	tate which of the following may be used for				
	the purpose.					
	a) Premium of shares	b) Profit on re-issue of forfeited shares				
	c) General Reserve	d) None of the above				
	3. CFAP Stands for					
	a) Chartered Financial Accountant Program	b) Cost & Financial Analysis Program				
	c) Certified Forensic Accounting Program	d) Certified Financial Accountant Program				
	4. When the cost incurred on recruiting, training and developing the employees is considered					
	for determining the value of employees, it is call	led				
	a) the replacement cost approach	c) the historical cost approach				
	d) the opportunity cost approach	e) none of the above				
	5. Which of the following provides information about	out the financial information's, obligations				
	and activities on the economic entity that is inter-	nded for use primarily by external decision				
	a) Management accounting	c) Tax accounting				
	d) Financial accounting	e) Environmental accounting				
Q.1 B)	Define the following terms 1. Contingent liabilities) 5)			
	1. Contingent incontricts					

- 2. Book Building
- 3. Consolidation of share
- 4. Amalgamation
- 5. Environmental Accounting

Q.1 C) Answer in one or two lines

(05)

- 1. What is Forensic accounting?
- 2. Full form of CPP and CCA
- 3. When does buyback of share prohibited?
- 4. State any two advantage of Human Resource Accounting?
- 5. State the reasons of amalgamation.
- What is forensic accounting? Explain role and function of forensic accountant. Q.2A)

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(07)

Liabilities	Rs.	Assets	Rs.
Capital (in fully paid shares of Rs.	6,00,000	Goodwill	1,00,000
10 each	0,00,000	Land and Buildings	3,00,000
General Reserve	1,70,000	Plant	3,40,000
Profit and Loss Account	1,10,000	Stock	1,68,000
6% Debentures	1,00,000	Debtors	56,000
Creditors	20,000	Cash	36,000
	10,00,000		10,00,000

The consideration payable by White Ltd. was:

- (i) A cash payment of Rs.20.50 for every share in green Ltd.,
- (ii) the issue of 90,000 Rs.10 Shares of an agreed value of Rs.12.50 per share, and
- (iii) 6% debentures of Green Ltd. are taken over by White Ltd. and are discharged by the issue of such an amount of fully paid 5% Debentures in White Ltd. at a premium of 20%...

The directors of White Ltd. valued Land and Buildings at Rs.4, 00,000 and provide 5% doubtful debt on debtor. The expenses of liquidation of Rs.6, 000 were paid by White Ltd. Give Journal Entries books of purchasing company White Ltd.

Q.3 A) You are required to prepare financial statements from the following trial balance of Mehul Company Ltd. for the year ended 31st March, 2012

(15)

Mehul Company Ltd. Trial Balance as at 31st March, 2012			
Particulars	Rs.	Particulars	Rs.
Stock	68,000	Equity Shares Capital (Shares of Rs. 10 each)	2,50,000
Furniture & Fixtures	50,000	11% Debentures	50,000
Discount	4,000	Bank Loans	64,500
Loan to Directors	8,000	Bills Payable	12,500
Advertisement	2,000	Creditors	15,600
Bad Debts	3,500	Sales	4,26,800
Commission	12,000	Rent Received	4,600
Purchases	2,31,900	Transfer Fees	1,000
Plant and Machinery	86,000	Profit & Loss Appropriation Account	13,900
Rentals	2,500	Provision for Depreciation on Plant &	
Current Account	4,500	Machinery	14,600
Cash	800		
Interest on Bank Loan	11,600		
Preliminary Expenses	1,000		
Wages	90,000		
Consumables	8,400		
Freehold Land	1,54,600		
Tools and Equipment	24,500		
Goodwill	26,500		
Debtors	28,700		
Bills Receivables	15,300		
Dealer Aids	2,100		
Transit Insurance	3,000		
Trade Expenses	7,200		
Distribution Freight	5,400		
Debentures Interest	2,000		
	8,53,500		8,53,500

Additional Information:

- Closing stock as on 31st march, 2012, Rs. 82,300
- Depreciation on furniture & fixtures @5%, Freehold land @2% and Tools and Equipment @5% to be provided.

Q.4 Attempt Any Two

3

(15)

- 1 Define human resource accounting (HRA) and Explain any two method of HRA
- 2 Explain the importance of Environmental Accounting.
 - The Balance Sheet of BEE CO. LTD. on 31st January, 2006 read as under: Assets Rs. Liabilities Rs. 1,15,000 Share Capital: Freehold property Authorised: Stock 1,35,000 30,000 Equity Shares of Rs. 10 each Debtors 75,000 3,00,000 30,000 Issued and Subscribed: Cash 2,20,000 20,000 Equity Shares of Rs. 10 each Balance at Bank fully paid 2,00,000 Profit and Loss Account 1,20,000 12% Debentures 1,20,000 Creditors 1,15,000 **Proposed Dividends** 20,000 5,75,000 5,75,000

At the Annual General Meeting it was resolved:

- (a) To pay the proposed dividend of 10 per cent in cash.
- (b) To issue one bonus share for every four shares held.
- (c) To repay the debentures at a premium of 3 per cent.

Give the necessary journal entries and the company's Balance Sheet after these transactions are completed.

4 Explain SEBI Guide line of issue of bonus share?