

- Q.2 B)** White Ltd. agreed to acquire the business of Green Ltd. as on 31st March 2012 on which date the liabilities and assets of Green Ltd. were as follows: **(08)**

Liabilities	Rs.	Assets	Rs.
Capital (in fully paid shares of Rs. 10 each)	6,00,000	Goodwill	1,00,000
		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 :

- A cash payment of Rs.20.50 for every share in green Ltd.,
- the issue of 90,000 Rs.10 Shares of an agreed value of Rs.12.50 per share, and
- 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 & Machinery	14,600
Current Account	4,500		
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

(15)

- 1 Define human resource accounting (HRA) and Explain any two method of HRA
- 2 Explain the importance of Environmental Accounting.

3 The Balance Sheet of BEE CO. LTD. on 31st January, 2006 read as under :

Liabilities	Rs.	Assets	Rs.
Share Capital :		Freehold property	1,15,000
Authorised :		Stock	1,35,000
30,000 Equity Shares of Rs. 10 each	3,00,000	Debtors	75,000
Issued and Subscribed :		Cash	30,000
20,000 Equity Shares of Rs. 10 each		Balance at Bank	2,20,000
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?