

PARUL UNIVERSITY
FACULTY OF MANAGEMENT
BBA Winter 2017 - 18 Examination

Semester: 3

Subject Code: 06101205

Subject Name: Company Account

Date: 28/12/2017

Time: 02:00pm to 04:30pm

Total Marks: 60

Instructions

1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Make suitable assumptions wherever necessary.
4. Start new question on new page.

Q.1 Do as Directed.**A). Multiple choice type questions/Fill in the blanks.****(05)**

1. Under ____ method historical accounting data are adjusted on the basis of general price index
 - a) Current Purchasing Power
 - b) Current cost Account
 - c) Present Value method
 - d) None of Above
2. Which asset shown under Fixed Assets is _____
 - a) Loos Tools
 - b) Furniture
 - c) Investment
 - d) Stock
3. Accounting standard ____ related to amalgamation accounting
 - a) 12
 - b) 14
 - c) 32
 - d) 2
4. While issue of bonus share _____ should permit the issue
 - a) Article of Association
 - b) Memorandum of association
 - c) Prospectus
 - d) None
5. Every buy back of shares shall completed with in _____
 - a) 12 months
 - b) 10 months
 - c) 24 months
 - d) 6 months

B). Define the following terms.**(05)**

1. Share
2. Forensic Accounting
3. Capital reserve
4. Amalgamation
5. Environmental accounting

C). Answer the following questions.**(05)**

1. What is the qualification of Forensic accountant
2. What is Inflation accounting?
3. Full form of CPP and CCA.
4. What are the miscellaneous expenditure?
5. What is sub-division and consolidation of shares

Q.2 Answer the following questions.**A). Balance sheet of India Corp. as on 31-04-2017 was as under:****(07)**

Liabilities	Amount Rs.	Assets	Amount Rs.
Share Capital		Building	5,00,000
Authorised	12,00,000	Stock	3,80,000
Issued share capital	8,00,000	Debtor	4,00,000
(80,00 shares of Rs. 100 Each)			
Profit & Loss Account	5,20,000	Cash and Bank	8,00,000
5% Debenture	5,00,000		
Creditor	3,00,000		
	20,80,000		20,80,000

Other information

At AGM it was agreed that company going to issue bonus share for every four share held at Rs. 100 per share and expected to give Dividend of 10% prior to issue of bonus share

They had also decide to repay the Debenture at 10% premium and going to issue additional new shares at Rs. 12.50.

B). Find out net assets and purchase consideration from the following information:

(08)

Liabilities	M Ltd. Rs.	N Ltd Rs.	Assets	M Ltd Rs.	N Ltd Rs.
Paid up share capital (Rs. 100 each)	15,00,000	7,50,000	Goodwill	1,50,000	-
6% Preference share (Rs. 100 each)	7,50,000	-	Land & Building	4,50,000	1,50,000
General Reserves	-	3,60,000	Investment	1,50,000	30,000
10% debenture	3,00,000	-	Plant & Machinery	9,00,000	4,50,000
Public Deposit	2,25,000	-	Stock	3,75,000	2,25,000
Workers Accidental Compensation fund	-	1,20,000	Debtors	4,50,000	1,50,000
Creditor	2,25,000	1,50,000	Preliminary Expenses	45,000	-
			Profit & Loss A/c	2,25,000	-
			Cash and Bank	2,55,000	45,000
	30,00,000	13,80,000		30,00,000	13,80,000

The directors of M ltd and N ltd have decide to merge their company with new name MN Ltd with share capital of 30,000 shares of s. 100 and ready to accept all assets. New company ready to pay off all debenture of M ltd with 10% premium.

Shareholders of M ltd and N Ltd gets shares of MN ltd in prorate of available share like 1:1

Q.3 Answer the following questions.

A). Explain concept of "Employee Stock Option Scheme"

(07)

B). Define Human Resource Accounting and explain methods of valuations

(08)

Q.4 Attempt any two questions

(15)

1. J ltd acquire K ltd. And the details of Purchase consideration and net assets are as follow:

Net Assets	Rs.	Purchase consideration	Rs.
Goodwill	80,000		
Land & Building	4,50,000	Preference shares capital	4,40,000
Plant & Machinery	6,20,000	Equity Shares Capital	10,56,000
Furniture & Fittings	60,000	Cash	64,000
Debtors	2,68,125	Total	15,60,000
Stock	2,20,500		
Cash at Bank	1,20,000		
Cash in hand	41,375		
	18,60,000		
Less : Debentures	2,00,000		
Creditors	1,00,000		
Secured Loans	3,00,000		
Total	15,60,000		

Pass necessary journal entry in the books of J Ltd.

2. Explain Role of Forensic accountant and area of performance?

3. What are provisions relating to financial statements under the New companies act 2013

4.

You are required to prepare vertical balance sheet from the following trial balance of Haria Chemicals Ltd. for the year ended 31st March, 2006.

Haria Chemicals Ltd. Trial Balance as at 31st March, 2006

Particulars	Rs.	Particulars	Rs.
Stock	6,80,000	Equity Shares Capital (Shares of Rs. 10 each)	25,00,000
Furniture	2,00,000	11% Debentures	5,00,000
Discount	40,000	Bank loan	6,45,000
Loan to Directors	80,000	Bills payable	1,25,000
Advertisement	20,000	Creditors	1,56,000
Bad debts	35,000	Sales	42,68,000
Commission	1,20,000	Rent received	46,000
Purchases	23,19,000	Transfer fees	10,000
Plant and Machinery	8,60,000	Profit & Loss account	1,39,000
Rentals	25,000	Depreciation provision : Machinery	1,46,000
Current account	45,000		
Cash	8,000		
Interest on bank loans	1,16,000		
Preliminary expenses	10,000		
Fixtures	3,00,000		
Wages	9,00,000		
Consumables	84,000		
Freehold land	15,46,000		
Tools & Equipments	2,45,000		
Goodwill	2,65,000		
Debtors	2,87,000		
Bills receivable	1,53,000		
Dealer aids	21,000		
Transit insurance	30,000		
Trade expenses	72,000		
Distribution freight	54,000		
Debenture interest	20,000		
	85,35,000		85,35,000

Additional information : Closing stock on 31-3-2006: Rs. 8,23,000