

ANNAI VIOLET ARTS AND SCIENCE COLLEGE

DEPARTMENT OF COMMERCE

CONTINUOUS INTERNAL ASSESSMENT – I (ODD SEM.)

SUBJECT : CORPORATE ACCOUNTING - I

Class : III B.Com., (G)

Date : 30.08.2022-AN

Max.Marks : 50

Sub. Code: CZ23A

PART A (5 × 2 = 10 Marks)

Answer any FIVE questions

1. Definition of a company?
2. Discuss the different kinds of share?
3. Explain by allotment of shares?
4. Justify the term of premium?
5. Lectured by share forfeiture?
6. Give the meaning of debenture?
7. What is finance cost?

PART B – (2 × 5 = 10 Marks)

Answer any TWO questions

8. Varadhan Ltd. purchased assets of ₹ 20,00,000 from Ravi Bros. It issued equity shares of ₹ 100 each fully paid up in satisfaction of their claim. Pass journal entries.
9. A Ltd., forfeited 20 shares of Rs 10 each Rs 7 called up on which Mr. Harish had paid application and allotment money of Rs 5 per share. Of these shares, 15 shares were reissued to Mr. Ramesh as fully paid up for Rs 6 per share. Give journal entries.
10. A company incorporated on 1.7.2004 to take over the business and of Mr. Kumar as a going concern with effect from 1.4.2004. Accounts are closed on 31.3.2005. Total sales for the year 31.3.2005 was Rs.30000 divided into Rs.100000 for the period up to 1.7.2004 and the balance for the remaining period calculate the time ratio and sales ratio.

PART C – (3 × 10 = 30 Marks)

Answer ALL questions

11. Lakshmanan Ltd issued to the public 5000 shares of Rs 100 each at a discount of 5% payable as follows.

On application Rs 25, on allotment Rs 34, on first & final call Rs 36.

Applications were received for Rs 4,800 shares and all of these were accepted. All the money due was received except the first and final call on 300 shares which were forfeited 200 of these shares were reissued at Rs 90 as fully paid. Show the journal entries and cash book.

12. On 30th June 2013, the balance sheet of Sripathy Ltd stood as follows:

Liabilities	Amount	Asset	Amount
Equity share capital	10,00,000	Sundry assets	14,00,000
Preference share capital	4,00,000	Bank balance	5,00,000
Profit & loss account	3,00,000		
creditors	2,00,000		
	19,00,000		19,00,000

On the above date preference shares had to be redeemed. For the purpose 2,000 equity shares of Rs 100 each were issued at Rs 110 each. The company also issued 8% debenture totaling Rs 3,00,000. The shares and debentures were immediately subscribed and paid for, the preference shares were duly redeemed. Give journal entries and balance sheet after redemption.

13. Rekha Ltd was incorporated on 1.7.2014, which took over a running concern with effect from 1.1.2014. The sales for the period up to 1.7.2014 was Rs 2,70,000 and the sales from 1.7.2014 to 31.12.2014 amounted to Rs 3,30,000.

The expenses debited to profit and loss account included

- a) Directors fees Rs 15,000
 - b) Bad debts Rs 1,800
 - c) advertisement Rs 6000
 - d) salaries and general expenses Rs 32,000
 - e) preliminary expenses written off Rs 3,000
- The gross profit (1.12.2014 to 31.12.2014) Rs 2,40,000. Ascertain the profit prior to incorporation.

Prepared by
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