



॥ विद्या सर्वस्य भूषणम् ॥

PRABODHAN EDUCATION SOCIETY'S
Vidya Prabodhini College of Commerce, Education, Computer & Management
Vidyanagar, Alto-Parvari, Goa

SEMESTER END EXAMINATION - OCT/NOV 2017 (Regular/Repeat)

Class: S.Y.B.Com

Sub: APPLIED COMPONENT (Accounting)

Semester: III

M. Marks: 80 marks

M. Time: 2 hours

- INSTRUCTIONS:**
1. Each question carries 20 marks
 2. Question No.1 is compulsory
 3. Answer Any Three from Question 2 – Question 6
 4. Scientific calculators are not allowed.

Q.1. House Stark ltd. held on 1st April, 2016 of 1,500, 10% Government bonds of ₹100 each at a cost of ₹98 each. Interest is payable on 30th Sept. and 31st March every year.
On 1st July, 2016 bonds of 750 were purchased @ ₹ 99 ex-interest and on 1st October, 2016 bonds of 1,250 were sold cum-interest @ ₹ 99.
On 1st February, 2017 500, Bonds of ₹96 each were purchased at cum-interest.
On 31st March, 2017 sold 500 Bonds @ ₹98 each ex-interest.
On 31st March, 2017 investments were valued at ₹99 each. Make out 10% Government Bonds Account in the books of House of Starks ltd, showing profit and loss on sale of investment. Bonds on 31st March each year are valued at lower of cost or market price. Brokerage ₹ 1.50 on each transaction needs to be charged. (20 marks)

Q.2. House Baratheon files petition of Insolvency and a receiving order is issued on the same on 31st December, 2016. You are required to prepare its statement of affairs and deficiency account given the following information.

PARTICULARS	₹
1 st Charge creditors on free hold property	74,000
2 nd Charge creditors on free hold property (to the extent ₹10,000)	38,000
Taxes	1,000
Salaries	600
Freehold Property (ETP - ₹1,00,000)	1,40,000
Stock (ETP - ₹39,000)	57,840
Fixtures and Fittings (ETP - ₹3,000)	7,000
Book Debts	
Good	
Doubtful (ETP - ₹20,000)	61,410
Bad	27,010
Bills Receivable (ETP - nil)	17,330
Cash in Hand	3,000
Trade Creditors	270
Bills Discounted (ETR - ₹2,000)	2,40,900
	27,400

The owner brought private assets: household furniture ₹2,500 and Life policies of the surrender value of ₹6,000. There was also a private creditor for ₹5,000. He had a Capital of ₹1,30,000. During the years he earned profit of ₹3,760 and Loss of ₹15,230. Interest on capital amounted to ₹13,100 and Drawings ₹18,400. Additionally he also withdrew ₹15,000 for domestic use and incurred ₹60,000 loss on speculation.

3. House Bolton Ltd. issued 15,00,000 equity shares at ₹ 10 each at par. 30% of the issue was reserved for the promoters and the balance was offered to the general public, the entire amount being asked for with the applications.

P, Q, and R agreed to underwrite the public issue in the ratio of 3:1:1 respectively, and also agreed to firm underwriting of 30,000, 20,000 and 10,000 shares respectively.

The underwriting commission was fixed at 2%. The marked applications were as follows:

P – 5,50,000 shares; Q – 2,00,000 shares; R – 1,50,000 shares.

Unmarked applications excluding for shares underwritten firm totaled 50,000 shares.

You are required to –

- Ascertain the number of shares taken up by each one of the underwriters.
- Calculate the amount received from or paid to each one of the underwriters by the company in settlement.

Assuming that benefit of a firm Underwriting is not given to individual Underwriters.

4. House Tyrell is insolvent. It supplies to you the following information as on March 31, 2016

Particulars	₹	Particulars	₹
Creditors for goods	52,500	Stock (expected to realise 60%)	52,500
Salary due to Clerks	700	Book Debts (good)	7,000
Taxes due to Government	2,100	Book Debts (doubtful, expected to realise 40%)	17,500
Bank loan secured by lien on Stock of ₹ 35,000	17,500	Bill receivable (₹ 5,250 bad)	8,750
Cash in hand	100	Bills Discounted (₹ 3,500 bad)	10,500
Furniture (expected to realise ₹ 3,500)	7,000	Loan from House Tyrell	17,500

House Tyrell commenced business six years ago with a capital of ₹ 43,750. Mr. Tyrell drew ₹ 8,750 each year for private purposes, but did not maintain proper books of accounts. Mrs. Tyrell gave up her jewelry valued at ₹ 7,000 to the receiver. Profit arising from business till the date of adjudication was ₹ 11,300.

Prepare the Statement of Affairs and Deficiency Account of Mr. Tyrell.

5. On 15th March 2015 House Targaryen purchased ₹ 1,00,000, 9% Government Stock (interest payable on 1st April, 1st July, 1st October, and 1st January) at ₹ 88.50 cum-interest (face value ₹ 100 each).

On 1st August, ₹ 20,000 stock is sold at ₹ 89 cum – interest and on 1st September ₹ 30,000 stock is sold at ₹ 89.25 ex-interest. On 31st December, the date of the Balance Sheet, the market price was ₹ 90.

Show the Ledger Account of the investment for the year ignoring income tax, brokerage, etc. and making apportionments in months.

Q.6. Following is the trial balance of House Lannister as on 31st March 2016. You are required to prepare Trading and Profit and Loss Account for the year ended 31st March 2016 and Balance Sheet as on that date.

Particulars	₹	₹
Capital		4,00,000
Cash at Bank	80,000	
Apartments		2,50,000
Meals and Refreshments		2,90,000
Provisions and Other Purchases	2,20,000	
Bank Interest		10,000
Miscellaneous receipts		30,000
Discount earned		6,000
Sundry Suppliers		24,000
Stock	20,000	
Kitchen equipment's	80,000	
Printing and Stationary	10,000	
Postage and telegrams	9,000	
Wages and Salaries	1,00,000	
Fuel	19,000	
Repairs and Renewals	5,000	
Restaurant Furniture	45,000	
Advertising	10,000	
Utensils	30,000	
Sundry Customers	40,000	
Drawings	30,000	
Bad Debts	9,000	
Rates	3,000	
Land and Building	3,00,000	
	10,10,000	10,10,000

Adjustments:

- i) An amount of ₹ 12,000 representing accommodation, ₹ 5,600 and meals ₹ 6,400 to be charged to the proprietor.
- ii) An amount of ₹ 24,000 representing accommodation of ₹ 6,000 and meals ₹ 18,000 to be charged to staff who are provided with free boarding and lodging.
- iii) Provide for wages and salaries ₹ 8,000.

Depreciate building by 5 %, Kitchen equipment's by 10%, Restaurant furniture by ₹ 1,500. Utensils were revalued at ₹ 25,000.

(20 marks)

***** ALL THE BEST*****