

Whitefield International College

Town Planning, Nayabazar, Kathmandu

ASSIGNMENT 1

Class: XII

F.M-100

Subject: Accountancy

P.M.-40

Candidates are required to give their answer in their own words as far as practicable. The figures in the margin indicate full marks.

Attempt all the questions.

1. What is company? Write three features of company. (3)
2. Differentiate between the private and public limited company. (3)
3. Define any three types of preference shares. (3)
4. What is share forfeiture? (3)
5. What is "articles of association"? (3)
6. What is EOQ? (3)
7. ABC Ltd has 30,000 authorized Shares of Rs 100 each. The company issued 50% of its shares at Rs 90. Money payable as; Application 40, allotment Rs. 30 and rest in first and final call.
Required: entries for Application, Allotment and First and final call 2+2+2
8. Aryal Ltd invited application for 12,000 shares of Rs. 100 each issued at a premium of 5% payable as follows.
Rs 25 on applications
Rs 45 on allotments
Rs 35 on first and final calls
Application were received for 20,000 share and allotted is made as under. Applicants for 8,000 shares were at 100%. Applicants for 10,000 shares were allotted on pro-rate basis, and applicant for 2,000 shares were refused to allot and refunded application money. Excess applications money was utilized towards allotment and calls money. All money was duly received except allotment and final call money of 500 shares which were allotted on pro-rate basis.
Required: Journal entries:
a) Application b) Allotments c) first and final calls d) share forfeited 4x3=12
9. XYZ Company Ltd. forfeited 1500 share of Rs 100 each issued at 20% premium (to be paid at the time of allotment) non payment of first call of Rs 40. The company reissued 1000 shares at Rs 90 as fully paid up.
Required: Journal entries for
a) Share forfeiture
b) Share re-issue
c) Transfer entry 2+2+2
10. Sima co. limited took over the following assets and liabilities of Prime co. Ltd. By issuing 2,000 shares at Rs. 110.
Sundry debtors Rs. 60,000
Stock Rs. 20,000
Machinery Rs. 2, 00,000
Cash and bank Rs. 15, 000
Sundry creditors Rs. 40, 000
Outstanding expenses Rs. 20,000
Required : entries for purchase of business and issue of shares (3)

11. Namuna company Ltd. Was registered with 25,00,000 shares of Rs. 100 each. The company purchased the business of K&D co. Ltd. With the following assets and liabilities.
- | | |
|-------------------|--------------|
| Land and building | Rs. 1000,000 |
| Creditors | Rs. 594,000 |
| Bills receivable | Rs.330, 000 |
| Stock | Rs. 440,000 |
| Furniture | Rs. 120,000 |
| Cash at bank | Rs. 24,000 |

The purchase price was agreed at Rs. 13,20,000 and the purchase consideration was discharge by issuing share at 12% discount.

Required: Journal entries for purchase of business

Balance Sheet

3+2

12. Sita Co. Ltd. Issued 1000, 5% debentures of Rs. 1000 each at a premium of 10% which are redeemable at premium of 5% after 10 years.

Required: journal entries for issue and redemption of above debenture

3+2

13. From the following trial balance Good will Finance Co. prepare final account

Particulars	Dr.	Cr.
Opening stock	93,000	
Purchase and sales	3,59,000	5,85,000
Returns	6,500	5,000
wages	55,000	
Carriage inward	12,000	
Bank loan		25,000
Interest on bank loan	2,250	
Office expanse and salaries	9,000	
Director fees	12,000	
Preliminary expenses	3,000	
Furniture	2,500	
Land & building	82,000	
Plant & machinery	70,000	
Debtors & creditors	52,500	31,000
Cash at bank	58,000	
tax paid	42,000	
Share capital		2,00,000
Profit & loss appropriation		12,750
Total	8,58,750	8,58,750

Adjustments

- Closing stock Rs. 62,000 (market value Rs 65, 0000)
- Outstanding wages Rs. 1,000
- Depreciation: on plant & machinery 15%
- Depreciation: on furniture 10%
- Preliminary expenses written off 1/3
- Provision for income tax Rs 40,000
- Directors decided to pay Rs 30,000 dividend on capital
- Transfer Rs 25,00 to general reserve

Required:

- Trading a/c
- profit and loss a/c
- Profit and loss appropriation a/c
- Balance sheet

3+6+3+6

14. Following particulars are provided to you by a limited company at the end of this year.

Particular	Amount	Particular	Amount
Machinery	4,00,000	P & I Appropriation a/c(Cr.)	50,000

Land and building	5,00,000	General reserve	50,000
Investments	1,40,000	Salaries	72,000
Debtors	70,000	Closing stock	98,000
Office expenses	4,000	Rent rates and taxes	10,000
Cash at bank	70,000	Advance Miscellaneous receipt	10,000
Creditor	60,000	Gross profit	3,00,000
15% preference Share capital	3,00,000	Equity share capital	5,00,000
Advance rent received	20,000	10% Bank loan	74,000

Adjustments:-

- Provide reserve for doubtful debts @ 10% on debtors after writing off bad debts of Rs. 3,000
- Salary to be paid Rs 8,000
- Provided depreciation on building by 20% and on machinery one forth
- The board of directors decided to pay 25% dividend on equity share.
- Advance miscellaneous receipts are earned to the extent of Rs.8, 000.
- Make a provision for income tax @ 40% and transfer to general reserve Rs.50,000

Required:

- profit and loss a/c
- Profit and loss appropriation a/c
- Balance sheet

6+3+6

15. Following are the information relation to a firm.

Maximum usage in a month 600units

Minimum usage in a month 400units

Re-ordering quantity 1500 units

Reorder period 2-6 months

Required:

- Re-ordering level
- Minimum Level
- Maximum Level

3x2=6

16. Prepare a reconciliation statement to reconcile the cost and financial records from the following information: (6)

- Selling Overhead over Absorbed in Cost Rs. 1,000
- Depreciation Charged in Financial Account Rs. 6,000 and Recorded in Cost Rs. 7,000.
- Interest on Investment Rs. 4,000.
- Loss due to Obsolescence Charged in Financial Records Rs. 3,000.
- Income Tax Paid Rs. 20,000.
- Opening stock over charged in cost account by Rs. 10,000
- The Profit shown by Financial Account for the Year Ended is Rs. 60,000.

"The End"

[REF]
Whitefield International College
Town Planning, Nayabazar, Kathmandu

ASSIGNMENT 2

Class: XII
Subject: Accountancy

F.M-100
P.M.-40

Attempt all the questions

1. Write any four features of company. 2
2. Define public ltd. company. 3
3. Write in brief about an Article of Association. 3
4. Give any two differences between equity share & preference share. 2
5. Give any three differences between share & debenture. 3
6. Give the meaning of share capital. 2
7. Define : 5
 - i) over subscription of share
 - ii) calls in arrears
 - iii) share forfeiture
 - iv) calls in advance
8. Eagle Group Ltd. issued 20000 equity share of Rs. 10 each at Rs. 12 per share.
The amount payable as follows:
On application Rs. 3
On allotment Rs. 4 (including premium)
On first & final calls Rs. Balance
Required : Journal Entries
 - i) Application
 - ii) Allotment 4
9. Bishal & Company Ltd. issued 5000 equity share of Rs. 50 each at Rs. 5 discount. The amount payable as follows :
On application Rs. 15
On allotment Rs. 25
On first & final call Rs. 5
All the money was duly received except one share holder who hold 800 share failed to pay allotment & call money.
Required: Journal entries for
 - i) Allotment 3
 - ii) First & final call 2
10. Midtown Company Ltd. issued 100000 equity share of Rs. 10 each at 10% premium. The amount payable as follows:
On application Rs. 5
On allotment Rs. 6
Application were received for 99000 share all the money were duly received.
Required: Journal Entries for
 - i) Application 2
 - ii) Allotment 2
11. Radisson Hotel & Company issued 500000 equity share of Rs. 10 each at 30% premium. The amount payable as follows:

On application	Rs. 1
On allotment	Rs. 3
On first call	R. 4 (including premium Rs. 2)
On final call	Rs. Balance (including premium Rs. 1)

All the money were duly received except one share holder who applied 900 share failed to pay final call money and another shareholder who allotted 3000 share paid the entire amount along with allotment money.

Required : Journal Entries for

i) application	2
ii) allotment	2
iii) first call	2
iv) final call	2

12. Youth vision Hotel & Company Ltd. issued 200000 equity share of Rs. 100 each at 20% premium. The amount payable as follows :

Application	Rs. 20
Allotment	Rs. 60 (including premium Rs. 1)
First & Final call	Rs. Balance (including premium Rs. 1)

Application were received for 400000 share the company allotted on following basis:

To the applicants for 100000 share	Nil
To the applicants for 50000 share	Full
To the remaining applicants	pro-rate

All the money was duly received. Except one share holder who applied 5000 share failed to allotment & call money. His share were forfeiture by company after final call.

Required : Journal Entries For:

i) Application	3
ii) Allotment	4
iii) First Call	2
iv) forfeiture	3

13. A Company Ltd. issued 80000 equity share of Rs. 20 each at 10% discount. The amount payable as follows:

On application	Rs. 7
On allotment	Rs. 8
On first & final call	Rs. Balance

Application was received for 100000 shares. The company allotted on the applicant for pro-rate basis. All the money was duly received. Except one shareholder who allotted 2400 share failed to pay allotment & call money. Company forfeiture his share after final call:

Required: Journal Entries for

i) Allotment	3
ii) Forfeiture	3

14. ABC Company Ltd. forfeiture 800 share of Rs. 10 each at a discount Rs. 1 due to non payment of allotment Rs. 3 & first & final call Rs. 3 out of these share 600 shares were re-issued at Rs. 8 per share.

Required: Journal Entries for

i) Forfeiture	2
ii) Re-issue	2

- iii) Transfer 1
15. Eagle Group Ltd. took over the following assets & liabilities of Armadi Consultant & Company Rs. 230000. Building Rs. 100000, Sundry debtors Rs. 28000, stock in trade Rs. 60000, Cash & Bank Rs. 72000, Sundry creditors Rs. 62000. Towards this, Eagle Group issued sufficient equity share of Rs. 100 each at Rs. 115 per share.
Required : Journal Entries for
- i) At the time of assets & liabilities taken 3
- ii) At the time of issue of share 2
16. A company issued 3000, 5% preference share of Rs. 100 each to Y Ltd. to purchase the following assets: 5
- | | |
|-------------------|------------|
| Land & Building | Rs. 150000 |
| Plant & Machinery | Rs. 100000 |
| Stock in trade | Rs. 70000 |
- Required: Journal Entries at the time of assets 3
17. A company issued 8000 10%, 5 year redeemable debenture of Rs. 100 each at 10% discount. These debentures were redemption after 5 years at 20% premium.
Required: Journal Entries for
- i) Issued of debenture 3
- ii) Redemption of debenture 2
18. Radisson Company issued 10000 6% debenture of Rs. 10 each 20% premium. Those debenture redemption at 5% premium.
Required: Journal Entries for
- i) At the time of issue of debenture 3
19. Calculate EOQ & no. of order to be placed from the following information. 3
- | | |
|-------------------------|------------------------|
| Annual requirement | 5000 units |
| Ordering cost per order | Rs. 500 |
| Carrying cost per unit | 10% of inventory value |
| Cost per unit | Rs. 40 per unit |
20. Consider the following information:
- | | |
|---------------------|----------------|
| Maximum stock level | 48000kg |
| Daily consumption | 4000 to 6000kg |
| Delivery period | 3 to 6 days |
- Calculate :
- i) Re-order level 2
- ii) Re-order quantity 2
- iii) Minimum stock level 2
- iv) Maximum stock level 2
- v) Average stock level 2
21. Following information are given:
- | | |
|--------------------|------------------|
| Annual requirement | 40000 units |
| Ordering cost | Rs. 10 per order |
| Carrying cost | Rs. 0.2 per unit |
- Required:
- i) EOQ 3
- ii) No. of order 1
- iii) Total cost of EOQ 2

"The End"

[REF]
Whitefield International College
Town Planning, Nayabazar, Kathmandu

ASSIGNMENT 3

Class: XII
Subject: Accountancy

F.M-100
P.M.-40

Candidates are required to give their answer in their own words as far as practicable. The figures in the margin indicate full marks.

- | | |
|--|---|
| 1. Write briefs any four features of the company. | 4 |
| 2. Differentiate equity share and preference share capital. | 4 |
| 3. Write about Company promoters. | 3 |
| 4. What is share forfeiture? | 4 |
| 5. What is Memorandum of Association? | 4 |
| 6. What do you mean by chartered company? | 4 |
| 8. A company Ltd. invited application for 1500 shares @ Rs.10 each. The calls were made as followings: | |

On application Rs. 2

On allotment Rs. 4 (Rs. 1 including premium)

On first and final call Rs. 5

All Share were applied and allotted, all money were duly received.

Required:- Journal entries for

a) Application b) allotment c) first and final call **6**

9. Basal Co. Limited issued 10,000 equity shares of Rs 100 each at a discount of Rs 10 per share payable as follows
- Rs. 20 on application
- Rs. 40 on allotment (including discount)
- And Balance on first & Final call.
- All Share were applied and allotted, all money were duly received.

Required: Journal entries for

a) Application b) allotment c) First & Final call **6**

10. A company offered 5000 equity shares of 100 each. Money payable as application 40 and remaining equally on allotment and 1st & final call.
- All Share were applied and allotted, all money were duly received but one share holder holding 200 share failed to pay allotment & call money.

Required: Entries for application, allotment & 1st & final call. **6**

11. ABC company Ltd. invited application for 20000 shares @ Rs.100 each at a premium of Rs 20 per share payable as follows.

On application Rs. 20

On allotment Rs. 40 (Rs. 20 including premium)

On first call Rs. 20 & rest on final call.

Application were received for 30000 shares. The BOD decided to reject 5000 shares and 25000 shares were allotted in prorata basis

Required:- Journal entries for**a) Application b) allotment c) first call d) Final call**

(4×2=8)

12. P Co. Ltd issued 40,000 shares at 10% discount having par value Rs. 100 each. The shares money were payable as Application=25%, Allotment=30% (Included discount), First call=20%, Second and final call=15%
Applications were received for 50,000 shares. The BOD decided to reject 10,000 shares, 30,000 allotted in full where as remaining in prorata basis. Mr. K holding 1,000 shares failed to pay allotment and calls money. The BOD decided to forfeit the shares and reissued to Mr. H at Rs. 80.
Required: Entries for Application, allotment, first call, second call, forfeiture, reissue and transfer (7×2=14)
13. A holder of 1000 equity share of Rs. 10 each Issue at a premium of Rs.2 per share failed to pay allotment Rs. 5 (with premium) and final call of Rs. 3. The board of directors decided to forfeit these shares and re-issue them at Rs.8 fully paid .
Requires: Entry forfeiture, re-issue, Entries Transfer (2+2+2)
14. The following trial balance and additional information are provided to you of AAA Co. as on 30th Chaitra 2070

Dr

Cr

Particulars	Amount	Particulars	Amount
Beginning Stock	100,000	Sales	7,00,000
Purchase	5,00,000	Share Capital	6,50,000
Fuel	5,000	Bank overdraft	30,000
Building	3,00,000	General Reserve	20,000
Wages and Salaries	10,000	P/L Appropriation A/c	70,000
Furniture	2,00,000	6% Debentures	1,00,000
Sundry Debtors	1,00,000	Provision for tax	30,000
Bank	25,000	Provision for bad debt	10,000
Salaries	20,000		
Export duty	5,000		
Loan to Ram	2,00,000		
Rent	10,000		
Calls-in-arrears	50,000		
Patent	80,000		
Interim dividend	5,000		
	1,610,000		1,610,000

Additional information:

- Stock at the end was of Rs 1, 00,000
- 25% patent written off.
- Depreciation on furniture at 10%
- Provision for doubtful debts rise to Rs 5,000
- Rent to be paid for 2 months
- Wages was prepaid of Rs 5,000
- Provision for dividend 10% on paid up capital
- Tax provision was 40%

Required: Trading account
Profit and loss account

Profit and loss appropriation account
Balance sheet (3+6+2+5)

15. The Trial Balance of Aryal Trading Co. Ltd. on Chaitra 30 is as follows:

Particulars	Rs	Particulars	Rs
Opening Stock	90,000	Sales	6,79,000
Purchases	3,90,000	Profit and Loss Account	50,000
Furniture and Fixtures	34,000	Share Capital	2,00,000
Rent	8,000	General Reserve	51,000
Plant and Machinery	1,58,000	Creditors	35,000
Interim Dividend	20,000		
Salaries and wages	79,000		
Sundry Expenses	14,000		
Debtors	1,25,000		
Chas and Bank	47,000		
wages	50000		
	10,15,000		10,15,000

Additional information:

a. Depreciate plant by 10%

b. Outstanding: Salaries Rs. 11,000

c. Transfer to general reserve Rs. 3,000

d. bad debt written off @ 20%

e. Value of furniture At the end of the year Rs. 30000

f. Rent was paid for only 8 months

Required: a) trading a/c, b) profit and loss a/c c) P/L appropriation a/c d) balance Sheet (2+5+3+5)

"The End"

Whitefield International College

Town Planning, Nayabazar, Kathmandu

ASSIGNMENT 4

Class: XII

Subject: Accountancy

F.M-100

P.M.-40

1. What do you mean by joint stock Company? [3]
2. What is an Articles of Association? [3]
3. What do you mean by registered company? [3]
4. Difference between cumulative and non cumulative preference shares. [3]
5. Write any three objectives of financial statement. [3]
6. What are the limitations of Ratio Analysis? [3]
7. Define debt equity ratio? [3]
8. Sitaram Co. has authorized shares of Rs. 2, 00,000 with par value Rs. 10 each. The Co issued 50% of its shares to public at Rs. 12. The money of shares payable as: application Rs. 3, allotment Rs. 5 and remaining on first and final call. One shareholder holding 1,000 shares paid entire money with allotment.
Required: entries for application, allotment and first call. [2+2+2]
9. PK Co. Ltd issued 40,000 shares at 10% discount having par value Rs. 100 each. The shares money were payable as Application=25%, Allotment=30%, First call=20%, Second and final call=15%
 Applications were received for 50,000 shares. The BOD decided to reject 10,000 shares, 30,000 shares allotted in full where as remaining in prorata basis. Mr. K holding 1,000 shares failed to pay allotment and calls money. The BOD decided to forfeit the shares and reissued to Hari at Rs. 80.
Required: Entries for allotment, first call, second call, forfeiture, reissue and transfer. [2x6=12]
10. A holder of 1000 equity share of Rs. 10 each Issue at a premium of Rs.2 per share failed to pay allotment (with premium) Rs. 6 and final call of Rs. 3. The board of directors decided to forfeit these shares and re-issue them at Rs.8 fully paid
Requires : (a) Entry forfeiture (b) Entry for re-issue (c) entry of transfer [2+2+2]
11. ABC Co. issued shares to purchase business of XYZ at an agreed price of Rs. 770000 at 10% premium having par value 100 each. The assets and liabilities are:
 Machinery= Rs. 3,00,000
 Sundry debtors= Rs 50,000
 creditors= Rs.40000
 Bank loan =Rs.80,000
 bills payable=Rs 20,000
 marketable securities= Rs. 30,000
 Furniture=Rs. 1.50,000
 The Co. also issued 20,000 shares to public at Rs 80 on cash.
Required: possible entries [5]
12. ST Co. redeemed 20,000 12% debentures at Rs 120 having par value Rs. 100 each which was initially issued at Rs. 80.
Required: entries for; at the time of issue and at the time of redemption [3+2]
13. MN Co. issued 10000 debentures at 10% premium having par value 20 each. The company redeemed the debenture by issuing shares of 100 each at par.
Required: Entries for issue and Redemption [2.5+2.5]

14. The following trial balance and additional information are provided to you of XXX Co. as on 30th Chaitra 2070

Dr

Cr

Particulars	Amount	Particulars	Amount
Opening Stock	100,000	Sales	7,00,000
Purchase	5,00,000	Share Capital	6,50,000
Fuel	5,000	Bank overdraft	30,000
Building	3,00,000	General Reserve	20,000
Wages and Salaries	10,000	P/L Appropriation A/c	70,000
Furniture	2,00,000	6% Debentures	1,00,000
Sundry Debtors	1,00,000	Provision for tax	30,000
bank	25,000	Provision for bad debt	10,000
Salaries	20,000		
Export duty	5,000		
Loan to Ram	2,00,000		
Rent	10,000		
Calls-in-arrears	50,000		
patent	80,000		
Interim dividend	5,000		
	1,610,000		1,610,000

Additional information:

- Stock at the end was of Rs 1, 00,000
- 1/4 patent written off.
- Depreciation on furniture at 10%
- Provision for doubtful debts rise to Rs 5,000
- Rent to be paid for 2 months
- Wages was prepaid of Rs 5,000
- Provision for dividend 10% on paid up capital
- Tax provision was 40%

Required: Trading account

Profit and loss account

Profit and loss appropriation account

Balance sheet

(3+5+2+5)

15. The Trial Balance of Aryal Trading Co. Ltd. on Chaitra 30 is as follows:

Particulars	Rs	Particulars	Rs
Opening Stock	90,000	Sales	6,79,000
Purchases	3,90,000	Profit and Loss Account	50,000
Furniture and Fixtures	34,000	Share Capital	2,00,000
Rent	8,000	General Reserve	51,000
Plant and Machinery	1,58,000	Creditors	35,000
Interim Dividend	20,000		
Salaries and wages	79,000		
Sundry Expenses	14,000		
Debtors	1,25,000		
Chas and Bank	97,000		
	10,15,000		10,15,000

Additional information:

- Depreciate plant by 10%
- Outstanding: Salaries Rs. 11,000

c. Transfer to general reserve Rs. 3,000

Required: a) worksheet, b) entries for adjustment

[8+2]

16. You are given the Balance Sheet of a company

Liabilities	Amount	Assets	Amount
Share capital	2,00,000	Plant & Machinery	1,80,000
12% Debentures	80,000	Furniture & fixture	40,000
Sundry creditors	60,000	Investment	70,000
Bank overdraft	10,000	Inventory	32,000
Bills payable	10,000	Sundry debtors	60,000
Reserve and Surplus	40,000	Cash & Bank Balance	8,000
		Preliminary expenses	10,000
	4,00,000		4,00,000

Required:

i) Current Ratio

ii) Quick Ratio

iii) Working Capital

iii) Debt-equity Ratio

iv) Debt to total capital Ratio

[1+1+1+2+2]

17. From the following information:

10% loan Rs.100000

Net profit before interest and tax Rs.1, 70,000

Fixed assets Rs.2, 00,000

Cash Rs. 20,000

Account receivable Rs. 10000

Inventory Rs. 10000

Gross profit Rs 300000

Inventory turnover ratio 5 times

Tax rate is 50%

360 days in a year

Required: sales amount, net profit margin, return on total assets, average collection period

[2+2+2+2]

"Best of Luck"

[REF]
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Town Planning, Nayabazar, Kathmandu

ASSIGNMENT 5

Class: XII
Subject: Accountancy

F.M-100
P.M.-40

Candidates are required to give their answer in their own words as far as practicable. The figures in the margin indicate full marks.

1. Write in brief any four features of the company. 4
2. Differentiate equity share and preference share capital. 3
3. Write about Company promoters. 3
4. What is share forfeiture? 3
5. What is Memorandum of Association? 4
6. What do you mean by chartered company? 3
8. A Ltd. invited application for 1500 shares @ Rs.10 each. The calls were made as; application Rs. 2, on allotment Rs. 4 (including premium) and first and final call Rs. 5

All Share were applied and allotted, all money were duly received.

Required:- Entries for a) Application b) allotment c) first and final call 6

9. Nova Co. issued 6000 equity shares of 100 each. Money payable as application 40, on allotment Rs. 40 and 1st & final call Rs. 20.

All Shares were applied and allotted, all money were duly received but one shareholder holding 200 shares failed to pay allotment & call money.

Required: Entries for application, allotment & 1st & final call. 6

10. Parrot Co. Ltd issued 20,000 shares at 10% discount having par value Rs. 100 each. The shares money were payable as Application=25, Allotment=30 (Included discount), First call=20, Second and final call=15
Applications were received for 30,000 shares. The BOD decided to reject 5,000 shares, 10,000 allotted in full where as remaining in prorata basis. Mr. K holding 1,000 shares failed to pay allotment and calls money. The BOD decided to forfeit the shares and reissued to Mr. MN at Rs. 80.

Required: Entries for Application, allotment, first call, second call, forfeiture, reissue and transfer (7×2=14)

16. A holder of 2000 equity share of Rs. 10 each Issue at a premium of Rs.2 per share failed to pay allotment Rs. 5 (with premium) and final call of Rs. 3. The board of directors decided to forfeit these shares and re-issue them at Rs.8 fully paid.

Requires: Entry forfeiture, re-issue and Transfer (2+2+2)

17. ABC Company limited took over the following assets and liabilities of XYZ Company limited at an agreed price of Rs. 4, 40,000.

Machinery	Rs. 3, 90,000	furniture	Rs. 40, 000
Stock	Rs 80,000	sundry creditors	Rs. 30,000

Outstanding expenses Rs .20, 000

The company paid purchase consideration by issuing equity shares of Rs. 100 each at premium of Rs. 10.

Required: Journal entries for the purchase of business (3)

18. POQ company limited issued 1000, 5% debenture of Rs. 100 each at a discount of 5% and redeemable at premium of 10%

Required: Entries for the issue and redemption of debentures (2+2)

19. The following trial balance and additional information are provided to you of ZZZ Co. as on 30th December 2017

Dr		Cr	
Particulars	Amount	Particulars	Amount
Stock on 2017-1-1	100,000	Sales Revenue	7,00,000
Purchase	5,00,000	Share Capital	6,50,000
Fuel	5,000	Bank overdraft	30,000
Land and Building	3,00,000	Funds	20,000
Productive Wages	10,000	P/L Appropriation A/c	70,000
Furniture	2,00,000	6% Debentures	1,00,000
Sundry Debtors	1,00,000	Provision for tax	30,000
Bank	25,000	Miscellaneous Income	10,000
Salaries and wages	20,000		
Export duty	5,000		
Investment	2,00,000		
Rent and rates	10,000		
Calls-in-arrears	50,000		
Copy right	80,000		
Interim dividend	5,000		
	1,610,000		1,610,000

Additional information:

- Stock at the end was of Rs 1, 00,000
- half of Goodwill written off.
- Depreciation on furniture at 10%
- Provision for doubtful debts maintain 5% on sundry debtors
- Rent to be paid for 2 months
- Wages was prepaid Rs 5,000
- Provision for dividend 10% on paid up capital
- Tax provision was 40%

Required: Trading account Profit and loss account

Profit and loss appropriation account Balance sheet (3+6+2+5)

20. The trial balance of company limited as on 31st December is given below.

Debit	Amount	Credit	Amount
Machinery	3,50,000	Share capital	5,00,000
Land and building	4,25,000	Profit and loss Appropriation a/c	40,000
Opening stock	30,000	Reserve fund	98,000
Cash balance	20,000	Creditors	54,000
Purchase	3,50,000	Sales	7,70,000

Debtors	41,000	Advanced commission	10,000
Wages	90,000	Purchase return	2,000
Salaries	95,000		
House rent	42,000		
Insurance	7,000		
Interest expenses	6,000		
Donation	18,000		
Total	1,474,000		1,474,000

Additional information:

- Depreciation on machinery @ 15%
- Write off Rs. 2,000 as bad debts and provide 10% for provision for doubtful debts.
- Outstanding salaries Rs. 5,000 and prepaid wages Rs. 4,000.
- Provision for tax is to be made 30%
- Purchase includes Rs. 40,000 furniture purchased. Charged @ 10% depreciation on furniture.
- BOD decides to provide 10% dividend on paid up capital.

Required:

- (a) Trading a/c (b) Profit and loss a/c (c) Profit and loss appropriation a/c
(d) Balance (3+5+2+5)

21. The following trial balance of a company below:

Particular	Debit	Credit
Machinery	2,00,000	-
Debtors	50,000	-
Furniture	1,00,000	-
Capital	-	3,00,000
Sales	-	5,00,000
Purchase	3,80,000	-
Opening stock	20,000	-
Salaries	80,000	-
Prepaid insurance	20,000	-
Creditors	-	50,000
Total	8,50,000	8,50,000

Additional information:

- Prepaid insurance expired Rs. 12,000.
 - Depreciation on machinery @ 10%
 - Outstanding salaries Rs. 5,000
 - Provision for doubtful debt @ 5%
- Required: a) 10- column work sheet
b) Entries for adjustment (6+4)

"The End"