

- (e) Purchase consideration was discharged by the company on 30th September, 2009 by issuing equity shares of Rs. 10 each.

Prepare the P & L A/c in columnar form showing distinctly the allocation of expenses between pre and post incorporation periods.

3. The following balances have been extracted at the end of March, 2010, from the books of an electricity company : 16

	Rs.		Rs.
Share capital	4,00,00,000	Consumer deposit	1,60,00,000
Fixed assets	10,00,00,000	Tariffs and dividend (control reserve)	40,00,000
Depreciation reserve on fixed assets	1,20,00,000	Development reserve	32,00,000
Reserve fund (invested in 8% government securities) (at par)	2,40,00,000	12% debenture	80,00,000
Contingency reserve invested in 7% state loan	48,00,000	Loan from State Electricity Board	1,00,00,000
Amount (Contributed by consumers towards cost of fixed asset)	8,00,000	Intangible assets (monthly average)	32,00,000
		Current assets (monthly average)	60,00,000

The company earned a profit of Rs. 1,12,00,000 (after tax in 2009-2010). Show how the profits have to be dealt with by the company assuming the bank rate was 10%. All workings should form part of your answers.

4. Siva Ltd. has two departments X and Y. From the following particulars prepare departmental trading accounts and general profit and loss account for the year ending 31st March, 2009 : 16

	Dept. X Rs.	Dept. Y Rs.
Opening stock (at cost)	80,000	48,000
Purchases	3,68,000	2,72,000
Carriage inward	8,000	8,000
Wages	48,000	32,000
Sales	5,60,000	4,48,000