

Following is the balance extracted from Electricity 31.3.2018

	Rs.
Power purchased	56,66,140
Distribution expenses	9,33,160
Rates and taxes	300
Establishment charges	6,08,140
Management Expenses	3,54,600
Sale of electricity	83,88,680
Meter rent	5,50,920
Depreciation	3,75,160
Income tax	3,64,880
Repairs	10,520
Contribution towards contingency reserve	62,860
Interest Paid and accrued	1,21,780
Plant and machinery	1,11,99,360
Public lighting	16,33,300
General equipment	3,07,340
Paid up capital	71,00,000
Bills Payable	17,920
Sundry creditors- consumers	52,720
Sundry creditors- others	2,380
Consumers security deposit	37,51,320
Depreciation reserve balance as on 1-4-2012	25,75,700
Contingency reserve balance as on 1-4-2012	1,38,040
Service advance	3,57,340
Unpaid wages	360
Income tax reserve	3,64,880
Interest payable	2,38,100
Stores in hand	9,77,040
Sundry debtors for supply of electricity	7,84,380
Advances to Staff	2,00,900
Cash at Bank	3,46,680
Cash in hand	29,840

Prepare revenue A/c, net revenue account, capital account and balance sheet of the company.

Solution

Ans :

Bhadra Electricity Co.

Revenue account as on 31-3-2018

To Power purchased	56,66,140	By Sale of ellectricity	83,88,680
To Distribution expenses	9,33,160		
To Rates and taxes	300	By Meter rent	5,50,920
To Management expenses	3,54,600		
To Established changes	6,08,140		
To Depreciation	3,75,160		
To Repairs	10,520		
To Net bal. carried to revenue account	9,91,580		
	89,39,600		89,39,600

Net Revenue A/c for the year ending 31-0-18

To Interest paid and accrued	1,21,780	By Balance from revenue A/c	9,91,580.
To Income tax	3,64,880		
To Contribution towards contingency reserve	62,860		
To Balance carried to balance sheet	(4,42,060)		
	9,91,580		9,91,580

Reciept & expenditure on capital account for the year 31-3-2018

Expen- diture	Previous year	E. during the year	Total Expenditure	Receipts	Previous year	During the yr	Total
To Plant & machinery	1,11,99,360	-	1,11,99,360	By Capital	71,00,000	-	71,00,000
To Public lighting	16,33,300	-	16,33,300				
To General equipment	3,07,340	-	3,07,340				
Total expenditure			1,31,40,000	Total receipts			71,00,000

General balance sheet as on 31-3-2018

Liabilities	Rs	Assets	Rs.
Total capital receipts	71,00,000	Total capital expenditure	1,31,40,000
Contingency reserve as on 1-4-12	1,38,040	Stores in land	9,77,040
(+) Addition during the yr	62,860	Sundry debtors	7,84,380
Income tax reserve	2,00,900	Advances to staff	2,00,900
Depreciation reserve as on 1-4-12	25,75,700	Cash at bank	1,46,680
(+) Addition	3,75,160	Cash in hand	29,840
Bills payable	17,920	Differences	2,00,000
Sundry creditors - consumers	52,720		
Sundry creditors- others	2380		
Consumers security deposit	37,51,320		
Service advance	3,57,340		
Unpaid wages	360		
Interest payable	2,38,100		
Net revenue A/c	4,42,060		
	1,54,78,840		1,54,78,840

6. The following balances appeared in the books of Global Electric Company Ltd. as on 31-3-2013

Particulars	Debit	Credit
Equity shares		6,00,000
Debentures		2,00,000
Land on March 31-2012	1,50,000	
Land purchased during the year	60,000	
Mains including cost of laying to March 31-2012	1,60,000	
Mains expended during the year	76,000	
Machinery on March 31, 2012	5,50,000	
Machinery purchased during the year	66,000	
Sundry creditors		1,000
Depreciation Fund Account		2,50,000
Sundry Debtors for current supplied	40,000	
Other books debts	500	
Cash in hand	6,000	
Cash in hand	4,000	
Net Revenue Account balance on March 31, 2013		61,500

From the above balance prepare Capital A/c and General Balance Sheet.

Problem

Ans.: Global Electric Supply Corporation Ltd.

**Receipts and Expenditure on Capital A/c for the year
ending 31st December, 2013**

Expenditure	Expenditure up to the previous year (Rs.)	Expenditure during the year Rs.	Total Expenditure Rs.	Receipts	Receipts up to the end of previous year Rs.	Receipts during the year Rs.	Total Receipts Rs.
To Land	1,50,000	60,000	2,10,000	By Equity shares	6,00,000	Nil	6,00,000
To Mains	1,60,000	76,000	2,36,000	By Debentures	2,00,000	Nil	2,00,000
To Machinery	5,50,000	66,000	6,16,000				
Total expenditure			10,62,000	Total Receipts		8,00,000	

General balance sheet as on 31st December 2013

Liabilities	Rs	Assets	Rs.
Total Capital Receipts	8,00,000	Total Capital Expenditure	10,62,000
Depreciation fund A/c	2,50,000	Stores on hand	6,000
Sundry creditors	1,000	Sundry debtors for current supplied	10,000
Net Revenue Account	61,500	Other Book debts	500
		Cash in hand	4,000
	11,12,500		11,12,500

7. Discuss the Scope of Accounting