

## Final Accounts of Electricity Company

### Short Sums

#### 1] VNSGU April – 2025

From the following information, calculate employee benefit expenses and other expenses.

Rent & Taxes	Office staff salary	Meter rent	Advertising expenses
Public lighting wages	Public lamp expenditure	Electricity department distribution salary	Distribution wages
Power manufacturing expenses	Outstanding debenture interest	Bad debt	Government assistance on sale of power
Legal expenses	Audit fees	Provision for income tax	Solar power purchase

#### 2] VNSGU February/March – 2024

Calculate the depreciation expense incurred during the year from the following information.

Balance of assets in trial balance as on 31/03/2023:

Building Rs. 1,50,000

Machinery at the station Rs. 3,00,000

Mains Rs. 2,40,000

Transformers Rs. 60,000

Meters Rs. 45,000

Electrical tools Rs. 12,000

Provide depreciation on "opening balance" of following assets.

(1) On Building - 2.5%, on machinery - 9%, on mains - 5%, on transformers - 10%, on meters - 15% and on electrical tools - 15%.

(2) Company has done the following expenditure during the year.

Building Rs. 30,000

Machinery at the station Rs. 1,20,000

Mains Rs. 90,000

Transformers Rs. 30,000

Meters Rs. 30,000

Electrical tools Rs. 3,000

#### 3] VNSGU October – 2024

The following information relates to the properties of Ruchi Electric Company. Determine the amount of depreciation to be taken from it at profit loss.

<b>Assets</b>	<b>Closing Balance (Dt. 31-03-2023) Rs.</b>	<b>Depreciation Rate</b>
Building	18,00,000	7.5%
Plant	16,00,000	8%
Pillars	30,00,000	5%
Equipment	7,50,000	10%
Transformers	13,00,000	6.5%

Each assets has increased by 25% during the year. Depreciation is calculated on opening balance.

#### **4] VNSGU October/July – 2023**

From the given information, calculate employee benefit expenses.

Law charges	Rs. 2,500
Salary of engineers, superintendent and officers:	
Electricity generation department	Rs. 77,000
Electricity Generation Department	Rs. 48,000
Advertisement Expenses	Rs. 1,10,000
Power house salary and wages	Rs. 90,000
Repairs and renewals to public lamps	Rs. 60,000
Distribution wages	Rs. 12,000
Public lighting wages	Rs. 10,000

## Long Sums

### 1] VNSGU April – 2025

The following trial balance is available from the books of Mumbai Electricity Co. Ltd. For the year ended 31st March 2023.

Particulars	Debit Rs.	Credit Rs.
Equity Share Capital each of Rs. 10	--	18,00,000
10% Debentures	--	5,00,000
Security Premium	--	1,95,000
10% Investments	3,80,000	--
Land & Building	6,00,000	--
Machinery	10,00,000	--
Mains	5,00,000	--
Transformers	2,10,000	--
Furniture	1,10,000	--
Accumulators	40,000	--
Debtors and Creditors	2,80,000	2,90,000
Sale of Old Scrap	--	5,000
Sales of Electricity	--	7,00,000
Contingency Reserve	--	1,60,000
Sinking Fund and Investment of Sinking Fund	50,000	50,000
Meter rent	--	80,000
Interest on investment	---	38,000
Administration expenses	1,25,000	--
Establishment expenses	30,000	--
Repair Reserve	--	60,000
Cost of electricity generation	1,65,000	---
Electricity Distribution Cost	40,000	--

Rent & Taxes	45,000	--
Stores on Hand	1,40,000	--
Legal expenses	10,000	--
Interest on Debentures	25,000	--
Cash on hand	2,05,000	--
Interim Dividend	95,000	--
Repair Cost	10,000	--
Share exchange Fees	--	5,000
P&L A/c (1-4-22)	--	1,77,000
	40,60,000	40,60,000

Other Information: -

(1) The Company paid following capital expenditure as follows,

Mains Rs. 50,000

Land & Building RS. 1,00,000

Machinery Rs. 2,00,000

Furniture RS. 20,000

(2) The company issued 20,000 equity shares during the year at a premium of 10%.

(3) Transfer Rs. 50,000 to Contingency Reserve.

(4) Depreciation is to be calculated on the opening balance as follows.

Mains 5%,

Machinery & Furniture 10% and on

Land & Building 2%.

(5) Transfer Rs. 10,000 to Sinking Fund.

**2] VNSGU April – 2025**

The following trial balance is available from the books of Surat Electricity Co. Ltd. For the year ended 31st March 2023.

<b>Particulars</b>	<b>Debit Rs.</b>	<b>Particulars</b>	<b>Credit Rs.</b>
Land & Building	2,25,000	Equity Share Capital	7,50,000
Mains	4,50,000	10% Debentures	3,00,000
Machinery	7,50,000	Creditors	45,000
Furniture	75,000	Interest on Investment	15,000
Debtors	75,000	Meter Rent	30,000
Stores on hand	52,500	Sale of Electricity	3,00,000
Cash & Bank	1,20,000	Depreciation Fund	1,35,000
Electricity production Cost	45,000	Contingency Reserve	1,50,000
Electricity distribution cost	7,500	Preference Share Capital	75,000
Investments	2,02,500	P & L A/c (on 1-4-23)	3,15,000
Debenture Interest	15,000		
Interim dividend	60,000		
Rent & Taxes	15,000		
Cables	22,500		
	21,15,000		21,15,000

Additional Information: -

(1) The increase in the following assets are as follows

Land & Building Rs. 75,000

Mains Rs. 60,000

Equity Share Capital Rs. 2,00,000

Furniture Rs. 15,000

Machinery Rs. 1,05,000

(2) Depreciation is to be charged on the opening balance as follows.

2% on land and building, 5% on furniture and mains, 10% on machinery.

Prepared by: Ms. Vishva Mehta

(3) Transfer Rs. 90,000 to Contingency Reserve.

Prepare Annual Accounts as per Companies Act 2013.

**3] VNSGU February/March – 2024**

Trial balance Suryarath electric company Ltd. As on 31-03-2023 was as under.

Debit Balance	Rs.	Credit Balance	Rs.
Govt. Investment (8 year tem)	9,37,500	Equity share capital (18,750 shares each of Rs. 100)	18,75,000
Interest on Rural Elect. Co. Loan	56,250	Share premium	15,625
Solar Power purchase	15,625	5.25% Rural electrifica- tion loan	12,50,000
Property Plant Equipment (Dt. 1-4-2022)	26,72,500	Investment reserve fund	55,625
Sundry debtors	1,04,375	Outstanding REC	
Depreciation (Current Yr.)	1,73,750	Loan interest	9,375
Purchase of electricity For trading	5,63,750	Deferred Govt. Subsidies	75,000
Electricity distribution exp.	1,84,375	Sundry Creditors	1,28,125
Administrative exp.	55,625	Depreciation fund (31-3- 2023)	3,36,250
Human Resource exp.	62,500	Sale by meters	10,05,000
Repair-renewal exp. (actual paid)	38,750	Sale by contracts	2,78,750
Stock of stores, coal. etc.	1,74,375	Rent on meters	7,500
Cash on hand and bank balance	2,65,000	Repairs & renewals	
		Reserve	1,75,000
		Interest on investment	37,500
		P&L A/C. (1-4-22)	55,625
	53,04,375		53,04,375

Prepare the annual accounts as per the provisions of the Indian Companies Act, 2013 considering the following information:

- (1) Company has made additional expenses during the year on property, plants And equipment worth Rs. 9,46,875.
- (2) Company issued 9,375 issued equity shares at 2 1/2 % premium which was Fully paid up.
- (3) The repairs and renewals reserve is raised by allotting a fixed amount of Rs. 50,000 on P&L a/c each year.
- (4) Keep Rs. 1,18,750 as separate reserve for current year's taxation liability.

**4] VNSGU February/March – 2024**

From books of Chakradhar Electricity Company Ltd. following balances were drawn on 31-03-2023.

Particulars	Rs.	Particulars	Rs.
Meter Rent	17,724	Reserve for repairs and Renewal (1-422)	65,940
Receipts of public lighting	44,520	Depreciation fund (1-4-22)	2,13,360
Stock of stores etc.	51,828	Selling of electricity	5,36,760
Taxation	36,603	Stationery	17,850
Energy-Power purchase	61,698	Interest on bank loan	12,600
Salary and allowances	87,276	Bank Balance	41,307
Transformers	44,100	Credit Balance of P&L A/c (1-4-22)	66,318
6% Bank Loan	4,20,000	Solar Power Purchases	50,400
Share Capital (1,26,000 equity shares of Rs.10)	12,60,000	Sundry Expenses	1,03,530
Mains	4,43,520	Furniture	28,140
Meters	1,05,000	Sundry Tread Creditors	95,697
Machineries	5,25,000	Sundry Trade Debtors	61,467
Land and Building	10,50,000	Grants for energy-conservation	6,00,000
Sale of Scrap	50,000	Other Sundry income	60,000
Purchase of power from Wind-farm	5,50,000	Contribution to Provided Fund	60,000
Employees welfare expenses	1,00,000		

From the following additional information prepare Profit and Loss A/c and Balance sheet with relative Notes according to the Indian Companies Act 2013.

- (1) Calculate Depreciation on opening balance of fixed assets at the rate of 5%.
- (2) Company has done following expenditure during the year.

	Rs.
(1) Building	1,02,900
(2) Machinery	65,520
(3) Mains	1,50,780
(4) Meters	25,200



- (3) On every year a fixed amount of Rs. 42,000 is appropriated to Reserve for preparing and renovation A/c sundry expenses include Rs. 21,525 which were spent for repairing and renovation during the year.
- (4) Authorised Share Capital Of company is divided into 2,24,000 equity shares, each of Rs.10
- (5) 6% Bank Loan is for 8 years on secured basis.

**5] VNSGU April – 2023**

From the following balances and other information of the Dharam Electric power supply, Prepare balance sheet as on 31-2-2022 as per companies act 2013.

Particulars	Debit (₹)	Credit (₹)
25,000 Ordinary share, each of ₹ 10		2,50,000
6% Guj. Energy development loan		1,00,000
Depreciation fund (1-4-21)		7,500
Free hold land	75,000	
Building	55,000	
Machinery	97,000	
Mains	70,000	
Transforms	15,000	
Meter	10,500	
Electric equipment	3,000	
General stores	18,600	
Office furniture	2,300	
Debtors	40,000	
Creditors		15,000
Bank balance	27,400	
Cash on hand	3,800	
Power purchase for trade	16,800	
Purchase of solar power	6,700	
Stock of coal- oil	900	
Salary- wages	27,000	
Repair, maintenance exp	3,500	
Employee bonus	7,500	
Rent - taxes	2,500	
Manager - salary	10,000	
Stationary printing	5,000	
Legal expense	2,000	
Contingency fund		10,000
Sale of electricity for light		45,000
Sale for special contract		48,000
Sale for industrial purpose		22,500
Meter rent		1 500
<b>Total</b>	<b>4,99,500</b>	<b>4,99,500</b>

Additional information:

1) During the year, 5000 shares of ₹10 each were issued and fully paid up.

2) Additions during the year: -

Building	₹15,000	Meter	₹4,500
Machinery	₹27,000	Electric equipment	₹1,000
Mains	₹15,000	General stores	₹3,600
Transforms	₹5,000		

3) Provide depreciation (on closing balance): -

Building 2%, Machinery 5%, Mains 5%, Transforms 7.1/2%, Motor and electric equipment 10%.

4) Transfer ₹1,500 for contingency reserve.

**6] VNSGU April – 2023**

Trial balance Surat electric company Ltd. as on 31-3-2022 was as under.

<b>Debit</b>	<b>₹</b>	<b>Credit</b>	<b>₹</b>
Furniture	50,000	Ordinary share capital	5,00,000
Land Building	1,50,000	10%o Ten year's loan	2,00,000
Mains	3,00,000	Creditors	30,000
Machinery	5,00,000	Securities premium	50,000
Debtors	50,000	Contingency reserve	1,00,000
Stores on hand	35,000	Depreciation fund	90,000
Cash / bank	80,000	(1 -4-21)	
Windfarm electricity		Sale of electricity	2,00,000
purchase expenses	30,000	supply	
Power purchase	5,000	Meter rent	20,000
expenses		Interest on investment	10,000
Investment	1,35,000	Profit and loss a/c	2,10,000
Interest on Loan	10,000		
Salary wages	40,000		
Rent taxes	10,000		
Cables	15,000		
	<b>14,10,000</b>		<b>14,10,000</b>

Additional information:

1) Increase during the year are as follows:

Land Building	₹50,000
Mains	₹40,000
Furniture	₹10,000
Machinery	₹70,000

2) Depreciation on opening balances are as follows:

Land Building	2%
Mains	5%
Furniture	5%
Machinery	10%

- 3) Transfer ₹60,000 to Contingency reserve from Net profit.
- 4) Prepare Final Accounts as per the companies Act, 2013.

## 7] VNSGU October – 2024

By considering the trial balance and additional information of The Mishree Electricity Ltd. prepare final accounts for the year ending on 31-03-2023 by following provision of companies Act, 2013.

### Trial Balance

Particulars	Debit Rs.	Credit Rs.
Exp. Of Power Generation	19,37,500	
Purchase of electricity	18,60,000	
Solar power purchase	6,20,000	
Salary for engineering Dept.	6,20,000	
Salary for electricity distribution	2,32,500	
Salary for office staff	3,10,000	
Rent and taxes	1,55,000	
Building	54,25,000	
Plant	69,75,000	
Pillars	27,12,500	
Electricity instrument	3,10,000	
Transformers	15,50,000	
Meters	7,75,000	
Furniture and fixtures	9,30,000	
Share capital		62,00,000
8% Debentures		46,50,000
Creditors		3,10,000
Govt. grant for development of Industrial Backward areas		2,32,500
Reserve fund		15,50,000
Reserve fund Investment	15,50,000	
Govt. Subsidy for sale of electricity		93,000
Meter Rent		4,65,000
Profit and Loss A/c (1-4-2022)		6,20,000
Miscellaneous Income		15,500
Deportation Fund		23,25,000
Repairs and replacement reserves		8,21,500
Bed Depths	15,500	
Legal Exp.	62,000	
Cash on hand	1,55,000	
Cash at Bank	23,25,000	
Debtors	4,18,500	
Administrative Exp.	3,72,000	
Purchase of Wind-farm power	93,000	
Audit fee	31,000	
Stores on Hand	3,87,500	
Repairing Exp. for electricity generation plant	62,000	
Repairing Exp. for transformers	31,000	
Expenses paid in advance	77,500	
Public lighting expenses	9,30,000	
Sale of electricity:		
For Lighting		65,87,500
For Commercial		48,05,000
Special Contract		23,25,000
To repairing and replacement expenses	77,500	
	3,10,00,000	3,10,00,000

Additional Information:

- (1) Provision for income tax is to be made of Rs. 6,97,500.
- (2) Interest on debentures for current year is outstanding.
- (3) Provision for Depreciation:

	Rs.
Buildings	4,65,000
Plant	5,42,500
Pillars	3,87,500
Meters	77,500
Transformers	1,55,000
Electricity Instruments	31,000
Furniture and Fixtures	77,500

(4) Increase in share capital and assets during the year are as under:

	Rs.
Share Capital	15,50,000
Buildings	7,75,000
Plant	18,60,000
Pillars	3,87,500

(5) Provide Rs. 31,000 to repairs and replacement to reserves.

**8] VNSGU October – 2024**

Following is the trial balance of the Sachi power electricity co. Ltd. As on 31-3-24.

<b>Debit balances</b>	<b>Amount</b>	<b>Credit balances</b>	<b>Amount</b>
Purchase of electricity for trading	6,76,500	Sales by meters	12,06,000
Electricity distribution expenses	2,21,250	Sale by contracts	3,34,500
Administrative expenses	66,750	Rent on metres	9,000
Human resource exp.	75,000	Repairs and renewals reserve	2,10,000
Repairs renewals Expenses (actual paid)	46,500	Interest on investment	45,000
Stock of stores coal etc.	2,09,250	P and L. A/C (1-4-23)	66,750
Cash on land and bank balance	3,18,000	Equity Share capital (30000) shares each of Rs 100)	22,50,000
Govt. investments (6 years term)	11,25,000	Share premium	18,750
Interest on REC loan	67,500	5.25% rural electrification loan (REC)	15,00,000
Solar power purchases	18,750	Investment reserve fund	66,750
Property plant Equipment (1-4-23)	32,07,000	Deferred Gov. Subsidies	90,000
Sundry debtors	1,25,250	Depreciation fund (31-3-24)	1,53,750
Depreciation (current year's)	2,08,500	Sundry creditors	4,03,500

From the followings additional information prepare Profit and Loss a/c and balance sheet with relative Note according to the Indian Company's act 2013.

- 1) Keep Rs 1,42,500 as separate reserve for current year's taxation to liability.
- 2) The repairs to renewal reserve is raised by allocating a fixed amount of Rs. 60,000 on P and L a/c each year.
- 3) Company has issued 11,250 equity shares at 2% premium which was fully paid up.
- 4) Company has made additional expenses are property plants and equipment worth Rs. 11,36,250 during the year.



**9] VNSGU October – 2023**

The following balances are available from the books of Shining Electricity Co. for the year ended 31st March 2023.

Particulars	Rs.
Sale of Electricity by meters	3,00,000
Debtors	28,000
Interest paid on debentures up to 31 <sup>st</sup> December 2022	18,750
Dividend paid	24,000
Bank Balance	1,14,000
5% Debentures	5,00,000
Stock of stores	24,000
Wire poles	2,15,000
Transformers	15,000
Actual expenses of repairs and renewals	7,500
Sale of electricity by contracts	36,000
Power production expenses	21,000
Profit & Loss Account (Cr) (1/4/2022)	1,10,000
Furniture	20,000
Creditors	60,000
Machinery	3,50,000
Administrative expenses	36,500
Other Expenses	45,000
Repairs and renewals reserve	30,000
6,000 Equity shares of Rs. 100 each	6,00,000
Mains	2,10,000
Power distribution expenses	13,500
Land and building	13,500
Meters	50,000

Other information:

1. Provide for depreciation at 5% on the opening balance of all the assets.
2. Company has made following capital expenditures during the year.

Machinery	Rs. 30,000
Mains	Rs. 70,000
Land & Buildings	Rs. 50,000
Meters	Rs. 10,000

3. Rs. 28,000 is transferred to repairs and renewals reserve account every year.
4. Provide Rs. 35,000 for tax provision.

With the help of above information prepare Profit and Loss statement and Balance Sheet as per Companies Act 2013.

**10] VNSGU October – 2023**

The Trial Balance of Prakash Electricity Ltd. as on 31st March 2023 is as under.

<b>Debit Balance</b>	<b>Rs.</b>	<b>Credit Balance</b>	<b>Rs.</b>
Debtors	1,80,000	Interest on investments	25,000
Land & Building	3,50,000	Repairs reserve	25,000
Interim Dividend	50,000	Equity share capital	7,50,000
10% Investments	2,50,000	Creditors	1,50,000
Machinery	4,50,000	10% Debentures	3,00,000
Mains	1,50,000	Sale of electricity	4,50,000
Transformers	2,50,000	Meter rent	50,000
Salaries	20,000	Contingency reserve	80,000
Distribution cost of	30,000	Depreciation fund	1,50,000
electricity		Preference share capital	2,50,000
Insurance Premium	20,000	Profit & Loss A/C	50,000
Rent & Rates	25,000	(1/4/2022)	
Store on hand	1,00,000	Securities premium	1,20,000
Generation cost of	1,25,000		
electricity			
Repairing expenses	10,000		
Cash & Bank balance	1,05,000		
Debenture interest	15,000		
Furniture	60,000		
Administrative	1,25,000		
expenses			
Legal expenses	10,000		
Motors	75,000		
	<b>24,00,000</b>		<b>24,00,000</b>

Additional information:

1. Additions during the year: Mains Rs. 50,000, Land & Building Rs. 1,50,000, Equity share capital Rs. 2,50,000, Machinery Rs. 1,50,000, Transformers Rs. 75,000.

2. Depreciation to be charged on op. balance of the assets at 5% p.a.
  3. Rs. 25,000 to be transferred to repairs reserves and Rs. 20,000 to contingency reserve every year.
- Prepare final accounts of the electricity company as per Companies Act 2013.

### 11] VNSGU July – 2023

From the following balances and other information of the HIYA Electric power supply, Prepare balance sheet as on 31-2-2022 as per companies act 2013.

Particulars	Debit (₹)	Credit (₹)
25,000 Ordinary share, each of ₹ 10		2,50,000
6% Guj. Energy development loan		1,00,000
Depreciation fund (1-4-21)		7,500
Free hold land	75,000	
Building	55,000	
Machinery	97,000	
Mains	70,000	
Transformers	15,000	
Meter	10,500	
Electric equipment	3,000	
General stores	18,600	
Office furniture	2,300	
Debtors	40,000	
Creditors		15,000
Bank balance	27,400	
Cash on hand	3,800	
Power purchase for trade	16,800	
Purchase of solar power	6,700	
Stock of coal- oil	900	
Salary- wages	27,000	
Repair, maintenance exp	3,500	
Employee bonus	7,500	
Rent - taxes	2,500	
Manager-salary	10,000	
Stationary printing	5,000	
Legal expense	2,000	
Contingency fund		10,000
Sale of electricity for light		45,000
Sale for special contract		48,000
Sale for industrial purpose		22,500
Meter rent		1,500
Total	4,99,500	4,99,500

Additional information:

1) During the year, 5000 shares of R 10 each were issued and fully paid up.

2) Additions during the year:

Building	₹15,000	Meter	₹4,500
Machinery	₹27,000	Electric equipment	₹1,000
Mains	₹15,000	General stores	₹3,600

3) Provide depreciation (on closing balance):

Building 2%, Machinery 5%, Mains 5%, Transforms 7.1/2%, Motor and electric equipment 10%.

4) Transfer ₹1,500 for contingency reserve.