

**G. S. College of Commerce & Economics, Nagpur**

An Autonomous Institution

(Affiliated to Rashtrasant Tukadoji Maharaj Nagpur University)

First Semester Master of Commerce Examination (CBCS)

ADVANCE FINANCIAL ACCOUNTING

(MCC 1.1)

Time: 3 Hours

Maximum Marks: 80

Note: All questions are compulsory.

- Q.1 (A) P Ltd. & E Ltd. carrying on similar business decided to amalgamate and form a new company called PE Ltd. who will take over all the assets & liabilities of both the companies. The Purchase consideration will be discharged by issue of fully paid equity shares of Rs. 50 each.

Balance Sheet of P Ltd.

As on 31st March 2015

Liabilities	Rs.	Assets	Rs.
Share Capital 2,500 shares of Rs. 100 each	2,50,000	Building	95,000
Creditors	41,000	Machinery	90,000
		Stock	75,000
		Bank	11,000
		P & L A/C	20,000
	<u>2,91,000</u>		<u>2,91,000</u>

Balance Sheet of E Ltd.

As on 31st March 2015

Liabilities	Rs.	Assets	Rs.
Share Capital 2000 shares of Rs. 100 each	2,00,000	Building	75,000
Reserve Fund	50,000	Machinery	1,00,000
P & L A/c	10,000	Stock	45,000
Creditors	30,000	Debtors	35,000
		Bank	35,000
	<u>2,90,000</u>		<u>2,90,000</u>

Calculate Purchase consideration and give Opening Journal Entries in the books of PE Ltd.

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OR

- Q.1 (B) Kohli Ltd. takes over Sharma Ltd. on 1st April 2017. Kohli Ltd. issued 7,000 equity Shares of Rs. 10 each at par to the equity shareholders of Sharma Ltd., 16 % Preference Shares of Rs. 100 each to preference shareholders of Sharma Ltd. at a premium of 10%. and 12% Debentures of Rs. 100 each of the same amount to Debenture holders of Sharma Ltd. Show Realisation A/c & Kohli Ltd. A/c in the books of Sharma Ltd.

Balance Sheet as on 31st March 2017

Liabilities	Kohli Ltd Rs.	Sharma Ltd Rs.	Assets	Kohli Ltd Rs.	Sharma Ltd. Rs.
Equity Share Capital (of Rs. 10 each)	10,000	60,000	Land & Building	50,000	31,000
14 % Preference	44,000	34,000	Plant & Machinery	65,000	34,000

Share Capital (of Rs. 100 each)					
Reserve Fund	16,000	11,000	Furniture	11,500	7,000
P& L A/c	15,000	10,000	Investment	14,000	10,000
13% Debentures	10,000	7,000	Stock	25,000	19,000
Creditors	9,000	7,000	Debtors	18,000	20,600
Bills Payable	4,000	3,000	Bank	14,500	10,400
	<u>1,98,000</u>	<u>1,32,000</u>		<u>1,98,000</u>	<u>1,32,000</u>

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Q 2 (A) Following is the Balance Sheet of Down Ltd. as on 31st March 2012.

Balance Sheet			
Liabilities	Rs.	Assets	Rs.
Equity Share Capital of Rs. 10 each.	10,00,000	Goodwill	60,000
8% Cumulative Preference Shares of Rs. 100 each	5,00,000	Land & Building	5,40,000
Creditors	3,00,000	Plant & Machinery	4,00,000
Bills Payable	55,000	Stocks	70,000
Arrears of Pref. Dividend (Rs. 1,00,000)		Debtors	1,30,000
		Cash at Bank	35,000
		Preliminary Expenses	20,000
		Profit & Loss A/c	6,00,000
	<u>18,55,000</u>		<u>18,55,000</u>

The Approval of court was obtained for the following scheme of reduction of capital:

- Existing 8% Preference Shares of Rs. 100 each are to be converted into 14% redeemable preference shares of Rs. 60 each.
- Equity Shares are reduced to Rs. 5 each.
- Plant to be written down by Rs. 20,000.
- Arrears of Preference dividend are to be cancelled.
- Reconstruction expenses amounted to Rs. 5000.

Prepare Capital Reduction A/c and Balance Sheet after the Scheme.

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OR

2(B)

Balance Sheet of Modi Ltd.

As on 31st March 2017

Liabilities	Rs.	Assets	Rs.
Equity Share Capital of Rs. 10 each	2,00,000	Land & Building	1,00,000
Reserve Fund	20,100	Plant & Machinery	1,50,000
P & L A/c	10,000	Work in Progress	30,000
Dividend Equalization Fund	20,000	Stocks	60,000
8 % Debentures	80,000	Furniture	2,500
Premium on Redemption	20,000	Debtors	25,000
Creditors	30,000	Cash at Bank	12,600
	<u>3,80,100</u>		<u>3,80,100</u>

The complete business of Modi Ltd. is taken over by a new company called Narendra Ltd. which agreed to pay Rs. 7 per share in cash and issue 3 shares of Rs. 5 each in new Co. (market price Rs. 8/- per share) in exchange for every 4 shares of Modi Ltd. The cost of liquidation Rs. 5000/- paid by Modi Ltd. Narendra Ltd. issued 20,000 shares to general public @ Rs. 5 per share. The shares were fully subscribed.

Show necessary journal entries in the books of Modi Ltd.

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Q.3(A) A Ltd acquired 2000 equity shares of Rs. 100 each in B Ltd. On 01-01-2015

Balance Sheet as on 31-12-2015

Liabilities	A Ltd. Rs.	B Ltd. Rs.	Assets	A Ltd Rs.	B Ltd. RS.
Equity Share Capital (of Rs. 100 each)	8,00,000	2,50,000	Fixed Assets	7,00,000	2,50,000
Reserve	3,00,000	50,000	Currents Assets	4,00,000	2,00,000
P & L	1,00,000	1,00,000	2000 Shares in B Ltd.	3,00,000	----
Creditors	2,00,000	50,000			
	<u>14,00,000</u>	<u>4,50,000</u>		<u>14,00,000</u>	<u>4,50,000</u>

B Ltd. had a credit balance of Rs. 50,000 each in Reserve & Rs. 20,000 in P&L A/c on 01-01-2015. B Ltd issued bonus shares in the ratio of one for every five shares held out of the profit earned during 2015. This is not shown in the above Balance Sheet of B Ltd.

Prepare Consolidated Balance Sheet.

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OR

(B)

Balance Sheet as on 31-03-2016

Liabilities	X Ltd Rs.	Y Ltd. Rs.	Assets	X Ltd. Rs.	Y Ltd. Rs.
Equity Share of Rs. 100 each	2,00,000	1,00,000	Land & Building	50,000	30,000
General Reserve (01-4-2015)	40,000	20,000	Plant & Machinery	50,000	60,000
P & L A/c (01-4-2015)	10,000	6,000	Stock	15,000	10,000
Profit for the year	20,000	8,000	Debtors	10,000	12,000
			Investment in Shares of Y Ltd. on 01-4- 2015, 800 shares	1,00,000	----
Creditors	10,000	10,000	B/R	8,000	1,000
Bills Payable	3,000	1,000	Bank	50,000	32,000
	<u>2,83,000</u>	<u>1,45,000</u>		<u>2,83,000</u>	<u>1,45,000</u>

1. Bills Receivable of X Ltd. include Rs. 1,000 accepted by Y Ltd.
 2. Stock of Y Ltd. includes goods purchase from X Ltd. for Rs. 6,000 which were invoiced by X Ltd. at a profit of 20% on selling price.
 3. Debtors of X Ltd. include Rs. 5,000 due from Y Ltd.
- Prepare consolidated Balance Sheet as on 21-03-2016.

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Q.4 (A) Hero Ltd. sells products on Hire- Purchase terms, the price being 25% on selling price.

Particulars	Rs.
01-04-2017:	
Stock out on Hire at HP price	1,20,000
Stock in hand at shop	15,000
Installment due	9,000

31-03-2018:

Stock out on Hire at HP price	1,38,000
Stock in hand at shop	21,000
Installment due	15,000
Cash received during the year	2,40,000

Prepare: Hire Purchase Debtors A/c, Hire Purchase Stock A/c, Shop Stock A/c and Hire Purchase Adjustment A/c.

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OR

(B) Mr. Ram purchased a Tractor on Hire purchase from Mahindra & Mahindra for Rs. 56,000/-, payments to be made Rs. 15,000 down in cash and three installment of Rs. 15,000 each at the end of each year. Rate of interest is 5% p.a. Buyer depreciates tractor at the rate 10% p.a. on WDV. Because of financial difficulties Mr. Ram paid down cash and the 1st installment and could not pay the 2nd installment and hence vendor took over possession of the Tractor. Vendor spent Rs. 350 on repairs and sold the tractor for Rs. 30,110/-.

Prepare: Hire-Purchase A/c & Repossessed Goods A/c in Books of vendors.

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Q. 5 Answer the following questions in about 75-100 words. (Any Two)

08

- How Purchase Consideration is calculated? Explain.
- What do you mean by IFRS? Explain any two IFRS.
- How Amalgamation is different from Absorption? Explain.

Q.6 Answer the following questions in about 75-100 words. (Any Two)

08

- Explain various types of lease.
- What are various methods of Human Resource Accounting?
- Explain various objectives of Social Accounting.

Q.7 Answer the following questions in about 75-100 words. (Any Two)

08

- Define subsidiary company.
- What do you mean by cost of control? How is it calculated?
- How Bonus issue is dealt while making consolidated Balance Sheet? If:
 - Subsidiary co. is issuing bonus shares out of Pre-acquisition profit.
 - Subsidiary co. is issuing bonus shares out of Post-acquisition profit.

Q.8 Answer the following questions is about 75-100 words. (Any Two)

08

- Features of Hire Purchase system.
- Define: Hirer, Vendor, Down Payment & Hire Purchase Price.
- What do you mean by Repossession of Assets?

Q.9 Answer the following questions in 3 to 4 sentences.

08

- What do you mean by Liquidation expenses?
- Name various methods of inflation Accounting.
- What do you mean by Re-organisation?
- Calculate interest. Mr. Y Purchased a computer on HP basis. The cash price is Rs. 1,55,000/- payable Rs. 50,000 down and thereafter Rs. 50,000 every year for three years.



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मराठी माध्यम

सुचना : १) सर्व प्रश्न अनिवार्य आहेत

२) प्रश्न १, २, ३ व ४ इंग्रजी माध्यमानुसार

- प्रश्न ५ खालीलपैकी कोणत्याही दोन प्रश्नांची उत्तरे ७५-१०० शब्दात लिहा: ०८
- अ. क्रय प्रतिफल कसे आगणित करतात?
ब. IFRS म्हणजे काय? कोणतेही दोन IFRS स्पष्ट करा.
क. विलिनीकरण हे संमिश्रणापेक्षा कसे वेगळे आहे स्पष्ट करा.
- प्रश्न ६ खालीलपैकी कोणत्याही दोन प्रश्नांची उत्तरे ७५-१०० शब्दात लिहा: ०८
- अ. पटट्याचे (Lease) विभिन्न प्रकार स्पष्ट करा.
ब. मानव संसाधन लेखांकनाच्या विविध पद्धती कोणत्या आहेत?
क. सामाजिक लेखांकनाचे उद्देश स्पष्ट करा.
- प्रश्न ७ खालीलपैकी कोणत्याही दोन प्रश्नांची उत्तरे ७५-१०० शब्दात लिहा: ०८
- अ. सहायक कंपनीची व्याख्या लिहा.
ब. लागत नियंत्रण म्हणजे काय? त्याचे आगणन कसे करतात?
क. एकत्रित स्थिती विवरण तयार करतांना बोनस भाग देण्याचे काय परिणाम असतात जर:
१) जर सहायक कंपनी बोनस भाग निर्गमन पुर्व अर्जित लाभतुन करत असेल.
२) जर सहायक कंपनी बोनस भाग निर्गमन अर्जनाच्या नंतरच्या लाभातुन करत असेल.
- प्रश्न ८ खालीलपैकी कोणत्याही दोन प्रश्नांची उत्तरे ७५-१०० शब्दात लिहा: ०८
- अ. क्रयविक्रय पद्धतीचे वैशिष्टे स्पष्ट करा.
ब. क्रेता, विक्रेता, अग्रिम शोधन आणि क्रयविक्रय किंमत यांच्या व्याख्या लिहा.
क. संपत्तीचे पुनर्अधिकरण म्हणजे काय?
- प्रश्न ९ खालील प्रश्नाची उत्तरे तिन ते चार ओळीत लिहा: ०८
- अ. निस्तारण व्यय म्हणजे काय.
ब. मूद्रास्फिती लेखांकनाच्या विविध पद्धती लिहा.
क. अंतर्गत पुनर्संगठन म्हणजे काय.
ड. व्याज आगणित करा. (उदाहरण इंग्रजी माध्यमानुसार)



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हिन्दी माध्यम

सुचना : १) सभी प्रश्न हल करना अनिवार्य है

२) प्रश्न १, २, ३ एवं ४ अंग्रेजी माध्यमानुसार

- प्रश्न ५ निम्नलिखित प्रश्नों में से कोई भी दो प्रश्नों का उत्तर ७५-१०० शब्दों में लिखिये। ०८
- अ. क्रय प्रतिफल किस प्रकार आगणित किया जाता है? स्पष्ट किजिए।
ब. IFRS से आपका क्या आशय है? कोई भी दो IFRS लिखिये।
क. विलिनीकरण यह सम्मीश्रण से किस प्रकार अलग है? स्पष्ट किजिए।
- प्रश्न ६ निम्नलिखित प्रश्नों में से कोई भी दो प्रश्नों का उत्तर ७५-१०० शब्दों में लिखिये। ०८
- अ. पट्टा के विभिन्न प्रकार को स्पष्ट किजिए।
ब. मानव संसाधन लेखांकन कि विभिन्न पद्धती कौनसी है?
क. सामाजिक लेखांकन के विविध उद्देश्य लिखिये।
- प्रश्न ७ निम्नलिखित प्रश्नों में से कोई भी दो प्रश्नों का उत्तर ७५-१०० शब्दों में लिखिए। ०८
- अ. सहायक कंपनी की परिभाषा लिखिए।
ब. नियंत्रण की लागत से आपका क्या आशय है? एवं उसका आगणन कैसे किया जाता है?
क. एकत्रित स्थिती विवरण बनाते समय बोनस निगमन के क्या परिणाम होते हैं? यदी:
१) सहायक कंपनी बोनस अंशों का निगमन समामेलन के पहले के लाभ में से करती है तब
२) सहायक कंपनी बोनस अंशों का निगमन समामेलन के बाद के लाभ में से करती है तब
- प्रश्न ८ निम्नलिखित प्रश्नों में से कोई भी दो प्रश्नों का उत्तर ७५-१०० शब्दों में लिखिये। ०८
- अ. क्रयविक्रय पद्धती की विशेषताएं स्पष्ट किजिए।
ब. क्रेता, विक्रेता, अग्रिम राशी एवं क्रयविक्रय मुख्य परिभाषित किजिए।
क. संपत्ती के पुनर्अधिकरण से आप क्या समझते हैं?
- प्रश्न ९ निम्नलिखित प्रश्नों के उत्तर तीन से चार पंक्तियों में लिखिये। ०८
- अ. निस्तारण व्यय से आपका क्या आशय है?
ब. स्फीती लेखांकन की विभिन्न पद्धतियों के नाम लिखिये।
क. पुर्नसंगठन (अंतर्गत) से आपका क्या आशय है?
ड. ब्याज की गणना किजिये: (उदाहरण अंग्रेजी माध्यमानुसार)
