

B.Com. (CBCS Pattern) Semester - V  
**UCA5C04 - Advance Accounting Paper-I**

P. Pages : 8

Time : Three Hours



**GUG/S/23/13051**

Max. Marks : 60

- Notes : 1. All questions are compulsory.  
2. All questions carry equal marks.

1. a) State the difference between amalgamation and absorption. 6
- b) Sharvari Co. Ltd. And Rishal Co. Ltd. Whose business are of similar nature, agreed to amalgamate and form a new company to take over their assets and liabilities. The following are respective balance sheet 6

Balance Sheet

Particular	Sharvari & Co.	Rishal & Co.
<b>Liabilities</b>		
Share Capital:		
7,500 shares of Rs. 10 each fully paid	75,000	
5,500 shares of Rs. 10 each fully paid		55,000
Sundry Creditors	3,300	2,000
Reserve Fund	4,200	----
Profit & Loss A/c	4,800	5,000
	<b>87,300</b>	<b>62,000</b>
<b>Assets:</b>		
Goodwill	30,000	20,000
Freehold Property	14,000	13,450
Plant & Machinery	18,300	10,000
Stock	16,000	11,550
Sundry Debtors	7,500	6,000
Cash	1,500	1,000
	<b>87,300</b>	<b>62,000</b>

The new company is to take over all the assets and liabilities or both the companies on the issue of 7,000 shares of Rs. 10 each to Sharvari co. ltd. And 5,000 shares of Rs. 10 each to Rishal co. ltd. (market price being Rs. 12 each)

Calculate purchase consideration of each company and prepare balance sheet of new company.

**OR**

- c) Raj Ltd. And Renu Ltd. Agreed to amalgamate and form a new company called Rajrenu company. The balance sheet on the date of amalgamation were as under. 12

Balance Sheet

Liabilities	Raj	Renu	Assets	Raj	Renu
Share Capital	1,00,000	1,40,000	Fixed Assets	1,20,000	1,80,000
Reserve	1,70,000	1,00,000	Stock	60,000	1,10,000
Creditors	40,000	90,000	Debtors	80,000	1,30,000
Bank loan	---	90,000	Cash	50,000	---
	<b>3,10,000</b>	<b>4,20,000</b>		<b>3,10,000</b>	<b>4,20,000</b>

The consideration was to be based on the net assets of the company but subject to an addition to compensate Rs. 90,000 to Raj Ltd. For its super profits. The shares in Rajrenu Ltd. Were to be issued to Raj Ltd. And Renu Ltd. At the premium and in proportion to the agreed net assets. Rajrenu proceeded to issue 12,000 shares of Rs. 10 each at a price of Rs. 15 per share.

You are required to:

- i) Calculate the number of shares issued to Raj Ltd. And Renu Ltd.
- ii) Pass journal entries in the books of Raj Ltd.
- iii) Opening entries in the books of Rajrenu Ltd. And Balance sheet after amalgamation.

2. a) The Ballarpur co. Ltd. sells its business to Chandrapur Co. Ltd. on 31<sup>st</sup> March 2017 on which date its balance sheet was as follows:

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Liability	Amount	Assets	Amount
Paid up capital (5,000 shares of Rs. 100 each)	2,00,000	Goodwill	50,000
6%, 100 debentures of Rs. 1,000 each	1,00,000	Freehold property	1,50,000
Sundry creditors	30,000	Machinery	83,000
Reserve fund	50,000	Stock	35,000
Profit & Loss A/c	20,000	Bills receivable	4,500
		Sundry Debtors	27,500
		Cash at bank	50,000
	<b>4,00,000</b>		<b>4,00,000</b>

The Chandrapur co. Ltd. agreed to take over all assets (exclusive of cash and goodwill) at 10% less than the book values, to pay Rs. 75,000 for goodwill and to take over the debentures.

The purchase consideration was to be discharged by the allotment to the Ballarpur Co. Ltd. of 1,500 shares of Rs. 100 each of a premium of Rs. 10 per share and the balance in cash. The cost of liquidation amounted to Rs. 3,000 borne by the Ballarpur Co. Ltd.

Prepare Realisation Account and Equity shareholder Account in the books of Ballarpur Co. Ltd. to record the above transaction.

- b) Given below are the balance sheet of Vrunda Co. Ltd. and Pushpa Co. Ltd. as on 31<sup>st</sup> March 2017.

6

Particular	Vrunda Co.	Pushpa Co.
<b>Liabilities:</b>		
Share Capital		
4,500 shares of Rs. 100 each, Rs. 54 paid up	2,43,000	
20,000 shares of Rs. 100 each, Rs. 30 paid up		6,00,000
General Reserve	54,500	1,64,000
Profit & Loss A/c	43,600	1,42,000
Creditors	73,300	36,000
	<b>4,14,400</b>	<b>9,42,000</b>
<b>Assets:</b>		
Fixed Assets	4,11,400	9,30,000
Cash	3,000	12,000
	<b>4,14,400</b>	<b>9,42,000</b>

It was decided that Vrunda Co. Ltd. should be absorbed by Pushpa Co. Ltd and the following agreement was accepted by them.

The holder of every 3 shares of Vrunda Co. Ltd. was to receive 5 shares of Pushpa Co. Ltd. plus as much cash is necessary to adjust the rights of shareholders of both the companies in accordance with the intrinsic value of shares as per their balance sheet.

Calculate Purchase Consideration by Intrinsic Value base.

**OR**

- c) On 31<sup>st</sup> March 2020 Balance sheet of Chikoo Co. Ltd. and Nikoo Co. Ltd were as given **12**  
below:

**Balance sheet of Chikoo Co. Ltd.**

Liabilities	Amount	Assets	Amount
Share Capital 5,00,000 shares of Rs. 10 each	50,00,000	Goodwill	4,00,000
Debentures	20,00,000	Land	8,00,000
Creditors	6,00,000	Building	30,00,000
Profit & Loss A/c	16,00,000	Machinery	20,00,000
		Debtors	10,00,000
		Stock	16,00,000
		Cash	4,00,000
	<b>92,00,000</b>		<b>92,00,000</b>

**Balance Sheet of Nikoo Co. Ltd.**

Liabilities	Amount	Assets	Amount
Share Capital 3,20,000 shares of Rs. 10 each	32,00,000	Land	4,00,000
General Reserve	2,00,000	Building	10,00,000
Creditors	4,00,000	Machinery	4,00,000
		Furniture	2,00,000
		Debtors	8,00,000
		Stock	10,00,000
	<b>38,00,000</b>		<b>38,00,000</b>

Chikoo Co. Ltd. agreed to purchase the following Assets of Nikoo Co. Ltd at prices determined.

Land & Building at a book value, Machinery at 10% less, Furniture Rs. 1,80,000, debtors at 5% less and stock at 20% less. Chikoo Co. Ltd. agreed to pay Rs. 16,00,000 as goodwill to Nikoo Co. Ltd.

Purchase consideration is to be paid by Chikoo Co. Ltd. in the form of 4,00,000 shares of their own at Rs. 12.50 per share and the balance in cash.

Nikoo Co. Ltd. paid off the creditors for themselves.

- Give journal entries in the books of Nikoo Co. Ltd. and Chikoo Co. Ltd.
- Prepare the balance sheet of Chikoo Co. Ltd. after absorption.

3. a) The shareholder having agreed upon a scheme of reorganization of Roshan & Co. Ltd. and it was accepted by the court. The balance sheet at the date of reorganisation, 31<sup>st</sup> December 2021 was as under.

6

Balance Sheet

Liabilities	Amount	Assets	Amount
Authorized Capital:		Building	2,30,000
10,000 equity shares of Rs. 100 each	10,00,000	Machinery	5,00,000
10,000, 6% preference shares of Rs.100 each	10,00,000	Stock	2,15,000
	<b>20,00,000</b>	Sundry Debtors	1,40,000
Issued capital 6,000 equity shares fully paid	6,00,000	Bills receivable	10,000
6,000, 6% preference shares fully paid	6,00,000	Bank	5,000
Sundry creditors	80,000	Preliminary exp	15,000
Bills payable	20,000	Profit & Loss A/c	1,85,000
	<b>13,00,000</b>		<b>13,00,000</b>

The scheme of reorganisation provided as under:

- Every preference share shall be reduced by Rs. 25 and the rate of dividend shall be increased up to 8%
- Every equity share shall be reduced up to Rs. 60 paid up, but its face value should be the same.
- The amount available due to reduction scheme should be utilised as under.
  - Write off the machinery by Rs. 40,000.
  - Write off the stock by Rs. 35,000
  - Create reserve for doubtful debts of Rs. 25,000
  - Write off the preliminary expenses in full.
  - Write off the losses as per profit & loss account.
  - Carry the balance to capital reserve.

Give necessary journal entries in the books of Roshan Co. Ltd.

- b) The following is the Balance Sheet of Suman Co. Ltd. as at 31<sup>st</sup> March 2017.

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Balance Sheet

Liabilities	Amount	Assets	Amount
1,00,000 equity shares of Rs. 10 each, Rs. 9 paid up	9,00,000	Goodwill	2,00,000
2000, 6% preference shares of Rs. 100 each	2,00,000	Machinery	9,00,000
		Stock	2,90,000
Sundry Creditors	10,00,000	Debtors	2,00,000
	<b>21,00,000</b>	Cash	10,000
		Profit & Loss A/c	5,00,000
			<b>21,00,000</b>

Preference share dividend is in arrears for three years. The following scheme of reconstruction was sanctioned.

- To write off goodwill and Profit & Loss A/c
- Not to satisfy arrears of dividend.
- To provide Rs. 1,00,000 as liquid funds by calling uncalled capital.
- The equity shares to be reduced to Rs. 5 each and preference shares to Rs. 75 each.
- Sundry creditors agreed to forego their claim by 15%.

Pass necessary journal entries in the books of Suman Co. Ltd.

**OR**

- c) The books of Jaya Co. Ltd. contained the following balances on 31<sup>st</sup> December 2020

**12**

Particular	Dr. Amount	Cr. Amount
Share Capital (12,000 shares of Rs. 10 each)		1,20,000
Creditors		1,40,000
Patents	1,20,000	
Plant & Machinery	40,000	
Stock	30,000	
Debtors	50,000	
Cash	1,250	
Preliminary Expenses	7,250	
Profit & Loss A/c	11,500	
	<b>2,60,000</b>	<b>2,60,000</b>

The company being unable to raise further capital and the patents standing in the books at a figure largely in excess of their value, the following scheme of reconstruction was submitted to the shareholder and creditors.

- a) The company to go into voluntary liquidation and a new company Maya Co. Ltd. to be formed with a authorized share capital of Rs. 2,00,000 to taken over the assets and liabilities.
- b) Liability to the creditors to be discharged by the new company as follows:
  - i) 25 paise in the rupee by payment in cash and
  - ii) 50 paise in the rupee by 6% debentures in the new company.
- c) 12,000 shares of Rs. 10 each, Rs. 5 per paise paid, to be issued to the shareholders of the old company, the balance of Rs. 5 per share being payable on allotment.
- d) The liquidation expenses to be paid by the new company as part of purchase consideration. These amounted to Rs. 1,750. The above scheme has been approved and sanctioned.

Prepare Realization A/c and Shareholder A/c in the books of Jaya Co. Ltd. and journal entries and opening balance sheet in the books of Maya Co. Ltd.

4. a) M/s Aman Trader is insured under a loss of profit policy for Rs. 1,24,000. Their books of accounts are closed on 31<sup>st</sup> December each year. The fire occurred on 1 - 07 - 2018. The records saved disclosed the following information.

**6**

Turnover during the year ended 30 - 06 - 2018	Rs. 14,40,000
Turnover during the year ended 31 - 12 - 2017	Rs. 12,00,000
Turnover from 1 - 07- 2018 to 30 - 09 - 2018	Rs. 60,000
Turnover in the corresponding period of 2017	Rs. 3,60,000
Standing charges for the year ending 31 - 12 - 2017	Rs. 72,000
Net profit during the year ending 31-12-2017	Rs. 48,000

It has been ascertained that the business has consistently shown an increase of 25% in turnover in the months preceding the fire over corresponding period of the previous year. Calculate the amount of Claim.

- b) The godown of Roshanlal was destroyed by fire on 31<sup>st</sup> May 2015. Records saved from the fire showed the following particulars.

**6**

Sales for the year ended 2012	Rs.1,40,000
Gross profit for the year ended 2012	Rs.28,000
Sales for the year ended 2013	Rs.1,70,000
Gross profit for the year ended 2013	Rs.34,000
Sales for the year ended 2014	Rs.1,86,000
Gross profit for the year ended 2014	Rs.37,200

Opening Stock on 1 <sup>st</sup> Jan 2015	Rs.42,000
Purchase during 1 <sup>st</sup> Jan 2015 to 31 <sup>st</sup> May 2015	Rs.41,000
Wages during 1 <sup>st</sup> Jan 2015 to 31 <sup>st</sup> May 2015	Rs.12,000
Goods taken for personal use during 1 <sup>st</sup> Jan 2015 to 31 <sup>st</sup> May 2015	Rs.6,000
Goods stolen on May 2015	Rs.5,000
Sales during 1 <sup>st</sup> Jan. 2015 to 31 <sup>st</sup> May 2015	Rs.75,000
Goods salvaged	Rs.1,000
Calculate the amount of Claim.	

**OR**

- c) A fire occurred on April 15, 2019, and destroyed the business premises of Prayas Co. The books of accounts and stock amounting to Rs. 1,80,800 were saved and the following information was rendered available from the books. **12**

Particular	Sales (Rs.)	Gross Profit (Rs.)
Year ending Dec. 2014	86,00,000	21,50,000
Year ending Dec. 2015	71,00,000	21,30,000
Year ending Dec. 2016	60,00,000	19,80,000
Year ending Dec. 2017	55,00,000	18,70,000
Year ending Dec. 2018	48,00,000	18,24,000

The stock on December 31, 2018 was valued at Rs. 9,70,000.

The purchases, sales and production wages from January 1, 2019 to April 14, 2019 were ascertained at Rs. 7,50,000, Rs. 15,90,000 and Rs. 3,00,000 respectively.

You are required to prepare the amount of insurance claim.

**5.** Write short note.

- a) Goodwill and Capital Reserve. **3**
- b) Absorption **3**
- c) Scheme of Reorganization. **3**
- d) Stock Salvaged and Average Clause. **3**

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B.Com. (CBCS Pattern) Semester - V  
**UCA5C04 - Advance Accounting Paper-I**

Time : Three Hours

Max. Marks : 60

- सुचना :- 1. सर्व प्रश्न आवश्यक आहेत.  
2. सर्व प्रश्नांना समान गुण आहेत.

- |    |    |                                      |    |
|----|----|--------------------------------------|----|
| 1. | अ) | संमिश्रण आणि संविलयन मधील फरक सांगा. | 6  |
|    | ब) | इंग्रजी माध्यमाप्रमाणे               | 6  |
|    |    | किंवा                                |    |
|    | क) | इंग्रजी माध्यमाप्रमाणे               | 12 |
| 2. | अ) | इंग्रजी माध्यमाप्रमाणे               | 6  |
|    | ब) | इंग्रजी माध्यमाप्रमाणे               | 6  |
|    |    | किंवा                                |    |
|    | क) | इंग्रजी माध्यमाप्रमाणे               | 12 |
| 3. | अ) | इंग्रजी माध्यमाप्रमाणे               | 6  |
|    | ब) | इंग्रजी माध्यमाप्रमाणे               | 6  |
|    |    | किंवा                                |    |
|    | क) | इंग्रजी माध्यमाप्रमाणे               | 12 |
| 4. | अ) | इंग्रजी माध्यमाप्रमाणे               | 6  |
|    | ब) | इंग्रजी माध्यमाप्रमाणे               | 6  |
|    |    | किंवा                                |    |
|    | क) | इंग्रजी माध्यमाप्रमाणे               | 12 |
| 5. |    | टीपा लिहा.                           |    |
|    | अ) | ख्याती व भांडवल संचिती.              | 3  |
|    | ब) | संविलयन.                             | 3  |
|    | क) | पुनर्संघटनाची योजना.                 | 3  |
|    | ड) | शिल्लक माल व सामान्य कलम.            | 3  |

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B.Com. (CBCS Pattern) Semester - V  
**UCA5C04 - Advance Accounting Paper-I**

Time : Three Hours

Max. Marks : 60

- सुचनाएँ :- 1. सभी प्रश्न अनिवार्य हैं।  
2. सभी प्रश्नों के अंक समान हैं।

- |    |    |                                      |    |
|----|----|--------------------------------------|----|
| 1. | अ) | संमिश्रण आणि संविलयन में अंतर बताइए। | 6  |
|    | ब) | अंग्रेजी माध्यम के नुसार             | 6  |
|    |    | <b>अथवा</b>                          |    |
|    | क) | अंग्रेजी माध्यम के नुसार             | 12 |
| 2. | अ) | अंग्रेजी माध्यम के नुसार             | 6  |
|    | ब) | अंग्रेजी माध्यम के नुसार             | 6  |
|    |    | <b>अथवा</b>                          |    |
|    | क) | अंग्रेजी माध्यम के नुसार             | 12 |
| 3. | अ) | अंग्रेजी माध्यम के नुसार             | 6  |
|    | ब) | अंग्रेजी माध्यम के नुसार             | 6  |
|    |    | <b>अथवा</b>                          |    |
|    | क) | अंग्रेजी माध्यम के नुसार             | 12 |
| 4. | अ) | अंग्रेजी माध्यम के नुसार             | 6  |
|    | ब) | अंग्रेजी माध्यम के नुसार             | 6  |
|    |    | <b>अथवा</b>                          |    |
|    | क) | अंग्रेजी माध्यम के नुसार             | 12 |
| 5. |    | टिपण लिखिए।                          |    |
|    | अ) | ख्याती एवं भांडवल संचिती             | 3  |
|    | ब) | संविलयन                              | 3  |
|    | क) | पुनर्संघटन की योजना                  | 3  |
|    | ड) | अंतिम माल एवं सामान्य कलम            | 3  |

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