

B.C.C.A. (CBCS Pattern) Semester-II
UBCCAT202 - Financial Accounting-II

P. Pages : 5

Time : Two Hours



GUG/S/25/10620

Max. Marks : 40

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

1. A) State the types of share capital. 4
- B) XYZ Ltd issued 3000 equity shares of Rs. 100 each at a discount of 10% on these shares 4
payments are to be made as follows:
- | | |
|-----------------------|---------------------------------------|
| On application | Rs. 20 per share |
| On allotment | Rs. 30 per share (including discount) |
| On first & final call | Rs. 50 per share |
- Mohan, who is a holder of 800 shares has not paid the first & final call hence his shares have been forfeited.
Pass necessary Journal entries in the books of XYZ Ltd.

OR

- C) Cipla Co. Ltd. Issued 6,000 equity shares of Rs. 10 each at par. The amount was payable 8
as under:-
- | | |
|----------------|---------------------|
| On Application | Rs. 1.50 per share. |
| On Allotment | Rs. 3.50 per share. |
| On First Call | Rs. 2.50 per share. |
| On Final Call | Rs. 2.50 per share |

The Company received application for 10,000 shares. The Directors rejected applications for 2,000 shares and refunded the application money received thereon. The shares were allotted pro-rata basis among the remaining applications and the excess money received from them on application was transferred to the Allotment Account.

240 shares were allotted to Mr. Prathan who failed to pay both the calls. Rest amounts were received.

Pass necessary Journal entries in the books of Cipla Co. Ltd.

2. A) From the following information calculate the value of Goodwill by three year's purchases 4
of super profit.
- 1) Average Capital Employed in the business Rs. 6,00,000.
 - 2) Net Trading Profits of the firm for the past three years were Rs. 1,07,600, Rs. 90,700 and Rs. 1,12,500.
 - 3) Fair remuneration to the partners for their service Rs. 13,600 per annum.
 - 4) Rate of interest expected from capital having regard to the risk involved 12%.
Sundry assets of the firm Rs. 7,54,762 and Current liabilities Rs. 31,329.

B) The following is the Balance Sheet of Mr. Pramod as on 31st March, 2024.

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Liabilities	Rs.	Assets	Rs.
Capital	2,46,000	Land and Buildings	54,000
General Reserve	60,000	Plant	81,000
Creditors	57,060	Investments	45,000
		Stock	40,275
		Bank	28,800
		Debtors	1,13,985
	3,63,060		3,63,060

The following were the net profits for the year ended –

March 31, 2022	Rs. 48,420,
March 31, 2023	Rs. 55,305,
March 31, 2024	Rs. 65,025.

The above amounts include income from investments Rs. 2,700 each year.
You are required to value the Goodwill of the above business at 3 years purchase of the average super profits for the 3 year taking into account the fact the standard rate to return on capital employed in such type of business is 10% and assuming that each year's profit is immediately withdrawn in full by Mr. Pramod.

OR

C) The following is the Balance Sheet of Rupa Co. Ltd. as on 31st December, 2017:

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Liabilities	Rs.	Assets	Rs.
Equity Share Capital (6,000 shares of Rs. 100 each)	6,00,000	Cash at Bank	50,000
5% Debentures 100 each	5,00,000	Sundry Debtors	80,000
General Reserve	70,000	Stock	1,20,000
Profit & Loss A/c	20,000	Investments	1,00,000
Sundry Creditors	30,000	Land & Buildings	4,10,000
Other Liabilities	10,000	Furniture	60,000
		Goodwill	70,000
		Plant & Machinery	3,40,000
	12,30,000		12,30,000

All the assets were independently valued at Rs. 14,00,000.

The company earned net profits for the last five years as follows:

Rs. 80,000; Rs. 84,000, Rs. 92,000 Rs. 88,000 and Rs. 96,000.

It was decided to set aside 15% of the profits towards General Reserve and a fair investment return may be taken at 10%.

Find out the value of equity share of the company by the-

1. Net Assets Valuation Method.
2. Yield Valuation Method.
3. Fair Value of Equity share

3. A) On 1st July 2023 a fire occurred in the premises of M/s. Bright future a book seller. Most of the stock was destroyed, with the cost of salvaged stock being Rs. 11,200. In addition some stock was salvaged in damaged condition and its value was estimated at Rs. 10,400.

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From books of A/c the following particulars are available.

- 1) Stock at close of accounts on 31st Dec. 2022 was valued at Rs. 83,500.

- 2) Purchased from 1-1-2023 to 1st July 2023 amounted to Rs. 1,12,000 and sales during the period amounted to Rs. 1,54,000.
- 3) On the basis of past 3 years it appears that an average gross profit of 25% is earned on sales.
- 4) Stock was insured for Rs. 75,000.

Compute the amount of claim.

- B) A fire occurred in the premises of Mr. Rohandas on 31 March 2021. From the following particulars ascertain the closing stock on the date of fire. 4

	Rs.
Stock on 1-1-2020	2,80,000
Purchase during the year 2020	8,42,000
Purchase Returns during the year 2020	16,000
Goods taken by Mr. Rohandas for his personal Use during the year 2020	14,000
Stock on 31-12-2020	3,52,000
Sales for the year 2020	9,24,000
Sales Return during the year 2020	34,000
Purchases from 1-1-2021 to the date of fire	2,68,000
Sales from 1-1-2021 to the date of fire	2,98,000
Goods destroyed by fire during the year 2020	22,000

OR

- C) On 31st July, 2022 a fire broke out the godown of Shri. Vijay. The stock as on that date was totally destroyed. The following particulars extracted from his records for the post three years. You are required to prepare a statement of claim to be made with the insurance company. 8

	2019	2020	2021	2022 Up to 31 st July
Opening stock	40,500	31,500	27,360	29,304
Purchase	3,46,000	3,65,000	4,08,000	----
Sales	3,96,000	4,20,000	4,56,000	-----
Freight	4,000	4,400	4,560	2,300

The sales and purchases in 2021 had occurred uniformly form Month to month and Shri. Vijay states that the same quantum of purchase and sales as in 2021 has been maintained in 2022 up to the date of fire.

He also states that the values stock 10% below cost.

4. A) Monti & Co Ltd. went into liquidation its assets realized Rs. 3,50,000 excluding Amount realized by the fully secured creditors from the sale of securities held by them. The following was the position. Share capital: 1,000 shares of Rs. 100 each. 4

Particulars	Rs
Secured creditors (securities realised Rs 40,000)	35,000
Preferential creditors	6,000
Unsecured creditors	1,40,000
Debentures having a floating charge on the assets of the company	2,50,000
Liquidation Expenses	5,000
Liquidator's remuneration	7,500

Prepare the liquidator's final statement of Account.

- B) The Bharat Traders Ltd. took a decision of Voluntary Liquidation on 1st April, 2024. Mr. X was appointed as liquidator and he was to be paid a commission of 3% on realized value of assets sold and 2% on amount paid to unsecured creditors. 4

Prepare Liquidators final statement of Account from the following information.

	Rs.
Realised from sale of assets	15,00,000
Liquidation Expenses	27,000
Unsecured creditors	2,04,000
7,500, 6% cumulative Preference shares of Rs. 100 each, fully paid	7,50,000
15,000, equity shares of Rs. 20 each fully paid	3,00,000
General Reserve (31-3-2017)	3,60,000
Profit and Loss Account (31-3-2017)	60,000

Dividend has been paid on Cumulative Preference shares up to 31st March, 2022. No dividend has been paid thereafter.

OR

- C) A Limited Company was placed in voluntary liquidation on 31st December, 2024 when its Balance Sheet was as under: 8

Liabilities	Rs.	Assets	Rs.
6,000; 5% Cumulative Preference Shares of Rs. 100 each fully paid	6,00,000	Freehold Factory	5,80,000
50,000 Ordinary Share Rs. 10 each Fully called	5,00,000	Plant & Machinery	2,89,000
(-) Calls-in-Arrears	25,000	Motor Cars	57,500
Share Premium A/c	50,000	Stock	1,86,000
5% Debentures	1,00,000	Debtors	74,000
Interest on Debentures	2,500	Profit & Loss A/c	2,00,000
Bank Overdraft	58,000	Preliminary Exp.	14,000
Creditors	1,15,000		
	14,00,500		14,00,500

- 1) The Preference dividends are in arrear as from 1st Jan., 2021.

- 2) The Company's Articles provide that on liquidation out of the surplus of assets remaining after payment of liquidation expenses and outside liabilities, there shall be paid, firstly, all arrears of preference dividend, secondly, the amount paid on the preference Shares, and thirdly, any balance then remaining shall be paid to the ordinary share holder.
- 3) The liquidator realized the assets as follows:

Freehold Factory	Rs. 7,00,000
Plant & Machinery	Rs. 2,40,000
Motors Cars	Rs. 59,000
Stock	Rs. 1,50,000
Debtors	Rs. 60,000
- 4) He dully collected the calls in arrears.
- 5) Creditors were paid, less discounts of 5%.
- 6) The debentures and accrued interest were paid.
- 7) Liquidation expenses were Rs. 3,750.
- 8) The liquidator's remuneration was 2.5% on the amounts collected.

Prepare the Liquidator's Statement of Account.

5. Answer in shorts.

- | | |
|---|---|
| a) Write the effect of forfeiture of share. | 2 |
| b) External liability. | 2 |
| c) Average clause. | 2 |
| d) Mortgage loan. | 2 |
