

M.Com. (NEP Pattern) Semester-I
NEP-223 / 01MCOM101 - Advanced Financial Accounting

P. Pages : 7

Time : Three Hours



GUG/S/25/15037

Max. Marks : 80

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

1. a) Write the details note on Social Accounting.

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OR

- b) The Balance Sheets of Go Co. Ltd. and Indo Co. Ltd. at 31st March, 2024 are given below:

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Liabilities	Go Co. Ltd. Rs.	Indo Co Ltd. Rs.	Assets	Go Co. Ltd. Rs.	Indo Co Ltd. Rs.
Authorised and Issue			Premises	2,40,000	---
Share Capital	8,00,000	7,20,000	Goodwill	--	2,40,000
General Reserve	1,50,000	1,20,000	Sundry Debtors	1,60,000	3,20,000
Profit & Loss A/c	76,000	--	Stock in trade	6,00,000	1,80,000
Sundry Creditors	1,44,000	1,20,000	Bank	1,70,000	1,50,000
			Profit & Loss A/c	---	70,000
	11,70,000	9,60,000		11,70,000	9,60,000

A new company Indigo Ltd. was formed to take over the two business in entirety on the following understanding:

- a) Go Co. Ltd.: Premises to be revalued at Rs. 3,00,000 Sundry Debtors to be taken over at 90% and Stock at Rs. 6,30,000
- b) Indo Co. Ltd. : Goodwill to be taken over at Rs. 3,20,000, Debtors to be taken at Rs. 3,00,000 and Stock at Rs. 1,50,000.

It was decided that the capital of Indigo Co. Ltd. would consist of both preference and equity shares of the face value of Rs. 10 each. Preference Shares would be of the order of Rs. 8,00,000 and the balance would be in equity shares. Both companies would be issued shares of both the types in equal number, except that the surplus capital of Go Co. Ltd. would be discharged fully in preference shares.

Prepare Purchase consideration with distribution of shares and pass the Journal entries in the books of Indo Co. Ltd. and prepare a Balance Sheet of Indigo Co. Ltd. after amalgamation

2. a) The Balance Sheet of Mahandra Co. Ltd. as on 31st March, 2024 was as follows:

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Balance Sheet			
Liabilities	Rs.	Assets	Rs.
Equity share of Rs. 100 each fully Paid	5,00,000	Goodwill	50,000
General Reserve	1,00,000	Plant & Machinery	5,50,000
Dividend Equalisation fund	50,000	Investments	50,000
Securities Premium	30,000	Stock	80,000
Sundry Creditors	20,000	Sundry Debtors	95,000
Profit & Loss Account	15,000	Cash at Bank	25,000
	8,50,000		8,50,000

The company's Profit and Loss A/c for the year ended 31st March, 2024 showed a net profit of Rs. 2,50,000 (before tax). The profit includes interest on investments of Rs. 5,000. Goodwill is being written-off Rs. 5,000 p.a. The applicable income-tax rate is 45%. It is expected that the company will be able to maintain its present level of performance. Plant and Machinery is revalued at Rs. 8,00,000. Future depreciation charge is to go up by Rs. 12,000. Normal Return on capital employed may be taken at 11 %. Compute the value of goodwill of the company based on 3 year's purchase of maintainable super profit. The capital employed figure is to be calculated on the basis of the last year end position.

OR

- b) Fire Broke in the premises of M/s Balaji & Son's on 30th June, 2024 and all the stock and account books were destroyed. But the following information could be collected from the various other records:

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- Books are closed on 31st March, every year.
- Stock of goods on 31st March, 2024 – Rs. 10,00,000
- Debtors as on 31st March, 2024 - Rs 3,50,000
- Creditors as on 31st March, 2024 - 2,00,000
- Cash received from debtors between 1st April, 2024 and 30th June 2024 – Rs. 21,00,000
- Cash paid to creditors between 1st April, 2024 and 30th June 2024 – Rs. 12,50,000
- Cash sales between 1st April, 2024 and 30th June 2024 – Rs. 8,00,000
- All purchase are on credit.
- Debtors and Creditors as on 30th June 2024 – Rs. 2,50,000 and Rs. 2,50,000 respectively.
- Discount allowed on Debtors and received from Creditors as on 30th June 2024
Rs. 10,000 and Rs. 5,000 respectively.
- Gross Profit Rate during 2023-24 was 20%
- Stock was insured for Rs. 50,000
- Goods salvaged Rs. 30,000
Ascertain the amount of claim for loss of Stock

3. a) The Balance Sheet of XYZ Ltd. as on 31st March, 2024 was as follows:

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Balance Sheet			
Liabilities	Rs.	Assets	Rs.
Authorized Capital (60,000 share of Rs. 10 each)	6,00,000	Goodwill	70,000
Issued and Paid up Capital (20,000 shares of Rs. 10 each)	2,00,000	Land Building	80,000
2,000, 5% Debentures of Rs. 100 each	2,00,000	Plant & Machinery	1,50,000
Sundry Creditors	50,000	Stock in trades	50,000
Bills Payable	5,000	Sundry Debtors	43,000
Bank Overdraft	45,000	Cash at Bank	2,500
		Preliminary Expenses	4,500
		Accumulated Losses	1,00,000
	5,00,000		5,00,000

The following scheme of reconstruction was adopted:-

1. Paid up value of each share to be reduced to Rs. 5 per share.
2. 40% Debentures to be converted into 10; 7½ Debentures of Rs. 100 each.
3. Creditors agree to forego 50% of the amount due to them and return for shares for the balance.
4. Assets are revalued as under :
Land & Building Rs. 75,000, Plant & Machinery Rs. 1,20,000, Stock in trades Rs. 45,000, Debtors subject to Reserve for Bad Debts Rs. 2,000.
5. Goodwill and other fictitious assets to be written of entirely
Give the necessary journal entries and prepare reconstructed Balance Sheet

OR

- b) Mahalaxmi Trading Ltd. was formed on 1st April, 2024 to take over the business of M/S Sharda Trading Ltd., with effect from 1st January, 2024. The following was the position of Profit & Loss account prepared for the year ending 31st December, 2024:

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Profit & Loss A/c
For the year ended 31st December, 2024

Particulars	Rs.	Particulars	Rs.
To Salaries & Wages	1,60,000	By Gross Profit	7,00,000
To Rent & Rates	35,000		
To Director's Fees	18,000		
To Commission on sales	56,000		
To General expenses	48,000		
To Advertising expenses	14,000		
To Audit fees	10,000		
To Depreciation	64,000		
To Interest to vendor (upto 30-6-2024)	10,000		
To Interest on Debentures	18,000		
To Net Profit	2,67,000		
	7,00,000		7,00,000

The following further information is available:-

1. The average monthly sales for the first three months during the year 2024 was Rs. 1,60,000 whereas the monthly average sales for the subsequent period was Rs. 3,20,000.
2. Rent was paid Rs. 2,200 per month upto 30th April, 2024 and thereafter is was increased to Rs. 3,000 per months
3. Audit fees is to be allocated on time basic.
Prepare the statement showing profit prior to and after incorporation of the company.

4. a) The following are the summarized Balance Sheet of 'A' Ltd. and 'B' Ltd as at 31st March, 2024. 16

Liabilities	'A' Ltd Rs.	'B' Ltd Rs.	Assets	'A' Ltd Rs.	'B' Ltd Rs.
Share Capital	2,00,000	1,50,000	Sundry Assets	1,80,000	3,00,000
General Reserve	30,000	40,000	Shares in 'B' Ltd.	2,30,000	--
Profit & Loss A/c (as on 1 st April, 2023)	60,000	50,000	Cash at Bank	20,000	20,000
Profit for the year	40,000	20,000			
Creditors	1,00,000	60,000			
	4,30,000	3,20,000		4,30,000	3,20,000

'A' Ltd. acquired 90% of the shares in 'B' Ltd.- on 1st October, 2023, included in the assets of 'A' Ltd. there is Rs. 30,000 loan to 'B' Ltd., shown as Creditors in 'B' Ltd. sundry assets of 'B' Ltd. include furniture and fittings of Rs. 1,40,000 to be re-valued at Rs. 1,50,000 being over depreciated.

Prepare consolidated balance sheet of 'A' Ltd. and 'B' Ltd. as on 31st March, 2024.

OR

- b) The following Balance Sheet are presented to you : 16
Balance Sheets as at 31st March, 2024

Liabilities	Sun Ltd Rs.	Moon Ltd. Rs.	Assets	Sun Ltd. Rs.	Moon Ltd. Rs.
Share Capital of Rs. 10 each	10,00,000	4,00,000	Fixed Assets	7,00,000	3,00,000
General Reserve	2,00,000	--	Stock	1,80,000	80,000
Profit & Loss A/c	1,60,000	--	6% Debentures in Moon Ltd. acquired at par	1,20,000	--
Creditors	1,50,000	90,000	30,000 Shares in Moon Ltd	2,40,000	--
6% Debentures		2,00,000	Cash at Bank	1,50,000	50,000
			Profit & Loss A/c	---	2,00,000
			Debtors	1,20,000	60,000
	15,10,000	6,90,000		15,10,000	6,90,000

Additional Information :

- i) Sun Ltd. acquired the shares on 1st August, 2023.
- ii) The Profit and Loss A/c of Moon Ltd. showed a debit balance of Rs. 3,00,000 on 1st April, 2023.

- iii) During June 2023; goods costing Rs. 12,000 were destroyed by fire against which the Insurance company paid only Rs. 4,000.
- iv) The creditors of Moon Ltd. include Rs. 40,000 for goods supplied by Sun Ltd. on which Sun Ltd. made a profit of Rs. 4,000. Half of the goods were still in stock on 31st March, 2024 Calculate the amount of - 1) Capital Profit or Loss, 2) Revenue Profit, 3) Goodwill or Capital Reserve, 4) Profit on Unrealised Stock and 5) Minority Interest.

5. Write in Shorts:-

- a) Difference between amalgamation and absorption. **4**
- b) Assets basis method of Valuation of Shares. **4**
- c) What is mean by profit prior to incorporation. **4**
- d) Definition of Holding & Subsidiary companies. **4**

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

- | | | |
|----|---------------------------------------------------------------|----|
| 1. | अ) सामाजिक लेखांकन यावर सविस्तर माहिती द्या? | 16 |
| | किंवा | |
| | ब) इंग्रजी माध्यमानुसार | 16 |
| 2. | अ) इंग्रजी माध्यमानुसार | 16 |
| | किंवा | |
| | ब) इंग्रजी माध्यमानुसार | 16 |
| 3. | अ) इंग्रजी माध्यमानुसार | 16 |
| | किंवा | |
| | ब) इंग्रजी माध्यमानुसार | 16 |
| 4. | अ) इंग्रजी माध्यमानुसार | 16 |
| | किंवा | |
| | ब) इंग्रजी माध्यमानुसार | 16 |
| 5. | संक्षिप्त मध्ये लिहा. | |
| | अ) संमिश्रन आणि संविलीयनयामधील फरक | 4 |
| | ब) अंश मूल्यांकनाची शुद्ध संपत्ती आधार पद्धती | 4 |
| | क) स्थापनेपूर्वीचा नफा म्हणजे काय. | 4 |
| | ड) सूत्रधार कंपनी आणि त्याची साहाय्यक कंपनी ची व्याख्या द्या. | 4 |

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

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|----|----|-----------------------------------------------------------|----|
| 1. | अ) | सामाजिक लेखांकन पर विस्तृत टिप्पणी लिखें। | 16 |
| | | अथवा | |
| | ब) | अंग्रेजी माध्यम के अनुसार | 16 |
| 2. | अ) | अंग्रेजी माध्यम के अनुसार | 16 |
| | | अथवा | |
| | ब) | अंग्रेजी माध्यम के अनुसार | 16 |
| 3. | अ) | अंग्रेजी माध्यम के अनुसार | 16 |
| | | अथवा | |
| | ब) | अंग्रेजी माध्यम के अनुसार | 16 |
| 4. | अ) | अंग्रेजी माध्यम के अनुसार | 16 |
| | | अथवा | |
| | ब) | अंग्रेजी माध्यम के अनुसार | 16 |
| 5. | | संक्षिप्त में लिखो। | |
| | अ) | समामेलन और अवशोषण के बीच अंतर। | 4 |
| | ब) | अंशों के मूल्यांकन की शुद्धसंपत्ति आधार विधि। | 4 |
| | क) | निगमन से पूर्व लाभ से क्या तात्पर्य है? | 4 |
| | ड) | होलिडिंग (सूत्रधारी) एवं उसके सहायक कम्पनियों की परिभाषा। | 4 |
