

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

P. Pages : 4

Time : Three Hours



**GUG/W/23/10620**

Max. Marks : 40

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

1. a) Which types of shares issue by joint stock company. 4

b) 'A' Ltd Co. invited applications for 40,000 shares, of Rs.10 each at discount of 10% payable as follows: 4

On application	Rs. 2.50 per shares
On allotment	Rs. 3.50 per shares (excluding discount)
On first & final call	Rs. 3 per share

All the shares were subscribed and all the amounts were duly received except the following Mr. Atul holding 200 shares did not pay allotment money and first & final call Mr. Anil holding 100 share did not pay the first & final call. The directors forfeited the above shares of Mr. Atul and Anil. Give Journal entries regarding forfeiture of shares in the books of Ltd Co.

**OR**

c) Glucose Ltd invited application for 10,000 equity shares of Rs. 10 each payable as under: 8

On application	Rs.2.50 per share
On allotment	Rs. 4.00 per share
On first & final call	Rs. 3.50 per share

Application for 9,000 shares were received and all were accepted 'z' a holder of 100 shares failed to pay first and final call money. Remaining all amount due to proper time pass necessary journal entries in the books of Glucose Ltd.

2. a) Profit and loss of Cipla company Ltd for last five years given as under. 4

Year	Rs.
2008	10,000 profit
2009	4,000 loss
2010	18,000 profit
2011	20,000 profit
2012	36,000 profit

Above profit and loss is calculated before consideration remuneration of partners Rs.5,000 p.a. Goodwill valued at two times of average profit. Calculate the value of goodwill.

b) From the following information calculate the value of goodwill by four year's purchase of super profit. 4

- i) Average capital employed in the business Rs.7,50,000.
- ii) Net trading profits of the firm for the past four years were: Rs.1,35,600, Rs.1,07,000, Rs.1,31,000, Rs.1,27,000.
- iii) Fair remuneration to the partner's for their services Rs. 15,400 per annum.
- iv) Rate of interest expected from capital having regard to the risk involved 12%.

**OR**

- c) On 31<sup>st</sup> March 2017 the balance sheet of Karuna Co. Ltd disclosed the following position: 8

Liabilities	Rs.	Assets	Rs.
Share capital: Authorised and issued: 80,000 equity shares of Rs. 10 each	8,00,000	Fixed assets	10,00,000
Reserve & surplus:		Current Assets	4,00,000
General reserve	1,80,000	Goodwill	80,000
Profit & loss A/c	40,000		
Secured loans:			
5% debentures	4,00,000		
Current liabilities:			
Sundry creditors	60,000		
	<b>14,80,000</b>		<b>14,80,000</b>

On 31<sup>st</sup> March 2017 the fixed assets were valued at Rs.7,80,000 and goodwill Rs.1,50,000. The net profit for the last three years were as follows: 2014-15 Rs.1,25,200; 2015-16 Rs.1,26,000; 2016-17 Rs.1,25,300 out of these profits 25% was placed to reserve. After the provision this reserve the fair investment return expected in similar companies stands at 10%.

Compute the fair value of equity share of the company.

3. a) On 30<sup>th</sup> September 2014 fire took place in the godown of Mr. Gautam by the help of following information find out the loss of stock. 4

Particulars	Rs.
Stock on 1 <sup>st</sup> Jan. 2014	17,000
Purchase from 1 <sup>st</sup> Jan. 2014 to the date of fire	1,70,000
Wages & other production expenses	17,000
Sales from 1 <sup>st</sup> Jan. 2014 to the date of fire	2,00,000
Rate of gross profit 25% on cost	40,000
Value of salvage stock	4,000

- b) A fire occurred at the premises of a trader on 31<sup>st</sup> May 2018 destroying a great part of his stock which at 1<sup>st</sup> January, 2018 appeared in the books at Rs.80,000. The value of the stock salvaged was Rs.14,000. 4

The gross profit on sales was 30% and sales amounted to Rs.1,72,000. From 1<sup>st</sup> January to the date of fire, while for the same period the purchases amounted to Rs.1,12,400. Calculate the amount of claim to be submitted to the insurance company.

**OR**

- c) A fire occurred in the business premises of M/s Jugalkishor on 15<sup>th</sup> Oct. 2018 from the following particulars, ascertain the loss of stock and prepare a claim for insurance. 8

	Rs.
Stock 1-1-2017	30,600
Purchase from 1-1-2017 to 31-12-2017	1,22,000
Sales from 1-1-2017 to 31-12-2017	1,80,000
Stock on 31-12-2019	27,000
Purchase from 1-1-2018 to 14-10-2018	1,47,000
Sales from 1-1-2018 to 14-10-2018	1,50,000

The stocks were always valued at 90% of cost. The stocks salvaged worth Rs.18,000. The amount of the policy was Rs.63,000. There was an average clause in the policy.

4. a) Gajanan & 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: 4

Share capital: 1,000 shares of Rs.100 each

	Rs.
Secured creditors (securities realized Rs.40,000)	35,000
Preferential creditors	6,000
Unsecured creditors	1,40,000
Debentures having a floating charges 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) From the following particular's, calculate liquidator's total remuneration: 4

	Rs.
Assets realized by the liquidator (including the securities in the hands of fully secured creditors)	71,000
Liquidation expenses	525
Fully secured creditors	40,000
Preferential creditors	12,000
Unsecured creditors	30,500

The liquidator is entitled to a remuneration of 3% on assets realized (including the securities in the hands of secured creditors) and 2% on amounts distributed to unsecured creditors other than preferential creditors.

**OR**

- c) The Prakash processors co. Ltd. Went into voluntary liquidation on 31<sup>st</sup> December 2017 when their balance sheet as follows: 8

Liabilities	Rs.
5,000 10% cumulative preference shares of Rs.100 each fully paid	5,00,000
2500 equity shares of Rs.100 each, Rs.75 paid	1,87,500
7500 equity shares of Rs.100 each Rs.60 paid	4,50,000
15% debentures (secured by a floating charge)	2,50,000
Interest outstanding on debentures	37,500
Creditors	3,18,750
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	17,43,750
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<b>Assets:</b>	
Land and buildings	2,50,000
Plant and machinery	6,25,000
Patents	1,00,000
Stock	1,37,500
Sundry debtors	2,75,000
Cash at banks	75,000
Profit and loss A/c	2,81,250
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	17,43,750
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The preference dividends were in arrears for 2 years and the creditors include the preferential creditors of Rs.38,000.

The assets realized were as follows:

Land and building Rs.3,00,000; Patents 75,000; Machinery and Plant Rs.5,00,000; Stock Rs.1,50,000; Sundry debtor's Rs. 2,00,000.

The expenses of liquidation amounts to Rs.27,250. The liquidator to a entitled to a commission of 3% on assets realized except cash. Assuming the final payment including those on debentures is made on 30<sup>th</sup> June 2018.

Show the liquidator's final statement of account equals were treated alike.

5. Write in short:
- a) Kinds of share capital. 2
  - b) Explain the need of valuation of goodwill. 2
  - c) Average clause 2
  - d) Duty of liquidator's 2

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