

**M. COM. SEM - II (CHOICE BASED CREDIT SYSTEM) (2012  
COURSE) : WINTER - 2018**

**SUBJECT: ELECTIVE –A GROUPS: ADVANCED ACCOUNTING - III**

Day: Friday  
Date: 12/10/2018

Time: 03.00 PM TO 06.00 PM  
Max. Marks: 60

**W-2018-0416**

**N.B.:**

- 1) All questions are **COMPULSORY**.
- 2) Figures to the right indicate **FULL** marks.
- 3) Use of **CALCULATOR** is allowed.

**Q.1** The following is the Balance Sheet of H Ltd. A Ltd and B Ltd. as on 31<sup>st</sup> (16)  
March, 2018.

Liabilities	H Ltd.	A Ltd.	B Ltd.	Assets	H Ltd.	A Ltd.	B Ltd.
Share Capital	10,00,000	5,00,000	2,00,000	Fixed Assets	6,00,000	3,00,000	1,50,000
Reserves	1,50,000	1,50,000	1,20,000	<b>Current Assets:</b>			
P and L A/c	2,50,000	3,00,000	1,20,000	Stock	4,00,000	3,80,000	3,00,000
Creditors	3,00,000	2,00,000	1,30,000	Debtors	1,50,000	2,20,000	1,00,000
				Bank	50,000	30,000	20,000
				Shares in A Ltd.	5,00,000	-	-
				Shares in B Ltd.	-	2,20,000	-
	<b>17,00,000</b>	<b>11,50,000</b>	<b>5,70,000</b>		<b>17,00,000</b>	<b>11,50,000</b>	<b>5,70,000</b>

H. Ltd. purchased 90% shares in A Ltd. when latter's credit balance of Profit and Loss A/c was Rs. 80,000 and Reserve of Rs. 60,000.

A Ltd. purchased 80% shares in B Ltd. When B Ltd. has Rs. 20,000 in Reserve and Rs. 30,000 as credit balance in Profit and Loss A/c.

H. Ltd. and A Ltd. acquired shares in subsidiaries on the same date.

Prepare the consolidated Balance Sheet of H. Ltd. as on 31<sup>st</sup> March, 2018.

**OR**

**Q.1** Explain the contents of Balance Sheet and Revenue Account with reference to the accounts of Mutual Funds.

**Q.2** The Balance Sheet of Jaya Ltd. as on 31<sup>st</sup> March, 2018. (16)

Liabilities	Rs.	Assets	Rs.
<b>Share Capital:</b>		Sundry Assets	9,00,000
1,00,000 Equity Shares of Rs. 10 each fully paid		Profit and Loss	7,00,000
10% 4, 000 Debentures of Rs. 100 each	10,00,000		
Interest on Debentures	4,00,000		
Sundry Creditors	40,000		
	1,60,000		
	<b>16,00,000</b>		<b>16,00,000</b>

**P. T. O.**

A scheme of reconstruction has been agreed by all concerned on the following lines.

- i) The Equity shares are to be sub-divided into shares of Re. 1 each and each shareholder shall surrender 60% of his holding.
- ii) Out of the shares surrendered 6,000 shares will be converted into 6,000, 8% Preference Shares of Rs. 10 each.
- iii) Debenture holders will reduce their claim by Rs. 1,40,000 and in consideration, they are to get the entire Preference Shares Capital converted from shares surrendered.
- iv) Creditors Claims are to be reduced to the extent of Rs. 60,000 and in consideration, they are to receive Equity Shares of Re.1 each amounting to Rs. 40,000 from the shares surrendered.
- v) Profit and Loss Account debit balance to be written off completely.
- vi) The remaining surrendered shares shall be cancelled.

You are required to give journal entries for the above and prepare the Balance Sheet of the company after reconstruction as on 31<sup>st</sup> March, 2018.

**OR**

- Q.2** a) Explain in detail consolidated Balance sheet. **(08)**  
 b) Explain the procedure for preparing the scheme of Internal Reconstruction. **(08)**

- Q.3** Bandal Ltd. Baramati went into liquidation on 31<sup>st</sup> March, 2017. The Balance Sheet as on that date was as under: **(16)**

Liabilities	Rs.	Assets	Rs.
<b>Share Capital:</b>		Freehold Property	80,000
<b>Issued and Subscribed:</b>		Plant and Machinery	69,000
• 8,000, 9% Preference Shares of Rs. 10 each	80,000	Stock	75,000
• 12,000 Equity Shares of Rs. 10 each	1,20,000	Cash in Hand	1,000
5% debentures	60,000	Debtors	55,000
(Secured on Freehold Property)		Profit and Loss	79,000
Income Tax	4,000		
Trade Creditors	65,000		
Bank Overdraft	30,000		
	<b>3,59,000</b>		<b>3,59,000</b>

- a) The interest on debentures were paid upto 31<sup>st</sup> March, 2016.
- b) Preference dividend were in arrears for two years.
- c) The assets realised were as follows:  
Freehold Property Rs. 1,60,000, Plant and Machinery Rs. 62,000, Stock Rs. 73,000 and Debtors Rs. 50,000.
- d) The expenses of liquidation amounted to Rs. 5,000 and liquidators remuneration was fixed at Rs. 1,500 plus 2% on all assets realised except cash.
- e) The creditors include the Preferential Creditors which amounted to Rs. 5,000. Prepare the Liquidator's Final Statement of Account.

**OR**

- Q.3** a) Explain the methods of winding up of a company. **(08)**  
 b) Explain preferential payments in liquidation. **(08)**

- Q.4** Write short notes on any **THREE** of the following: **(12)**

- a) Merchant Bankers
- b) Inter Company transactions
- c) Evaluation of Mutual Funds
- d) Minority Interest
- e) Preferential Payments in liquidation

\* \* \* \*