

NEW

2017

Part II 3-Tier

ADVANCED FINANCIAL ACCOUNTING

PAPER—G3

(General)

Full Marks : 100

Time : 3 Hours

The figures in the right-hand margin indicate full marks.

Candidates are required to give their answers in their own words as far as practicable.

Illustrate the answers wherever necessary.

1. Answer any five questions : 4×5

(a) What is Accounting Standard? How are they set in India?

(Turn Over)

- (b) What is the need for IFRS ?
- (c) What is Purchase Consideration and how is it calculated ?
- (d) How would you value shares under Asset Backing Method ?
- (e) Explain clearly the indemnity period.
- (f) Distinguish between loss of stock policy and loss of profit policy.
- (g) State in brief the steps of computing capital employed
- (h) What do you mean by Average Clause Principle in Insurance Claim Computation ?
- (i) What do you mean by capital reduction ?
- (j) Distinguish between interest and dividend.

2. Answer any *five* questions : 8×5

- (a) State the need for formation of Accounting Standard and its different Accounting Bodies. 8

(b) A Ltd. Co. has paid up capital of Rs. 6,00,000 represented by 1,00,000 equity shares of Rs. 10 each, Rs. 6 per share paid up. The company has large balance in its General Reserve A/C. A bonus of Rs. 10,00,000 is declared which is applied as :

- (i) to convert the partly paid shares into fully paid shares and
- (ii) to issue 60,000 fully paid bonus shares of Rs. 10 each to the existing shareholder.

Show the necessary journal entiers.

8

(c) A company has 4,000, 6% redeemable Pref. Shares of Rs. 100 each fully paid. The Co. decided to redeem the shares on Dec. 31, 2016, at a premium of 5%. The Co. makes the following issues :

- (a) 1000 Equity shares of Rs. 100 each at a premium of 10%.
- (b) 1000, 6% Debentures of Rs. 100 each.

The issue was fully subscribed and allotments were made. The redemption was duly carried out. The

company has sufficient profits. Give journal entries to record the above transactions. 8

(d) Explain the different methods of valuation of shares. 8

(e) Give Journal entries for the following transactions in connection with capital reduction :

(i) 40000 equity shares of Rs. 10 each fully paid reduced to shares of Rs. 5 each fully paid.

(ii) 200, 8% debentures of Rs. 1000 each converted into 400, 6% debentures of Rs. 100 each.

(iii) The debit balance of P & L A/c Rs. 1,00,000 and the preliminary expenses Rs. 50,000 were written off.

(iv) The value of Plant & Machinery and Stock were written down by Rs. 40,000 and 20,000 respectively.

(f) A fire accident occurred in the business of P & Co on 1st Sept. 2016 and stock value Rs. 51,000 could

The following information were supplied to you :

	Rs.
Purchase for year ended 31.3.2016	3,50,000
Sales for the year ended 31.3.2016	5,50,000
Purchase from 1.3.2016 to 1.9.2016	1,20,000
Sales from 1.3.2016 to 1.9.2016	1,80,000
Stocks on 31.3.2015	1,50,000
Stocks on 31.3.2016	1,70,000

Ascertain the amount of claim to be lodged to the insurance co in respect of loss due to fire. 8

(g) What do you mean by Goodwill? Mention two important methods of valuation of Goodwill? 2+6

(h) Prepare investment A/c (8% Govt. Bonds face value Rs. 100 each) from the following for the year ended 31.12.2016 :

(i) Purchases 200, 8% Govt. Bonds for Rs. 18,400 (excl. interest) on 01.03.2016.

(ii) Purchased 100, 8% Govt. Bonds for Rs. 10,500 (cum-interest) on 31.08.2016.

(iii) Sold 150, 8% Govt. Bonds for Rs. 15,900 (ex-interest) on 31.10.2016.

Interest on Govt. Bonds is payable annually on 31.12.2016. 8

(i) (a) Distinguish between Amalgamation and Absorption of companies.

(b) Distinguish between internal and external reconstruction of a company. 4+4

(j) State the advantages and limitations of Accounting Standard. 8

3. Answer any *two* questions : 15×2

(a) X Ltd. and Y Ltd. agreed to amalgamate. A new company XY Ltd. was formed to take over the above two companies as on 31st March 2016. The Balance Sheet of the two companies as on that date are given below :

<i>Liabilities</i>	<i>X Ltd</i>	<i>Y Ltd</i>	<i>Assets</i>	<i>X Ltd</i>	<i>Y Ltd</i>
Share Capital :			Goodwill	—	50,000
Equity Share of			Land & Building	2,50,000	2,00,000
Rs. 10 each	8,00,000	5,00,000	Plant & Machinery	4,50,000	3,50,000
Capital Reserve	2,00,000	—	Patents	1,10,000	—
General Reserve	—	50,000	Stock	1,50,000	20,000
P & L A/c	50,000	50,000	Sundry Debtors	1,20,000	20,000
Sundry Creditors	80,000	50,000	Cash at Bank	50,000	10,000
	<u>11,30,000</u>	<u>6,50,000</u>		<u>11,30,000</u>	<u>6,50,000</u>

Show the Journal entries and opening Balance Sheet of XY Ltd. 10+5

(b) From the following Balance Sheet of P Ltd. you are asked to ascertain the value of each equity share of the company :

<i>Liabilities</i>	<i>Rs.</i>	<i>Assets</i>	<i>Rs.</i>
40,000 Eq. Sh. of		Goodwill	60,000
Rs. 10 each fully		Land & Building	2,00,000
paid	4,00,000	Plant & Machinery	2,40,000

contd..

<u>Liabilities</u>	<u>Rs.</u>	<u>Assets</u>	<u>Rs.</u>
2000, 6% Pref. Sh.		Investment (at cost)	1,20,000
of Rs. 100 each		Stock	1,00,000
fully paid	2,00,000	Debtors	80,000
Reserve,	1,20,000	Cash at Bank	48,000
Sundry Creditors	80,000	Preliminary Exp.	12,000
Provision for Taxation	40,000		
Other Liabilities	20,000		
	<u>8,60,000</u>		<u>8,60,000</u>

For the purpose of valuing the share of the company the assets were revalued as under :

Goodwill — Rs. 1,00,000 ; Land & Building at cost plus 50% ; Plant & Machinery — Rs. 2,00,000 ; Investment at Book Values ; Stock — Rs. 1,60,000 and Debtors at Book Value less 10% [Apply and approach].

(c) (i) What are the various types of Mechanical Accounting ?

(ii) What are the features of Accounting Machines ?

8+7

[Internal assessment — 10 marks]

বঙ্গানুবাদ

দক্ষিণ প্রান্তস্থ সংখ্যাগুলি প্রশ্রমান নির্দেশক।

পরীক্ষার্থীদের যথাসম্ভব নিজের ভাষায় উত্তর দেওয়া প্রয়োজন।

১। যে কোন পাঁচটি প্রশ্নের উত্তর দাও :

৪×৫

- (ক) Accounting Standard কাকে বলে? ভারতে এগুলি কিভাবে নির্ধারণ করা হয়?
- (খ) IFRS-এর প্রয়োজনীয়তা কি?
- (গ) ক্রয় প্রতিদান কাকে বলে? কিভাবে এটি নির্ণয় করা হয়?
- (ঘ) তুমি কিভাবে সম্পত্তি ভিত্তিক পদ্ধতিতে শেয়ারের মূল্যায়ণ করবে?
- (ঙ) Indemnity Period সম্পর্কে বর্ণনা কর।
- (চ) পণ্য ক্ষতি বীমা ও মুনামা ক্ষতি বীমার মধ্যে পার্থক্য নির্ণয় কর।
- (ছ) বিনিয়োগিত মূলধন নির্ধারণের পর্যায়গুলি সংক্ষেপে উল্লেখ কর।

(জ) বীমাতে দাবী গণনার সময় গড় ধারা নীতি বলতে কি বোঝ?

(ঝ) শেয়ার পুঁজি হ্রাস বলতে কি বোঝায়?

(ঞ) লভ্যাংশ ও সুদের মধ্যে পার্থক্য নির্ণয় কর।

২। যে কোন পাঁচটি প্রশ্নের উত্তর দাও :

৮×৫

(ক) Accounting Standard প্রস্তুতের প্রয়োজনীয়তা এবং ইহার বিভিন্ন Accounting Bodies সম্পর্কে যাহা জান লিখ। ৮

(খ) A Ltd. Co. has paid up capital of Rs. 6,00,000 represented by 1,00,000 equity shares of Rs. 10 each, Rs. 6 per share paid up. The company has large balance in its General Reserve A/C. A bonus of Rs. 10,00,000 is declared which is applied as :

(i) to convert the partly paid shares into fully paid shares and

(ii) to issue 60,000 fully paid bonus shares of Rs. 10 each to the existing shareholder.

Show the necessary journal entries.

৮

(গ) A company has 4,000, 6% redeemable Pref. Shares of Rs. 100 each fully paid. The Co. decided to *redeem the shares* on Dec. 31, 2016, at a premium of 5%. The Co. makes the following issues :

(a) 1000 Equity shares of Rs. 100 each at a premium of 10%.

(b) 1000, 6% Debentures of Rs. 100 each.

The issue was fully subscribed and allotments were made. The redemption was duly carried out. The company has sufficient profits. Give journal entries to record the above transactions. ৮

(ঘ) শেয়ার মূল্যায়নের বিভিন্ন পদ্ধতিগুলি ব্যাখ্যা কর।

(ঙ) Give Journal entries for the following transactions in connection with capital reduction :

(i) 40000 equity shares of Rs. 10 each fully paid reduced to shares of Rs. 5 each fully paid.

(ii) 200, 8% debentures of Rs. 1000 each converted into 400, 6% debentures of Rs. 100 each.

- (iii) The debit balance of P & L A/c Rs. 1,00,000 and the preliminary expenses Rs. 50,000 were written off.
- (iv) The value of Plant & Machinery and Stock were written down by Rs. 40,000 and 20,000 respectively.
- (v) A fire accident occurred in the business of ABC Co on 1st Sept. 2016 and stock value Rs. 51,000 could be saved. The following information were supplied to you :

	Rs.
Purchase for year ended 31.3.2016	3,50,000
Sales for the year ended 31.3.2016	5,50,000
Purchases from 1.3.2016 to 1.9.2016	1,20,000
Sales from 1.3.2016 to 1.9.2016	1,80,000
Stocks on 31.3.2015	1,50,000
Stocks on 31.3.2016	1,70,000

Ascertain the amount of claim to be lodged to the insurance co in respect of loss due to fire.

(ছ) সুনাম বলতে কি বোঝ? সুনাম মূল্যায়নের যে কোন দুটি গুরুত্বপূর্ণ পদ্ধতি উল্লেখ কর।

২+৬

(জ) Prepare Investment A/c (8% Govt. Bonds face value Rs. 100 each) from the following for the year ended 31.12.2016 :

(i) Purchases 200, 8% Govt. Bonds for Rs. 18,400 (ex-interest) on 01.03.2016.

(ii) Purchased 100, 8% Govt. Bonds for Rs. 10,500 (cum-interest) on 31.08.2016.

(iii) Sold 150, 8% Govt. Bonds for Rs. 15,900 (ex-interest) on 31.10.2016.

Interest on Govt. Bonds is payable annually on 31.12.2016.

৮

(ঝ) (i) কোম্পানীর একীকরণ ও গ্রসনের মধ্যে পার্থক্য নির্ণয় কর।

(ii) কোম্পানীর আভ্যন্তরীণ ও বাহ্যিক পুনর্গঠনের মধ্যে পার্থক্য নির্ণয় কর।

৪+৪

(ঞ) হিসাব নিকাশের মান নির্ধারণের সুবিধা ও অসুবিধাগুলি বর্ণনা কর।

৮

- (ক) X Ltd. এবং Y Ltd. একত্রিকরণের জন্য চুক্তিবদ্ধ হইয়াছে। উক্ত দুইটি কোম্পানীকে অধিগ্রহণের জন্য XY Ltd. নামে একটি নতুন কোম্পানী 31শে মার্চ 2016 তারিখে তৈরী করা হয়েছে। উক্ত দিনে কোম্পানী দুটির উত্তপত্র নিম্নরূপ :

Liabilities	X Ltd	Y Ltd	Assets	X Ltd	Y Ltd
Share Capital :			Goodwill	—	50,000
Equity Share of			Land & Building	2,50,000	2,00,000
Rs. 10 each	8,00,000	5,00,000	Plant & Machinery	4,50,000	3,50,000
Capital Reserve	2,00,000	—	Patents	1,10,000	—
General Reserve	—	50,000	Stock	1,50,000	20,000
P & L A/c	50,000	50,000	Sundry Debtors	1,20,000	20,000
Sundry Creditors	80,000	50,000	Cash at Bank	50,000	10,000
	<u>11,30,000</u>	<u>6,50,000</u>		<u>11,30,000</u>	<u>6,50,000</u>

জাবদাতে দাখিলাগুলি দেখাও এবং XY Ltd.-এর শুরুর উত্তপত্র তৈরী কর।

(খ) P Ltd.-এর নিম্নলিখিত উদ্বৃত্তপত্র থেকে তুমি প্রতিটি ইকুইটি

শেয়ারের মূল্যায়ণ কর।

১৫

<i>Liabilities</i>	<i>Rs.</i>	<i>Assets</i>	<i>Rs.</i>
40,000 Eq. Sh. of		Goodwill	60,000
Rs. 10 each fully		Land & Building	2,00,000
paid	4,00,000	Plant & Machinery	2,40,000
2000, 6% Pref. Sh.		Investment (at cost)	1,20,000
of Rs. 100 each		Stock	1,00,000
fully paid	2,00,000	Debtors	80,000
Reserve	1,20,000	Cash at Bank	48,000
Sundry Creditors	80,000	Preliminary Exp.	12,000
Provision for Taxation	40,000		
Other Liabilities	20,000		
	<u>8,60,000</u>		<u>8,60,000</u>

For the purpose of valuing the share of the company the assets were revalued as under :

Goodwill — Rs. 1,00,000 ; Land & Building at cost plus 50% ; Plant & Machinery — Rs. 2,00,000 ; Investment at Book Values ; Stock — Rs. 1,60,000 and Debtors at Book Value less 10% [Apply and approach].

(গ) (i) যান্ত্রিক হিসাবরক্ষণের বিভিন্ন পদ্ধতিগুলি আলোচনা কর।

(ii) যন্ত্রভিত্তিক হিসাবরক্ষণের বৈশিষ্ট্যগুলি আলোচনা কর।

৮+৭

[অভ্যন্তরীণ মূল্যায়ণ — ১০ নম্বর]

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