

(2½ Hours)

[ Total Marks : 75

- N. B. : (1) All questions are compulsory.  
(2) Figures to the right indicate full marks.  
(3) Working notes should form part of your answers.  
(4) Use of simple calculator is allowed.

1. (a) State whether the following statements are True or False. Rewrite the statement. (any eight) :-

1. Inventory is an example of Non Monetary item.
2. While computing pre & post incorporation profit, share transfer fees received is treated as post incorporation period's income.
3. Balance in Foreign exchange fluctuation account should be transferred to Profit and Loss account at the end of the year.
4. A Company cannot buy back more than 25% of its paid up equity capital in any financial year.
5. Intrinsic value of equity share is calculated by dividing 'Net Assets available to equity shareholders' by 'Total number of equity shares'.
6. Super profit is the profit earned over & above the normal profit.
7. Transfer fees received by the Co-operative Housing society on transfer of shares should be shown under Reserve Fund.
8. Buy Back results in reduction of share capital to the extent of face value of shares bought back.
9. Sinking Fund should be disclosed under the head 'Share Capital' in the Balance Sheet of Co-operative Housing society.
10. Loss prior to incorporation is charged to Profit & Loss A/c.

(b) Fill in the blanks by rewriting the sentence (any seven):-

1. \_\_\_\_\_ is an example of free reserve. (Capital Redemption reserve / General reserve)
2. Accounts Receivable is an example of \_\_\_\_\_ item. (Monetary / Non-Monetary)
3. Gross profit is allocated in \_\_\_\_\_ ratio while calculating profits for the Pre and Post incorporation period. (Time / Sales)

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4. 'Stores & Spare parts' should be disclosed under the head \_\_\_\_\_ in the Balance Sheet of Co-operative Housing society. (Fixed Assets / Current Assets) .
  5. An amount equal to face value of equity shares bought back out of free reserve, should be transferred to \_\_\_\_\_ account. (General reserve / Capital redemption reserve)
  6. After buy back of shares, Debt - Equity ratio should not exceed \_\_\_\_\_ ( 2:1/1 :2)
  7. AS \_\_\_\_\_ deals with Foreign Currency Transactions. (11/13)
  8. Fixed Expenses are allocated in \_\_\_\_\_ ratio while calculating profits for the Pre and Post incorporation period. (Time / Sale)
  9. Balance Sheet of a Co-operative Housing society should be prepared in-Form \_\_\_\_\_. (A / N)
  10. If Average Capital Employed is Rs. 12,00,000, Average Profit (Future Maintainable Profit) is Rs. 1,50,000 and Normal Rate of Return is 10%, Super Profit will be Rs \_\_\_\_\_. (30,000/ 2,70,000)
2. Krishna Ltd. imported goods from Skylark Ltd. of USA worth US\$ 3,00,000 on 31st October 2014 when the exchange rate was Rs 65 per US\$. The amount was paid in instalments as follows: 15

Date	Amount of Installment-US \$	Exchange Rate per US\$ (Rs.)
15-11-2014	1,00,000	64
15-03-2015	50,000	66
20-04-2015	50,000	63
10-01-2016	1,00,000	61

Krishna Ltd. closes its books on 31 st March every year. On 31 st March 2015, the exchange rate was Rs. 61 per US\$

You are required to pass the Journal Entries in the books of Krishna Ltd for the years ended 31st March 2015 and 31st March 2016.

Also prepare Foreign Exchange Fluctuation Account in the books of Krishna Ltd. for the relevant years.

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2. Following is the Trial Balance of Devki-Sadan Co-operative Housing Society, 15  
as on 31-03-2015.

Debit	Rs	Credit	Rs
Cash at Bank	2,50,000	Collection from Members for :	
Cash on Hand	2,000	a) Establishment Expenses	27,10,000
Depreciation	10,000	b) Property Expenses	125,00,000
Electricity Charges	8,00,000	Interest on Sinking Fund Fixed	
Equipments	1,00,000	Deposit	7,80,000
Fixed Deposits	70,00,000	Interest- Saving Bank a/c	4,000
Housekeeping Expenses	6,48,000	Sinking fund (opening balance)	57,00,000
Land and Building	100,00,000	Reserve Fund (opening balance)	25,00,000
Prepaid insurance	1,30,000	Subscribed Capital: 1660 Shares	83,000
Property taxes and insurance	97,50,000	of Rs. 50 each	
Deposit with Reliance co. for Electricity	1,12,000	Mobile Tower rent	75,000
Security Expenses	5,00,000	Income & Expenditure a/c	50,00,000
Water Charges	2,50,000		
	295,52,000		295,52,000

#### Additional Information:

1. Authorised Capital: 4,000 Shares of Rs 50 each.
2. Outstanding Water Charges are Rs 8,000 & Security charges Rs 11,000.
3. 25% of the surplus of the current year should be transferred to Reserve fund.

Prepare Income & Expenditure account for the year ended 31/03/2015 and Balance Sheet as on that date in the format prescribed as per the provisions of the Maharashtra Co-operative Societies Act.

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3. Huge Company limited took over the business of Small Associates, w.e.f. 1st April 2014. The company was Incorporated on 1st November 2014. Summarised Profit & Loss a/c for the year ended 31st March 2015 is as under: 15

Expenses	Rs.	Income	Rs.
To Salaries	2,40,000	By Gross profit b/d	12,60,000
To Rent and taxes	1,80,000		
To Printing & Stationery	96,000		
To Audit fees	30,000		
To Sundry Expenses	24,000		
To Carriage Outward	90,000		
To Advertising Expenses	63,000		
To Electricity charges	72,000		
To Commission on sales	1,08,000		
To Debenture Interest	28,000		
To Depreciation	42,000		
To Interest on Purchase consideration	27,000		
To Net Profit c/d	2,60,000		
	12,60,000		12,60,000

**Additional Information:**

- Sales for each of the months of July, August, September, January, February and March were twice the sales for each of the months April, May, June, October, November and December.
  - Depreciation shown above, includes depreciation on Furniture worth Rs. 2,40,000 @ 10% and on delivery van worth Rs. 90,000 @ 20%. Both these assets were taken over from Small Associates.
  - Huge Company Ltd settled purchase consideration on 1st January 2015.
  - Audit fees are payable for the whole year.
- Prepare statement of Profit and Loss for the year ended 31st March 2015 showing profits for pre incorporation and post incorporation periods separately.

OR

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3. Ascertain the value of Goodwill of Ambalal Ltd on the basis of following information: 15

**Summarised Balance Sheet as on 31st March, 2015**

Liabilities	Rs	Assets	Rs
2,500 Equity Shares of Rs 100 each	2,50,000	Goodwill	25,000
Profit & Loss Account	50,000	Land & Buildings	5,00,000
10% Debentures	1,00,000	Plant & Machinery	1,00,000
Sundry Creditors	4,00,000	Stock	1,00,000
Provision for Taxation	10,000	Debtors	50,000
		Trade Investments	25,000
		Preliminary Expenses	10,000
	8,10,000		8,10,000

**Additional Information:**

1. The Profits earned before tax were as follows:

Year	Rs
2010-11	62,000
2011-12	64,000
2012-13	71,000
2013-14	78,000
2014-15	85,000

2. Income Tax may be taken @ 30%

3. Normal Rate of Return may be assumed as 12½%.

Goodwill is to be calculated with reference to Capitalisation of Maintainable Profit Method. Use Simple Average.

4. Following is the Summarised Balance Sheet of Surya Ltd. as on 31/03/2015. 15

Liabilities	Rs.	Assets	Rs.
16,00,000 Equity shares of Rs. 10 each, Rs 8 paid up	128,00,000	Land and Building	60,00,000
Profit and Loss A/c	120,00,000	Plant and Machinery	60,00,000
Security premium	40,00,000	Furniture	44,00,000
10% Debentures	40,00,000	Investments	30,00,000
Bank Term Loan	40,00,000	Debtors	94,00,000
Creditors	60,00,000	Bank Balance	100,00,000
		Stock	40,00,000
	4,28,00,000		4,28,00,000

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The company decides to buy back maximum number of equity shares as may be permitted at a price of Rs. 20 per share being the current market price. Assuming that the buy-back is actually carried out, you are required to :

- Pass necessary Journal Entries in the books of the company and
- Prepare Notes to Accounts of Share Capital and Reserves & Surplus as they would appear in Notes to Accounts forming part of the Balance Sheet of Surya Ltd. as on 31st March, 2015. (Do not prepare the Balance Sheet)

OR

4. Following is the Summarised Balance Sheet of Santosh Ltd.

Summarised Balance Sheet of Santosh Ltd. as on 31st March 2015

Liabilities	Rs	Assets	Rs
3,000, 8% Pref. shares of Rs 100/- each fully paid	3,00,000	Goodwill	1,00,000
60,000 Equity shares of Rs 10/- each fully paid	6,00,000	Land & Building	4,00,000
Reserves & Surplus	4,66,000	Equipments	2,40,000
10% Debentures	2,00,000	Trade Investments	1,50,000
Current Liabilities	1,84,000	Stock	4,65,000
		Bills Receivable	3,20,000
		Bank & Cash Balance	60,000
		Preliminary Expenses	15,000
	17,50,000		17,50,000

#### Additional Information:

- Independent valuation of assets shows the following values :
 

Goodwill	Rs. 3,60,000
Land & building	Rs. 6,10,000
Equipments	Rs. 2,40,000
  - Market value of Investments is Rs. 1,59,000.
  - Normal Rate of return in this type of business may be taken at 15%.
  - The profits after tax for past three years were:
 

Year ended	Profit (Rs)
31/03/2013	2,54,400
31/03/2014	2,73,300
31/03/2015	3,54,300
  - Preference share capital was same during the last three years.
  - Use Simple Average.
- You are required to find out the Intrinsic value of Equity shares as well as its Yield value.

5. (a) Explain the 'Yield value' method of valuation of equity shares. 8  
 (b) Explain the concepts of Time ratio and Sales ratio while calculating Pre & post incorporation profits. 7

OR

5. Write short notes on any three of the following: 15  
 1. Future Maintainable Profit.  
 2. Reserve fund of Co-operative Housing Society.  
 3. Sources of Buy back of shares.  
 4. Classification of expenses into pre and post incorporation period.  
 5. Foreign Exchange Fluctuation Account.

(मराठी रूपांतर)

(२½ तास)

[ एकूण गुण : ७५ ]

सूचना : (१) सर्व प्रश्न अनिवार्य आहेत.

(२) उजवीकडील अंक पूर्ण गुण दर्शवितात.

(३) उत्तरासाठीचे टाचन आवश्यक असेल तेथे उत्तराचा भाग मानला जाईल.

(४) साधे गणकयंत्र वापरण्यास परवानगी आहे.

(५) इंग्रजी भाषेतील प्रश्न प्रमाण मान्यते.

१. (अ) खालीलपैकी विधाने सत्य किंवा असत्य आहेत ते सांगा व वाक्य पुन्हा लिहा ८  
 (कोणतेही आठ) :-

१. मालसाठा हे गैर संपत्तिकचे उदाहरण आहे.

२. जेव्हा नोंदणीपूर्वी व नोंदणीनंतर नफ्याची गणना करताना भाग हस्तांतरण फी नोंदणीनंतरच्या कालावधीत जमा बाजूला दाखविले जाते.

३. विदेशी विनिमय बदल खात्यावरील अधिक्य नफा-तोटा खात्याला वर्षाच्या शेवटी वर्ग केले जाते.

४. प्रमंडळ आपल्या आर्थिक वर्षात २५% जास्त सामान्य भाग पुर्नखरेदी करू शकत नाही.

५. सामान्य भागाचे अंतरीक मूल्यांकन करताना भागधारकांसाठी असलेली शुद्ध संपत्तीला सामान्य भागधारकाच्या संख्येने भागिले जाते.