

GVM's G.G.P.R. COLLEGE OF COMMERCE AND ECONOMICS
FRMAGUDI, PONDA - GOA

INTRA SEMESTER ASSESSMENT TEST - I
B.COM SEMESTER VI
JANUARY 2013

ADVANCED ACCOUNTING MAJOR-I

Duration: 30 minutes

Marks: 10

Q.1. Liability side of Balance Sheet of Goa Ltd. disclosed the following figures as on 31.3.2012.

Shares of ₹ 10/- each	—	6,00,000/-
General reserve	—	1,70,000/-
Profit and loss a/c	—	1,10,000/-
12% debentures	—	1,00,000/-

India Ltd. agreed to absorb Goa Ltd. w.e.f. 1.4.2012 consideration being

- Cash payment of ₹ 2.50 for every ₹ 10/- share in Goa Ltd..
- Issue of 90,000 Equity shares of ₹ 10/- each fully paid in India Ltd. having an agreed value of ₹ 15/- per share.
- Issue of such an amount of fully paid 14% debentures in India Ltd. at 96 per cent as is sufficient to discharge 12% debentures in Goa Ltd. at a premium of 20%. (2 marks)

Q.2. Summarised Balance Sheet of SUPER LTD. as at 31-3-2012 is as under:

Liabilities	Amount	Assets	Amount
20000 equity shares of ₹ 10/- each fully paid	200000=00	<u>FIXED ASSETS</u>	
18000 13% preference shares of ₹ 10/- fully paid	180000=00	Pune property	160000=00
		Mumbai property	120000=00
<u>RESERVES</u>		Machinery	150000=00
Workmen compensation fund	20000=00	10% Govt. securities	30000=00
<u>SECURED LOANS</u>		Profit & Loss a/c	40000=00
12% 'A' debentures	30000=00		
12% 'B' debentures	35000=00		
<u>CURRENT LIABILITIES</u>			
Sundry creditors	35000=00		
	500000=00		500000=00

P.T.O.

Following scheme of reconstruction was approved :

- (1) Equity shares were to be reduced to ₹ 1/- each.
- (2) Preference shares were to be reduced to ₹ 2/- per share.
- (3) Debenture holders to forgo their unpaid interest ₹ 5200/- which is included in Sundry Creditors.
- (4) 'B' debenture holders agreed to take over Mumbai property at ₹ 50000/- and paid the balance amount in cash.
- (5) Investment was realized at 10% above book value.
- (6) Actual liability estimated against workmen compensation fund was ₹ 2000/- and fund is to be brought down to that level.
- (7) Machinery to be written down by ₹ 93,000/-.
- (8) Any balance remaining to be applied as to 75% in writing down Pune property @ 25% to transfer to Capital Reserve. Journalise the above transactions. (8 marks)

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Amount	Assets	Amount	Liabilities
180000-00	FIXED ASSETS	300000-00	20000 equity shares of ₹ 10/- each fully paid
150000-00	Pune property	180000-00	18000 15% preference shares of ₹ 10/- fully paid
	Mumbai property		RESERVE
150000-00	Machinery	20000-00	Workmen compensation fund
30000-00	10% Govt securities	30000-00	SECURED LOANS
80000-00	Profit & Loss a/c	35000-00	15% A debentures
		30000-00	15% B debentures
		30000-00	CURRENT LIABILITIES
300000-00		30000-00	Sundry creditors