

Special

FYBCOM Semester End Assessment (Regular/Repeat)

June 2023

**Course Title: Financial Accounting**

**Course Code: UCOC102**

**Category: CC**

**Semester: I**

**Duration: 2 Hours**

**Max Marks: 80**

**Instructions:**

- **Question No. 1** is compulsory.
- Attempt **ANY 3** questions from Question no. 2 to Question no. 6.
- Each question carries **20 marks**.
- Mention working note required wherever necessary.

Q1. Ambuja Cement Ltd issued 30,000 preference shares at ₹ 10 each on 1<sup>st</sup> January 2010. The preference shares are redeemable at the option of company in whole or in part on or after 31<sup>st</sup> December 2015.

The following redemption were made out of the profits:

On 30<sup>th</sup> October 2012 ₹ 1,20,000

On 30<sup>th</sup> October 2014 ₹ 1,00,000

On 15<sup>th</sup> December 2015, the company issued equity shares of the face value 6000 equity shares of ₹ 10 per share at a premium of 3%.

On 31<sup>st</sup> December 2015 the balance of preference shares was redeemed.

Pass the necessary journal entries to record the above transactions. **(20 Marks)**

Q2. TATA Motors purchased a lease for 5 years for ₹ 1,50,000 on 1<sup>st</sup> January 2012 and decided to provide for its replacement by means of an insurance policy for ₹ 1,50,000. The annual premium is ₹ 26,700.

Prepare Lease A/c, Depreciation fund A/c and insurance policy A/c. **(20 Marks)**

Q3. A) Explain the sources for buy-back of shares **(10 Marks)**

B) VI ltd decided to buyback 5000 equity shares of Rs 10 each at 20% premium. It complies with the conditions. For this purpose, the company decided to issue 1000 new preference shares of Rs 10 each. The company has sufficient balance in general reserve to fulfill the legal requirements regarding buyback.

Pass journal entries in the books of the company. **(10 Marks)**

Q4. HUL Ltd issued 35000 shares of ₹ 100 each at a premium of ₹ 10 per share. The share amount was payable as under:

On application ₹ 20

On allotment ₹ 20 (Including Premium)

On First call	₹ 30
On second call	₹ 20
On final call	₹ 20

Applications were received for 35,000 shares and all the applicants were allotted shares. Second call money was not received on 2000 shares and final call money was not received on 1000 shares.

Pass the necessary journal entries.

(20 Marks)

Q5. M/s Gada Electronics provides you with the following information for the year ended 31<sup>st</sup> March 2017:

(20 Marks)

Cash and Bank A/c

Receipts	₹	Payments	₹
To Balance b/d	52,000	By Bills payable	70,000
To cash sales	4,50,000	By cash purchases	2,30,000
To Debtors	3,20,000	By stationery	7,000
To bills receivables A/c	80,000	By creditors	1,95,000
To Interest received	6,000	By general expenses	5,400
To Loan taken	80,000	By balance c/d	4,80,600
	9,88,000		9,88,000

Particulars	31-3-2016 ₹	31-3-2017 ₹
Furniture and Fixtures	6,20,000	6,20,000
Debtors	90,000	1,20,000
Bills Payable	14,000	18,000
Creditors	35,000	85,000
Bills receivable	42,000	56,000
Cash and Bank balance	76,000	80,000
Stock	32,000	44,000

Additional Information:

- Provide depreciation on Furniture at the rate of 15% p.a.
- Capital stood at ₹ 3,86,400

You are required to prepare Trading and Profit and Loss A/c for the year ended 31<sup>st</sup> march 2020 and balance sheet as on that date.

Q6. A 3 years lease has been acquired by P & G Ltd on 1st January 2014 for ₹ 2,00,000. The company decides to establish a Depreciation Fund for its replacement at the end of the third year. Interest is expected to be earned at 5%. The Sinking Fund table's show that to provide requisite sum @ 5% and investment of ₹ 80,250 is required every year. On 31<sup>st</sup> December 2016 the investments are sold for ₹ 1,91,774.

Show lease A/c, Sinking Fund A/c and Sinking Fund Investment A/c. (20 Marks)