

Total No. of Questions : 4]

SEAT No. :

P-1788

[Total No. of Pages : 5

[6032]-502

T.Y. B.Com.

**352 : ADVANCED ACCOUNTING - I
(2019 Pattern) (CBCS) (Semester - V)**

Time : 2½ Hours]

[Max. Marks : 70

Instructions to the candidates :

- 1) Q.1 is compulsory.
- 2) Solve any 2 questions from remaining Q. No. 2, 3 and 4.

Q1) a) Fill in the blanks (Any five out of 7) [5]

- i) _____ is an important tool used to manage finances by tracking the cash flow for an organization.
 - a) Fund Flow Statement
 - b) Cash flow statement
 - c) Balance Sheet
 - d) Ratio Analysis
- ii) A _____ is a financial statement that contains details of a company's assets or liabilities at a specific point in time.
 - a) Profit & Loss Account
 - b) Profit statement
 - c) Cash flow statement
 - d) Balance sheet
- iii) Bills Payable is shown on the _____ side of the Balance sheet.
 - a) Liability
 - b) Asset
 - c) Profit
 - d) Loss
- iv) Every Banking company should prepare a Balance sheet and Profit and loss account as on _____ each year.
 - a) 1st January
 - b) 31st March
 - c) 30th June
 - d) 31st December
- v) An asset becomes non- performing when it _____ to generate income for a Bank.
 - a) ceases
 - b) starts
 - c) opens
 - d) creates

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Q2) The following is the Balance Sheet of Bosco Ltd as on 31st March 2021. [20]

Balance Sheet as on 31st March 2021

Liabilities	Amt.	Assets	Amt.
Issued and Subscribed Capital	4,00,000	Goodwill	60,000
4000 Equity Shares of 100 each fully paid		Buildings	1,50,000
3000 7 % Preference Shares of 100 each fully paid	3,00,000	Machinery	3,00,000
		Patents	30,000
		Stock	2,20,000
Profits Prior to Incorporation	10,000	Debtors	1,50,000
6 % Debentures	3,00,000	Cash	5,000
Sundry Creditors	2,00,000	Preliminary Expenses	25,000
		Profit and Loss	2,70,000
Total	12,10,000	Total	12,10,000

The following scheme of reconstruction was duly approved by the court

- a) 7 % Preference Share to be converted into 9 % Preference shares the amount being reduced by 30 %.
- b) Equity Shares to be reduced to fully paid shares of Rs. 50 each.
- c) Buildings to be appreciated by 20 %.
- d) Debentures be reduced by 20 %.
- e) All intangibles assets and liabilities amounts including patents to be written off. Utilise profits prior to incorporation if necessary.

Pass journal entries to record the above scheme of reconstruction in the books of Bosco Ltd. and a revised Balance Sheet as on 31st March 2021.

Q3) Following is the Trial Balance of Laji Bank as on 31st March 2021. Prepare Profit & Loss Account and Balance Sheet as on that date. **[20]**

Trial Balance as on 31st March 2021

Particulars :	Debit	Credit
Equity Share Capital of Rs.100 each Rs.50 paid up		4,00,000
Profit & Loss Account on 1 st April 2020		1,60,000
Current Deposit Account		13,64,000
Fixed Deposit Account		15,60,000
Savings Bank Account		10,26,000
Directors Fees	18,000	
Audit Fees	4,000	
Furniture (Cost Rs. 4,00,000)	3,48,000	
Interest and Discount Received		8,40,000
Commission and Exchange		4,00,000
Reserve Fund		1,40,000
Printing and Stationery	16,000	
Rent and Taxes	34,000	
Salary	2,80,000	
Buildings (Cost Rs. 12,00,000)	9,00,000	
Law Charges	6,000	
Cash in Hand	64,000	
Cash with RBI	14,00,000	
Cash with other Bank	13,00,000	
Investment at Cost	4,80,000	
Loans, Cash Credits and Overdrafts	12,00,000	
Bills Discounted and Purchased	5,60,000	
Interest Paid	6,00,000	
Borrowings from Brahmalya Bank		8,00,000
Branch Adjustment Account		5,20,000
Total	72,10,000	72,10,000

Following additional Adjustments are available -

- a) The Bank has accepted on behalf of the customers bills worth Rs. 6,00,000 against the securities of Rs. 7,60,000 lodged with the bank.
- b) Rebate on Bills discounted Rs. 22,000
- c) Provide Depreciation on Buildings 10% and Furniture 5% on cost.
- d) Provide Rs. 6,000 for Bad and Doubtful Debts.
- e) Transfer 25% of profit to statutory reserve.

Q4) M/s. Nilesh Investments Trust Ltd. submit the following details regarding one of their investments for the year 2021. **[20]**

- a) Opening Balance at cost (01.01.21) Rs. 90,000, Face value Rs. 1,00,000.
- b) Purchased investments worth Rs. 40,000 on 1st March 2021 cum-interest at 5% discount, Brokerage paid on it Rs. 400.
- c) Sold investments worth Rs. 50,000 on 1st July 2021 cum-interest at 2% premium. Brokerage paid on it Rs. 500.
- d) Sold investments worth Rs. 30,000 1st Oct. 2021 ex-interest at par. Brokerage paid on it Rs. 300.
- e) Purchase investments worth Rs. 20,000 on 1st Dec. 2021 ex-interest at 2% discount. Brokerage paid on it Rs. 200.
- f) Investment carries interest at 6% p.a. payable on every 31st March and 30th September. Prepare investment account as on 31/12/2021. Investments are to be valued at cost by First-in-first out method.

