



GOA UNIVERSITY

B.Com Semester VI (CBCS)
Accounting Major VII
DSE-7 - Accounting II (UCOD125)

[Duration: 2 Hours]

[Total Marks:80]

- Instructions:**
- 1) Question No.1 is Compulsory.
 - 2) Answer any **three** questions from Question No.2 to Question No.6.
 - 3) Figures to the right indicate marks to the question/sub-question.

Q.1 Moonlight Ltd. issued on 01/04/2020, 10,000, 6% Debentures of Rs.100 each at par repayable at the end of 4 years at a premium of 10%. It was decided to create a sinking fund for the redemption of debentures. Investments are expected to earn interest at 5% p.a.

Reference to the sinking fund table shows that Re.0.232012 invested annually at 5% compound interest amounts to Re.1 at the end of 4 years. On 31/03/2024, investments were sold for Rs.8,05,000, and the debentures were redeemed. Assume that accounts are closed on 31st March every year. Prepare (a) Sinking Fund Account and (b) Sinking Fund Investment Account for a period of four years. **20**

Q.2 On 01/04/2023, Aqua Ltd. held Rs.50,000 - 6% Government Bonds (face value Rs.100 each) at Rs.53,000. On 30th June, 2023 a further purchase of Rs.3,00,000 - 6% Government Bonds was made at Rs.93 cum-interest.

On 1st July, 2023 the company sold Rs.2,00,000 - 6% Government Bonds @ Rs.98 Ex-Interest. 1st September, 2023 the company purchased Rs.1,00,000 - 6% Government Bonds @ Rs.94 cum-interest.

On 1st November, 2023, a further Rs.80,000 of 6% Government Bonds were sold at Rs.98 cum-interest.

Half-yearly interest is payable on 30th Sept and 31st March every year.

Prepare the investment ledger of Acqua Ltd. for its financial year ended on 31st March 2024, ignoring income tax and brokerage. **20**

Q.3 Dr. Madkaikar, a Gynecologist, started practice in a part of his own residential apartment for which a 'Notional Rent' of ₹ 1,800 p.m. is charged.

The summary of his transactions during the year ending 31/03/2023 is as under:

Particulars	Rs
Salary of Medical Assistants	25,000
Gas & Water	1,440
Electricity	500
Motor Car Expenses	12,000
Medical Fees earned	3,30,000
Other household expenses	60,000
Provision for Depreciation	50,000
Interest on Investments (Profession)	12,000
Monthly Pay of Driver Rs.1,800	19,800
Food given to Driver	3,600
Household Maid's pay	6,000
Ration, Milk & Other provisions etc. of household	19,200
Telephone charges	2,200
Printing & Stationery of Profession	2,500

From the above transactions and further information provided below, prepare Dr. Madkaikar's 'Receipt and Expenditure Account of Profession' and 'Income and Expenditure Account of Household' for the year ended 31/03/2023.

Further Information:

1. Allocate expenses of car and driver equally between household and profession.
2. Allocate depreciation, electricity, gas & water as 4:1 between household and profession, respectively and telephone expenses as 2:3, respectively.
3. The entire profit of the profession was drawn for household use.

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Q.4 Aero Ltd passed a resolution to wind up voluntarily on 30th June 2023, when its Balance Sheet stood as under:

Liabilities	Rs	Assets	Rs
Share Capital:		Land	50,000
Authorised and subscribed		Plant & Machinery	1,15,000
1000 6% Preference shares of Rs.100 each	1,00,000	Patents	30,000
500 Equity Shares of Rs.100 each, Rs.75 paid up	37,500	Stock at cost	27,500
1,500 Equity Shares of Rs.100 each, Rs.60 paid up	90,000	Sundry Debtors	55,000
5% Debentures (Floating Charge on all assets)	50,000	Cash at Bank	15,000
Interest on Debentures	2,500	Profit & Loss A/c	60,000
Creditors	65,000		
Income Tax	7,500		
	3,52,500		3,52,500

Additional information:

- The Preference Dividends were in arrears for two years. The arrears are payable on liquidation as per the Articles of Company.
 - Creditors include a loan of Rs.25,000 on the mortgage of land.
 - The assets realised are as follows: Land Rs.60,000; Plant & Machinery Rs.87,500; Patents Rs.27,500; Stock Rs.30,000; Sundry Debtors Rs.40,000.
 - The expenses of liquidation amounted to Rs.5,450.
 - The Liquidator is entitled to a commission of 3% on all assets realised and 2% on amount distributed among unsecured creditors except preferential creditors.
 - All payments were made on 31st December, 2023.
- You are required to prepare a Liquidators Statement of Account.

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Q.5 Starlight Ltd. issued 3,000, 11% Debentures of Rs.100 each at par on 01/04/2016. The terms of the issue of debentures provided that the Company provide a Sinking Fund for redemption of debentures on 31/03/2020. The Company decided to take out an insurance policy to provide the necessary cash to facilitate redemption of debentures. The annual insurance premium payable to the insurance company works out to Rs.69,000. Prepare the following ledger accounts for a period of four years:

- 11% Debenture Account
- Debenture Redemption Fund Account
- Debenture Redemption Insurance Policy Account

20**Q.6 Answer ANY FOUR of the following:**

- Write a short note on the Memorandum Book maintained by professionals.
- Write a short note on the stock register maintained by the professionals.
- Write a short note on types of investments.
- Explain redemption of debentures out of Profits.
- Explain redemption out of Capital.
- Write a short note on order of payment in liquidation of companies.