

M.Com. (CBCS / New CBCS PATTERN) Semester I
PCC1C01 - Paper-I : Advanced Financial Accounting

P. Pages : 6

Time : Three Hours



GUG/W/22/13677

Max. Marks : 80

- Notes : 1. All questions carry equal marks.
 2. All questions are compulsory.

1. a) Discuss the functioning of Accounting Standard Board in India. **16**

OR

- b) Hema and Sudha are the partners in the firm. Their balance sheet as on 31st March 2015 was as under- **16**

| Liabilities | Amount Rs. | Assets | Amount Rs. |
|----------------|-----------------|-------------------|-----------------|
| <u>Capital</u> | | Land and Building | 50,000 |
| Hema | 50,000 | Machinery | 40,000 |
| Sudha | 30,000 | Furniture | 10,000 |
| Creditors | 30,000 | Stock | 17,000 |
| Bills Payable | 10,000 | Cash | 3,000 |
| | 1,20,000 | | 1,20,000 |

The profit for five years ending at March 2015 was Rs. 15,000, Rs. 18000, Rs. 27,000, Rs. 27,000 and Rs. 33,000 under the revaluation land and building was appreciated by Rs. 15,000 and Machinery Rs. 8,000, Furniture depreciated by Rs. 2,000. Stock was under valued by Rs. 3,000 to be rightly valued firm business is supervised by Hema and Sudha by they had not charged their remuneration so far Average rate of profit is 10% Assume that they have charged remuneration Rs. 3,000 and 2,000 per annum respectively.

Determine the value of goodwill

- i) By super profit capitalization method and
 ii) Average profit capitalization method

2. a) The following is Trading and Profit and Loss A/c of Aglawe and Co Ltd. for the year ended 31st March 2016. **16**

| Particulars | Amount | Particulars | Amount |
|---------------------|------------------|---------------|------------------|
| Opening Stock | 2,50,000 | Sales | 40,00,000 |
| Purchases | 15,00,000 | Closing stock | 3,50,000 |
| Wages | 8,00,000 | | |
| Manufacturing exp. | 6,00,000 | | |
| <u>Gross Profit</u> | 12,00,000 | | |
| | 43,50,000 | | 43,50,000 |
| Administrative exp. | 3,00,000 | Gross Profit | 12,00,000 |
| Advertising | 1,00,000 | | |
| Selling exp (Fixed) | 2,00,000 | | |
| Commission on sales | 2,40,000 | | |
| Carriage on sales | 80,000 | | |
| <u>Net Profit</u> | 2,80,000 | | |
| | 12,00,000 | | 12,00,000 |

The company has insured its stock for Rs. 4,00,000 and loss of profit for Rs. 8,60,000. Fire broke in the premises on 1 Aug 2015 and complete stock was destroyed business was interrupted for four months.

Following extra information is available.

- 1) Purchase, wages and manufacturing expenses during first four months of 2014-2015 were Rs. 5,00,000, Rs. 2,50,000 and Rs. 1,80,000 respectively.
- 2) Sales for the same period were Rs. 12,00,000
- 3) Other sales figure are as follows:
 From 1 April 2015 to 31 July 2015 Rs. 15,00,000
 From 1 Aug 2014 to 30 Nov 2014 Rs. 18,00,000
 From 1 Aug 2015 to 30 Nov 2015 Rs. 3,00,000

Ascertain the amount of claim for loss of stock as well as loss of profit.

OR

- b) Fire Broke in the premises of M/s. Baljeet & Co. on 30th June 2016 and all the stock and accounts books were destroyed but the following information could be collected from the various other records.

16

- 1) Books are closed on 31st March every year
- 2) Stock of goods on 31st March 2016 Rs. 1,00,000
- 3) Debtors as on 31st March 2016 Rs. 35,000
- 4) Creditors as on 31st March 2016 Rs. 20,000
- 5) Cash received from debtor between 1st April 2016 and 30th June 2016 Rs. 2,10,000
- 6) Cash paid to creditors between 1 April 2016 and 30 June 2016 Rs. 1,25,000
- 7) Cash sales between 1 April 2016 and 30 June 2016 Rs. 80,000
- 8) All purchase are on credit.
- 9) Debtors and creditors as on 30 June 2016 were Rs. 25,000 and Rs. 25,000 respectively.
- 10) Gross profit rate during 2015-2016 was 30%.
- 11) Stock was Insured for Rs. 30,000.
- 12) Goods salvaged Rs. 2,000.

Ascertain the amount of claim for loss of stock.

3. a) Ramesh purchased seven scooters on Hire purchase on 1 July 2014. The cash price of each scooters was Rs. 50,000. He was to pay 20% of the cash price at the time of the delivery and the balance in five half yearly instalment starting from 31st Dec. 2014 with interest at 5% p.a.

16

On Ramesh failure to pay the Instalment due on 30 June 2015. It was agreed that Ramesh would Return three scooters to the vendor and remaining four could be retained by him. The returning price of three scooters was Rs. 40,500. Ramesh charges depreciation @ 20% p.a. vendor after spending Rs. 1000 on repairs sold away all the three scooters for Rs. 40,000. Show the Ledger Accounts for the year ended 30 June 2015 in the books of both the parties assuming that their books are closed on 30 June every year.

OR

- b) Shashikant Ltd. purchased two machines costing Rs. 80,000 each from Bharat Tools Ltd. on 1st Jan 2012 on Hire purchase system the terms are
 Payment on delivery Rs. 20,000 for each machine remainder in three equal instalment together with interest @ 10% p.a. to be paid at the end of each year.
 Shashikant Ltd. write off 25% depreciation each year on diminishing balance method
 Shashikant Ltd paid the instalment due on 31st December 2012 and on 31st December 2013 but could not pay the final instalment.
 Bharat Tools Ltd. repossessed one machine adjusting its value against the amount due the repossession was done on the basis of 30% depreciation on the diminishing balance method. The vendor spent Rs. 8560 for the repairs and overhauling of the machine and sold it for Rs. 40,000.
 Write up the Ledger accounts in the books of both the parties upto 31st December 2014.

4. a) The following are the balance sheet of two companies as on 31st December 2015. 16

| Liabilities | Raj Ltd. Rs. | Rani Ltd. Rs. | Assets | Raj Ltd. Rs. | Rani Ltd. Rs. |
|-----------------------------|------------------|------------------|----------------------|------------------|------------------|
| <u>Equity Share Capital</u> | | | Land and Building | 2,00,000 | 1,50,000 |
| Shares of Rs. 10 each | 10,00,000 | 5,00,000 | Plant & Machinery | 3,00,000 | 3,00,000 |
| General Reserve 1.1.2015 | 1,00,000 | 1,00,000 | Stock | 75,000 | 50,000 |
| P & L A/c on 1.1.2015 | 50,000 | 30,000 | Sundry Debtors | 50,000 | 60,000 |
| Profit for the year 2015 | 60,000 | 40,000 | Investment at cost | | |
| Sundry Creditors | 70,000 | 50,000 | (Share in Rani Ltd.) | 5,00,000 | -- |
| Bills payable | 10,000 | 5,000 | Bills Receivable | 10,000 | 5,000 |
| | | | Cash at Bank | 1,55,000 | 1,60,000 |
| | 12,90,000 | 7,25,000 | | 12,90,000 | 7,25,000 |

Additional Information:

- 1) Raj Ltd. acquired 40,000 equity shares in Rani Ltd on 1.1.2015
- 2) Bills Receivable of Raj Ltd. include Rs. 3,000 accepted by Rani Ltd.
- 3) Sundry Debtors of Raj Ltd. include Rs. 10,000 due from Rani Ltd.
- 4) Stock of Rani Ltd includes goods purchased from Raj Ltd. for Rs. 30,000 which were invoiced by Raj Ltd. at a profit of 25% on invoice price.

Prepare a consolidated balance sheet of Raj Ltd. and its subsidiary Rani Ltd. as at 31 Dec. 2015 giving necessary workings.

OR

- b) Following are the balance sheets of H Ltd. and S Ltd. as on 31 March 2016. 16

| Liabilities | H Ltd. Rs. | S Ltd. Rs. | Assets | H Ltd. Rs. | S Ltd. Rs. |
|--------------------------------|-----------------|-----------------|----------------------|-----------------|-----------------|
| <u>Share Capital</u> | | | Goodwill | 40,000 | 30,000 |
| Share of Rs. 100 each | 5,00,000 | 2,00,000 | Fixed Assets | 3,60,000 | 2,20,000 |
| General Reserve as at 1.1.2015 | 1,00,000 | 60,000 | Stock | 1,00,000 | 90,000 |
| Profit and Loss A/c | 1,40,000 | 90,000 | Debtors | 20,000 | 75,000 |
| Bills payable | -- | 40,000 | Investment in S Ltd. | | |
| Creditors | 80,000 | 50,000 | 1500 Shares at cost | 2,40,000 | -- |
| | | | Cash at Bank | 60,000 | 25,000 |
| | 8,20,000 | 4,40,000 | | 8,20,000 | 4,40,000 |

The following further Information is furnished.

- 1) The profit and loss account of S Ltd. showed a balance of Rs. 50,000 on 1 April 2015.

- 2) A dividend of 15% was paid in January 2016 for the year 2015. This dividend credited by H. Ltd. to its Profit and Loss Account.
- 3) H. Ltd. acquired the shares in S Ltd. on 01 October 2015.
- 4) The bills payable of S Ltd. were issued in favour of H Ltd. which company got the bills discounted.
- 5) Included in the creditors of S Ltd. is Rs. 20,000 for goods supplied by H Ltd.
- 6) Included in stock of S Ltd are goods of the value of Rs. 8,000, which were supplied by H Ltd at a profit of 25% on transfer price.

Prepare the consolidated balance sheet of H Ltd as on 31st March 2016.

5. Answer in brief.

- | | |
|---|----------|
| a) Computer Software Accounting. | 4 |
| b) Statutory Report. | 4 |
| c) Importance of Human Resource Accounting. | 4 |
| d) Objectives of Social Accounting. | 4 |

M.Com. (CBCS / New CBCS PATTERN) Semester I
PCC1C01 - Paper-I : Advanced Financial Accounting

Time : Three Hours

Max. Marks : 80

- सुचना :- 1. सर्व प्रश्न आवश्यक.
2. सर्व प्रश्नांना समान गुण आहे.

- | | | |
|----|--|----|
| 1. | भारतीय लेखांकन प्रमाणाच्या कार्याची चर्चा करा. | 16 |
| | किंवा | |
| | इंग्रजी माध्यमानुसार | |
| 2. | इंग्रजी माध्यमानुसार | 16 |
| | किंवा | |
| | इंग्रजी माध्यमानुसार | |
| 3. | इंग्रजी माध्यमानुसार | 16 |
| | किंवा | |
| | इंग्रजी माध्यमानुसार | |
| 4. | इंग्रजी माध्यमानुसार | 16 |
| | किंवा | |
| | इंग्रजी माध्यमानुसार | |
| 5. | थोडक्यात उत्तरे लिहा. | |
| | अ) संगणक सॉफ्टवेअर लेखांकन | 4 |
| | ब) वैधानिक अहवाल | 4 |
| | क) मानव संसाधन लेखांकनाचे महत्त्व | 4 |
| | ड) सामाजिक लेखांकनाची उद्दिष्ट्ये | 4 |

M.Com. (CBCS / New CBCS PATTERN) Semester I
PCC1C01 - Paper-I : Advanced Financial Accounting

Time : Three Hours

Max. Marks : 80

- सुचनाएँ :- 1. सभी प्रश्न आवश्यक हैं।
2. सभी प्रश्नों के गुण समान हैं।

- | | | |
|----|--|----|
| 1. | भारतीय लेखांकन प्रमाण कार्योपर चर्चा कीजिये। | 16 |
| | अथवा | |
| | अंग्रेजी माध्यम के अनुसार। | |
| 2. | अंग्रेजी माध्यम के अनुसार। | 16 |
| | अथवा | |
| | अंग्रेजी माध्यम के अनुसार। | |
| 3. | अंग्रेजी माध्यम के अनुसार। | 16 |
| | अथवा | |
| | अंग्रेजी माध्यम के अनुसार। | |
| 4. | अंग्रेजी माध्यम के अनुसार। | 16 |
| | अथवा | |
| | अंग्रेजी माध्यम के अनुसार। | |
| 5. | संक्षीप्त लिखिये। | |
| | अ) संगणक सॉफ्टवेयर लेखांकन। | 4 |
| | ब) वैधानिक अहवाल। | 4 |
| | क) मानव संसाधन लेखांकन का महत्व। | 4 |
| | ड) सामाजिक लेखांकन की उद्दिष्ट्ये। | 4 |
