

M.Com.-I New CBCS Pattern Semester-I
PCC1C01 - Advanced Financial Accounting

P. Pages : 6

Time : Three Hours



GUG/W/23/13677

Max. Marks : 80

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

1. a) Write details notes on accounting standards?

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OR

- b) The Balance Sheet of Diamond Ltd. as on 31st December 2022 was as follows:

Balance Sheets

Liabilities	Rs.	Assets	Rs.
Share Capital (2,000 Shares of Rs.100 each)	2,00,000	Land & Building	1,10,000
General Reserve	40,000	Plant & Machinery	1,30,000
Profit & Loss A/c	32,000	Patents	20,000
Sundry Creditors	1,28,000	Stock in trade	48,000
Income tax Reserve	60,000	Debtor	88,000
		Bank Balance	52,000
		Preliminary Exp.	12,000
	4,60,000		4,60,000

The expert value valued the Land & Building at Rs. 2,40,000 Goodwill at Rs. 1,60,000 and Plant & Machinery at Rs. 1,20,000. Out of the total debtors, it is found that debtors of Rs. 8,000 are bad.

The profits of the company have been as follows:

2020	Rs. 80,000
2021	Rs. 90,000
2022	Rs. 1,06,000

Rate of depreciation on Plant & Machinery is 15% and on Land & Building is 10%

The company follows the practice of transferring 25% of profit to General Reserve.

Similar type of companies earn at 10% of the value of their shares.

Ascertain the value of shares of the company under.

- 1) Intrinsic Value Method.
- 2) Yield Value Method.
- 3) Fair Value Method.

2. a) Shri Unashankar closes his books of accounts on 31st June every year. A fire occurred at the premises on 30th September, 2016 and greater part of his stock was destroyed. The following information was collected from his books:

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	Rs.
Stock on 30 th June, 2016	29,250
Purchases from 1 st July, 2016 to 30 th Sept. 2016	60,000
Wages from 1 st July, 2016 to 30 th Sept. 2016	22,750
Sales from 1 st July, 2016 to 30 th Sept. 2016	1,00,000
Average percentage of Gross profit to cost is $33\frac{1}{3}\%$. Stock to the value of Rs. 7,000 was salvaged. Policy was for Rs. 25,000. Claim was subject to average clause. Following additional information is available:	

- 1) Stock in the beginning was calculated at 10% less than cost.
- 2) Purchased include purchase of plant of Rs. 5,000
- 3) Plant was installed in August and firm's own men had spent their time amounted to Rs. 250 which was included in wages.

You are required to calculate the claim for the loss of stock.

OR

- b) Calculate the amount of claim for loss of profit from the following information:
- i) The policy is for Rs. 1,96,000 with a six months period of indemnity.
 - ii) On 1st July 2012 fire broke out and sales of three months were affected.
 - iii) Sales for 12 Months ended 30th June, 2012 amounted to Rs. 2,00,000.
 - iv) A sum of Rs. 400 was spent as additional expenses to mitigate the effect of loss.
 - v) After debiting insured standing charges of Rs. 10,000 the net profit for 2011 amounted to Rs. 80,000.
 - vi) Sales for 2011 amounted to Rs. 1,80,000
 - vii) Sales for 3 months ending 30th September, 2011 were Rs. 40,000
 - viii) Sales for 3 months ending 30th September, 2012 were Rs. 16,000
 - ix) Accounts are closed on 31st December, each year.

3. a) Nagpur Transport Ltd. Purchase from Gadchiroli Motors Ltd. 3 Vans costing Rs. 7,50,000 each on the Hire purchase system; payment was to be made Rs. 90,000 down and the remainder was payable in 3 equal instalments together with interest @ 9% p.a. at the end of year. Nagpur transport Ltd. writes off depreciation @ 20% p.a. It paid the instalment due at the end of the 1st year, but could not pay the next. Hence the Vans were seized by vendors. After negotiation Nagpur Transport was allowed to retain one Vans on the condition that the value of other vans would be adjusted against the amount due. These two vans were valued on the basis of 30% depreciation annually. Show the Vans Account and Gadchiroli Motors accounts for two years assuming that depreciation is charged on diminishing balance method.

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OR

- b) Ramesh purchase seven scooters on hire purchase on 1st July, 2020. The cash price of each scooters was Rs. 1,00,000. 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 December, 2020 with interest at 5% p.a. On Ramesh failure to pay the instalment due on 30th June, 2021, it was agreed that Ramesh would return three Scooters to the vendors and remaining four could be retained by him. The returning price of three scooters was Rs. 81,000. Ramesh charges depreciation @ 20% p.a. Vendor, after spending Rs. 2,000 on repairs sold away all the three scooters for Rs. 80,000. Show the ledger accounts for the year ended 30-06-2021 in the books of both the parties assuming that their books are closes on 30th June every year.

4. a) Following are the Balance Sheets of Raja Ltd. and Rani Ltd. as on 31st December, 2022.

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Balance Sheets

Liabilities	Raja Ltd. (Rs.)	Rani Ltd. (Rs.)	Assets	Raja Ltd. (Rs.)	Rani Ltd. (Rs.)
Share capital A/c: Share of Rs. 100 each fully paid	10,20,000	3,40,000	Goodwill	68,000	51,000
General Reserve on 1.1.2019	1,70,000	1,02,000	Land & Building	5,10,000	3,40,000
Profit and Loss A/c	2,38,000	1,53,000	Plant & Machinery	3,40,000	2,55,000
Bills Payable	-----	85,000	Stock	2,72,000	85,000
Sundry Creditors	2,72,000	1,70,000	Sundry Debtors	51,000	93,500
			Investment in 2,550 shares in Rani Ltd. at cost	4,08,000	25,500
			Cash at Bank	51,000	---
	17,00,000	8,50,000		17,00,000	8,50,000

- i) On 1st January, 2022 the Profit and Loss A/c of Rani Ltd. showed a Credit balance of Rs. 85,000.
 - ii) Raja Ltd. acquired the shares in Rani Ltd. on 1.7.2022
 - iii) A dividend of 10% was paid by Rani Ltd. in August 2022 for the year 2021 and credited to Profit and Loss A/c by Raja Ltd.
 - iv) The Bills payable of Rani Ltd. were all issued in favor of Raja Ltd. which were discounted by Raja Ltd.
 - v) Creditors of Rani Ltd. includes Rs. 34,000 for goods supplied by Raja Ltd.
 - vi) Stock of Rani Ltd. includes goods of the value of Rs. 27,200 which were supplied by Raja Ltd. at a profit of 33.33% on cost.
- Prepare the consolidated Balance Sheet as on 31.12.2022.

OR

- b) The summarized Balance Sheets of Black Ltd. and White Ltd. as on 31st March, 2020:

Balance Sheets of Black Ltd.

Liabilities	Rs.	Assets	Rs.
Issued Share Capital: 1,50,000 Shares of Rs. 10 each	15,00,000	Fixed Assets	12,00,000
Profit & Loss A/c:		Investment (20,000 shares in White Ltd. acquired on 1 st July, 2019)	3,40,000
Balance on 31-3-2019	1,10,000	Stock	1,00,000
Profit for 2020	1,40,000	Debtors	70,000
Dividend from White Ltd.	<u>28,000</u>	Other Current Assets	3,18,000
Creditors	2,50,000		
	20,28,000		20,28,000

Balance Sheets of White Ltd.

Liabilities	Rs.	Assets	Rs.
Issued Share Capital: 25,000 Shares of Rs. 10 each	2,50,000	Fixed Assets	3,10,000
Profit & Loss A/c:	1,30,000	Stock	50,000
Creditors	1,25,000	Debtors	20,000
		Other Current Assets	1,25,000
	5,05,000		5,05,000

- i) The profit & Loss A/c of White Ltd., had a credit balance of Rs. 80,000 on 1st April, 2019. The profit & Loss A/c of White Ltd. for the year 2018-19 was after the deduction of proposed dividend. Interim dividend paid in respect of the year 2019-20 was Rs. 10,000.
- ii) Stock of Black Ltd. include stock of Rs. 4,000 purchased from White Ltd. on which White Ltd. has made a profit of 10% on sale.
- iii) Stock of White Ltd. include shock of Rs. 3,000 purchased from Black Ltd. on which Black Ltd. made a profit of 20% on its cost.
- iv) Expenses of Rs. 3,000 were incurred by Black Ltd. on behalf of White Ltd. It was by mistake debited to profit & Loss A/c by Black Ltd. No entry was passed by White Ltd. Prepare a consolidated Balance Sheet as on 31st March, 2020.

5. Write in shorts:

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- a) Indian accounting standard 'AS'-1 and 'AS'-2.
- b) Need of Statutory books of accounts?
- c) What is meant by inflation Accounting?
- d) Needs of Social Accounting?

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- सुचना :- 1. सर्व प्रश्न अनिवार्य आहेत.
2. सर्व प्रश्नांना समान गुण आहेत.

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|----|---|----|
| 1. | अ) लेखांकनाचे मानकांवर विस्तृत चर्चा करा? | 16 |
| | किंवा | |
| | ब) इंग्रजी माध्यमानुसार | 16 |
| 2. | अ) इंग्रजी माध्यमानुसार | 16 |
| | किंवा | |
| | ब) इंग्रजी माध्यमानुसार | 16 |
| 3. | अ) इंग्रजी माध्यमानुसार | 16 |
| | किंवा | |
| | ब) इंग्रजी माध्यमानुसार | 16 |
| 4. | अ) इंग्रजी माध्यमानुसार | 16 |
| | किंवा | |
| | ब) इंग्रजी माध्यमानुसार | 16 |
| 5. | थोडक्यात उत्तरे लिहा. | 16 |
| | अ) भारतीय लेखांकन मानक 'AS'-1 आणि 'AS'-2 | |
| | ब) हिशोबाच्या वैधानिक पुस्तकाची गरज | |
| | क) इन्फ्लेशन अकाउंटिंग म्हणजे काय? | |
| | ड) सामाजिक लेखांकनाची आवश्यकता. | |

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- सुचनाएँ :- 1. सभी प्रश्न हल करना अनिवार्य है।
2. सभी प्रश्न को समान अंक है।

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|----|----|---|----|
| 1. | अ) | लेखांकन मानकपर संक्षिप्त में लिखें? | 16 |
| | | अथवा | |
| | ब) | अंग्रेजी माध्यम के अनुसार। | |
| 2. | अ) | अंग्रेजी माध्यम के अनुसार। | 16 |
| | | अथवा | |
| | ब) | अंग्रेजी माध्यम के अनुसार। | |
| 3. | अ) | अंग्रेजी माध्यम के अनुसार। | 16 |
| | | अथवा | |
| | ब) | अंग्रेजी माध्यम के अनुसार। | |
| 4. | अ) | अंग्रेजी माध्यम के अनुसार। | 16 |
| | | अथवा | |
| | ब) | अंग्रेजी माध्यम के अनुसार। | |
| 5. | | संक्षिप्त में लिखो। | 16 |
| | अ) | भारतीय लेखामानक 'AS-1' और 'AS-2' | |
| | ब) | वैधानिक खातों की पुस्तकों की आवश्यकता. | |
| | क) | मुद्रास्फीति लेखांकन से क्या तात्पर्य है? | |
| | ड) | सामाजिक लेखांकन की आवश्यकताएं? | |
