

**M. COM. SEM - IV (CHOICE BASED CREDIT SYSTEM) (2012
COURSE) : WINTER - 2018**
SUBJECT : ELECTIVE GROUP – A: a) ADVANCED ACCOUNTING – VII

Day : Saturday
Date : 20/10/2018

W-2018-0435

Time : 03.00 PM TO 06.00 PM
Max. Marks : 60

N.B.:

- 1) All questions are **COMPULSORY**.
 - 2) Figures to the right indicate **FULL** marks.
 - 3) Use of non-programmable **CALCULATOR** is allowed.
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- Q.1** Suhas Bros., Chennai, has a branch at Shahapur. Branch sells the goods for cash and credit. Goods are supplied from Chennai at cost price and all expenses are paid by Head Office only. From the following particulars prepare Shahapur Branch Trading and Profit and Loss Account and Shahapur Branch Account in the books of Head Office. **[16]**

	Rs.
Opening balances as on 01.04.2017	
i) Stock at cost price	9,000
ii) Debtors	23,000
iii) Petty cash	300
Goods from Head Office	57,000
Goods returned by customers	500
Total turnover during the year	80,000
Goods returned to Head Office	700
Cash Sales	24,000
Discount allowed to customers	2,300
Allowances to Debtors	300
Bad Debts	400
Rent and rates	1,800
Salaries	3,000
Wages	2,200
Petty expenses paid by Branch	1,500
Loss of goods at Branch Office	1,200
Closing balances as on 31.03.2018	
i) Stock at cost price	12,000
ii) Debtors	24,000
iii) Petty cash	200

OR

- a) What are the objectives of branch accounting? **[08]**
- b) What is independent branch? State its features. **[08]**

P.T.O.

Q.2 Ajay Ltd., has an authorized capital of Rs. 50,00,000 divided into 5,00,000 shares of Rs. 10 each. The company issued 1,00,000 shares for subscription to the public at a premium of Rs. 5 each. [16]

The entire issue was underwritten as follows:

A - 60,000 shares (firm underwriting: 10,000 shares)
B - 30,000 shares (firm underwriting: 4,000 shares)
C - 10,000 shares (firm underwriting: 2,000 shares)

Of the total issue, only 90,000 shares including firm underwriting, were subscribed for. Marked applications forms excluding firm underwriting were as follows:

A	32,000 shares
B	20,000 shares
C	8,000 shares

Calculate the liability of each underwriter giving the benefit of firm underwriting to all underwriters.

OR

- a) What is firm underwriting? How the liability of underwriter is determined in firm underwriting agreement? [08]
- b) Distinguish between an underwriter and a broker. [08]

Q.3 Anjuman Ltd., has a stock of 40,000 containers valued at Re 1 each. During the year, the company purchases 80,000 containers at Rs. 2 each. It issued 1,60,000 containers to customers and received back from its customers 1,48,000 containers during the year. 800 containers were damaged, out of which 400 were repaired at a cost of 50 paise per container. All containers in stock are value at Re 1 each. You are required to prepare Containers Stock Account. [16]

OR

- a) What are the obstacles and challenges in the introduction of International Accounting Standards? [08]
- b) State the importance and objectives of International Accounting Standards. [08]

Q.4 Write short notes on **ANY THREE** of the following: [12]

- a) Packages Stock Account
b) Underwriting agreement
c) International Accounting Standard
d) Marked and Unmarked Applications
e) Foreign Branch

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