

Total No. of Questions : 4]

SEAT No. :

P2209

[Total No. of Pages : 4

[5805] - 205

M.Com. (Part - I) (Semester - II)

SPECIALISED AREAS IN ACCOUNTING

(2019 Pattern) (CBCS) (Group - A)

Time : 3 Hours]

[Max. Marks : 60

Instructions to the candidates :

- 1) Answer all questions.
- 2) Figures to the right indicate full marks.
- 3) Use of a simple calculator is allowed.

Q1) a) Fill in the blanks : [5]

- i) When the purchasing company makes payment of the purchase consideration, it debits _____.
 - a) Vendor company's account
 - b) Business purchase account
 - c) Assets account
- ii) The loss incurred on an incomplete contract is transferred to _____ account.
 - a) Profit and loss account
 - b) Costing profit and loss account
 - c) Trading account
- iii) When the completion stage of the contract is more than half, the profit to be credited to the Profit and Loss account will be equal to _____.
 - a) $\frac{2}{3}$ rd of Notional profit \times cash received Work certified
 - b) $\frac{1}{2}$ of Notional Profit \times cash received Work certified
 - c) $\frac{1}{3}$ rd of Notional Profit \times cash received Work certified
- iv) According to AS – 14, purchase consideration is the sum of payments made to the :
 - a) Debenture holders and Shareholders
 - b) Debenture holders
 - c) Shareholders

P.T.O.

- v) Which of the following statement is false in the context of Internal Reconstruction of the Company
- In Internal Reconstruction a new company does not come into existence
 - In Internal Reconstruction old company does not get liquidated
 - In Internal Reconstruction new company comes into existence
- b) Match the following : [5]

Column A	Column B
i) Accounting Standard - 14	a) Amalgamation
ii) GST	b) Came into effect from 1st July 2017
iii) Accounting Standard - 07	c) Construction Contracts
iv) Hotel Accounting	d) Visitors Ledger
v) Internal Reconstruction	e) Capital Reduction Account

- c) **True of False.** [5]
- Receipt and Payment Account is a summary of all capital receipts and payments.
 - The balancing figure on the credit side of Income and Expenditure Account denotes excess of expenses over incomes.
 - Transferor company means the company which is amalgamated into another company.
 - Percentage of completion method is the method of Accounting for the construction contract.
 - I.P.D. Register means 'In-Patients Department Register'.

Q2) Following are the Balance Sheet of Janata Ltd; as on 31.3.2021 : [15]

Liabilities	Rs.	Assets	Rs.
10,000 6% Cumulative Preference Shares of Rs. 10 each	1,00,000	Goodwill	10,000
16,000 Equity shares of Rs.10 each	1,60,000	Patents and TradeMarks	21,000
Share Premium	30,000	Freehold Property 70,000 (-) Depreciation 14,000	56,000
Creditors	26,000	Plant and Machinery 1,40,000 (-) Depreciation 30,000	1,10,000
		Stock	24,000
		Debtors	15,000
		Profit & Loss A/c	55,000
		Preliminary Expenses	25,000
	3,16,000		3,16,000

A Scheme for Reduction of Capital was passed by the court on the following terms:

- Preference Shares to be reduced to Rs. 9 per share.
- Equity Shares to be reduced to Rs. 1.25 per share.
- The Share Premium Account and Intangible Assets to be written off.
- Plant and Machinery to be revalued at Rs. 50,000.
- Preference Dividend is in arrears since March 2020.

Q3) India Education Society has two colleges and three high schools in Sangali. From the following figures as on 31.3.2021, prepare Income and Expenditure Account and Balance Sheet on that date. **[15]**

Particulars	Dr. Rs.	Particulars	Cr. Rs.
Furniture	12,500	Investment Reserve Fund	15,000
Addition to Furniture	3,200	Sundry Creditors	14,500
Library books	17,500	Entrance fees	15,200
Addition to library books	4,300	Examination fees	2,400
Building	2,75,000	Subscription received	20,000
Investments	1,50,000	Certificate fees	500
Sundry Debtors	5,000	Hire charges of society hall	6,500
Staff salaries	10,200	Interest received on investment	5,500
Printing and Stationery	1,000	Sundry receipts	600
Taxes and Insurance	800	Prize Trust Fund	16,000
Examination expenses	600	Prize Trust Income	650
Subscription to periodicals	1,200	Donation (to be capitalised)	18,000
Prize Trust Investment	15,800	Capital Fund	3,89,150
Prizes awarded	450		
Prizes fund bank balance	275		
General Expenses	375		
Cash at bank	5,500		
Cash in hand	300		
	5,04,000		5,04,000

Additional Information :

- Subscription to be received Rs. 4,500
- Subscription received in advance Rs. 500
- Interest accrued on Investment Rs. 450
- Salaries outstanding Rs. 1,800
- Taxes and Insurance paid in advance Rs. 500
- Provide depreciation on assets including the addition Library books at 15% p.a, Furniture at 5% p.a, Building at 1% p.a.

Q4) The Trial Balance of Gajraj Roadways as at 31.3.2021. Prepare Operating and Profit & Loss Account and Balance Sheet as on that date : [15]

Trial Balance as on 31.3.2021

Particulars	Dr. Rs.	Particulars	Cr. Rs.
Trucks	7,50,000	Capital	10,00,000
Opening stock of Fuel	1,00,000	Traffic earnings	4,00,000
Fuel	75,000	Creditors	2,50,000
Spares	25,000		
Road tax	5,000		
Insurance	15,000		
Driver's wages	12,000		
Office rent	5,000		
Drawings	25,000		
Sundry expenses	5,000		
Printing and Stationery	2,500		
Cleaner's wages	1,500		
Opening stock of Tyres	60,000		
Tyres	25,000		
Sundry Debtors	20,000		
Investments	4,00,000		
Cash at bank	1,00,000		
Cash in hand	24,000		
	16,50,000		16,50,000

Additional Information :

- Outstanding Expenses: Driver's wages Rs. 2,500 and Cleaner's wages Rs. 500.
- Closing Stock of Fuel Rs. 50,000 and Tyres Rs. 45,000.
- Interest on Investment Rs. 36,000 is due but not yet received.
- Depreciation on Truck at 10% p.a.

