

TILAK MAHARASHTRA VIDYAPEETH, PUNE
MASTER OF COMMERCE (M.COM.)
EXAMINATION : MAY 2022
FIRST SEMESTER
Sub: Advanced Financial Accounting (MCA-111)

Date: 26/05/2022 **Total Marks :60** **Time: 2.00 pm to 4.30 pm**

Instructions: 1) All questions are compulsory.
2) Figures to the right indicate full marks.

Q.1 Answer the following questions. (Attempt any two) (32)

1. B Ltd. Mumbai has an overseas branch at Singapore. The following is the trial balance of Singapore branch as on 31st Dec 2020

Particulars	Singapore \$	Particulars	Singapore \$
Computer & Office equipment	6000	Sales	25000
Opening Stock (1-1-2020)	2500	Creditors	1500
Salaries	3125	Head Office	8750
Debtors	6250		
Furniture	1250		
Insurance	250		
Goods from head office	5000		
Purchases	10000		
Wages	500		
Carriage inward	250		
Cash in hand	125		
	35250		35250

The head office books had the following balances as on the date of closing.

Branch Account	Rs104975
Goods sent to Branch	Rs60013

The Singapore Branch charged depreciation on computers, office equipment and furniture @10%. There were prepaid insurance \$13, outstanding wages \$25, outstanding salary \$125 and stock 31st Dec \$7500.

The exchange rate between the head office and branch currencies is fairly stable at \$ 1=10.

Convert the trial balance.

2. From the following Trial Balance of S.R.K Co- Operative consumer society Ltd. Pune, as on 31st March 2021 , Prepare Trading and Profit and Loss Account for the year ended 31st March 2021 and Balance Sheet as on that date after considering the adjustment given thereafter.

Trial Balance

Particulars	Debit Rs.	Credit Rs.
Share Capital		160000
Calls in Arrears	10000	
Reserve Fund		15000
Common Good Fund		5000
Opening Stock of Consumer Goods	110000	
Furniture	48000	
Education Fund		8000
Sundry Creditors		20000
Sundry Debtors	30000	
Commission Payable		4000
Salaries	71000	
Commisssion	17400	
Rent,Rates and Taxes	20000	
Postage	12100	
Land	9000	
Interest on Investment		10000
Equipment	20000	
Purchase	1640000	
Investments	100000	
Sales		2060500
Cash in Hand	25000	
Cash at Bank	170000	
	2282000	2282000

Adjustments:

- 1.Outstanding rent payable on 31st March 2021 was Rs. 1000.
 2. Charge 5% depreciation on furniture.
 3. Closing Stock of consumer's goods is valued at cost Rs. 140000.
 4. Interest accrued on investment Rs. 2000.
 5. Outstanding salary on 31st March 2021 was Rs. 2000 and Rs. 3000 paid in advance.
 6. Authorised Capital 20000shares of Rs 10 each.
3. Kiran leased his car valued Rs.89730. A lease Rental Rs.30000. Payable at the end of each year for 5 years. Calculate rate of interest. Verify it.
 (Factor 2.991- Lies in 20%)
- | | | |
|------------------|----------------------|------|
| PV factor at 20% | 1 st year | .833 |
| | 2 nd year | .694 |
| | 3 rd year | .579 |
| | 4 th year | .482 |
| | 5 th year | .402 |

4. ABC Ltd. leased a colliery on 1st January 2017 From M/s M at a minimum rent of Rs 40000 p.a. at a royalty of Rs 3 per ton with a right to recover short working over the first three years of the lease.

The output for the first four years of the lease was as follows:

Year	Output
2017	10000
2018	12000
2019	14000
2020	20000

Q.2 Answer the following. (Attempt any one) (08)

1. Explain any four types of Co- Operative Societies.
2. Explain the objectives of Government Accounting.
3. What do you mean by Lease ? State types of Lease

Q.3 Write short notes. (Attempt any two) (10)

1. State types of Branches.
2. Carbon Credit Accounting
3. Dependent Branch
4. Foreign Branch

Q.4 Select the Correct Alternatives (Attempt Any Ten) (10)

- 1 Special donations are carried to the.....of the balance sheet.
 - a) Liabilities side
 - b) Assets side
 - c) Both A & B
 - d) None of them
- 2 Under debtors system, the branch account is.....
 - a) Personal Account
 - b) Nominal Account
 - c) Real Account
 - d) None of them
- 3 Goods sent by branch x to branch y, will be debited to.....
 - a) Branch X
 - b) Branch Z
 - c) Branch Y
 - d) Both A & B
- 4 Excess of minimum rent over royalties is called:
 - a) Short working
 - b) Dead rent
 - c) Royalties
 - d) None of them
- 5 Royalty account is the nature of
 - a) Real account
 - b) Personal Account
 - c) Nominal Account
 - d) None of them
- 6 When royalty is paid in the book of lessee, it is debited to
 - a) Royalty account
 - b) P & L account
 - c) Landlord account
 - d) Lessee account
- 7 The word literally means to work together or act together.
 - a) Organization
 - b) Co-operation
 - c) Company
 - d) Association

- 8 The balance of royalty payable account is transferred to—
- a) Profit and loss account
 - b) Royalties suspense account
 - c) Production account
 - d) None of them
- 9 Which of the following is not an asset?
- a) Building
 - b) Furniture
 - c) Machinery
 - d) Loan from bank
- 10 Which of the following is not a liability?
- a) Debenture
 - b) Loan
 - c) Bank overdraft
 - d) Machinery
- 11 Which of the following is a formula of working capital?
- a) Current assets + Current liabilities
 - b) Current assets - Current liabilities
 - c) Current assets – Long term liabilities
 - d) Share capital + Fixed assets
- 12 Which of the following is not a current liability?
- a) Creditors
 - b) Bank over draft
 - c) Short term loans
 - d) Debenture
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