

TILAK MAHARASHTRA VIDYAPEETH, PUNE
MASTER OF COMMERCE (M.COM.)
EXAMINATION : MAY - 2023
THIRD SEMESTER
Sub: Advanced Accounting (MCA-311)

Date: 30/05/2023

Total Marks :100

Time: 2.00 pm. To 05.00 pm

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

Q.1 Answer the following questions. (Attempt any two) (30)

1. From the following Trial Balance, you are required to prepare Income and Expenditure A/c of advocate.

Anand Verma for the year ended 31/3/2022 and also prepares the balance sheet do on that date.

Particulars	Dr. Rs.	Cr. Rs.
Cash in hand	1,150	
Bank overdraft		50,250
Capital		8,45,510
Loan payable		2,00,000
Leasehold premises	180,000	
Computers	2,73,000	
Furniture	15,000	
Stationery	1,45,580	
Professional fees received		11,07,600
Interest received		1,20,000
Salaries	2,14,350	
Repairs to furniture	1,00,300	
Repairs to Computer	1,02,500	
Office Rent	3,06,000	
Drawings	1,04,100	

Interest	54,860	
Car	10,00,000	
Misc. Income		1,73,480
	24,96,840	24,96,840

Additional Information

- 1) Provide depreciation on Computers @ 25%
 - 2) Salaries of Rs. 18,000 for the month of march 2022 are still outstanding.
 - 3) Stock of stationery in hand at the end was Rs. 1000/-
2. Dev & Co. Pune sent on consignment Bakul & Co. Satara goods costing Rs. 40,000 paying Rs. 4000 for carriage freight and Insurance and drew a three month's bill on the latter for Rs. 25,000, which was immediately discounted at 8% p.a.
- Two months later Bakul & Co. sent an account sales showing that 75% of the consignment had been sold out for Rs. 62,000 out of which Rs. 56,000 were for cash and rest on credit. Bakul & Co. also incurred selling expenses of Rs. 2,000 and remitted the balance after deducting their dues.
- Bakul & Co. is allowed 5% ordinary commission and 10% delcredere commission. Out of the credit sales made by them Rs. 600 could not be recovered from a customer.
- Pass journal entries and show ledger accounts in the books of Dev & Co. Pune assuming that no further sale book place till the end of the accounting year.
3. You are given the summarized trading & Profit & Loss A/c of B Ltd. for the year ended 31st March 2022.

Particulars	Amount Rs.	Amount Rs.
Sales (excluding value added tax)		70,00,000
(-) cost of sales		40,00,000
Gross Profit		30,00,000
(-) Less		
Wages & Salaries	5,00,000	
Operating Expenses	2,00,000	
Depreciation	1,00,000	
Interest Paid	4,00,000	
Excise duty	4,00,000	16,00,000
Profits before tax		14,00,000
(-) provision for taxation		4,20,000

Profit after tax		9,80,000
(-) Dividends		1,40,000
Retained Profits		8,40,000

You are required to prepare a statement of value added on gross basis

4. The following were the balance as disclosed by the Trial Balance of the New Indian Life Insurance Co. Ltd. 31st March 2022

Sr. No.	Particulars	Amount Rs.
1	Balance of A/c at the beginning of the year	2000
2	Government Securities	1,000
3	Profit on realization of assets	2
4	Investment fluctuation account	10
5	Claims under policies by death	60
6	Claims under policies at maturity	100
7	Loans on Mortgage	5,60
8	Loans on policies	3,00
9	Freehold property & furniture	83
10	Foreclosed properties	20
11	Agents balances using	3.6
12	Sundry creditors	2
13	Outstanding premiums	24
14	Commission paid	24
15	Interest accrued not due	3
16	Premiums (other than single)	2,00
17	Claims admitted but not paid	6
18	Surrenders	20
19	Single premiums	80
20	Consideration for annuities granted	50
21	Interest, dividends and rent received	70

22	Depreciation on furniture	3
23	Administration expenses	36
24	Salaries	3
25	Auditor's fees	1.5
26	Director's fees	0.3
27	Legal expenses	1
28	Advertising	1.4
29	Printing & Stationary	10.8
30	Cash at bank	1,68.4
31	Provision for depreciation	3

Prepare a Revenue Account and Balance Sheet.

Q.2 Answer the following. (Attempt any three)

(30)

1. Explain the Accounting standard -2
2. Explain the Important provisions of the insurance Act. 1938
3. Receipt & Payment A/c Explain with format
4. What is Consignment Accounts , feature & steps in consignment arrangement

From the following information calculate funds form investing activities.

Balance Sheet

Liabilities	31/3/21	31/3/22	Assets	31/3/21	31/3/22
Equity capital	3,00,000	3,50,000	Fixed Assets	5,10,000	6,20,000
Prof. Capital	2,00,000	1,00,000	Investments	30,000	80,000
Debtures	1,00,000	2,00,000	Current Assets	2,40,000	3,75,000
Reserves	1,10,000	2,70,000	Disc. On debentures	10,000	5,000
Debts	10,000	15,000			
Current Liabilities	70,000	1,45,000			
	7,90,000	10,80,000		7,90,000	10,80,000

Additional Information

- 1) A machine costing Rs. 70,000 with a book value of Rs. 40,000 was disposed off for Rs.

25,000

2) Provision for depreciation was Rs. 1,50,000 on 31/3/2013 and Rs. 1,90,000 as on 31/3/2022

Q.3 Write short notes. (Attempt any four) (20)

1. Limitation of value added statement and treatment of depreciation.
2. Fund flow statement
3. Trading A/c
4. Purchase commission
5. Valuation of inventories
6. Cash Flow Statement

Q.4 Select the Correct Alternatives (Attempt Any Ten) (20)

1 As – 3 -----

- | | |
|--------------------------------------|------------------------|
| 1) Valuation of inventories | 2) Cash flow statement |
| 3) Disclosure of accounting policies | 4) Fund flow statement |

2 ----- is additional commission payable to consignee for taking over additional responsibility of collecting money from customers.

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|-----------------------|------------------------|
| 1) Sales Commission | 2) Purchase commission |
| 3) Deceder commission | 4) Prepaid commission |

3 Plant & Machinery is show in -----

- | | |
|--------------------------|------------------|
| a) Receipt & Payment A/c | b) Balance Sheet |
| c) Trading A/c | d) None of these |

4 Excess of expenditure over income in Income & Expenditure account is called as -----

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|------------|-----------|
| 1) Deficit | 2) Loss |
| 3) Surplus | 4) Profit |

5 ----- is statements which shows the debit balance as and credit balance of all ledger A/c.

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|------------------|------------------|
| 1) Balance sheet | 2) Trial balance |
| 3) Cash book | 4) Purchase book |

6 ----- means an activity requiring some special qualification skill or ability

- | | |
|-------------|---------------|
| 1) Business | 2) Trade |
| 3) Vocation | 4) Porfession |

7 ----- is a formal written document containing the terms of the contract of

insurance.

- | | |
|-------------------|--------------------|
| 1) Policy | 2) Agreement paper |
| 3) Contract paper | 4) Receipt |

8 ----- insurance covers the risk related to motor car

- | | |
|------------|---------|
| 1) General | 2) Life |
| 3) Marine | 4) Fire |

9 Goodwill is shown under ----- .

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|----------------|----------------------|
| 1) Asset | 2) Liabilities |
| 3) Trading A/c | 4) Profit & Loss A/c |

10 ----- is a periodical statement prepared and sent by consignee to the consignor giving details of all sales.

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|---------------------------|-----------------|
| 1) Closing stock and sale | 2) Account sale |
| 3) Opening stock of sale | 4) Credit |

11 ----- standard is related to contingencies and event occurring after the Balance sheet statement.

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|-----------|-----------|
| 1) AS – 2 | 2) AS – 1 |
| 3) AS - 4 | 4) AS – 5 |

12 Sales ----- + profit.

- | | |
|----------|---------|
| 1) Price | 2) Cost |
| 3) Tax | 4) MRP |
