

Program: T.Y.B.A.F Semester: VI Program Code: 2C00156
Course: Financial Accounting -VII Course Code: 85601
Duration: 2 ½ Hours Examination Pattern: REV16- Autonomous -External Max. Marks: 75

Instructions:

1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Draw neat diagrams wherever necessary.

Examination:
REGULAR

Q. 1 A) Fill in the blanks with an appropriate answer from the alternatives given.(Any 08) [08]

- i) A co-operative housing society has 15 members. All payments in excess of the following limits shall be made by means of Crossed A/c Payee Cheque _____
 - a) 1,500
 - b) 3,000
 - c) 4,500
 - d) 5,000
- ii) Every society deriving profits shall transfer _____% of the profit to the Reserve Fund.
 - a) 10
 - b) 25
 - c) 15
 - d) 5
- iii) Grant received under APDRP of Ministry of Power is accounted for _____
 - a) as a liability
 - b) as a reserve
 - c) as a capital reserve
 - d) as reduction in cost of fixed assets
- iv) Balance of accrued interest on security deposit from electricity consumers _____
 - a) is written off
 - b) is shown as current liability
 - c) is shown as non-current liability
 - d) is shown as current assets
- v) Total number of International Financial Reporting Standards (IFRS) _____
 - a) 41
 - b) 15
 - c) 33
 - d) 19
- vi) Loose Tools are shown _____ in the balance sheet of a co-operative society.
 - a) Under Fixed Assets
 - b) Under Current Assets
 - c) Separately
 - d) Miscellaneous expenditure

- vii) Under Double Account System, the fixed assets are shown at _____.
- | | |
|---------------------|----------------------|
| a) Market Price | b) Replacement Price |
| c) Realisable Price | d) Original Cost |
- viii) Bonus Shares are issued at _____.
- | | |
|-----------------|-----------------|
| a) Issue Price | b) Fair Value |
| c) Free of Cost | d) Market Price |
- ix) IFRS _____ deals with revenue from contracts with customers.
- | | |
|------|-------|
| a) 1 | b) 10 |
| c) 5 | d) 15 |
- x) Long term investments are carried at _____.
- | | |
|-------------------------------------|-------------------------------------|
| a) fair value | b) cost price |
| c) cost or market whichever is less | d) cost or market whichever is high |

B) State whether the following statements are true or false. (Any 07)

[07]

- i) A fund that charges a load is better than no-load fund.
- ii) AMC directors are appointed with the permission of trustees.
- iii) IFRS 4 deals with Insurance Contracts.
- iv) IFRS 1 was issued in June 2003.
- v) Interest is always calculated on market value of the security.
- vi) When the rights are sold (without subscribing), sale proceeds are credited to the Profit and Loss.
- vii) Co-operative society is a corporate body distinct from its members.
- viii) A co-operative housing society does not prepare Trading and Profit and Loss A/c.
- ix) The main purpose of the Electricity Act 2003 is to make electricity companies self-sustainable.
- x) $\text{Ex-interest price less Accrued interest} = \text{Cost of the investment}$.

Q. 2 Answer the following.

- a) From the following trial balance as on 31-3-2015, prepare final accounts in the prescribed format as per applicable legal provisions. [15]

GULMOHAR CHS LTD.

Trial Balance

Dr.		Cr.	
Particulars	Rs.	Particulars	Rs.
Audit Fees	10,000	Collection for Establishment Expenses	12,68,919
Cash in Banks	8,24,175	Collection for Property Expenses	13,44,570
Cash in Hand	3,186	Income and Expenditure Account	9,49,296
Dues from Members	13,95,132	Interest - Fixed Deposit	35,406
Electricity Charges	2,52,082	Interest - Savings Bank	1,16,313
Equipments	2,06,120	Members Contribution for Building	2,63,61,000
Fixed Deposits	13,80,522	Premium on transfers	1,00,000
Land and Building	2,63,61,000	Sinking Fund - Opening	22,75,569
Property Taxes	18,95,609	Statutory Reserve Fund -	
Receivable from Promoters	41,950	Opening	5,87,250
Repairs and Maintenance	1,60,948	Subscribed Capital : (885 Shares of Rs 50 each)	44,250
Salaries	1,48,940	Transfer fees	800
Security	96,612		

Water Charges	3,07,097		
	3,30,83,373		3,30,83,373

Additional information:

1. Authorised Capital: 8,000 shares of Rs 50 each
2. Outstanding Electricity Expenses Rs 32,368
3. Depreciation on equipment @ 10%.
4. Prepaid Security Expenses Rs. 5,984
5. Collection for establishment expenses include collection for Sinking Fund Rs 5,25,108

OR

- b) From the following trial balance as on 31-3-2015, prepare final accounts in the prescribed format as per applicable legal provisions. [15]

AARAMBH CO-OP. HOUSING LTD.

Trial Balance

Dr.

Cr.

Particulars	Rs	Particulars	Rs
Accrued Interest on FD -Sinking Fund	70,299	Collection from Members -Property Expenses	16,99,152
Advances - Staff	26,081	Collection from members -Service Charges	11,57,017
Audit Fees	17,524	Interest - Savings Bank	1,212
BMC Deposit for Water	6,625	Subscribed Capital:	
Cash in Banks	2,36,071	350 Shares of 50 each	17,500
Cash in Hand	14,984	Surplus for last year	6,19,986
Electricity Charges	3,41,324	Tower Rent	1,96,642

Dues from members	60,236	Statutory Reserve Fund - Opening	1,35,515
Equipment	3,90,256	Entrance Fees	200
Fixed Deposits	61,37,752	Transfer Fees	500
Fixed Deposits - Sinking Fund	26,90,000	Sinking Fund - Opening	67,12,745
Furniture and Fittings	11,718	Collected for Sinking Fund	5,71,596
Housekeeping	1,48,310	Interest on SF Investments	7,61,946
Insurance Charges	27,695		
Property Taxes	5,89,710		
Repairs & Maintenance	1,40,616		
Salaries	6,75,783		
Security	1,31,952		
Tata Power Deposit	14,200		
Water Charges	1,30,485		
Water Pump	12,390		
	1,18,74,011		1,18,74,011

Additional information :

1. Authorised Capital: 28,000 Shares of Rs 50 each

2. Provide Depreciation:

- Equipments	Rs. 71,996
- Water Pumps	Rs. 1,858
- Furniture	Rs. 1,172

3. Prepaid Insurance	Rs. 13,660
4. Prepaid Maintenance Expenses	Rs. 15,571
5. Outstanding Property Taxes	Rs. 5,97,603
6. Advance from Members for Service charges	Rs. 30,181
7. Tower Rent received in advance	Rs. 44,065

Q. 3 Answer the following.

- a) On 1st January 2013, 1000-12% Debentures of Rs 100 each of Shiva Ltd. were held as investment by Mr. Dharmesh at a cost of Rs 91,000. [15]

Interest is payable on 31st December.

On 1st April 2013, 20,000 of such debentures were purchased by Dharmesh @ Rs 98 cum-interest.

On 1st September 2013, Rs 30,000 of such debentures were sold at Rs 96 ex-interest.

On 1st December 2013, Rs 50,000 of such debentures were sold at Rs 99 cum-interest.

Interest is received on the due date.

Prepare Investment Account for 12% debentures of Shiva Ltd. in the books of Mr. Dharmesh valuing closing stock as on 31st December 2013 applying AS-13. The debentures were quoted at Rs 93 on 31st December 2013.

OR

- b) Miss Nikita entered into the following transactions of purchase and sales of 12% Debentures of Rs 100 each of Sakshi Ltd. Interest is payable on 30th June and 31st December every year. [15]

Transactions are as under:

Date	No. of Debentures	Terms
01-04-2012	800	Opening Balance at a cost of Rs 76,000
01-06-2012	300	Sold at Rs 105 each cum-interest
01-09-2012	700	Purchased at Rs 98 each Ex-Interest
01-12-2012	400	Purchased at Rs 108 each Cum-Interest
01-02-2013	900	Sold at Rs 97 each Ex-Interest.

Prepare Investment Account of 12% Debentures in the books of Nikita for the year ended 31st March, 2013. The market value on 31st March, 2013 was Rs 67,500 of the said Investment. Apply AS-13.

Q. 4 Answer the following.

- a) Mutual Fund Co. has the following assets under it on the close of business as on; [15]

Company	No. of Shares	1st February 2012 Market Price Per Share (Rs)	2nd February 2012 Market Price Per Share (Rs)
L Ltd.	20,000	20.00	20.50
M Ltd.	30,000	312.40	360.00
N Ltd.	20,000	361.20	382.10
P Ltd.	60,000	505.10	503.90

Total Number of Units: 6,00,000

1. Calculate Net Assets Value (NAV) of the fund.
2. Following information is given :

Assuming one Mr. A, submits a cheque of Rs 30,00,000 to the Mutual Fund and the Fund Manager of this company purchases 8,000 shares of M Ltd.; and the balance amount is held in Bank. In such a case, what would be the position of the fund?

3. Find new NAV of the fund as on 2nd February, 2012.

OR

- b) The Trial Balance of Adani Electric Supply Ltd. for the year ended 31st March, 2023 is as below. [15]

Particulars	Dr. (₹ '000)	Cr. (₹ '000)
Share Capital:		
Equity Shares of ₹10 each -----		1,00,000
14% Preference Shares of Rs. 100 Each		30,000
Patents and Trademark	5,008	
15% Debentures		49,400

16% Term Loan		30,600
Land (additions during the year ₹2,050)	24,900	
Building (additions during the year ₹5,080)	70,268	
Plant and Machinery	1,14,116	
Mains	9,048	
Meters	6,300	
Electrical Instruments	3,060	
Office Furniture	4,900	
Capital Reserve		8,040
Contingency Reserves		24,060
General Reserve		2,000
Transformers	32,880	
Opening Balance of Profit and Loss Account		700
Profit for the year 2022-23 subject to adjustments		10,000
Stock in Hand	24,100	
Sundry Debtors	12,492	
Contingency Reserve Investments :		
SBI Bonds- year 2030 -----	20,020	
Other Investments	4,000	
Cash and Bank	6,508	
Public Lamps	6,080	
Depreciation Fund		51,632
Sundry Creditors		13,048
Proposed Dividend		24,200
	3,43,680	3,43,680

During 2022-23 , 1,00,000, 14% Preference Shares were redeemed at a premium of 10% out of proceeds of fresh issue of Equity Shares of necessary amounts at a premium of 10%.

Adjustments :

1. Transfer of Contingency Reserve Rs. 3,40,000 and to General Reserve Rs. 4,00,000.
 2. Loss on Contingency Reserve Investment Rs 20,000.
 3. Make a Provision for Debts considered Doubtful of Rs. 20,28,000.
- You are required to prepare for the above period general Balance Sheet as on 31st March, 2023 as per Schedule III of the Companies Act, 2013.

Q. 5 A) Answer the following.

- i) Explain elements of Financial Statement. [08]
- ii) Explain benefits and challenges of IFRS. [07]

OR

B) Short Note: (Any 3) (5 marks each) [15]

- i) Types of Mutual Fund
- ii) Tax Saving scheme
- iii) NAV
- iv) Ex-Interest
- v) Electricity Company

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