

Master of Commerce (M.Com.) Examination: May 2016
Semester: I Center for Distance Education

Day & Date	Semester	Subject Name	Time	Code
Wednesday 11/05/2016	I	Corporate Accounting	11:00 A.M. To 02:00 P.M.	100003

Instructions: 1) Q No. 1 is Compulsory
2) Attempt any three questions form Q No. 2 to Q No. 4

Q.1 H Ltd. Acquire S Ltd. 9000 shares of Rs. 100 each on 1st April 2013. The summarized Balance sheet of both the companies as on 31st March 2014 being as follows. 25

	H Ltd	S Ltd		H Ltd	S Ltd
Equity share of Rs. 100 each	3750000	1500000	Fixed Assets	2900000	1800000
Reserves	312500	300000	9000 shares of S Ltd.	1187500	-----
P & L A/c	1000000	500000	Current Assets	1350000	800000
Sundry Creditors	200000	225000			
Bills payable	175000	75000			
	54,37,500	2600000		54,37,500	2600000

Additional Information :

- 1) S Ltd. had balance of Rs. 300000 in Reserves & Rs. 50000/- in Profit & Loss A/c as on 1.4.2013
- 2) Creditors of S Ltd. Includes Rs. 20000/- due to H Ltd.

Prepare Consolidated Balance Sheet.

Q.2 The following is summarized balance sheet of Nono Ltd. 25

	31.3.2012	31.3.2013
Goodwill	25000	20000
Plant & Machinery	375000	480000
Investment	240000	300000
Stock	200000	260000
Debtors	150000	200000
Cash & Bank balance	90000	80000
	1080000	1340000
	31.3.2012	31.3.2013
Share capital of Rs. 100 each.	900000	1000000
Reserves	80000	140000
Bank Loan	-	60000
Creditors	40000	100000
Provisions for Tax	60000	40000

	1080000	1340000

Additional Information :

- 1) Plant & Machinery WDV Rs. 175000 was sold for Rs. 200000. Profit transferred to Profit & Loss A/c.
- 2) Deprecation on machinery charges Rs. 45000/-
- 3) Taxes paid during the year Rs. 90000.
- 4) During the year dividend declare & paid of Rs. 45000/-

Prepare Cash flow statements.

- Q.3** **A.** Explain in brief IFRS. **10**
B. Write short note on any three IFRS. **15**
- Q.4** **A.** **Following is the balance sheet of H Ltd. & S Ltd. As 31st March 2013.** **15**

	H ltd.	S ltd.		H ltd.	S ltd.
Share capital share of Rs. 100 each	600000	500000	Fixed Assets	300000	500000
Reserves	200000	100000	Investments 80% shares of S Ltd.	480000	-
P & L A/c	100000	150000	Current Assets	220000	400000
Current Liabilities	100000	150000			
	1000000	900000		1000000	900000

Additional Information :

- 1) On the date of Acquisition S Ltd had undistributed reserve of Rs. 60000 and Rs, 50000 in Profit & Loss A/c.
- 2) H Ltd. had sold goods Rs. 40000 of profit of Rs. 8000 to S Ltd. Out of this sale 50% is still balance as stock in S Ltd. In balance sheet.

Determine Cost Of Control & effect to be given to above additional information.

- B.** Explain in brief methods of Cash flow. **10**
- Q.5** **A.** Compute the account of Gross profit & sales if opening stock Rs. 60000 closing stock Rs. 100000. Stock turnover is 8 times & gross profit of 80% on sales. **10**
- B.** **Calculate working capital from following information :** **15**
- | | |
|---|---------|
| 1. Current Ratio | 2.5 |
| 2. Liquid Ratio | 1.5 |
| 3. Stock turnover ratio (cost of sales / closing stock) | 6 times |
| 4. Debtors collection period | 2 times |
| 5. Gross profit ratio | 20% |
| 6. Net working capital | 300000 |