

K. J. SOMAIYA INSTITUTE OF MANAGEMENT STUDIES AND RESEARCH,
Vidyavihar, Mumbai- 400077

Program: PGDM-FS (Batch2018-20), Trim-I
Subject: Financial Accounting

Maximum Marks: 50

Duration: 3 hours

Date: 24th September, 2018

Instructions

Q1 is compulsory, carrying 20 marks. Attempt any 3 questions from the remaining, each carrying 10 marks.

Q1. The following is the trial balance of Global Ltd. As on March 31, 2018

Debit balances	Rs	Credit balances	Rs
Opening stock	3,00,000	Purchase returns	40,000
Purchases	9,80,000	Sales	13,60,000
Wages	1,20,000	Discount	12,000
Carriage inwards	3,800	Profit and Loss A/c	60,000
Furniture	68,000	Share capital	4,00,000
Salaries	1,30,000	Creditors	70,000
Rent	16,000	General reserve	62,000
Trade expenses	23,200	Bills payable	28,000
Interest on loan	36,000	Loan	3,00,000
Debtors	1,10,000		
Plant and machinery	3,16,000		
Cash at bank	1,84,800		
Patents	24,200		
Loans and advances	20,000		
Total	23,32,000	Total	23,32,000

Prepare an Income Statement and a Balance Sheet after considering the following adjustments:

1. Closing stock was Rs 3,52,000
2. Provide for income tax @ 31.5%
3. Depreciation plant and machinery at 15%, furniture at 10% and patents at 25%
4. Outstanding rent amounted to Rs 3,200 and salaries Rs 3,600
5. The Board recommends payment of dividend at 15% (on share capital).
6. Provide Rs 2,040 for doubtful debts

Q2. Explain the IND-AS 2 and 16 in detail.

Q3. Explain the various elements of Cash Flow Statements with reference to IND-AS 7.

Q4. Describe the salient points of IND-AS 24 and 37.

Q5. From the following balances of M&N Ltd., for the year ended 31-03-2015, you are required to prepare the vertical form of Final Accounts, after considering other information provided:

	Rs('000)		Rs('000)
Premises	3,07,500	6% Debentures	3,00,000
Machinery	3,60,000	P&L A/c(Cr.) balance	14,500
Purchases	1,80,000	Creditors	40,000
Prepaid expenses	5,000	Outstanding expenses	10,000
Carriage inward	13,100	General reserve	25,000
Directors fees	5,740	Short term Government securities	60,000
Bad debts	2,110	Opening stock	66,000
Furniture and fixtures	7,200	Debenture interest	18,000
Debtors	87,000	Equity share capital	3,60,000
Goodwill	25,000	10 %Preference share capital	1,00,000
Cash in hand	30,000	Bills payable	38,000
Bills receivable	10,650	Sales	4,18,000
Wages	84,800	Sales returns	3,000
Factory expenses	9,000	Interest received	3,500
General expenses	7,900	Advertising	5,000
Salaries	14,500	Audit fees	7,500

Other information:

1. Depreciate machinery by 10% and furniture by 5%
2. Provide dividend on equity share at 5% and dividend on preference shares
3. Make a provision for income tax at Rs 25,000
4. Closing stock is Rs 75,000