



Seat No. : _____

NF-148

November-2025

M.Com. HPP, Sem.-III

CC-11 : Financial Accounting and Auditing-1

Time : 2:30 Hours]

[Max. Marks : 70

1. Describe the following in detail : 14
- (1) Benefits of IND AS
- (2) Usefulness of IND AS

OR

1. The company deals in three products A, B and C which are neither similar nor interchangeable. At the time of closing of its accounts for the year 2024-2025, the Historical Cost and Net Realizable Value of the items of closing stock are determined as under : 14

Items	Historical Cost (₹ in lakhs)	Net Realizable Value (₹ in lakhs)
A	40	28
B	32	32
C	16	24

What will be the value of Closing Stock as per AS-2 "Valuation of Inventories" ?

2. The following is the Trial Balances of Cook Studio Ltd. as on 31/03/2025 : 14

Debit Balances	₹	Credit Balances	₹
Debenture Interest Paid	15,000	Share Capital	10,00,000
Calls in Arrears	50,000	General Reserve	60,000
Purchases	5,00,000	Deb. Red. Reserve	40,000
Opening Stock	80,000	10% Debentures	2,00,000
Debtors	2,00,000	Public Deposits	80,000
Short term Loans	30,000	Purchase return	20,000
10% Govt. Loan	1,00,000	Sales	12,00,000
Land	14,00,000	Creditors	30,000
Machinery	2,30,000	Other Current Liabilities	10,000
Sales Return	25,000	Bad debt Reserve	18,000
Salaries	50,000	P&L Account (1-4-2024)	42,000
Office Expenses	20,000		
	27,00,000		27,00,000

Additional Information :

- (1) Closing stock was ₹ 40,000.
- (2) Make provision for bad debt at 10 % on debtors.
- (3) Provide Depreciation on Land at 5% and Machinery at 10%.
- (4) Make Provision for taxation at 50% of profit.
- (5) Proposed dividend 10% on Share capital, after transferring ₹ 20,000 to general reserve.
- (6) Corporate dividend tax at 20 % on dividend.

OR

2. (A) Make a format of Part-1 and Part-2 as per Schedule 3 of Companies Act, 2013. **14**
2. (B) Explain the restrictions on managerial remuneration placed by Companies Act.

3. A company supplies its product in returnable containers. A container is invoiced to customers at ₹ 50 each but if it is returned within a month, a credit of ₹ 40 is given to customers. For accounting purposes at closing all stock with customers and In hand are valued at ₹ 25 each except those representing new ones, which are valued at their purchase price of ₹ 30. **14**

The following particulars are available for the year ended on 31st March 2025 :

Number of containers on 1-4-2024 : Customers-7,000 In hand-4,000

Number of containers on 31-3-2025: Customers-8,000 In hand-10,000

During the year :

Containers Destroyed by fire 1,800

Containers sold as scrap 200

Containers sent to customers 10,000

Containers returned by customers 1,000

Scrapped containers realised ₹ 1,000

Repairing expenses ₹ 20,000

You are required to prepare Containers' trading A/c and Containers' Provision A/c.

OR

3. Mr. Jack Sparrow sells his products in containers charging them out at ₹ 18 each, Customers are credited by ₹ 14 each, if the containers are returned within six weeks. For accounting purposes, at closing, all stocks with customers and in factory are valued at ₹ 12 each, except those representing new ones, which are valued at their purchase price of ₹ 13. **14**

The following details are available for the year ended 31st March 2025 :

	Nos.
Containers with customers (1-4-2024)	27,200
Containers in hand (31-3-2025)	34,600
Containers sent out to customers	42,000
Containers returned by customers	13,600
Containers destroyed by fire	800
Containers sold as scrap (for ₹ 400)	200
Containers in hand (1-4-2024)	20,000
Containers with customers (31-3-2025)	18,400
Purchases during the year ₹ 2,86,000	

You are required to prepare Containers' trading account and Containers' Stock Account.

4. Mr. Bruce Wayne sells goods on Hire-Purchase by adding 50% profit on cost. From the following details, calculate missing figures and prepare Hire Purchase trading account and necessary ledger accounts. Necessary calculations and working notes should be part of your answer. 14

Balances as on 1-4-2024 :	Amount (₹)
Shop stock (cost value)	27,000
Instalment not due	7,500
Following transactions were done during the year :	
Cash received	99,000
Purchases during the year	81,000
Good repossessed (due instalment was ₹ 3,750)	1,500
Balances on 31-3-2025 :	
Stock in shop (cost value)	18,000
Instalment due but not received	13,500
Instalment not due	48,750

OR

4. (A) Explain the types of Lease. 14
(B) Differentiate Hire Purchase and Lease
5. Attempt any 7 out of 12 : 14
- (1) The amount spent on repair normally increases cost of packages and hence it is debited to
(A) Container Trading Account (B) Container Suspense Account
(C) Container Stock Account (D) None of the Above
- (2) Which of the following is the containers written by customers if opening balance of containers with customer is 10,000, containers sent to customers is 60,000, Containers returned by customer is 63,000 and closing balance of containers with consumers is 6,000 ?
(A) 1,000 (B) 2,000
(C) 3,000 (D) 4,000
- (3) Which of the following account is created with the credit price of containers ?
(A) Container Trading Account (B) Container Provision Account
(C) Container Stock Account (D) None of the Above
- (4) What is hire purchase Debtors ?
(A) Due but not received amount (B) Not due and not received amount
(C) Due and received amount (D) None of the above
- (5) Which of the following statements is correct with respect to hire purchase ?
(A) Hire Purchase Price = Cash Price – interest
(B) Cash Price = Hire Purchase Price + Interest
(C) Hire Purchase Price = Down Payment + Instalments.
(D) None of the above

- (6) When goods sold on Hire-Purchase are repossessed, Hire Purchase Trading Account is _____.
- (A) Credited with estimated price or cost price
 - (B) Credited with unpaid instalment
 - (C) Debited with unpaid instalment
 - (D) None of these
- (7) Which of the followings is shown under the head Employee benefit expenses ?
- (A) Salaries and wages
 - (B) Selling expenses
 - (C) Stores
 - (D) Administrative Overhead
- (8) Financial statements include _____.
- (A) Balance Sheet
 - (B) P&L statement
 - (C) Cash Flow statement
 - (D) All of the above
- (9) Interim dividend paid is shown in _____.
- (A) Cash Flow statement
 - (B) P&L statement
 - (C) Balance Sheet (under the head Reserves & Surplus)
 - (D) All of the above
- (10) What is the name of IND AS-23 ?
- (A) Inventories
 - (B) Borrowing Costs
 - (C) Related Party Disclosures
 - (D) Earnings Per Share
- (11) What is the full form of MCA ?
- (A) Monetary Chain of Account
 - (B) Ministry of Corporate Affairs
 - (C) Ministry of Crime Adjustments
 - (D) Ministry of Company Allowances
- (12) What is the FIRST step in the process of Capitalization ?
- (A) Suspension
 - (B) Commencement
 - (C) Ceassation
 - (D) Dispersion
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