

SVKM's NMIMS
School of Distance Learning

Programme: DBM/PGDBM/DMM/PGDMM/DFM/PGDFM/DHRM/PGDHRM/DITM/PGDITM/
DSCM/PGDSCM/DBFM/PGDBFM

Academic year: 2012 – 2013
Subject: Financial Accounting

Semester: II
Course: New
Marks 70
Time: 11.00 a.m. to 2.00 p.m.

Date: 13.7.2012

Instructions:

Candidates should read carefully the instructions printed on the question paper and on the cover of the Answer book, which is provided for their use.

NB:

1. All 4 questions are compulsory.
2. Candidates should attempt questions as per the internal options available.

Q1. Write Short Notes on any two out of four

(10 Marks)

- a) Nature of Accounting Policies
- b) Primary reporting format
- c) Accounting Standard 20
- d) Earnings diluted

Q2. Discuss any two out of five

(10 Marks)

- a) Cost of Conversion
- b) Format of Cash Flow Statement
- c) Classification of Cash flow
- d) Components of Cost
- e) Accounting Standard 2

Q3. Attempt any three out of five**(30 Marks)**a) The Balance Sheet of Kavita Ltd. For the year ending 31st December 2006 and 2007 are as follows:

| Liabilities | 31 st Dec 2006 (Rs) | 31 st Dec 2007 (Rs) | Assets | 31 st Dec 2006 (Rs) | 31 st Dec 2007 (Rs) |
|-----------------------|-----------------------------------|-----------------------------------|-------------------|-----------------------------------|-----------------------------------|
| Equity shares capital | 8,000/- | 10,000/- | Land & Building | 4,000/- | 6,000/- |
| Capital reserve | 300/- | 1,800/- | Plant & Machinery | 2,000/- | 3,000/- |
| 10% Debentures | 1,200/- | 1,600/- | Investment | 1,200/- | 1,600/- |
| Creditors | 500/- | 600/- | Debtors | 800/- | 1,000/- |
| | | | Stock | 1,600/- | 1,800/- |
| | | | Cash | 400/- | 600/- |
| | 10,000/- | 14,000/- | | 10,000/- | 14,000/- |

Draw a comparative 'Balance Sheet' showing increase & decrease both in absolute, figures and in percentage and then interpret the changes.

b) From the following information calculate:

- Cash Receipts from sales and debtors and
- Total cash payment to creditors for purchases :

Dr. Trading Account for the year ending 31st December 2007 Cr.

| Particulars | Rs. | Particulars | Rs. |
|------------------|--------------------------|-------------|--------------------------|
| To Purchases : | | By sales | |
| Cash Purchase | 4,00,000/- | Cash | 5,00,000/- |
| Credit Purchases | 2,00,000/- | | |
| To Wages | 50,000/- | | |
| To Gross Profit | <u>1,00,000/-</u> | Credit | <u>2,50,000/-</u> |
| | <u>7,50,000/-</u> | | <u>7,50,000/-</u> |

Additional information

- Opening Debtors Rs.50,000/-
- Closing Debtors Rs.80,000/-
- Opening Creditors Rs.40,000/-
- Closing Creditors Rs.50,000/-

- Format of company final accounts (short note)
- Techniques of analysis & interpretation (short note)
- Self Constructed Assets (Short Note)

Q4. Elaborate:

- Reportable Segment **(10 Marks)**
- Revenue Recognition Accounting Standard 9 **(10 Marks)**

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