



K24P 3866

Reg. No. :

Name :

I Semester M.Com. Degree (CBCSS – OBE – Reg./Supple./Imp.)
Examination, October 2024
(2023 Admission Onwards)
CMCOM01C04 : ADVANCED FINANCIAL ACCOUNTING

Time : 3 Hours

Max. Marks : 60



Answer **any five** questions. **Each** question carries **three** marks.

1. Explain the objectives of Human Resource Accounting.
2. Explain the purpose of valuation of shares.
3. What are the factors affecting valuation of goodwill ?
4. Explain the features of inflation accounting.
5. Describe the role of Public Accounts Committee.
6. What do you understand about :
 - a) IFRS
 - b) IAS
 - c) SIC.

(5x3=15)

SECTION – B

Answer **any three** questions. **Each** question carries **five** marks.

7. Jain Rani commenced Voyage No. 362 on 1st October 2023 from Kochi to London and back. The voyage was completed on 30th November 2023. The ship was insured and the annual premium was Rs. 1,20,000. Prepare Voyage Account.

P.T.O.



Freight earned (outward)	5,00,000
Freight earned (inward)	3,50,000
Insurance of ship for the year	2,40,000
Depreciation (annual)	4,80,000
Bunker	1,50,000
Port dues	25,000
Wages and Salaries	2,50,000
Sundry expenses	25,000
Stores consumed	84,000
Passage money received	50,000
Lighting charges	33,000

Address commission 5% on outward and 4% on inward freight. Primage is 5% on freight. Manager is to get a commission of 10% of net profit earned after charging such commission. Stores and coal on hand were valued at Rs. 15,000 on 30th November 2023.

8. On 1st April 2023, Janatha Ltd. has Rs. 3,00,000, 6% Government stock at Rs. 94 each (face value Rs. 100). Interest is payable half yearly on 31st March and 30th September. The company sold Rs. 90,000 of the stock of Rs. 95 cum interest on 1st June 2023. Draw up 6% Government stock account in the investment ledger for the year ended 31st March 2023. Ignore brokerage and income tax. The stock was quoted at Rs. 96 ex-interest at the stock exchange on that date.

9. Describe the role of Comptroller and Auditor General of India.
10. Explain the need and importance of Global Accounting Standards.
11. Briefly explain any 5 IFRS. (3×5=15)

SECTION – C

Answer **any three** questions. Each question carries **ten** marks.

12. Subha Rani had to complete 2 trips between Kochi and Mumbai to carry 3,000 tonnes of coconut to Mumbai and 3,500 bales of cotton to Kochi on its return journey. The 1st trip carried 1,600 tonnes of coconut to Mumbai and 2,000 bales of cotton to Kochi. The 2nd trip carried the balance of coconut and



cotton to Mumbai and Kochi respectively. The freight charge is Rs. 400 per tonne of coconut carried and Rs. 200 per bale of cotton carried. The voyage was started on 15th September 2014 and both the trips were completed on 15th December 2014. The following are the other particulars related to voyage.

Diesel and fuel charges	9,00,000
Port charges at Kochi	1,20,000
Port charges at Mumbai	1,60,000
Fresh water and other charges	60,000
Salaries of crew	4,20,000
Sundry stores	80,000
Ligherage charges	30,000
Insurance on ship	1,80,000
Insurance on freight	1,40,000
Stevedoring	
Coconut @ Rs. 20 per tonne	
Cotton @ Re. 1 per bale	

Other information :

- Primage is 8% of freight.
- Address commission is 4% of freight on coconut and 5% of freight on cotton.

Prepare the voyage account for the voyages taken together for the period.

- Define Goodwill and describe the different methods of valuing Goodwill.
- From the following information, find the claims under loss of profit policy.

Sales in 2013	Rs. 1,00,000
Sales in 2014	Rs. 1,20,000
Sales in 2015	Rs. 1,44,000
Sales in 2016	Rs. 1,72,800
Standing charges (all insured) in 2016	Rs. 7,280
Net profit in 2016	Rs. 10,000
Policy value	Rs. 50,000



Date of dislocation by fire	01-01-2017
Period of dislocation	3 months
Indemnity period	9 months
Sales from 01-01-2016 to 31-03-2016	Rs. 43,200
Sales from 01-01-2017 to 31-03-2017	Rs. 11,840
Additional expenses to maintain sales amounted to Rs. 3,000 and savings in standing charges amounted to Rs. 1,000.	

15. Explain the general principles of Government Accounting.

16. On 31st December 2017, the Balance Sheet of a limited company disclosed the following :

Liabilities	Amount	Assets	Amount
Issued capital in Rs. 10 shares	4,00,000	Goodwill	40,000
Reserves	90,000	Fixed assets	5,00,000
P and L Account	20,000	Current assets	2,00,000
5% Debentures	1,00,000		
Current liabilities	1,30,000		
	7,40,000		7,40,000

On 31st December 2017, the fixed assets were independently valued at Rs. 5,50,000 and the Goodwill at Rs. 50,000. The net profit after tax for the three years were 2015 – Rs. 51,600, 2016 – Rs. 52,000 and 2017 – Rs. 51,560 of which 20% was placed to the reserve, this proportion being considered reasonable in the industry in which the company engaged and where a fair investment return may be taken at 10%.

Compute the value of company's shares by

- Assets backing method and
- Yield method.

(3×10=30)