

**Dr. Babasaheb Ambedkar Open University**  
**Term End Examination June/July -2013**

**Course** : Diploma in Advance Accounting (DAA)

Roll No.: \_\_\_\_\_

**Subject** : Basics of Accounting (DAA-01)

**Date** : 27/06/2013

**Time** : 11.00 to 2.00

**N.B.** : All Questions carry equal Marks

**Total Marks : 70**

**Q.1** (A) Explain the need for accounting concept. (14)  
(B) Explain the concept of dual aspect.

**OR**

(A) Explain the concept of entity.  
(B) Explain the concept of continuity.

**Q.2** Write note accounting standard-1 (AS-1). Discloser of accounting policies. (14)

**OR**

Write note accounting standard-9 (AS-9). Revenue Recognition.

**Q.3** Write note accounting standard-16 )AS-16. Borrowing costs. (14)

**OR**

Write note accounting standard-10 (AS-10). Accounting for fixed assets.

**Q.4** Write note accounting standard-13 (AS-13). Accounting for Investment. (14)

**OR**

Write note accounting standard-12 (AS-12). Government grant.

**Q.5** Write short note(Any Two). (14)

1. Accounting standard-2 (AS-2) valuation of investment
2. Accounting standard-6 (AS-6) depreciation accounting
3. Accounting standard-3 (AS-3) cash flow statement
4. Accounting standard-14 (AS-14) accounting for amalgamation

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**Course** : Diploma in Advance Accounting (DAA)

Roll No.: \_\_\_\_\_

**Subject** : Analytical Accounting (DAA-02)

**Date** : 27/06/2013

**Time** : 03.00 to 06.00

**N.B.** : All questions carry equal Marks.

**Total Marks : 70**

**Q.1** Write difference between cash flow and fund flow statement. (14)

**OR**

Describe the utility of fund flow statement.

**Q.2** State the utilities and limitations of cash flow statements. (14)

**OR**

From the following details of Pavan ltd. Calculate the cash inflow from operations for the year 2011-12 profit during the year 2011-12 Rs. 9,00,000.

Particulars	31-03-2011	31-03-2012
Debtors	3,90,000	3,60,000
Creditors	1,70,000	2,20,000
Bills receivable	80,000	1,05,000
Bills Payable	60,000	50,000
Outstanding Expenses	12,000	16,000
Accrued Revenue	15,000	17,000
Stocks	2,50,000	3,00,000

**Q.3** The balance sheets of Payal ltd. for the two years were as follow. (14)

Prepare cash flow statement for the year 2010-11

Liabilities	31/03/2010	31/03/2011	Assets	31/03/2010	31/03/2011
Equity Share capital	1,10,000	1,20,000	Goodwill	22,000	10,000
General reserve	14,000	18,000	Land	40,000	36,000
Profit and loss A/c	16,000	13,000	Building	37,000	56,000
Creditors	8,000	5,400	Investment	10,000	11,000
Outstanding Expenses	1,200	900	Stock	30,000	25,400
Provision for tax	16,000	18,000	Debtors	19,600	21,700
			Bank balance	6,600	15,200
	1,65,200	1,75,300		1,65,200	1,75,200

**Additional Information:**

1. A piece of land was sold at Rs. 4,000.
2. The provision for depreciation against building was Rs. 9,000.
3. Provision was made for revenue tax at Rs. 19,000 during the year.
4. Dividend of Rs. 10,000 was paid during the year.

**OR**

Write a note on cash flow from operating activities and financing activities?

**Q.4** The following is the balance sheet of Amar ltd. As on 31/03/2012 calculate the following ratio. **(14)**

1. Net Profit ratio      2. Current ratio      3. Debtors ratio      4. Proprietary ratio  
5. Return of capital employed      6. Fixed assets turnover

**Balance sheet as on 31.03.2012**

<b>Liabilities</b>	<b>Rs.</b>	<b>Assets</b>	<b>Rs.</b>
Paid up capital	1,00,000	Fixed assets	2,00,000
Reserve and profit	69,000	Stocks	50,000
Debutures	1,00,000	Debtors	11,000
Creditors	16,000	Bills receivable	4,000
Bills payable	6,000	Cash at bank	26,000
	2,91,000		2,91,000

Sales Rs. 2,00,000 Net Profit Rs. 60,000.

**OR**

Parth ltd. has made a profit of Rs. 9,75,000 after charging depreciation of Rs. 5,00,000 and providing for tax. The sum of interest and other sums written off are Rs. 32,120  
The details about are as follows.

15% Debuters at Rs. 10,00,000 of which  $\frac{1}{4}$ <sup>th</sup> is payable during the current year.

18% term loan of Rs. 4,00,000 of which  $\frac{1}{4}$  is payable at the end of the current year.

16% cash credit Rs. 5,00,000

18% loan from private parties Rs. 2,00,000 which is payable in full during the current year.

Compute the debt service coverage Ratio.

**Q.5** Write a note on utility and limitation of ratio. **(14)**

**OR**

Write a note about various composite ratio.

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# Dr. Babasaheb Ambedkar Open University

## Term End Examination June/July -2013

**Course** : Diploma in Advance Accounting (DAA)

Roll No.: \_\_\_\_\_

**Subject** : Accounting in Special situation for companies (DAA-03)

**Date** : 29/06/2013

**Time** : 11.00 to 02.00

**N.B.** : All questions carry equal Marks.

**Total Marks : 70**

**Q.1** Give meaning of holding company and state Legal Provisions relating to accounts of holding company u/s 212 (14)

**OR**

How will you calculate and record following items while preparing consolidated Balance sheet.

(i) Minority Interest (ii) Capital profits. (iii) Goodwill or capital reserve

**Q.2** How will you give accounting treatment of (i) Dividend from pre-acquisition Profit (ii) Dividend from post-acquisition profit (iii) Proposed dividend and (iv) Unpaid Dividend while preparing consolidated balance sheet. (14)

**OR**

How will you record (i) unrealized profit in stock of subsidiary company sold by holding company (ii) Revaluation of assets and liabilities of subsidiary Company (iii) Depreciation due to revaluation of assets.

**Q.3** Dharti Ltd. acquired all shares of Akash Ltd. on 01/04/2011. The balance sheet of both companies as on 31/03/2012 are as follows: (14)

Liabilities	Dharti Ltd.	Akash Ltd.	Assets	Dharti Ltd.	Akash Ltd.
Share Capital	50,000	30,000	Land & Building	40,000	45,000
General Reserve	25,000	15,000	Plant & Machinery	20,000	20,000
Profit & Loss A/C	25,000	10,000	Shares of Akash Ltd. (at cost)	55,000	-
Creditors	15,000	10,000			
	1,15,000	65,000		1,15,000	65,000

On 01/04/2011 the profit and loss account of Akash Ltd. showed credit balance of Rs. 3,000 prepare consolidated balance sheet as on 31/03/2012.

**OR**

Amar Ltd. acquired all shares of Param Ltd. on 31/03/2012 on which date Balance sheet of two companies are as under.

Liabilities	Amar Ltd.	Param Ltd.	Assets	Amar Ltd.	Param Ltd.
Share Capital	2,50,000	1,00,000	Sundry Assets	2,40,000	1,30,000
General Reserve	50,000	-	Shares of Param Ltd.	1,00,000	
Creditors	40,000	30,000			
	3,40,000	1,30,000		3,40,000	1,30,000

Prepare consolidated Balance Sheet as on 31/03/2012

- Q.4** Arihant Ltd. acquired 6000 shares of Rs. 100 each of Parshav Ltd. On 30/06/2011 at a price of Rs. 10,40,000 out of total 8000 shares. There was a general reserve of Rs. 5,00,000 and profit of Rs. 40,000 in the books of Parshav Ltd. On that date Parshav Ltd. issued bonus shares at the rate of 1 share for every 2 shares held out of its general reserve. The balance of profit on 31/11/2012 was Rs. 1,20,000.

Show necessary calculations for preparing consolidated balance sheet. **(14)**

- Q.5** A Ltd. acquired all shares of B Ltd. on 31/03/2012, on which date balance sheet of both companies were as under. **(14)**

<b>Liabilities</b>	<b>A Ltd.</b>	<b>B Ltd.</b>	<b>Assets</b>	<b>A Ltd.</b>	<b>B Ltd.</b>
Share Capital	1,00,000	40,000	Sundry assets	96,000	52,000
General Reserve	20,000	-	Shares of B Ltd.	40,000	-
Creditors	16,000	12,000			
	1,36,000	52,000		1,36,000	52,000

Prepare consolidated Balance sheet as on 31/03/2012.

**OR**

Explain the method of preparing consolidated balance sheet.

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**Roll No** : \_\_\_\_\_

**Subject** : Developments of Accounts (DAA-04)

**Date** : 29/06/2013

**Time** : 03.00 to 06.00

**N.B.** : All Questions carry equal Marks

**Total Marks : 70**

**Q.1** Give usual Journal entries with imaginacy figures in the book of the vendor company on amalgamation. (14)

**OR**

Explain the accounting standard (AS)-14 amalgamation.

**Q.2** What do you mean by the term 'Absorption'? Discuss the purpose of absorption. (14)

**OR**

Give Journal entries in the book of the purchasing company on absorption with imaginary figures.

**Q.3** On 31/03/2009 the balance sheet at A ltd. (14)

Liabilities	Rs.	Assets	Rs.
75000 equity shares Rs. 10 each fully paid up	7,50,000	Plant-Machinery	5,00,000
General reserve	3,25,000	Furniture	80,000
P & L A/c	85,000	Stock	4,55,000
Creditors	1,60,000	Debtors	1,02,000
		Cash	1,83,000
	13,20,000		13,20,000

On this date A ltd. took over the business of B ltd. Rs. 5,00,000 payable in the form of its equity share of Rs. 10 each at per the balance sheet at B ltd. as follows.

Liabilities	Rs.	Assets	Rs.
60000 equity shares Rs. 10 each fully paid	6,00,000	Furniture	60,000
Creditors	1,40,000	Stocks	4,35,000
		Debtors	1,15,000
		Bank	20,000
		P&L A/c	1,10,000
	7,40,000		7,40,000

You are required to prepare ledger accurate in the books of B ltd.

**OR**

Show Journal entries for the purchase in the books of A ltd. from above case.

**Q.4** Radha ltd. has assets wroth Rs. 70,000 and its labilities summed to Rs. 1,72,000. Share capital Rs. 4,800 equity share each of Rs. 100 on 31/03/2010. Krisna ltd. has assets wroth Rs. 18,00,000 and creditors Rs. 50,000. Share capital 14,000 equity share each Rs. 100. Krishna ltd. agrees to absorb radha ltd. The purchase consideration to be satisfied by issue of 5 equity shares of Krishna ltd. agrees to absorb Radha ltd. The purchase consideration to be satisfield by issue of 5 equity shares of Krishna ltd. for every 6 share of Radha ltd. on the basis of intrinsic value of share and the balance in cash. (14)

Draft and Journal entries in the books of Krishna ltd. and State what I would get in share and cash if I hold 6 share of Radha ltd.

**OR**

Pass Journal entries in the book of Radha ltd. in above case.

**Q.5** Write short note(Any Two) (14)

1. Auditors Report
2. Chairman Statement
3. Format layout and getup of financial statement
4. Share holder's Information