



K23P 0518

Reg. No. : .....

Name : .....

II Semester M.Com. Degree (C.B.S.S. – Reg./Supple./Imp.)  
Examination, April 2023  
(2019 Admission Onwards)  
COM2C09 – ADVANCED BUSINESS ACCOUNTING

Time : 3 Hours

Max. Marks : 60

SECTION – A

Answer **any four** questions in this Section. **Each** question carries **1** mark for Part (a), **3** marks for Part (b) and **5** marks for Part (c). (9×4=36)

1. a) What is share ?  
b) Describe the steps in formulating Accounting Standard.  
c) Write a note on Government Accounting. How its differentiated from Commercial Accounting ?
2. a) Define 'Inflation Accounting'.  
b) Write a note on ASB.  
c) From the information given below, ascertain COSA and closing inventory under CPP method if the firm follows FIFO method.

	Historical Cost (₹)	General Price Index (₹)
Inventory as on 31-12-2019	40,000	200
Inventory as on 31-12-2020	50,000	230
Purchases during the year	3,10,000	220 (average for 2020)

3. a) What is Voyage Account ?  
b) Write a note on HRA.  
c) What are the advantages and disadvantages of CPP method ?
4. a) What is the importance of Accounting Standard ?  
b) Why Inflation Accounting ?  
c) What are the advantages and disadvantages of HRA ?

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5. a) What do you mean by Government Accounting ?  
 b) Write a note on insurance claims.  
 c) From the following information, calculate the amount of gearing adjustment if 40% debt and 60% equity.

₹

Depreciation account	10,000
COSA	5,000
MWCA	5,000

6. a) What is Public Account Committee ?  
 b) What is CPP method valuation ?  
 c) What are the general principles regarding Government accounting ?

## SECTION – B

Answer the **two** questions in this Section. **Each** carries 12 marks. (2×12=24)

7. a) Following details are furnished by a shipping company in connection with Voyage No 45, which was commenced from port A on 1/2/2015. The ship arrived at port D on 31/3/2015 when the voyage was completed.

2000 tons and 500 tons were loaded at port A for port D and C respectively, another 300 tons were loaded at C for D. The freight charges were :

A to D ₹ 100 per ton; A to C ₹ 80/ton ; C to D ₹ 50/ton.

The freight is subject to 10% primage, 5% address commission and 3% brokerage. The freight was insured at 2.5%, the hull was insured for the Voyage @ 1%. Depreciation is provided @ 5% p.a.

Cost of ship is ₹ 12 lakhs.

The expenses at different ports were given below :

	A	B	C	D
Port charges	5000	1000	3000	3000
Coal	18000	–	4000	–
Captains expenses	1200	800	600	900
Harbour wages	4000	–	3000	2500





Stores purchased at commencement amounted to ₹ 8,000. Opening stock of stores was ₹ 5,000 and closing stock is ₹ 2,000. Stock of coal at close is ₹ 4,500 as against ₹ 1,500. Salaries amounted to ₹ 12,000/month. Prepare Voyage account.

OR

b) Prepare Cattle Account :

	No.	Value
Opening stock of livestock	50	90,000
Closing stock of livestock	60	1,10,000
Purchase of cattle during the year	110	2,05,000
Sales of cattle during the year	95	2,12,000
Sales of slaughtered cattle	6	12,000
Sale of carcasses	4	1,000
Cattle food		18,000
Wages for rearing		4,500
Slaughter house expenses		500

Crop with 5000 grown in the farm was used for feeding the cattle, out of the calves born 2 died their carcasses realised 100.

8. a) Define HRA? What are the different approaches for valuation of human resources ?

OR

b) Ascertain net monetary result as at 31/3/2021.

	1/4/2020 (₹)	31/3/2021 (₹)
Cash at Bank	15,000	21,000
Accounts Receivable	45,000	54,000
*Accounts Payable	75,000	50,000
Price index		
1/4/2020	100	
31/3/2021	125	
Average 2020-21	120	