



PG – 513

**II Semester M.Com. (FA) Degree Examination, June/July 2018
(CBCS) (Semester Scheme)
Paper – 2.1 : CONTEMPORARY ISSUES IN ACCOUNTING**

Time : 3 Hours

Max. Marks : 70

Instruction : Answer should be **completely in English**.

SECTION – A

Note : Answer **any seven** of the following sub-questions, **each** sub-question carries **two** marks : **(7×2=14)**

1. a) What is meant by Financial Reporting ? List out any two qualities of a good financial report.
- b) Name any four objectives of financial reporting.
- c) Name any two objectives of Corporate Social Responsibility Accounting (CSRA).
- d) What are social costs ? Give example.
- e) Name any two basic premises underlying the theory of Human Resource Accounting.
- f) "Are Human Resources Assets ?" Comment.
- g) Differentiate between the general price level changes and specific price level changes.
- h) State any two basic approaches to inflation accounting.
- i) Name any four types of Leases.
- j) Give the list of any four pension schemes.

SECTION – B

Note : Answer **any four** of the following questions, **each** question carries **five** marks : **(4×5=20)**

2. What is meant by Corporate Social Responsibility (CSR) ? Briefly explain the objectives of CSR.
3. What is Interim Reporting ? Briefly explain the objectives and disclosures of Interim reporting.

P.T.O.

4. Define Environmental Audit. What are the benefits of Environmental auditing ?
5. What is meant by Human Resource Accounting (HRA) ? Briefly explain the factors influencing HRA.
6. What are financial statements ? Explain the limitations of financial statements.
7. The following figures are extracted from balance sheet of SBU Company and also from the Government publications

Balances on 1 st April, 2017	Particulars	Balances on 31 st March 2018
Rs.		Rs.
75,000	Cash and bank balances	1,55,000
2,50,000	Trade debtors	3,00,000
2,55,000	Loan	2,00,000
2,00,000	Accounts payables	3,20,000
260	Retail price Index	350

(Average for 2017-18=325)

From the above details, compute the net purchasing power gain or loss on monetary items.

SECTION – C

Note : Answer any three of the following questions, each question carries 12 marks :

(3×12=36)

8. What is Brand Accounting ? What is the importance of valuing Intangibles ? Explain the different Valuation methodologies or approaches of valuation of intangibles.
9. Explain the different approaches of Corporate Social Responsibility as per Companies Act of 2013.
10. What is meant by Segment Reporting ? Explain the need, disclosures, bases and difficulties involved in segment reporting.



11. BCU Limited is interested in acquiring to use the capital asset, which costs Rs. 10,00,000. BCU has two options to acquire the asset, namely :
- i) To borrow the required amount @ 15% repayable in five equal installments, or
 - ii) To take the asset on lease for a period of 5 years at the end rentals of Rs. 2,00,000.

The corporate tax rate is 50% and the depreciation is allowed under WDV method @ 20%.

The asset will have a salvage value of Rs. 3,00,000 at the end of 5 years.

You are requested to advise the company about to buy through loan or through lease rentals.

The present value factors of Re. 1 @ 15% discount factor for 5 years is :

Year	1	2	3	4	5
Discount factor @ 15%	0.870	0.756	0.658	0.572	0.497

The present value annuity factor of Re. 1 @ 15% for 5 years is 3.352.

12. a) Briefly explain the various cost based approaches and value based approaches to HRA.
- b) From the following facts and figures of MACMCB Limited;
- Owned assets Rs. 250 crores
 - Profits for the year 2017-18 Rs. 50 crores
 - Industry average rate of return on owned assets for last 3 years is 15%.
- Compute the following under 'un-purchased goodwill method' :
- i) Present rate of return on owned assets.
 - ii) Un-owned assets (Human Resources Value) and the total value of assets of the company.



PG – 543

II Semester M.Com. (FA)/MFA Examination, July 2017
(CBCS Scheme)
Paper – 2.1 : CONTEMPORARY ISSUES IN ACCOUNTING

Time : 3 Hours

Max. Marks : 70

Instruction : Answer all Sections.

SECTION – A

1. Answer **any seven** of the following sub-questions. **Each** sub-question carries **two** marks. (7×2=14)
- What is off-balance sheet financing ?
 - Define social audit.
 - Define accounting.
 - List out the objectives of HR accounting.
 - Illustrate 'defined contribution plan' under Pension Schemes.
 - Mention any two differences between general price level changes and specific price level changes.
 - List different approaches for CSR.
 - Illustrate the principle of conservatism.
 - Mention any two features of Sandilands Report.
 - Give examples of voluntary and mandatory disclosures in the annual report of the company.

SECTION – B

Answer **any four** questions. **Each** question carries **5** marks. (4×5=20)

- Explain the difficulties involved in Interim reporting.
- Write a note on financial lease. How is it different from hire purchase ?
- Outline the salient features of true and fair report.
- Draft a social balance sheet.

P.T.O.



6. Briefly explain why 'human resources' must be treated as asset ?
7. What are the methods of valuing 'Brands' ?

SECTION – C

Answer **any three** questions. **Each** question carries **12** marks.

(3×12=36)

8. Explain cost and value approaches for measurement of 'human resources'. Which approach do you prefer and why ?
9. Explain the need for accounting for price level changes. Discuss different methods of accounting for such price level changes.
10. Describe the latest legislation on CSR in India.
11. a) Estimate the depreciation under CCA method for each of four years as well as backlog depreciation for an asset depreciated on straight line method :

Cost of machine	Rs. 5,30,000
Estimated engineering life	8 years
Estimated economic life	6 years
Residual value	Rs. 10,000
Inflation factor	7% p.a.

- b) Calculate the Monetary Working Capital Adjustment (MWCA) from the following :

	Opening	Closing
Debtors	Rs. 5,00,000	Rs. 7,00,000
Creditors	Rs. 4,00,000	Rs. 4,60,000
Index number	100	140
Average index for the year	120	130

12. The balanced score card captures the critical value creation activities and the investment in people, systems and procedures necessary to improve future preference of the company – Elucidate.



PG – 530

**II Semester M.Com. (Financial Accounting)/M.F.A. Examination, June 2016
(CBCS)**

Paper – 2.1 : CONTEMPORARY ISSUES IN ACCOUNTING

Time : 3 Hours

Max. Marks : 70

Instruction : Answer all Sections.

SECTION – A

Answer **any seven** of the following sub-questions. **Each** sub-question carries 2 marks.

(7×2=14)

1. a) What is matching principle ?
- b) What do you mean by off balance sheet financing ?
- c) Mention any four qualities of annual report recommended by True Blood Committee.
- d) Define Social Audit.
- e) What do you mean by defined contribution plan ?
- f) Why segment reporting is important ?
- g) What do you mean by real financial capital maintenance ?
- h) Define Human Resources Accounting.
- i) Give examples of 'materiality' in accounting.
- j) What is general price index ?

SECTION – B

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

(4×5=20)

2. Briefly explain the challenges of environmental reporting.
3. Write an explanatory note on 'Brand Valuation'.
4. Draw a format of 'interim report'.

P.T.O.



5. Briefly explain salient features of pension cost accounting.
6. Bring out the differences between 'Human asset' and 'Physical asset'.
7. Calculate the Monetary Working Capital Adjustment (MWCA) from the following :

	Opening	Closing
Debtors	₹ 50,00,000	₹ 70,00,000
Creditors	₹ 40,00,000	₹ 46,00,000
Index Number	100	120
Average index for the year	110	120

SECTION – C

Answer **any three** questions. **Each** question carries **12** marks. **(3×12=36)**

8. Write a detailed explanatory note on the provisions of Corporate Social Responsibility Accounting under the Companies Act, 2013.
9. What are the objectives of segment reporting ? Illustrate segment disclosures as per AS – 17.
10. Examine the different approaches to Human Resource Accounting. Give some examples of HRA in Indian Context.
11. From the following information you are required to prepare :
 - a) Supplementary Comparative Balance Sheet in 2012 rupees.
 - b) Supplementary Income Statement in 2012 rupees.
 - c) The index numbers are as follows :

Year	Index
2010	100
2011	200
2012	225



Balance Sheet of XYZ Co. Ltd.

Liabilities	2011	2012	Assets	2011	2012
Equity Share Capital	50,000	50,000	Land & Buildings (Purchased in 1989)	30,000	30,000
P&L a/c	5,000	6,500	Plant & machinery (Purchased in 1999 for Rs. 26,000)	15,000	14,000
Creditors	5,000	7,000	Stock	6,000	7,000
			Debtors	5,000	7,500
			Cash	4,000	5,000
	60,000	63,500		60,000	63,500

12. An equipment costing ₹ 50,00,000 with a five year life can be leased for 5 years for payment of ₹ 12,00,000 per year at the end of each year. Alternatively you can borrow ₹ 50,00,000 and buy the equipment , 6% interest is payable on the outstanding balance at the close of each year, the principal being repayable in 5 equal instalments.

You are to compute depreciation at 20% on the original cost p.a. Corporate tax is to be reckoned at 50% and a fair return of 10% after tax is expected on the business funds. The present value factors for discounting at 10% are as below :

Year	1	2	3	4	5
P.V. factor	0.909	0.826	0.751	0.683	0.621

Present your choice, with comparative analysis.



PG – 878

II Semester M.F.A. Degree Examination, June 2015
(Semester Scheme)
FINANCE AND ACCOUNTING
Paper 2.1 : Contemporary Issues in Accounting

Time : 3 Hours

Max. Marks : 80

Instruction : Answer all Sections.

SECTION – A

1. Answer **any ten** from the following in about **3-4 lines each**. Each question carries **two** marks : **(10×2=20)**
- Mention four important qualities of financial reports.
 - What is general purpose financial report ?
 - Define Corporate Social Responsibility.
 - What is Social Audit ?
 - What is Environmental Accounting ?
 - What is meant by Interim Reporting ?
 - What do you mean by Backlog Depreciation ?
 - What is Gearing Adjustment ?
 - Identify any advantages of Inflation Accounting.
 - List out the Pension Schemes.
 - What is Brand Loyalty ?
 - Define Balanced Scorecard.

SECTION – B

Answer **any three** questions. Answer to **each** question should not exceed **one** page. Each question carries **5** marks : **(3×5=15)**

- Write an analytical note on True Blood Report.
- Define Social Accounting. How does it differ from Social Audit ?

P.T.O.



4. Briefly explain the features of Inflation Accounting in USA.
5. Discuss briefly the four perspectives of Balanced Scorecard.
6. Describe accounting for different types of leases.

SECTION – C

Answer **any two** questions from the following in about **3 pages each** and **each** question carries **15 marks** : **(2×15=30)**

7. Critically examine the unique features and utility of Segment Reporting.
8. Briefly explain the problems created by the changes in the price level in Historical Cost Accounts and show how Inflation Accounting solves/overcomes these problems.
9. Discuss in detail various methods of Brand valuation.
10. Explain different approaches/models available for measuring Human Resource Accounting.

SECTION – D

Compulsory : **(1×15=15)**

11. From the following details, according to Lev and Schwartz (1971) Model. Compute the total value of human resource of the employee groups – skilled and unskilled.

Particulars	Skilled	Unskilled
a) Annual average earnings of an employee till the retirement age	₹ 50,000	₹ 30,000
b) Age of retirement	65 years	62 years
c) Discount rate	15%	15%
d) Number of employees in the group	20	25
e) Average age	62 years	60 years

