

SARDAR PATEL UNIVERSITY
T.Y.B.Com. EXAMINATION, V SEMESTER

THURSDAY 25TH OCTOBER 2018
Session: After noon. Time: 02.00 P.M To 04.00 P.M.

Subject Code: UB05ECOM02
Subject Title: Advanced Accounting and Auditing X
(Contemporary Issues of Management Accounting)

Total Marks: 60

Note: (1) Figures to the right indicate full marks of the question
(2) Show your working clearly.

Q.1

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The Balance Sheet of Alembic Engineering Company Limited as on 31.03.2017, based on historical cost is given below.

Liabilities	Rs.	Assets	Rs.
Share Capital:		Goodwill (Cost)	20,000
36,000 10% Pref. Shares of Rs. 10 each	3,60,000	Patents less written off	1,000
48,000 12% Red. Pref. Shares of Rs. 10 each	4,80,000	Freehold Property (Cost Rs. 4,30,000)	3,90,000
60,000 Equity Shares of Rs. 10 each	6,00,000	Leasehold Property (Cost Rs. 12,000)	10,200
Share Premium	1,15,000	Plant & Machinery (Cost Rs. 1,50,000)	72,000
Profit & Loss Account	6,30,000	Due from subsidiary Company	11,54,000
Reserve for taxation	3,40,000	Investments:	
Creditors	9,80,000	Quoted	24,000
Bank Loan	24,000	Unquoted	60,000
Unclaimed Dividend	1,200	Stock	4,80,000
Proposed Dividend		Debtors	15,50,000
On Pref. Shares	84,000	Cash at bank	88,000
On Equity Shares	1,20,000	Preliminary Expenses	15,000
Provision for taxation	1,30,000		
	38,64,200		38,64,200

Additional Information:

1. Quoted investments are valued at Rs. 35,000 and unquoted investments are valued at Rs. 80,000. Quoted investments are not related to normal trading business.
2. Closing stock valued includes obsolete components of Rs. 3,000 which are to be written off, some of the raw materials are to be valued at Rs. 1,00,000 more than its book value.
3. For valuing fixed assets at current replacement costs, following additions are to be made to their costs after depreciation.