

INTERNATIONAL FINANCIAL REPORTING STANDARDS

Time : 3 hours

Max. Marks : 70

SECTION -A

1. Answer any five sub-questions. Each sub-question carries two marks.

(5 x 2 = 10)

- a) What is significant influence?
- b) State the components of finance costs.
- c) State any features of financial statements.
- d) What is subsidiary?
- e) What is intangible asset?
- f) What is comprehensive income?
- g) What is IFRS framework?

SECTION - B

Answer any three questions. Each question carries six marks. (3 x 6 = 18)

2. Give a brief note on earnings per share.
3. State the steps involved in consolidation
4. Explain the Financial Statement that has to be prepared under IFRS.
5. Explain the recognition criteria for intangible asset.
6. Explain the objectives of accounting standards

SECTION - C

Answer any three questions. Each question carries fourteen marks. (3 x 14 = 42)

7. State the examples of kinds of transactions to be disclosed if they are with related party.
8. Explain briefly consolidation procedure.
9. Explain the contents of financial statement
10. Explain the recognition criteria for provisions, contingent liabilities and contingent assets.
11. Contrast current Indian accounting standard with corresponding number of relevant IAS/IFRS.



COSTING METHODS

Time : 3 hours

Max. Marks : 70

SECTION - A

1. Answer any five sub-questions. Each sub-question carries two marks.

(5 x 2 = 10)

- What are the limitations of Job Costing?
- What is Normal process loss?
- Mention the forms of Job costing.
- What is operating charges?
- What is Abnormal Gain?
- Name any four methods of costing.
- Who is a Contractee?

SECTION - B

Answer any three questions. Each question carries six marks. (3 x 6 = 18)

2. A Transport Service Company is running 4 buses between two cities which are 60 kms. apart. Seating capacity of each bus is 60 passengers, the following particulars were obtained from the books for Sept. 2015

Wages of drivers, conductors, cleaners	24,000
Diesel and oil	40,000
Salaries of office staff	10,000
Repairs and maintenance	8,000
Taxes and insurance	16,000
Depreciation	26,000
Interest and other charges	20,000

Actual passengers carried were 80% of the seating capacity. All the buses run on all days of the month. Each bus made one round trip per day. Find the out the cost per passenger km.

3. The following is the information relating to a Contract Account.

Contract price	6,00,000
Raw material	1,20,000
Wages	1,60,000
Sub-contract	5,000
Plant	20,000
Material transport to other contract	2,000
General expenses	7,600

estimated at 7 years and its final scrap value at Rs.25,000

A supervisor who is paid Rs. 10,000 per month, has devoted $\frac{1}{4}$ of his time to this contract.

Prepare Contract Account.

10. A product is finally obtained after it passes through three distinct processes. the following information is available from the cost records:

Particulars	Process I	Process II	Process III	Total
Materials	2,600	2,000	1,025	5,625
Direct wages	2,250	3,680	1,400	7,330
Production overheads	-	-	-	7,330

500 units at Rs. 4 per unit were introduced in process I. Production overheads are absorbed as a percentage of direct wages.

The Actual output and normal loss of the respective processes are given below:

	Output in Units	Normal Loss a % on input	Value of Scrap (Per unit)
Process I	450	10%	Rs. 2
Process II	340	20%	Rs. 4
Process III	270	25%	Rs. 5

Prepare the process accounts and Abnormal Gain/loss Accounts.

11. The following expenses were incurred for a Job during the year ending 31st December 2000.

Direct Materials	Rs. 6,000
Direct Wages	Rs. 8,000
Chargeable expenses	Rs. 2,000
Factory overheads	Rs. 4,000
Selling and distribution overheads	Rs. 4,000
Administration overheads	Rs. 6,000

Selling price for the above job was Rs. 36,000. You are required to prepare a statement showing the profit earned for the year 2000 from the job and an estimated price of job which is to be executed in the year 2001. Materials, wages and chargeable expenses required will be of Rs. 10,000 Rs. 14,000 and Rs. 4,000 respectively for the job.

The various overheads to be recovered on the following basis while calculating the price

- Factory overheads as a percentage of Direct Wages.
- Administration and selling and distribution as percentage of factory cost.



INCOME TAX – I

Time : 3 hours

Max. Marks : 70

SECTION – A

1. Answer any five sub-questions. Each question carries two marks each : (5x2=10)
- Define Assessment year. Refer Unit 1, Sec. A, Q. No. 4.
 - Mention any two examples of exempted incomes. Refer Unit 1, Sec. A, Q. No. 56.
 - What is standard rent? Refer Unit 5, Sec. A, Q. No. 5.
 - Expand CBDT and PAN. Refer Unit 1, Sec. A, Q. No. 71.
 - Give the meaning of salary for the purpose of calculating exempted RPF contribution by employer. Refer Unit 4, Sec. A, Q. No. 45.
 - What do you mean by Agriculture Income? Refer Unit 1, Sec. A, Q. No. 58.
 - What is Capital Expenditure? Refer Unit 1, Sec. A, Q. No. 33.

SECTION – B

Answer any three sub-questions. Each question carries six marks each : (3x6=18)

- Mr. Kumar is non government employee getting pension of Rs. 16,000 per month for a company. During the previous year 2017-18 he got his 2/3 rd pension commuted and received Rs. 9,84,000. Compute taxable pension for Assessment year 2018-19. Refer Unit 4, Sec. B, Q. No. 55.
- Mrs. Ramesh is a citizen of America comes to India on 20.03.2017 for the first time and on 1.9.2017 he left India and went to Nepal on business trip. Again he comes back to India on 26.02.2018. Determine his residential status for the Assessment Year 2018-19. Refer Unit 2, Sec. B, Q. No. 2.
- State whether the following are agricultural or Non-agricultural income.
 - Income from agricultural land situated in Australia.
 - Income derived from sale of seeds.
 - Income from sale of forests trees of spontaneous growth.
 - Lease rent received from land given to tenants for agricultural operations.
 - Income derived from land used as stone quarries.
 - Income from sale of plants from nursery.Refer Unit 1, Sec. B, Q. No. 46.
- Explain the Canons of Taxation. Refer Unit 1, Sec. B, Q. No. 43.
- From the following information compute Net Annual value of House Property for the A.Y. 2018-19
 - Municipal Value Rs. 1,00,000
 - Fair Rental Value Rs. 1,50,000
 - Let out (per month) Rs. 16,000
 - Standard Rent Rs. 1,20,000
 - Uneralized rend for one month.
 - Municipal tax paid by owner of House Property Rs. 20,000
 - Municipal tax paid by tenants Rs. 10,000.Refer Unit 5, Sec. B, Q. No. 31.

SECTION – C

Answer any three sub-questions. Each question carries six marks each : (3x14=42)

- Mrs. Smitha is working as sales Executive in Maruthi Suzuki Ltd. Kolkata and his salary details are as follows for the previous year 2017-18.

- Basic salary Rs. 21,000 per month • Bonus equal to two months basic salary
- Commission 3% on sales (During the year she reached sales targeted of 5,00,000)
- Dearness allowance of Rs. 7,000 per month (Eligible for Retirement benefits)
- Medical allowances Rs. 1,400 per month (medical expenses Rs. 15,000) • Children Hostel Allowance for her two children @ Rs. 500 per month per child. • Children Education Allowance for her two children @ Rs. 400 Per Child. • RPF contribution by the company Rs. 6,000 per month • RPF contribution by employee Rs. 5,000 per month • Interest credited on RPF @ 11% 44,000 • She has been provided with company's owned rent free furnished house in Mumbai and cost of furniture provided Rs. 6,00,000 • Mrs Smitha paid her professional tax Rs. 2,400 p.a.

Compute Taxable Salary for the A.Y. 2018-19.

Refer Unit 4, Sec. C, Q. No. 22.

8. Mr. Akshay furnishes the following particulars of his income for the previous year 2017-18. Determine his taxable income for the A.Y. 2018-19 if his residential status is

a) Ordinary resident, b) Not ordinary resident

c) Nonresident

I. Income from business in Hubbli Rs. 1,00,000

II. Profit from business in UK controlled from India Rs. 50,000

III. Income from House Property in Japan Received there is Rs. 50,000

IV. Income from business in India received in Pakistan Rs. 30,000

V. Salary received in India for Service rendered in USA Rs. 70,000

VI. Interest on deposits with SBI in Mysore Rs. 20,000.

VII. Profits from business in Singapore controlled from India (1/3rd received in India) 30,000

VIII. Past untaxed foreign brought into India Rs. 8,000.

IX. Dividend received from a domestic company Rs. 5,000

X. Agricultural income earned in Nepal Rs. 25,000

XI. Commission received in India for service given in Japan Rs. 10,000

XII. Income from profession in India but received in France Rs. 10,000

Refer Unit 2, Sec. C, Q. No. 2.

9. Mr. Shankar is the owner of three house properties in Bangalore and let out all the houses throughout the year.

	House – A	House – B	House – C
Fair Rent	1,80,000	1,50,000	1,20,000
Municipal valuation	1,50,000	2,00,000	1,00,000
Let out (per month)	20,000	15,000	25,000
Use by tenant	Residential	Office	Residential
Repair charges	10,000	-	40,000
Collection charges	20,000	5,000	-

Interest on loan

a) For construction	1,00,000	-	-
b) For marriage of daughter	-	60,000	-
c) For repairs	-	-	10,000

Municipal tax is 10% of Municipal valuation. Municipal tax of House – A was paid by owner but Municipal tax of House – B was not paid up to 31st March 2018. And Municipal tax of House – C was paid by tenant. The House – C was remained vacant for 2 months.

Compute income from House Property for the A.Y. 2018-19 by making assumption Housing loan in respect of House A and C was in respect of House A and C was taken after 1.4.2000.

Refer Unit 5, Sec. C, Q. No. 17.

10. Mr. Yadav is an employee of State Bank of India Bangalore and he submits the following information relevant for the A.Y. 2018-19. Compute his taxable income from salary

- a) Basic salary Rs. 8,000 per month. b) Dearness Allowance Rs. 1,500 per month (does not form part of salary) c) City compensatory allowance Rs. 300 p.m. d) Bonus Rs. 10,000 per annum. e) Conveyance allowance Rs. 2,000 p.m. (60% spent for office duties). f) House Rent Allowance Rs. 5,000 p.m. (Rent paid by employee Rs. 7,000 p.m.) g) Payment of LIC premium by SBI Rs. 4,000 p.a. h) Services of sweeper paid by SBI Rs. 200 p.m. i) Leave ravel Concession Rs. 5,000 (First time in current Block period) j) Reimbursement of gas, electricity and water bill by the SBI Rs. 2,500 per annum. k) RPF contribution by the bank and own contribution of employee 14% of salary]. l) Interest credited to RPF at 14% Rs. 14,000. m) Professional tax paid by Yadav Rs. 5,000

Refer Unit 4, Sec. C, Q. No. 23.

11. Mr. Suryakantha has three houses in Mandya and particulars of which are relating to previous year as under :

Particulars	House – I	House II	House – III
Use of House	let out	let out	S.O.P.
Standard rent	1,50,000	2,00,000	-
Municipal value	1,00,000	3,00,000	3,00,000
Fair Rental value	1,80,000	1,80,000	3,50,000
Actual Rent per month	15,000	20,000	-
Municipal tax paid	10% of M.V.	10% of M.V.	10% of M.V.
Repair charges	-	-	2,000

Suryakantha borrows Rs. 3,00,000 at 20% per annum from the bank for construction of House III (date of borrowing 1.6.2007, date of repayment of loan 10.5.2018) Construction of all house is completed in May 2014.

Determine the taxable income from house property for the assessment year 2018-19. Refer Unit 5, Sec. C, Q. No. 18.