Enrollment No: Exam S	eat No:
-----------------------	---------

## **C.U.SHAH UNIVERSITY**

## **Summer Examination-2018**

**Subject Name : Accounting & Finance -VI** 

Subject Code: 4CO06AFI1 Branch: B.Com (English)

Semester: 6 Date: 09/05/2018 Time: 02:30 To 05:30 Marks: 70

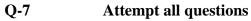
## **Instructions:**

- (1) Use of Programmable calculator & any other electronic instrument is prohibited.
- (2) Instructions written on main answer book are strictly to be obeyed.
- (3) Draw neat diagrams and figures (if necessary) at right places.
- (4) Assume suitable data if needed.

Q-1	Attempt the following questi	ons:	(14)	
a)	Which of the following is not	1		
	(a) Transport Co.	(b) Hotel		
	(c) Oil Refineries	(d) Hospitals		
<b>b</b> )	is the small part of com	pany.	1	
	(a) Reserve	(b) capital		
	(c) Assets	(d) expense		
<b>c</b> )	Debenture is		1	
	(a) capital	(b) owned capital		
	(c) Reserve	(d) None of this		
<b>d</b> )	Retained earnings is so	surce of finance.	1	
	(a) External	(b) Temporary		
	(c) Permanent	(d) Internal		
<b>e</b> )	e) Which type of share has more than one types?			
	(a) SWEAT	(b) Deferred		
	(c) Preference	(d) Equity		
<b>f</b> )	is the backbone of Con	npany's Capital structure.	1	
	(a) Equity share	(b) Debenture		
	(c) bank loan	(d) Reserve		
g)	Dividend is not paid to		1	
	(a) Pref. share	(b) Right share		
	(c) Equity share	(d) Reserve		
<b>h</b> )	In which year LIC is established	ed?	1	
	(a) 1965	(b) 1965		
	(c) 1958	(d) 1960		
i)	Unit cost of hospital service	it cost of hospital service		
	(a) Doctor – day	(b) nurse – day		
	(c) per patient	(d) patient – day		
<b>j</b> )	What is the full form of OTC?		1	
	(a) On the counter	(b) Over the counter		
	(c) open the counter	(d) Out the counter		



	k)	) Future and option contracts are generally settled				1		
		(a) with premium	_	(b) Disc	count			
		(c) in stock		(d) non	ie			
	1)	On which interest is pa	id?					1
		(a) Pref. share		(b) Deben	iture			
		(c) Equity share		(d) Right	share			
	m)	In which year UTI is e	stablished?					1
		(a) 1948		(b) 1955				
		(c) 1964		(d) 1960	)			
	n)	What is the full form of						1
Atten	npt any	four questions from Q	-2 to Q-8					
Q-2		Attempt all questions						(14)
Q-2	Attempt all questions  (A) Explain Holding company and Subsidiary Company.					7		
	( <b>B</b> )	Prepare the statement of	•	• •		c A ot		7
0.2	( <b>B</b> )	-		2 as per muia	an Companie	s Act.		
Q-3	(4)	Attempt all questions Write the features of p		. ~				(14) 7
	(A)	-		•				
0.4	<b>(B)</b>	Explain: normal wasta	_	rmai wastage	•			7
Q-4	Attempt all questions (A) State the meaning and features of operating costing.						(14)	
	(A)	•			ing.			7
	<b>(B)</b>	State the meaning and	• •	oenture.				7
Q-5								(14)
	<b>(A)</b>	State the advantages and disadvantages of speculation.						7
	<b>(B)</b>	Write a note on public	deposits.					7
Q-6								
		Following details of A	BC Ltd. (ho	lding) and XX	YZ Ltd. (subs	sidiary) are g	given.	14
		Prepare statement to be attached with the accounts of holding co. for the year ending						
		on 31-12-2017 showin						
		(1) Share capital of hol						
		(2) share capital of sub				s. 10.		
		(3) calendar year is acc			·	2016	2017	
		Calendar year:	2013	2014	2015	2016	2017	
		(4) Profit of subsidiary	4,00,000	4,00,000	4,20,000	4,50,000	4,50,000	
		(5)Share held by holding		4,00,000	4,20,000	4,50,000	4,50,000	
		from the beginning	ng Co.					
		of the year	20,000	60,000	80,000	70,000	60,000	
		(6)Dividend paid by	20,000	55,555	00,000	70,000	00,000	
		subsidiary Co.	10%	10%	10%	10%	Not paid	
		bassiaiai j Co.	10/0	1070	10/0	10/0	1 tot para	



(14) 12

(A) A certain product of XYZ Ltd. Passes through two processes before it is transferred to process II a profit of 25% on transfer price is added and when the output of process II is transferred to finished stock account, a profit of 25% on cost is added. The following information is obtained for the month of march.



Particular	Process I Rs.	Process II Rs.	Finished stock
			Rs.
Opening stock	10,000	16,000	20,000
Direct materials	60,000	12,000	
Direct wages	50,000	30,000	
Factory overheads	14,000	11,000	
Closing stock	20,000	21,000	27,000
Inter process profit			
In opening stock		4000	8,000
Sale of finished goods			2,20,000

Prepare (1) Process accounting showing profit at each stage. (2) Finished stock account (3) statement showing actual realized.

(B) Explain by-product.

Attempt all questions

**Q-8** 

02 (14)

**10** 

- (A) The following information of the business of XYZ hotel is given to you. If the owner of the hotel wants to earn 20% profit on cost, what rent should be charged from his customers?
  - (1) Staff salaries Rs. 1,25,000 per annum.
  - (2) Cost of building Rs. 5,50,000, rate of depreciation 4% p.a.
  - (3) Other equipment Rs. 1,50,000 on which depreciation is to be charged at 15% p.a.
  - (4) Interest at 10% is to be charged on investment of Rs. 7,00,000 made by him.
  - (5) Lighting and power expenses are as follows: the normal lighting expenses for a room is Rs. 65 if it is occupied for the whole month. Power is used only in winter and normal charge per month if occupied for a room is Rs. 30.
  - (6) Room attendant's salary Rs. 5 per day. The salary is paid on daily basis and services of room attendant are needed only when the room is occu[oed. There is one room attendant for one room.
  - (7) Other expenses are as follows: Reparis to building Rs. 15,000 p.a., sundries Rs. 13,100 p.a., Interior decoration Rs. 15,000 p.a
    - (8) There are 150 rooms in the hotel and 90% of the rooms are normally occupied in summer and 50% of the rooms are busy in winter.

      You may assume that period of summer and winter is six months each.

Normal days in a month may be assumed to be 30.

**(B)** Write the characteristics of theater service.

04

