



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)
- a) What is off-balance sheet financing ?
  - b) Define social audit.
  - c) Define accounting.
  - d) List out the objectives of HR accounting.
  - e) Illustrate 'defined contribution plan' under Pension Schemes.
  - f) Mention any two differences between general price level changes and specific price level changes.
  - g) List different approaches for CSR.
  - h) Illustrate the principle of conservatism.
  - i) Mention any two features of Sandilands Report.
  - j) 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)

- 2. Explain the difficulties involved in Interim reporting.
- 3. Write a note on financial lease. How is it different from hire purchase ?
- 4. Outline the salient features of true blood report.
- 5. 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.