



4. From the particulars given below write up the stores ledger card:

2018 Jan 01	Opening stock	1000 units at Rs.26 each
05	Purchased	500 units at Rs. 24.50 each
07	Issued	750 units.
10	Purchased	1500 units at Rs. 24 each.
12	Issued	1100 units
15	Purchased	1000 units at Rs. 25 each
17	Issued	500 units
18	Issued	300 units
25	Purchased	1500 units at Rs.26 each
29	Issued	1500 units

Adopt the FIFO method of issue and ascertain the value of the closing stock. [12]

5. A company issues 15%, 1000 debentures of Rs.100 each at 10% discount redeemable after a period of five years. According to the terms and conditions of issue these debentures were redeemable at a premium of 15%. The debentures holders had also the option at the time of redemption to get converted 20% of their holdings into equity shares of Rs.10 each at a pre-determined price of Rs.20 per share and the balance in cash. Holders of debentures of Rs.80,000 pre-converted into equity shares as per terms of issue. Pass the necessary journal entries. [12]

6. From the following summarized Balance Sheets of A. Ltd. as on 31 Dec 2017 and 2018, prepare a statement showing the sources and applications of funds and the schedule showing changes in the working capital.

Liabilities	2017 Rs.	2018 Rs.	Assets	2017 Rs.	2018 Rs.
Share capital	9,00,000	9,00,000	Fixed assets	8,00,000	6,40,000
General reserve	6,00,000	6,20,000	Investments	1,00,000	1,20,000
Profit and Loss	1,12,000	1,36,000	Stock	4,80,000	4,20,000
Creditors	3,36,000	2,68,000	Debtors	4,20,000	9,10,000
Provision for tax	1,50,000	20,000	Bank	2,98,000	3,94,000
Loan	---	5,40,000	--	---	--
	20,98,000	24,84,000		20,98,000	24,84,000

[12]

7. Calculate Debtors turnover (times), Debtors turnover (percentage) and collection period from the following details:

Opening balance of debtors	Rs.10,000
Credit sales during the year	Rs.20,000
Sales returns	Rs.1,000
Discount on sales	Rs.50
Cash collected from Debtors during the year	Rs.5000
Bad debts	Rs.500
Bad debt provision at 10%	

[12]

- 8.a) What are the reasons for companies resorting to window dressing? How can it be detected?  
 b) Discuss briefly the role of ICAI in formulating and implementation of accounting principles. [6+6]

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