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IV Semester M.Com. Degree Examination, October - 2023

COMMERCE

International Accounting

(CBCS Scheme)

Paper : 4.3

Time : 3 Hours

Maximum Marks : 70

SECTION - A

Answer any Seven questions . Each question carries Two marks: (7×2=14)

1. a) Define International Accounting.
- b) Mention two needs of International Accounting information.
- c) What is meant by Segment reporting?
- d) State the importance of timeliness of information.
- e) Expand AAS, AASB and IASB.
- f) Give the meaning of Fair Value Accounting.
- g) What do you mean by Non GAAP?
- h) What do you understand by ALP?
- i) State any two issues of first time Adopters of IFRS.
- j) State essence of french GAAP.

SECTION - B

Answer any Four questions . Each question carries Five marks: (4×5=20)

2. Write a note on structure of IFRS Foundation.
3. Distinguish between US GAAP and IFRS.
4. To what extent has the accounting classification become irrelevant on account of international harmonization? Justify.
5. Explain briefly about Australian financial Reporting.

[P.T.O.]



(2)

6. Following details of Super Ltd for the year ended 31<sup>st</sup> March 2023 (in Lakhs) 5 marks.

Particulars	A	B	C	Others	Total
Sales (including Inter-Segment Sales)	20,000	2480	1380	728	24588
Expenses	14340	1600	888	800	17628
Other items : General Corporate Expenses					2192
Income from Investment					504
Interest Expenses					252
Identifiable Assets	30192	8000	2800	2728	43720
General Corporation Assets					3328
Other Information:	240	336	72	20	

i Inter-Segment Sales are as below

ii Operating Profits includes Rs. 132(000's) on Inter Segment Sales.

Identify the Reportable Segments, in the above case.

7. Explain the users of International Accounting Information.

### SECTION - C

Answer any Two questions . Each question carries Twelve marks:

(2×12=24)

8. Write a note on following:

a) Foreign currency translation.

(6)

b) Foreign currency issues

(6)





9. "Foreign Financial reporting standards and requirements vary by country, which creates inconsistencies and strenuousness" - Explain
10. 'HIM' Limited is a company carrying on the business of beauty products and is having a subsidiary 'SIM' Limited. Their Balance-sheets as on 31<sup>st</sup> March 2016 were as under: (12)

Equity and Liability	HIM Ltd	SIM Ltd
Shareholders' Funds		
Share Capital	25,00,000	5,80,000
Reserves and Surplus		
General Reserve	2,00,000	1,20,000
Profit and Loss Account	3,12,500	2,05,000
Current Liability		
Trade Payables	4,55,000	2,35,500
Bills Payables	28,000	83,000
<b>Total</b>	<b>34,95,500</b>	<b>12,23,500</b>
Assets		
Non Current Assets		
Fixed Assets	21,70,000	6,25,000
Investment		
4060 share in SIM Ltd	5,10,000	-
Current Assets		
Inventories	4,80,000	3,19,200
Trade Receivable	1,80,000	1,64,000
Bills Receivable	68,000	1,00,000
Cash and Bank Balance	87,500	15,300
<b>Total</b>	<b>34,95,500</b>	<b>12,23,500</b>

- i) HIM Limited has also given the following information: (i) HIM Limited has acquired the shares in SIM Limited in two lots on two different dates. The relevant information at the time of acquisition of shares was as under:



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No of Shares acquired	Balance in General Reserve	Balances in Profit and Loss A/c
1 <sup>st</sup> Acquired 3480	80,000	25,000
2 <sup>nd</sup> Acquired 580	85,000	1,02,000

- ii) Bills Receivable of HIM Limited includes '15,000 being acceptance from SIM Limited.
- iii) Both the companies have declared dividends of 10% on 31<sup>st</sup> March 2016, but it has not been provided in the books of account.
- iv) SIM Limited's inventory includes stock of 1,45,000 purchased from HIM Limited. HIM Limited sells goods at mark up of 25% on its cost.

Prepare the Consolidated Balance Sheet of HIM Limited along with 'Notes to accounts'.

11. What is international accounting environment? Explain briefly its significance in the contemporary world.

#### SECTION - D

12. Answer the following:

(1×12=12)

“Japanese accounting standards have been quite distinct from International Accounting Standards (IASs) which have been perceived as being modelled on British—American accounting standards”. Elucidate

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