

2017**M. Phil.****2nd Semester Examination****CORPORATE FINANCIAL REPORTING-I****COURSE NO.—COM-123***Full Marks : 50**Time : 2 Hours**The figures in the right-hand margin indicate full marks.**Candidates are required to give their answers in their own words as far as practicable.**Illustrate the answers wherever necessary.**Answer all questions.***Group - A**

1. Answer any *four* questions from the following : 4×5
- (a) What do you understand by harmonization of accounting standards? How would IFRS help in such harmonization? 2+3
- (b) Give a list of latest ten IFRSs that are issued so far by the IASB. 5

(Turn Over)

- (c) State the principal objectives of the IASB.
Discuss, in brief, the major difficulties associated with the implementation of IFRS in the corporate world. 5
- (d) Mention the major difference between the adoption and convergence of IFRS. State the present states of such adoption or convergence in the Indian corporate sector. 5
- (e) Briefly explain the functions of the Accounting Standards Board in India. 5
- (f) State the identification features of financial statements as per Ind AS-1. 5
- (g) Difficulties associated with the implementation of IFRS in the corporate world. 5
- (h) Narrate in brief the major points as mentioned in Ind AS 102. 5
2. Answer any two questions from the following : 2×10
- (a) In the context of accounting for leased assets, briefly explain the 'single lessee accounting model' under IFRS 16. What would be the changes in the corporate balance sheet after the implementation of IFRS 16? Is there any exemption in recording of leased assets? 3+5+2

- (b) What is an operating segment? State the provisions of quantitative threshold for identifying an operating segment as reportable segment under IFRS 8. Mention the disclosure requirements for reportable segments under IFRS 8.
- (c) Make a suitable comparison between Ind AS-16 and AS-16. 10
- (d) (i) Benditc Ltd. changes its accounting policy in 2016 with respect to the valuation of inventories. Upto 2015, inventories were valued using a weighted average cost method. In 2016 the method was replaced by FIFO, as it is considered superior to the former one. The impact on inventory valuation was determined as follows :

At Dec. 31, 2014: an increase of Rs. 10,000

At Dec. 31, 2015: an increase of Rs. 15,000

At Dec. 31, 2016: an increase of Rs. 20,000

The income statements prior to adjustment are:

Particulars	2016 Rs.	2015 Rs.
Sales and Services	250,000	200,000
Cost of sales	100,000	80,000
Administration costs	60,000	50,000
Selling & distribution costs	25,000	15,000
Net Profit	65,000	55,000

You are required to present the change in accounting policy in the Income statement.

- (ii) Vibrant Ltd. purchased an asset of Rs. 460,000 on 1/1/2014. The estimated life of the asset as per technicians was 12 years. the salvage value was estimated to be Rs. 10,000. In 2017 the life of the asset is reassessed and it becomes 10 years. Salvage value is also reassessed and it becomes Rs. 9000. Compute the effect of change in accounting estimates on the Profit/Loss for the year 2017. 6+4

[Internal Assessment : 10 Marks]
