Roll No. □□□□□□□□□□□□ **Total No. of Pages : 03**

Total No. of Questions : 07

B.Com. (2011 & Onward) (Sem.–2)

ADVANCED ACCOUNTING

Subject Code : BCOP-201

Paper ID : [B1117]

Time : 3 Hrs. **Max. Marks : 60**

INSTRUCTIONS TO CANDIDATES :

1. **SECTION-A is COMPULSORY consisting of TEN questions carrying TWO marks each.**
2. **SECTION-B contains SIX questions carrying TEN marks each and students have to attempt any FOUR questions.**

SECTION-A

1. Write briefly :

a) What do you mean by single entry system?

b) What do you mean by legacy?

c) What do you mean by Nazrana?

d) Define hire vendor.

e) What is over-riding commission?

f) Define sacrifice ratio.

g) What do we mean by guarantee?

h) What journal entry we pass when a new partner brings goodwill in cash?

i) What is difference between revaluation and realization account?

j) Distinguish between fixed and fluctuating capital.

SECTION-B

2. The Punjab club started its activities on 1.4.2009. The following is the Receipts and Payment accounts of the club for the year ending 31.3.2010. You are required to prepare an income and expenditure account and balance sheet on that date :

Receipt	Rs.	Payments	Rs.
To Subscription	8,000	By Library Books	6,000
To Grant from Govt.	15,000	By Equipment	3,000
To Donation from Non-members	5,000	By Salaries	2,200
To Sales of Newspaper	100	By Entertainment	1,000
To sale of Gross	700	By Rent	2,600
To withdrawals from Bank	7,000	By Newspapers	400
		By Telephone	1,100
		By Bank Deposits	10,000
		By balance c/d	9,500
	35,800		**35,800**

Additional Information :

a) Grants from Govt. Rs. 10,000 and donations from non-members Rs. 4,000 are to be capitalized.

b) Depreciate books @ 10% and equipments @ 20%

c) Rent Rs. 500 and Salaries Rs. 800 are due.

d) Subscription due at the end Rs. 1,100.

3. Rao consigns to Dutta 10,000 Kgs. of ghee at Rs. 20 per Kg. He spent Rs. 5 per Kg. as freight and insurance. On the way, 100 Kgs. of ghee was lost due to leakage and 400 kgs. of ghee was destroyed in transit, Rs. 8500 were paid to consignor, directly by the insurance co. Dutta sold 7,500 kgs. At 40 per kg, he spent Rs. 32,000 on advertisement and recurring expenses. Calculate:

a) The amount of abnormal loss;

b) Value of stock at the end;

c) Profit or loss on consignment, if Dutta is entitled to 5% commission on sales.

4. The firm A, B and C who have been sharing profits in the ration of 2:2:1 respectively has existed for some years. C wants that he should share equally in the profits with A and B and he further wants that the change in profit sharing ratio should come into effect retrospectively for the last three years. A and B have no objection to this. The profits for the last three years were 26,000; Rs. 22,100 and Rs 25,805.

Show the adjustment of profits for the last three years by means of journal entries

5. Messrs A, B and C is firm sharing profits and losses in the ratio of 2:2:1. Their balance sheet as on 31st March 2010 is as below :

Liabilities	**Rs.**	**Assets**	**Rs.**
Sundry Creditors	12,850	Land and Building	25,000
Outstanding liabilities	1,500	Furniture	6,500
General Reserve	6,500	Stock	11,750
A's Capital	12,000	Sundry Debtors	5,500
B's Capital	12,000	Cash in hand	140
C's Capital	5,000	Cash at bank	960
	49,850		**49,850**

The partners have agreed to take D as a partner with effect from 1st April 2010 on the following terms

a) D shall bring Rs. 5,000 towards his capital

b) The value of stock should be increased by Rs. 2500.

c) Provision for bad and doubtful debts should be provided at 10% of debtors.

d) The furniture should be depreciated by 10%

e) The value of land and building should be enhanced by 20%

f) The value of goodwill be fixed Rs. 15,000

g) General reserve will be transferred to the partners capital account

h) The new profit sharing ration shall be A 5/15, B 5/15, C 3/15 and D 2/15

i) The new goodwill account shall be written back to the partners account in accordance with new profit sharing proportion.

Prepare (1) Revaluation Account (2) Capital Accounts (3) Balance sheet of newly constituted firm.

6. What are necessary entries that are passed in the books of landlord in the case of Royalty?

7. Distinguish between Receipt and Payment and income and expenditure account.