



K22U 3030

Reg. No. :

Name :

II Year B.B.A. Degree (S.D.E. – Supple./Imp.) Examination, April 2022

(2011 Admission Onwards)

Core Course

SDE2B02 BBA : ADVANCED ACCOUNTING

Time : 3 Hours

Max. Weightage : 30

PART – A

This Part consists of two bunches of questions carrying equal weightage of one. Each bunch consists of four objective type questions. Answer all questions.

I. Choose the correct answer :

- Contract of indemnity applies on.
 - Accounting
 - Auditing
 - Insurance
 - Management
- Branch Account under debtors' system is
 - Real Account
 - Personal Account
 - Nominal Account
 - All of these
- Royalty given to
 - Land lord
 - Customer
 - Agent
 - Property users
- Final accounts include
 - Trading Account
 - Balance Sheet
 - Profit and Loss Account
 - All of these

(W = 1)

II. Fill in the blanks with suitable answers from those given in brackets

- Minimum rent-royalty = _____
- In insurance companies investments come under Schedule No. _____
 - 8
 - 9
 - 7
 - 10
- The account prepared in the place of Profit and Loss Account is _____
 - Revenue Account
 - Net Revenue Account
 - Revaluation Account
 - Asset Account
- Land is an example for _____ asset.
 - Fixed
 - Current
 - Capital
 - Expenditure

(W = 1)

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PART – B

Answer any eight questions. Each carries a weightage of one.

- Distinguish between Capital expenditure and Revenue expenditure.
- What is the use of Manufacturing Account ?
- What is Balance Sheet ?
- What is Branch Accounting ?
- How will you treat goods distributed as free samples in Final Accounts ?
- Give the adjusting entry and treatment for accrued income.
- What is sectional balancing system ?
- Who is a co-venturer ?
- What is royalty ?
- What is Control Accounts ?

(W = 8×1=8)

PART – C

Answer any six questions. Each carries a weightage of two.

- What are the objectives and functions of Accounting Standard Board ?
- State the funds or sources for Bonus Issue.
- From the following particulars calculate the amount of claim to be debited in the Revenue Account. Also give journal entries.
Claims paid during the year Rs. 32,00,000; claims outstanding at the beginning of the year Rs. 1,60,000; reinsurance claim Rs. 1,80,000; expenses on claim Rs. 30,000; claim intimated and accepted but not paid at the end of the year Rs. 1,20,000; claim intimated but not accepted at the end of the year Rs. 90,000.
- Mr. Manu provides you the following figures relating to the year 2013.
Opening stock Rs. 5,800, Purchases Rs. 20,800, Direct expenses Rs. 14,110, Closing stock Rs. 5,200, Operating expenses Rs. 5,060, Other income Rs. 500, Sales Rs. 50,000
Calculate cost of goods sold, Gross Profit and Net Income of Mr. Manu.



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- Following are the extracts from the draft B/S of Ram Ltd. as on 31-3-2018 :
Authorized capital : Rs. 2,00,000 Equity shares of Rs. 10 each 20,00,000 Issued and subscribed capital : 50,000 Equity shares of Rs. 10 each Rs. 5,00,000 Reserve Fund 1,00,000 P/L Account 80,000.

A resolution was passed declaring the issue of bonus shares of 20% on equity shares, to be provided as to Rs. 60,000 out of P/L Account and Rs. 40,000 out of Reserve Fund. The bonus shares were to be satisfied by issuing fully paid equity shares. Write the journal entries.

- Ram and sons is lessee of a mine on a royalty of Rs. 2 per ton of coal raised with a minimum rent of Rs. 16,000 per annum with power to recoup. Short working during the first two years of the lease only. The output for the first three years is as follows :

2004	5000 ton
2005	9000 ton
2006	8000 ton

Books are closed each year on 31st Dec. Prepare the Analytical Table.

- Jayan and Mohan entered into a joint venture in which Jayan would manage the business. They brought Rs. 20,000 each in cash for the venture. Jayan bought goods for Rs. 38,000 and sold it for Rs. 50,000. Expenses on the venture paid by him amounted to Rs. 2,000. Jayan would get a commission of 4% on sales. They share profit and losses equally. Give Ledger Accounts in the books of Jayan.

- From the following particulars, calculate weighted time ratio for pre and post incorporation period and share the salaries accordingly :

- Accounting period : 1st January to 31st December 2000
- Date of incorporation : 1st May 2000
- Total salaries of the year Rs. 14,00,000
- Total number of workers :
 - Pre-incorporation period – 5
 - Post-incorporation period – 15.

(W = 6×2=12)

PART – D

Answer any two questions. Each carries a weightage of four.

- From the following Trial Balance of Amal Traders, prepare Final Accounts for the year 31-03-2012.

Trial Balance as on 31-12-2013

	Rs.		Rs.
Stock (1-04-2011)	10,000	Sundry Creditors	12,000
Salaries	4,200	Bills payable	2,500
Wages	1,200	Sales	30,500

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Purchases	20,000	Discounts	2,000
Return inwards	1,500	Capital	26,000
Rent	350		
Drawings	6,500		
Bad debts	400		
Discounts	700		
Debtors	14,000		
Cash in hand	260		
Cash at bank	5,940		
Insurance	400		
Trade expenses	300		
Printing	250		
Furniture	2,000		
Machinery	5,000		
	73,000		73,000

Adjustments :

Closing stock Rs. 10,000; Insurance prepaid Rs. 600; Salaries outstanding Rs. 300; provision for doubtful debts at 5% on debtors; interest on capital at 5% per annum; depreciate Machinery at 5% and Furniture at 10%; Reserve for discount on Creditors at 2%. Goods costing Rs. 1,000 was destroyed by fire. The insurance company admitted a claim for 900 only.

- The following are the transactions of Delhi branch for the year ended December, 31, 2011 in the head office books. The Head Office uses the stock and debtors' system for recording transactions with and at the branch.

Stock at branch (1-1-2011)	20,000	Cash remitted to branch for	
Debtors at branch (1-1-2011)	9,000	expenses	8,000
Goods sent to branch during the year	1,10,000	Cash collected from debtors	57,000
Cash sales at the branch	30,000	Discount allowed to them	1,100
Debtors at the end	10,900	Stock at branch (31-12-2011)	38,000
		Petty cash at branch at the end of the year	100

The branch remits all the cash collected to the head office and can sell the goods at invoice i.e., cost plus 25%. The opening and closing stocks and goods sent to the branch are all at invoice price. Open all necessary accounts.

- State the differences between consignment and joint venture. (W = 2×4=8)