

Roll No.

Total No. of Pages : 02

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

INSTRUCTION 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 has to attempt any FOUR questions.

SECTION-A

1. Write briefly :

- (a) What is the need for valuation of goodwill at the time of retirement of a partner?
- (b) What is Account Sales in Consignment Accounting ?
- (c) What are the features of Profit and Loss Appropriation Account ?
- (d) What is NAZRANA in Royalty agreement ?
- (e) Why deficiency account is prepared at the time of insolvency ?
- (f) What is LEGACY in Non-Profit Organizations ?
- (g) Mention any four accounts appearing on the assets side of balance sheet, but not transferred to Realisation Account at the time of dissolution.
- (h) What will be the entry if unrecorded liability of Rs. 7,000 settled with unrecorded asset of Rs. 8,000 ?
- (i) Mention four items which may appear on the debit side of capital account of a partner, if capital is a Fluctuating Capital Account.
- (j) What are the advantages of Single Entry System ?

SECTION-B

2. How Single Entry System can be converted into Double Entry System ?
3. X of Chandigarh sent 250 televisions to Y of Delhi costing Rs 10,000 each. X paid Rs. 7000 as insurance charges. Y paid Rs. 4500 for clearance and selling expenses Rs. 500 per television as and when sold.
Y sold 150 televisions at Rs.14000 per television and 75 televisions at Rs. 14400.

Y was entitled to a commission of Rs. 500 per television sold plus one-fourth of the amount by which the gross sale proceeds less total commission thereon exceeded a sum calculated at the rate of Rs. 12,500 per television sold. Y sent the account sales and amount due to X by draft. Prepare consignment account and Y's account in the books of X.

4. Mamta Transports purchased five scooters at Rs. 50,000 each on hire purchase basis from Hindustan Motors. Hire purchase price was Rs. 54,000 for each scooter. The buyer is to pay 25% of Hire Purchase Price as down payment and balance in 3 equal instalments at the end of each year. Interest is charged at 5% p.a. by the vendor. The buyer charges depreciation at 10% on straight line method.

The buyer could not pay the second installment and vendor took back 3 scooters at an agreed value which was at 20% on written down value method. Prepare Hindustan Motors Account and scooters account in the books of Mamta.

5. What is Goodwill ? What are the different methods of calculating goodwill ?
6. What is Dissolution of Partnership Firm ? Pass entries in the books of the Firm at the time of dissolution.
7. S and T were partners sharing 7 : 3. Their Balance Sheet as on 31st March was as below :

Liabilities		Amount	Assets		Amount
Creditors		40,000	Bank		36,000
Bank Overdraft		20,000	Debtors	46,000	
General Reserve		10,000	Less : Provision	2,000	44,000
Capital Accounts					
S	50,000		Stock		50,000
T	40,000	90,000	Machinery		30,000
		1,60,000			1,60,000

On 1-4-2013, R is admitted for 1/4th share in profits on the following terms :

- (a) R will bring Rs. 30,000 for his capital and Rs. 10,000 for goodwill.
- (b) 20% of General Reserve will be transferred to provisions for bad and doubtful debts.
- (c) Stock and Machinery will be depreciated by 40%.
- (d) Capital accounts of S and T will be adjusted on the basis of R's capital, for this purpose actual cash will be brought in or paid off to S and T as the case may be.

Prepare Revaluation account, Capital accounts and Balance Sheet of the firm.