



PRESIDENCY UNIVERSITY

BENGALURU

Roll No.														
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End - Term Examinations – MAY 2025

Date: 20-05-2025

Time: 09:30 am – 12:30 pm

School: SOC	Program: B.Com	
Course Code: COM3037	Course Name: Advance Financial Accounting	
Semester: VI	Max Marks: 100	Weightage:50%

CO - Levels	C01	C02	C03	C04	C05
Marks	33	18	33	33	33

Instructions:

- Read all questions carefully and answer accordingly.
- Do not write anything on the question paper other than roll number.

Part A

Answer ALL the Questions. Each question carries 2 marks.

10Q x 2M=20M

1.	Explain Over subscription, Under subscription and fair subscription with example	2 Marks	L1	C01
2.	Give two differences between share and debenture	2 Marks	L1	C01
3.	Differentiate del credere Commission and Commission	2 Marks	L1	C02
4.	Mr. Ram sent the goods on consignment at 25% plus cost. If the invoice price was ₹ 2,00,000. Find out the cost Price	2 Marks	L2	C02
5.	Define Joint Venture, how it different from sale	2 Marks	L1	C03
6.	The remaining good taken over by Mr. Ravi of ₹ 10,000 who is the co-venturer, Pass entry in the books of Mohan, another co venturer.	2 Marks	L2	C03
7.	Define short working and excess working with example.	2 Marks	L1	C04
8.	Royalty in 2024 is 20,000 and Minimum rent is fixed ₹ 18,000 per Year. How short working can be computed. Explain with solution.	2 Marks	L2	C04
9.	Define Government Accounting.	2 Marks	L1	C05
10.	List any three features of Government Accounting.	2 Marks	L1	C05

Part B

Answer ALL the Questions. Each question carries 7 Marks.

Total Marks 35M

11.	a.	X Limited issued 10,000 shares of ₹ 10 each at 20% premium on January 1, 2024. The shares were oversubscribed by 20 times. The company returned the excess money to the shareholder and received all the due calls on time. ₹ 4 on application, ₹ 6 on allotment with premium and ₹ 2 on first and final call. Pass necessary Journal Entries in the books of X Limited.	07 Marks	L2	CO1
Or					
12.	a.	Y limited issued 10%, 1000 Debenture of ₹ 100 each at 40% premium. ₹ 30 on application, ₹ 50 on allotment with premium and balance is on first and final call equally. All money duly received. Pass Necessary Journal entries in the books of Company.	07 Marks	L2	CO1
13.	a.	Mr. Gupta of Bangalore sent goods of ₹ 50,000 to Hubli On consignment and paid ₹ 2,000 at forwarding charges. Mr. Reddy at Hubli received the consignment and paid ₹ 3,000 as carriage inward charges. Mr. Reddy sold the 75% goods for ₹ 80,000 and charge commission @ 5%. Mr. Reddy remitted the cash to Mr. Gupta. Prepare Hubli Consignment account and show all the working.	07 Marks	L2	CO2
Or					
14.	a.	Analyze the key differences between a sale and a consignment arrangement in terms of ownership, risk, and accounting treatment.	07 Marks	L1	CO2
15.	a.	Compare and contrast a joint venture and a consignment arrangement.	07 Marks	L1	CO3
Or					
16.	a.	Ram and Laxman were participants in a joint venture, sharing profit and losses in the proportion of 2/3 and 1/3 respectively. Each party maintains a complete record in his own book. Ram supplies goods to the extent of ₹ 15,000 and incurs an expenditure of ₹ 600 on them; and Laxman supplies goods to the extent of ₹ 12,000 and his expenses thereon, amount to ₹ 900. Ram sells all the goods for ₹ 36,000 for which he is entitled to receive a commission at 5%. Accounts are settled by Bank draft. prepare necessary accounts in the books of Ram to record the above transaction.	07 Marks	L2	CO3
17.	a.	Vedanta Limited took a lease from Government of Karnataka for exploring the coal from the mines for 20 Years at @ ₹ 50 per ton in 2020. The Minimum Rent was ₹ 50,000 per year and short working can be recouped in the following three years of short working. The production is as follows. Year: 2020 2021 2022 2023 2024 2025	07 Marks	L2	CO4

		Production in Tons: 600 800 1300 900 1200 1000 Prepare Royalty Accounts in the books of Lessee.			
Or					
18.	a.	JK Limited took a lease from Government of India for exploring the Minerals from the mines for 20 Years at @ ₹ 30 per ton in 2020. The Minimum Rent was ₹ 20,000 per year and short working can be recouped in the First four year of short working. The production is as follows. Year: 2020 2021 2022 2023 2024 2025 Production in Tons: 600 700 1400 1000 1400 1100 Prepare Analysis table and calculate short working and actual payment	07 Marks	L2	CO4

19.	a.	Assess the role of financial advisors in preventing misuse of public funds	07 Marks	L1	CO5
Or					
20.	a.	Suggest improvements to India's financial administration system to reduce delays	07 Marks	L1	CO5

Part C

Answer any Three Questions. Each question carries 15 marks

3Q x 15M=45M

21.	a.	GENCO Eng. Limited issued 1,00,000 equity shares of ₹ 20 each at par. ₹ 6 on application, ₹ 5 on allotment ₹ 4 on first call and balance is on final call. The company received application for 1,50,000 shares and Company allotted the shares on Pro rata basis to all applicants. Mr. Zahir Could not pay allotment and all calls who applied for 600 shares. Mr. Kumar fails to pay both the calls who was allotted 1000 shares. Pass necessary journal entries in the books of GENCO Eng. Limited.	15 Marks	L2	CO1
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22.	a.	Design a journal entry template that can be used by lease accounting departments to record royalty and short workings transactions.	15 Marks	L1	CO3
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23.	a.	Hindustan Unilever Limited took a lease from Government of India for exploring the Minerals from the mines for 10 Years at @ ₹ 20 per ton in 2020. The Minimum Rent was ₹ 20,000 per year and short working can be recouped in the First three year of short working. The production is as follows. Year: 2020 2021 2022 2023 2024 2025 Production in Tons: 500 900 1300 1100 1200 1000 Prepare Royalty Accounts in the books of Lessee.	15 Marks	L2	CO4
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24.	a.	Suggest improvements to India's financial administration system to reduce delays.	15 Marks	L1	CO5
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