

Roll No



**PRESIDENCY UNIVERSITY
BENGALURU**

**SCHOOL OF LAW
END TERM EXAMINATION - JUN 2023**

Semester : Semester IV - 2021

Course Code : SOC4002

Course Name : Sem IV - SOC4002 - Advanced Financial Accounting

Program : BBL&BCL

Date : 9-JUN-2023

Time : 1.00PM - 4.00PM

Max Marks : 100

Weightage : 50%

Instructions:

- (i) Read all questions carefully and answer accordingly.
- (ii) Question paper consists of 3 parts.
- (iii) Scientific and non-programmable calculator are permitted.
- (iv) Do not write any information on the question paper other than Roll Number.

ANSWER ALL THE QUESTIONS

(10 X 10 = 100M)

1. Find out Total Purchases and Total Sales from the following details by making necessary accounts.

Particulars	Amount
Opening balance of sundry debtors	50,000
Opening balance of sundry creditors	30,000
Opening balance of bills Receivable	16,000
Opening balance of bills payable	48,000
Discount received	1,500
Cash paid to sundry creditors	20,000
Discount allowed	5,000
Return inwards	6,000
Return outwards	8,000
Bills receivable dishonoured	13,000
Bills payable dishonoured	77,000
Bills collected during the year	23,000
Closing balance of sundry debtors	35,000
Closing balance of sundry creditors	25,000
Closing balance of bills Receivable	15,000
Closing balance of bills payable	63,000
Cash Purchase	12,000
Cash Sales	24,000

(CO1) [Comprehension]

2. An accidental fire on 1st June 2013 completely destroyed the stock of Chennai Ltd., except stock worth Rs. 13,500. The accountant provide you the following information from which you are required to prepare a statement of claim to be lodged to the insurance company.

Particulars	Amount
Stock on cost 01.01.2012	45,000
Stock on cost 31.12.2012	55,000
Sales for the year 2012	1,70,000
Purchases for the year 2012	1,29,250
Manufacturing Expenses for the year 2012	21,000
Sales during 2013, upto the date of fire	60,000
Purchases during 2013, upto the date of fire	

Additional Information:

- Manufacturing expenses during 2013, up to the date of fire will remain same as previous year's.
- Gross profit ratio also will remain same for both the years.

(CO2) [Comprehension]

3. A company has two departments A and B. From the following figures, prepare Departmental Trading and Profit and Loss Account.

Particulars	Department A	Department B
Opening Stock	30,000	10,000
Purchases	2,10,000	50,000
Sales	5,00,000	1,00,000
Closing Stock	2,00,000	50,000
Carriage Inwards	5,000	2,000
Wages	5,000	1,000
Salaries	2,000	1,500
Rent	6,000	3,000

(CO4) [Application]

4. In 2023, accountants will be expected to integrate sustainability and Environmental, Social and Governance (ESG) considerations into their accounting practices. This may involve identifying and measuring environmental and social impacts, assessing the risk associated with ESG factors, and reporting on sustainability metrics. The developments in the field of accounting are a reaction to changing landscapes, technology and other market forces that shape the accounting profession. By considering the above statement, Explain how the recent trends in accounting can contribute to the dynamic technological business environment?

(CO5) [Application]

5. From the following particulars prepare a branch account showing the profit or loss at the branch.

Opening stock at branch	Rs. 15,000
Goods sent to Branch	Rs. 45,000
Sales	Rs. 60,000
Salaries	Rs. 5,000
Other Expenses	Rs. 2,000

Closing stock could not be ascertained but it is known that the branch usually sells at cost plus 20%. The branch manager is entitled to a commission of 5% on the profit of the branch before charging such commission.

(CO3) [Comprehension]

6. In the era of globalization, emphasis is given on human capital over physical capital because it is the driving force of other elements of production. Productivity is mainly depends on the technical knowhow and the technical knowhow is HR, but traditional accounting ignore the HR as an asset like other physical assets. Evident from literature, it is found that a lot of research has been conducted on different perspective of HRA in different countries. Corporate sector of different countries also has been started to practice HRA externally and internally as a voluntary disclosure. Bangladesh is a densely populated country has ample prospect of transforming the population into human assets through appropriate and need-based quality education, training, etc. With reference to above, Explain the concept of human resource accounting and its significance in contemporary organizations.

(CO5) [Application]

7. The following data was obtained from the books of Ajay Ltd., for the year ended 31st December 2021. The expenses for the year ended 31st December 2021 are:
- (a) Motive Power: Rs. 1,500
 - (b) Lighting: Rs. 600
 - (c) Salaries to Staff: Rs. 1,500
 - (d) Depreciation: Rs. 10,000
 - (e) Repairs and Maintenance: Rs. 8,000
 - (f) Rent and Taxes: Rs. 5,000

Additional Information:

Particulars	Department				
	A	B	C	X	Y
Staff (No.)	300	250	350	150	50
Electricity (K.W.H)	6000	3000	6000	9000	3000
Light Points (No.)	10	15	20	10	5
Assets Value (Rupees)	60000	80000	100000	5000	5000
Area Occupied (Sq. M)	2000	2500	3000	2000	500

You are required to allocate and apportion the expenses to each department on suitable basis.

(CO4) [Comprehension]

8. Mr. Om Birla did not keep his books of accounts under double entry system. From the following information available from his records, prepare profit and loss account for the year ending on March 31, 2019 and a balance sheet as at that date, depreciating the washing equipment @ 10%.

Summary of Cash Book

Receipts	Amount	Payments	Amount
Balance b/d	16,000	Cash purchases	28,000
Cash sales	80,000	Paid to creditors	40,000
Received from debtors	60,000	Sundry expenses	12,000
		Cartage	4,000
		Drawings	16,000
		Drawings	56,000
	1,56,000		1,56,000

Other Information :

March 31, 2019

	April 01, 2018	March 31, 2019
Debtors	18,000	24,000
Creditors	28,800	13,600
Stock of materials	20,000	32,000
Washing equipment	80,000	80,000
Furniture	6,000	6,000
Discount allowed during the year		2,800
Discount received during the year		3,400

(CO1) [Comprehension]

9. From the given information relating to Madurai branch, prepare Branch Account for the year ending 31st December 2000.

Particulars	Amount
Stock on 01.01.2000	11,200
Branch Debtors on 01.01.2000	6,300
Goods Sent to Branch	51,000
Cash Sent to Branch for:	
Rent – 1,500	
Salary – 3,000	
Petty Cash - 500	5,000
Sales at Branch:	
Cash – 25,000	
Credit – 39,000	64,000
Cash Received from Debtors	41,200
Stock at Branch on 31.12.2012	13,600

(CO3) [Comprehension]

10. Mr. Mathew maintain his books of accounts under single entry system. Following are the information derived from his book of accounts. You are required to prepare profit and loss account and Balance sheet for the year ending on December 31, 2023 by considering the depreciating for Machinery @ 10%.

Summary of Cash Book

Receipts	Amount	Payments	Amount
Balance b/d	16,000	Cash purchases	28,000
Cash sales	80,000	Paid to creditors	40,000
Received from debtors	60,000	Sundry expenses	12,000
		Cartage	4,000
		Drawings	16,000
		Balance C/d	56,000
	1,56,000		1,56,000

Other Information : **December 31, 2023**

	Dec 2022	Dec 2023
Debtors	18,000	24,000
Creditors	28,800	13,600
Stock of materials	20,000	32,000
Machinery	80,000	80,000
Furniture	6,000	6,000
Discount allowed during the year		2,800
Discount received during the year		3,400

(CO2) [Comprehension]