

Roll No



**PRESIDENCY UNIVERSITY  
BENGALURU**

**SET A**

**SCHOOL OF MANAGEMENT  
END TERM EXAMINATION - JAN 2024**

**Semester** : Semester V - 2021

**Course Code** : BBA3008

**Course Name** :Advanced Financial Accounting

**Program** : BBA

**Date** : 10-JAN-2024

**Time** : 1:00 PM - 4:00 PM

**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.

**PART A**

**ANSWER ALL THE QUESTIONS**

**5 X 2M = 10M**

1. While preparing the final accounts of banking companies under which schedule the "Demand Deposits" appears?  
(CO1) [Knowledge]
2. Describe any two disadvantages of Double Account System.  
(CO2) [Knowledge]
3. Mention any two major differences between Single Account System and Double Account System.  
(CO2) [Knowledge]
4. Who is entitled for interest or dividend on the due date?  
(CO3) [Knowledge]
5. Describe any two key aspects of Green Accounting.  
(CO4) [Knowledge]

## PART B

### ANSWER ALL THE QUESTIONS

5 X 10M = 50M

6. The Gurgaon Electricity Company Limited decides to replace one of its old plants with a modern one with a larger capacity. The plant when installed in 1985 cost the company Rs 24 lakhs, the components of materials, labour and overheads being in the ratio of 5:3:2. It is ascertained that the costs of materials and labour have gone up by 40% and 80% respectively. The proportion of overheads to total costs is expected to remain the same as before. The cost of the new plant as per improved design is Rs 60 lakhs and in addition, material recovered from the old plant of a value of Rs 2,40,000 has been used in the construction of the new plant. The old plant was scrapped and sold for Rs 7,50,000. The accounts of the company are maintained under Double Account system. Indicate how much would be capitalised and the amount that would be charged to revenue. Show the ledger accounts.

(CO2) [Comprehension]

7. In the year 2003 railway lines were laid between Agra and Delhi at a cost of Rs 1, 50, 00,000. This expenditure was distributed over overheads, wages and material in the ratio of 2: 4: 9. The lines were replaced in the year 2023 at a cost of Rs 3, 80, 00,000. It was estimated that the price of overheads, wages and material had gone up during this period of 20 years as follows: overheads 25%; wages 20% and materials 45%. Ascertain the amount to be capitalized in respect of the railway lines for the purpose of preparing the final accounts for the year 2023.

(CO2) [Comprehension]

8. Mr. 'A' purchased on 1st March, 2017, Rs. 100000 6% Government Bonds of Rs. 100 each from stock exchange at Rs. 90 each. The rate of brokerage is 2% on purchase price and the interest due on 31st March and 30th September every year. What would be the cost of investment to Mr. 'A' if it is purchased:  
(i) Cum-interest; and (ii) Ex-interest.

(CO3) [Comprehension]

9. Describe the role of big data analytics in Accounting.

(CO4) [Comprehension]

10. Explain the meaning of cloud computing and describe the ways in which cloud computing is impacting the field of accounting.

(CO4) [Comprehension]

## PART C

### ANSWER ALL THE QUESTIONS

2 X 20M = 40M

11. On 15th March O.P. Ltd. purchased Rs. 1,00,000, 9 per cent Govt. Stock (interest payable on 1st April, 1st July, 1st October and 1st January) at 88 cum-interest. On 1st August Rs. 20,000 stock is sold at 89 cum-interest and on 1st September Rs. 30,000 stock is sold at 88 Ex-interest. On 31st December, the date of the Balance Sheet, the market price was Rs. 90. Show the ledger account of the Investment for the year, ignoring Income Tax, Brokerage etc. and making apportionments in month.

(CO3) [Application]

12. From the following balances as on December 31, 2004, appearing in the ledger of the Electric Light and Power Co. Ltd. you are required to prepare:

- (a) Revenue Account,
- (b) Net Revenue Account,
- (c) Capital Account, and
- (d) General Balance Sheet.

Particulars	Rs.	Particulars	Rs.
Equity Share	54900	Stores on hand	700
Debentures	20000	Cash	300
Lands on 31.12.2003	15000	Cost of generation electricity	3000
Lands purchased during 2004	500	Cost of distribution electricity	600
Machinery on 31.12.2003	60000	Rent, Rates & Taxes	400
Machinery purchased during 2004	500	Management Expenses	1200
Mains including cost of laying, 31.12.2003	20000	Depreciation	2000
Spent on mains during 2004	5100	Sale of current	13200
Sundry creditors	100	Rent of meters	300
Depreciation fund	25000	Interest on debentures	1000
Sundry debtors for current supplied	4000	Dividends	2000
Other debtors	50	Balance of Net Revenue Account, 31.12.2003	2850

(CO2) [Application]