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**Presidency University**

**Bengaluru**

 **SCHOOL OF COMMERCE**

**Make-Up Examinations, July 2024**

**Semester**: V

**Course Code**: BBA3008

**Course Name**: Advanced Financial Accounting

**Program**: BBA

**Date**: 02 / July / 2024

**Time**: 9:30 AM -12:30 PM

**Max Marks**: 100

**Weightage**: 50%

 **Instructions:**

1. *Read the all questions carefully and answer accordingly.*
2. *Question paper consists of three parts.*
3. *Scientific and Non Programable Calculators are Permitted.*
4. *Do not write any information on the question paper other than roll number.*

**Part A**

**Answer any FIVE Questions. (5 Q x 2 M = 10 M)**

1. Describe Joint Venture Accounting.(C.O.3) [Understanding]

2. Define Stock Reserve. (C.O.2) [Understanding]

3. Describe the meaning of appropriation Accounting. (C.O.5) [Understanding]

4. Describe the meaning of short workings in royalty Accounting. (C.O.4) [Understanding]

5. List out the name of standards which is the basis for governmental accounting. (C.O.5) [Understanding]

6. List out any two difference between consignment and joint venture. (C.O.3) [Understanding]

7. Describe the meaning of Pro – Rata Allotment. (C.O.1) [Understanding]

**Part B**

**Answer any FIVE Questions. (5 Q x 10 M = 50 M)**

8. Bee Ltd. took a right to publish and sell books from Smith for 5 years. The minimum rent was fixed at ₹20000. Royalty was fixed at ₹4 per book. Bee Ltd. has a right to recoup the short-workings in the first 4 years. The sales in the 5 years are given. Calculate the Royalty payable and short-workings.

 (C.O.4) [Apply]

9. The accounting process of government is different from the commercial Accounting. Prepare a note on the difference between governmental accounting and Commercial accounting.

 (C.O.5) [Apply]

10. X Ltd. got a right to publish and sell books from Smith for 4 years. The minimum rent was fixed at ₹30000. Royalty was fixed at ₹5 per book. X Ltd. has a right to recoup the short-workings in the first 3 years. The sales in the 4 years are given. Calculate the Royalty payable and short-workings.

 (C.O.4) [Apply]

11. There are many laws and regulation which is applicable for government accounting. It is also based on some principles. Explain the various principles of governmental accounting.

 (C.O.5) [Apply]

12. Joint venture and partnership will look like same. But these are two different aspects in the field of accounting. Differentiate between joint venture and Partnership.

 (C.O.3) [Apply]

13. Explain the journal entries which should be recorded in the books of lessee in royalty accounting.

 (C.O.4) [Apply]

14. AB Ltd. got the lease of a colliery on the basis of Rs.5 per ton of coal raised subject to a Minimum Rent of Rs.1,00,000 p.a. The tenant has the right to recoup short-workings during first four years of the lease and not afterward. Assume that the year ends on 31 December every year.

The output in four years was 9000, 13000, 25000, 27000 and 50000 respectively. Give the Journal entries in the books of AB Ltd.

 (C.O.4) [Apply]

**Part C**

**Answer any TWO Questions. (2 Q x 20 M = 40 M)**

15. X Ltd. took a right to publish and sell a book from Bharat for 5 years. The minimum rent is ₹20000. Royalty is ₹5 per book. Bharat has allowed a right to recoup the short-workings to the X Ltd. in the first 4 years. The sales in the 5 years are:

|  |  |
| --- | --- |
| **Year** | **Books Sold** |
| 1 | 2500 |
| 2 | 3000 |
| 3 | 4500 |
| 4 | 5000 |
| 5 | 6000 |

 (C.O.4) [Analysis]

16. 1,000 toys consigned by Ram & Co. of Mumbai to Sam & Co of Bangalore at cost of Rs 150 each. Ram &Co. paid freight Rs 15,000 and insurance Rs 1,000. . Sam & Co took delivery of the remaining toys and paid Rs 13,300 as customs duty. Sam & Co sent a bank draft to Ram & Co. for Rs 40,000 as advance payment and later sent an account sales showing that 900 toys had been sold at Rs 230 each. Expenses incurred by Sam & Co on godown rent and advertisement, etc., amounted to Rs 3,000. Sam & Co was entitled to commission of 8 per cent. Prepare journal entry and the Consignment Account in the books of consignor.

 (C.O.2) [Analysis]

17. AB Ltd. got the lease of a colliery on the basis of Rs.5 per ton of coal raised subject to a Minimum Rent of Rs.1,00,000 p.a. The tenant has the right to recoup short-workings during first four years of the lease and not afterward. Assume that the year ends on 31 December every year.
The output in four years was 9000, 13000, 25000, 27000 and 50000 respectively. Give the Journal entries and ledger accounts in the books of AB Ltd.

 (C.O.4) [Analysis]