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PRESIDENCY UNIVERSITY BENGALURU

**SET A**

SCHOOL OF LAW

**END TERM EXAMINATION – MAY / JUNE 2024**

**Semester :** Semester IV - 2022

**Course Code :** SOC4002

**Course Name :** Advanced Financial Accounting

**Program :** BBA LLB Honors

**Date :** June 21, 2024

**Time :** 09.30am - 12.30pm

**Max Marks :** 100

**Weightage :** 50%

**Instructions:**

1. *Read all questions carefully and answer accordingly.*
2. *Question paper consists of 3 parts.*
3. *Scientific and non-programmable calculator are permitted.*
4. *Do not write any information on the question paper other than Roll Number.*

**PART A**

**ANSWER ANY FOUR QUESTIONS 4Q X 5M = 20 MARKS**

* 1. " Statement of Affairs can not be compared with Balance sheet " Can you identify the exact differences between Statement of Affairs and Balance Sheet?

(CO1) [Knowledge]

* 1. On 1st April, 2015, a fire destroyed the stock of a business firm. From the records which were saved, the following information was obtained:

`

*Stock* - on 1.1.2014 45,000

Stock on 1.1.2015 55,000

*Purchases* - for calendar year 2014 1,29250-n for 3 months up to 31.3.2015 60,000

*Sales* - for year ended 31.12.2014 1,70,000

* up to the date of fire 1,00,000

*Manufacturing Expenses - Calendar* year 2014 21,000

* 3 months up to 31.3.2015

In February 2015, goods valued at a cost price of ` 500 were distributed as samples. Manufacturing expenses were normally found to be constant per month. The salvaged stock was estimated at Rs-7,000

* 1. Give Accounting Treatment for the below mentioned Entries.in the hands of Head office.
     + Sale of Fixed assets.

•. Money received from Branch.

•. Amount received from Insurance Company to branch.

• Cash remittance to Branch.

* Bills receivable from Branch Debtors.

.(CO2) [Knowledge]

(CO3) [Knowledge]

* 1. Explain briefly about the need and advantages of Branch accounting.

(CO4) [Knowledge]

* 1. What is opportunity Cost method? “Opportunity Cost is impacting both Employer and Employee" - Mention how is it possible?
  2. Explain briefly the three Golden Rules of Accounting

(CO5) [Knowledge] (CO6) [Knowledge]

**PART B**

**ANSWER ANY FOUR QUESTIONS 4Q X 10M = 40 MARKS**

* 1. Define Incomplete Records and How do you explain the difference between Single Entry and Double Entry System?

(CO1) [Application]

* 1. When rate of Gross Profit and policy amount is not given:

On 15th June 2015, the premises and stock of a firm was destroyed by fire but the accounting records were saved from which the following particulars are available. Insurance company did not accept the amount of claim raised by the insured. The victim company was left with no other option except to approach court for the claim. How much amount of claim, the company must show up to the court through its legal counsel.

Stock on 1.1.2014 73,500

Stock on 31.12.2014 81,900

Purchases for the year 2014 3,98,000

Sales for the year 2014 4,87,000

Purchases from 1.1.2015 to 15.6.2015 1,62,000

Sales from 1.1.2015 to 15.6.2015 2,31,200

The stock salvaged was Rs.5,300

* 1. Write a Short note on Independent Branch and Foreign Branch

(CO2) [Application] (CO3) [Application]

* 1. ALLOCATE THE EXPENSE IN DEPARTMENT ACCOUNT, ALSO EXPLAIN THE BASIS OF ALLOCATION.

|  |  |  |
| --- | --- | --- |
| S.NO. | PARTICULARS | AMOUNT |
| 1. | Carriage Inward | 72,000 |
| 2. | Carriage Outward | 96,000 |
| 3. | Salaries | 160,000 |
| 4. | Advertisement | 24000 |
| 5. | Rent, Rates &tax | 84000 |
| 6. | Depreciation on furniture | 20,000 |

Keep the following points while allocating the expenses to department A, B, AND C.

|  |  |  |
| --- | --- | --- |
| Particulars | Department A | Department B |
| Purchase | 360000 | 240000 |
| Sales | 640000 | 320000 |
| No. of employees | 16 | 24 |
| Advertisement | … | … |
| Floor Area | 36000 square feet | 72000 square feet |
| Cost price of Furniture | 20000 | 80000 |

(CO4) [Application]

* 1. 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]

* 1. How do you explain the types of Environmental Accounting?

(CO6) [Application]

**PART C**

**ANSWER ANY TWO QUESTIONS 2Q X 20M = 40 MARKS**

* 1. Is Social accounting having different models? is yes, Explain in detail..
  2. Prepare Delhi Branch Account from the following and calculate the profit.

Opening Balance

Stock 12,000

Building 38,000

Furniture 50,000

Goods sent To Branch 1,20,000

Expenses paid by Branch 10,000

(CO5,CO2) [Analysis]

Goods returned by Branch to head office

Goods sold by Branch and Remitted to head office

Closing Balance

10,000

2,00,000

Stock 2,000

Building 18,000

Machine 45 ,000

Default question text.

(CO3) [Analysis]

* 1. What is Human Resource Accounting? What are the advantages and Dis advantages.

(CO2,CO5) [Analysis]