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Register Number:

DATE:14-12-2022

**ST. JOSEPH’S COLLEGE (AUTONOMOUS), BANGALORE-27**

**B.Com – V SEMESTER**

**SEMESTER EXAMINATION: DECEMBER 2022**

BCDEA 5618: ADVANCED ACCOUNTING

Time-2 ½ hrs Max Marks-70

**This paper contains 3 (Three) printed pages and four parts**

**SECTION A**

Answer any **five** of the following  **(5 X 2 = 10marks)**

1. What is minimum reserves in banking companies?
2. Give the meaning of Investment.
3. State any two objectives of inflation accounting.
4. What is Farm Accounting?
5. What is Cum-Interest?
6. Write four types of general insurance.

**SECTION B**

II. Answer any **three** of the following **(3 x 5 = 15 marks)**

1. Prepare **Schedule 12** and **Schedule 13** for a Life Insurance Company

Outstanding Interest, Dividends and Rent Rs 20,000

Sundry creditors Rs 30,000

Claims outstanding Rs 20,000

Outstanding premiums Rs 100,000

Cash in hand Rs 100,000

Expenses of management Rs 40,000

1. Explain five important provisions of Banking Regulation Act of 1949.
2. Explain the merits and demerits of Inflation accounting.
3. From the following information, Calculate Cost of Goods Sold by using Current Purchasing Power Method.

|  |  |  |
| --- | --- | --- |
|  | Historical cost in Rs | Index number |
| Stock as on 1-1-2019 | 20,000 | 100 |
| Purchases during 2019 | 1,50,000 | 120 |
| Stock as on 31– 12 – 2019 | 30,000 | 150 |

**SECTION C**

III. Answer any **two** of the following **(2 x 15 = 30 marks)**

1. Answer the following:
   1. List the Revenues of poultry farm and dairy farm (5 each). (5 marks)
   2. From the following information prepare profit and loss account of Canara Bank Ltd. for the year ended 31st March 2019.

|  |  |
| --- | --- |
|  | ₹ |
| Interest on loan  Office expenses  Interest on fixed deposits  Interest on overdraft  Rent and taxes  Commission charged to customers  Discount on bills discounted  Interest on cash credit  Amount charged against current account  Interest on SB account  Postal expenses  Printing and stationery | 34,90,000  15,50,000  36,50,000  12,80,000  18,00,000  9,40,000  1,48,00,000  2,24,00,000  12,00,000  54,20,000  1,50,000  4,00,000 |

Adjustments:

1. Rebate on bills discounted ₹ 32,00,000
2. Provision for taxation ₹ 14,00,000 (10 marks)
3. The following trial balance was extracted from the books of National Life Assurance Co. Ltd as on 31st March 2020.

|  |  |  |
| --- | --- | --- |
| Particulars | Debit (Rs) | Credit (Rs) |
| Share capital (Shares of Rs 10 each) |  | 96,000 |
| Life assurance fund as on 1.4.2019 |  | 17,83,380 |
| Dividends paid | 9,000 |  |
| Bonus to policy holders | 18,900 |  |
| Premium received |  | 60,900 |
| Claims paid | 1,18,200 |  |
| Commissions paid | 5,580 |  |
| Management expenses | 19,380 |  |
| Mortgage in India | 2,95,320 |  |
| Interest, dividend and rent |  | 67,620 |
| Agents balance | 5,580 |  |
| Freehold premises | 24,000 |  |
| Investments | 13,83,000 |  |
| Loan against company’s policies | 1,04,160 |  |
| Cash on deposit | 16,200 |  |
| Cash in hand and on current account | 4,380 |  |
| Surrenders | 4,200 |  |
|  | **20,07,900** | **20,07,900** |

You are required to prepare Financial Statements with the support of schedules as on 31-3-2020 taking the following into consideration.

* 1. Management expenses due Rs 120
  2. Interest outstanding Rs 11,580
  3. Claims admitted but not paid Rs 5,580
  4. Premiums outstanding Rs 7,200

1. Mr A sold to Mr. B 8,000, 10% Government security of ₹ 100 each at ₹ 92 ex-interest on 1st February 2019. Interest is payable by the company on 31st October and 30th April each years. Pass journal entries in the books of both the parties.

**SECTION D**

IV **Answer the following (1 X 15 = 15 marks)**

1. From the following information prepare ‘Crop Account’

|  |  |
| --- | --- |
| **Particulars** | **Rs in Lakhs** |
| Opening stock |  |
| Fertilizer | 10 |
| Seeds | 10 |
| Wheat | 20 |
| Purchases |  |
| Fertilizer | 4 |
| Seeds | 2.5 |
| Wages |  |
| Cash payment | 35 |
| Paid in kind (wheat) | 23 |
| Sale of wheat | 400 |
| Wheat consumed by the proprietor | 16 |
| Depreciation on machinery | 2 |
| Closing stock |  |
| Wheat | 30 |
| Seeds | 7 |
| Fertilizer | 8 |

**--- END OF THE QUESTION PAPER---**