

**QUESTION PAPER 2017**

**QUESTION NO. 1**

The following particulars relates to a contract undertaken by Ali Developers Engineers

Material sent to site Rs. 85,349; Labour engaged on site Rs. 74,375; Plant installed at cost Rs. 15,0(X); Direct expenditures Rs. 3,167; Establishment charges Rs. 4,126, Material returned to store Rs. 549; Work certified Rs. 195,000; Cost of work not certified Rs. 4,500; Material in hand at the end of year Rs. 1,883; Wages accrued at the end of year Rs. 240; Direct expenses accrued at the end of year Rs. 240; Value of the plant at the end of year Rs. 11,000. The contract price has been agreed at Rs. 250,000; Cash received from contractee was Rs. 180,000.

Require• Prepare Contract Account; Contractee Account and work in Progress Account.

**QUESTION NO. 2**

A of Lahore consigned 500 radio sets costing Rs. 1,000 each to B of Sialkot on 1'

March 2001. The expenses on consignment were freight Rs. 5,000, insurance Rs. 2,500, and carriage Rs. 500.

B received the delivery of 470 radio sets. An account sale dated 30th June 2001 showed that 395 sets were sold for Rs. 750,000 and B incurred Its. 2,350 for carriage; Its. 6,000 for godown rent. B was entitled to a commission of 6% on sales. B incurred expenses amounting to Rs. 2,800 for repairing the damaged radio sets remaining in stock

Mr. A lodged a claim with insurance company which was admitted at Its. 22,500. Prepare to consignment account and B account.

**QUESTION NO. 3**

From the following information calculate for both companies:

- |                          |                   |
|--------------------------|-------------------|
| (a) Gross profit ratio   | (b) Current ratio |
| (c) Stock turnover ratio | (d) Liquid ratio  |

**Advanced Financial Accounting**  
**Punjab University B.Com Part 2 Past Papers**

2010-2018

	X Limited	Y Limited
Sales	25,20,000	21,40,000
Cost of sales	19,20,000	16,35,000
Opening stock	300,000	275,000
Closing stock	500,000	350,000
Other current <i>assets</i>	760,000	640,000
Fixed assets	14,40,000	16,00,000
Net worth	15,00,000	14,00,000
Long term debts	900,000	950,000
Current liabilities	600,000	665,000

**QUESTION NO. 4**

A Head Office in Kohat has a Branch in Lala Musa to which goods are invoiced by the Head Office at Cost Price plus 25%. From the following particulars show how the Branch Account will appear in the Head Office Books (entries are to made at invoice price).

Particulars	Rs.	Rs.
Stock on 1st January 2010 (invoice price)		<b>12,500</b>
Debtors on 1st January 2010		<b>12,000</b>
Goods invoiced from Kohat,		<b>40,000</b>
<b>Remittance to Kohat:</b>		
Cash sales	16,000	
Cash received from debtors	29,500	45,500
Cash paid by branch debtors direct to head office		1500
Goods returned to Head Office		2400
<b>Cheque Received from Kohat:</b>		
Wages and salaries	11,000	
Rent, rates, etc.	3,000	
Insurance upto 31-03-2011	500	14,510
Stock on 31d December 2001 (invoice price)		15,000
Debtors on 31st December 2001		22,500

**Advanced Financial Accounting**  
**Punjab University B.Com Part 2 Past Papers**

2010-2018

**QUESTION NO. 5**

Lugman Auto part company has authorized capital of Rs. 500,000 divided into 50,000 shares of Rs. 10 each, of which 20,000 shares had been issued and fully paid.

	Debit	Credit
Stock on 1st January	93,210	
Returns	6,340	4,925
Sundry manufacturing expenses 9% bank loan	19,620	
Office salaries and expenses Directors remuneration		25,000
Freehold premises	34,500	
Furniture	13,230	
Cash in hand	98,000	
Profit and loss account Investment	7,500	
Debtors	1,240	
Share capital		19,320
Purchases and sales	24,000	
Creditors	52,700	
Carriage		200,000
Clearing charges	359,105	584,750
Interest on bank loan		31,110
Auditor fee	2,450	
Preliminary expenses	12,500	
Plant and machinery	1,125	
Cash at bank	11,620	
Advance income tax	9,000	
	74,200	
	9,765	
	35,000	
	<b>865,106</b>	<b>865,106</b>

**Adjustments:**

- (1) On 31st December 2002 closing stock valued at Rs. 64,240.
- (2) Outstanding wages Rs. 1,380 while office salaries Rs. 1,500 are still payable.
- (3) Depreciation on plant and machinery is to be provided @ 15% and on furniture is to be 10%.
- (4) Directors recommended the followings:
  - (a) Provision for income tax @ 30% of net profit.

- (b) Dividend @ 15% to the shareholders on paid up share capital.
- (c) Transfer to general reserve Rs. 10,000.

**Required:** Prepare trading and profit and loss account, profit and loss appropriation account and balance sheet.

---

**QUESTION NO. 6**

---

**On 1st January 2008 Haider & Company purchased machinery on hire purchase. The terms of the contract were as follows:**

- (a) Cash price of the machine was Rs. 40,000.
- (b) Rs. 16,000 were to be paid on the signing of the agreement.
- (c) The balance was to be paid in annual instalment of Rs. 8,000 plus interest.
- (d) Interest chargeable on the outstanding balance was 12% per annum. Depreciation at 10% per annum is to be written off on diminishing balance method.

**Required:** Pass journal entries in the book of both the parties (draw proper journal).

---

**QUESTION NO. 7**

---

Differentiate between consignment and sale.

---

**QUESTION NO. 8**

---

Explain different mode of winding up of Joint Stock Company.