INDIAN INSTITUTE OF MANAGEMENT & COMMERCE
Autonomous College (U.G & P.G)
Sponsored by VASAVI FOUNDATION & Affiliated to OSMANIA UNIVERSITY
RE-ACCREDITED BY NAAC WITH "A+" GRADE / AN ISO 21001:2018 CERTIFIED COLLEGE

B.com (Honors/ Computer Applications/ Business Analytics)
Second Year, Semester - III
Subject: Advanced Accounting
Question Bank

Unit –I Partnership Accounts - I

Short Answer Questions

1. Essential features of Partnership.
2. Partnership Deed.
3. Give the provisions of Partnership Act applicable to accounts in the absence of agreement.
4. Distinguish between Fixed capital accounts and Fluctuating capital accounts.
5. Distinguish between Sacrificing ratio and Gaining ratio.
6. Explain in brief various methods of recording goodwill when a partner is admitted.
7. How is goodwill treated in the books of accounts on retirement of a partner?
8. Problems on calculation of Sacrificing ratio and Gaining ratio.

Long Answer Questions

1. Define Goodwill and explain its treatment in the books of account on admission of a new partner.
2. Problems on Admission of partner
3. Problems on Retirement of Partner

Page numbers – I /1.48 to I /1.55.
Problem numbers - 6, 8, 9, 11, 12, 14, 15, 16

Unit –II Partnership Accounts –II

Short Answer Questions

1. What do you mean by Realisation Account?
2. Distinguish between Dissolution of firm and Dissolution of Partnership?
3. Distinguish between Realisation Account and Revaluation Account.

Long Answer Questions

1. What do you mean by Insolvency of Partner? Write the rules laid down in Garner v/s Murray case. Is it applicable In India or not?
2. Problems on Dissolution of Firm
3. Problems on Insolvency of Partner.

Page numbers - II/1.40 to II/ 1.52
Problem numbers - 2, 4, 7, 8, 13, 17, 21, 23, 25

Unit –III Corporate Equity, Debt Architecture and Share Capital Logistics

Short Answer Questions.

1. Give the main divisions of Share Capital of a Company.
2. Distinguish between calls -in-arrears and calls in advance.
3. What are the journal entries to be passed on forfeiture of shares and re- issue of forfeited shares?
4. What do you mean by Redemption of Debentures?
5. State the various methods of Redemption of Debentures.

Long Answer Questions

1. Distinguish between Shares and Debentures.
2. Problems on Issue of Shares,
3. Problems on Issue of Bonus shares
4. What do you mean by Bonus shares? State the guidelines issued by SEBI

Page numbers - III/1.38 to III/1. 41
Problem numbers - 2, 5, 8, 9, 12, 13

Page numbers - III/4.15 to III/4.16
Problem numbers - 1, 3, 4, 5

Unit – IV Company Final Accounts and Pre – Incorporation Restructuring

Short Answer Questions

1. What do you understand by Interim Dividend?
2. Distinguish between Current Assets and Fixed Assets.
3. What do you mean by Contingent Liability give examples?
4. What is time ratios give an example?
5. What is weighted time ratio?
6. What are the ratios used to calculate Profit Prior to Incorporation?

Long Answer Questions

1. Problems on Company Final Accounts.
2. Proforma of Company Final Accounts with imaginary figures
3. What do you understand by Profit Prior to Incorporation? How is this profit ascertained? And for what purpose it can be used?
4. Problems on Profit Prior to Incorporation.

Page numbers - IV/1.38 to IV/1. 42
Problem numbers - 3, 5, 6, 7, 9

Page numbers - IV/2.21 to IV/2.25
Problem numbers - 2, 3, 7, 9

Unit – V Valuation of Goodwill and Shares

Short Answer Questions

1. Define Goodwill. Explain in brief the need for valuation of Goodwill
2. What are the factors considered while calculating Goodwill?
3. What is super profit? State the methods of valuing Goodwill based on super profits.
4. Mention four circumstances under which Equity shares are to be valued.
5. State the factors which influence the valuation of Equity shares.
6. What are the methods of valuing the Equity shares of a company?

Long Answer Questions.

1. What is Goodwill? Explain and illustrate three important methods of valuation of Goodwill.
2. Problems on Valuation of Goodwill Average profit method and Super profit method
3. Explain briefly the steps involved in valuing the Equity shares under each of the following methods. (i) Net asset basis ii) Yield basis iii) Fair value method.
4. Problems on Valuation of Shares Net Asset method and Yield method

Page numbers - V/1.18 to V/1. 21
Problem numbers - 2, 3, 4, 7, 11,12

Page numbers - V/2.23 to V/2.25

Problem numbers - 2, 5, 6, 7, 9, 10