



UNIVERSITY OF THE PUNJAB

PART - II A/2016
Examination:- B. Com.

Roll No.

TIME ALLOWED: 3 hrs.
MAX. MARKS: 100

Subject: Advanced Financial Accounting
PAPER: BC-401

NOTE: Attempt any FIVE questions. All questions carry equal marks.

Q. # 1:	Following is the balance sheet of Ghulam Rasool Limited as on 31 st December, 2014.		
	Liabilities	Rs.	Assets
	Share Capital		800,000
	2,400 shares @Rs.100 each	480,000	100,000
	Profit & Loss Account	120,000	240,000
	10% Debentures	300,000	180,000
	Sundry Creditors	300,000	45,600
	Provision for taxation	20,000	14,400
	Bank Overdraft	160,000	
		13,80,000	13,80,000
	Sales Rs. 12,00,000 Gross Profit 20% on cost. Calculate the following ratios. (a) Current Ratio (b) Liquid Ratio (c) Stock turnover ratio (d) Debtors turnover ratio		
Q. # 2:	Superior Builders Ltd. Began to trade on 1 st January 2013, company was engaged on only one contract for which price was Rs. 600,000. Prepare Contract Account and Balance sheet from the following Trial Balance on 31 st December, 2013		
	Rs.	Rs.	
	97,500	145,000	
	16,000	18,500	
		6,500	
	57,500	112,500	
	25,000	(75% of work certified)	
	79,000		
	7,500		
	282,500	282,500	
	On 31 st December, 2013 materials costing Rs. 3,500 were on site, the cost of work done but uncertified was Rs. 12,500. Of the material charged to contract, material costing Rs. 4,000 were lost in an accident. Depreciation at 10% was charged on Plant.		
Q. # 3:	The following is the Trail Balance of Sony Limited Company for the year ending December 31 st , 2014.		
		Rs.	Rs.
	Salaries and Wages	136,200	
	Carriage Outward	23,200	
	Interim Dividend	48,000	
	Share Capital		700,000
	Gross Profit		353,100
	Technical Know How	36,000	
	Closing Stock	566,000	
	Furniture	140,000	
	Profit & Loss Account		148,500
	Freehold Property	400,000	
	Share Premium		80,000
	Cash in hand	30,000	
	Debtors	230,000	
	9% Debentures		200,000
	General Reserves		56,000
	Bills Receivable	24,000	
	Debentures Interest	9,000	
	Creditors		100,800
	Bills Payable		24,000
	Transfer to General Reserves	20,000	
		16,62,400	16,62,400

P.T.O.

- 1) Sony Company has an authorized capital of Rs. 12,00,000 divided into ordinary shares of Rs. 10 each. The company had issued 70,000 shares which are fully paid.
 - 2) Depreciation is to be provided @ 10% on furniture and property.
 - 3) Credit sales Rs. 6,900 were left unrecorded.
 - 4) Create provision for bad debts @3% on debtors.
 - 5) The Directors proposed the following:
 - a. 4% proposed dividend
 - b. Provision for taxation Rs. 60,000.
- You are required to prepare trading and profit & Loss A/c for the year ended 31st December, 2014 and Balance sheet as on that data.

Q. # 4: A firm of building contractors began to trade on 1st April, 2013. The following was the expenditure on the contract for Rs. 300000:
 Material issued to contract Rs. 51000; Plant used for contract Rs. 15000; Wages incurred Rs. 81000; Other expenses incurred Rs. 5000.
 Cash received on account by 31st March, 2014 amounting to Rs. 128000, being 80% of the work certified. Of the plant and material charged to the contract, plant which cost Rs. 3000 and materials which cost Rs. 2500 were lost. On 31st March, 2014 plant which cost Rs. 2000 was returned to stores, the cost of work done but uncertified was Rs. 1000 and materials costing Rs. 2300 were in hand on site.
 Charge 15% depreciation of plant and take to the profit and loss account 2/3 of the profit received. Prepare a contract account, contractee's account and balance sheet from the above particulars.

Q. # 5: Explain different types of debentures.

Q. # 6: The trading and Profit and Loss Account of Pak Electronic for the year ending March 31, 2013 is as under:

PARTICULARS		Rs.	PARTICULARS		Rs.
Purchases:			Sales:		
Transistors (X)		160,000	Transistors (X)		175,000
Tape Recorders (Y)		125,000	Tape Recorders (Y)		140,000
Repair (Z)		80,000	Repair (Z)		35,000
Wages		48,000	Stock on 31st March 2013:		
Rent		10,800	Transistors (X)		60,100
Sundry Expenses		11,000	Tape Recorders (Y)		20,300
Net Profit		40,200	Repair (Z)		44,600
		475,000			475,000

Prepare Departmental Account for each of the three departments X, Y and Z mentioned above after taking into consideration the following:

- (a) Transistors and Tape Recorder are sold at the show room. Servicing and repair are carried out at workshop.
- (b) Wages comprises: Show room 3/4, Workshop 1/4. The wages of show room be divided between department X and Y in the ratio of 1:2
- (c) The workshop rent is R.500 p.m. The rent of the show room is to be divided equally between dept. X and Y.
- (d) Sundry Expenses are to be allocated on the basis of turnover of each department.

Q. # 7: What do you mean by liquidation of company? Distribute the difference between liquidation and insolvency?

Q. # 8: Write short answers on the following:

- | | | |
|---------------------------|-------------------------------|---------------------------|
| 1-Define Right Shares | 2- Define Mortgage Debentures | 3-Define Banker Ratio |
| 4-Define Amalgamation | 5- Define Capital Profit | 6-Define Interim Dividend |
| 7- Define Creditors | 8- Define Goodwill | 9-Define Delcredre |
| 10-Define Work Certified. | | |

UNIVERSITY OF THE PUNJAB



PART – II A/2016
Examination:- B. Com.

Roll No.

Subject: Auditing
PAPER: BC-402

TIME ALLOWED: 3 hrs.
MAX. MARKS: 100

NOTE: Attempt any FIVE questions. All questions carry equal marks.

- Q. # 1: Define Auditing. Also explain the difference between Auditing and Accounting?
- Q. # 2: Can the auditor be removed? If so what is the procedure of removal?
- Q. # 3: Define internal control. Suggest a suitable system of internal control for a large scale departmental store.
- Q. # 4: Discuss the special points involved in the audit of a Textile Mill.
- Q. # 5: What is meant by statutory report? What are its contents and also give the specimen of such report?
- Q. # 6: Under what circumstances an auditor would be held liable to third parties. Support your answer with relevant case law.
- Q. # 7: Explain criminal liability of a auditor, prove your answer with case reference.
- Q. # 8: Define audit Working Papers. Explain the advantages of working paper.

UNIVERSITY OF THE PUNJAB



PART – II A/2016
Examination:- B. Com.

Roll No:

Subject: Business Communication & Report Writing
PAPER: BC-403

TIME ALLOWED: 3 hrs.
MAX. MARKS: 100

Note: Attempt ALL questions. All questions carry equal marks.

Q. # 1: Give brief answers to the following questions:

- (i) Define dunning letter.
- (ii) Define solicited job application.
- (iii) ADCA stands for what?
- (iv) Define memorandum.
- (v) Define Endorsements.
- (vi) What is an invoice?
- (vii) Define Encoding.
- (viii) Define proxemics.
- (ix) Define non-verbal communication.
- (x) Define Decoding.

Q. # 2: Define communication and explain the barriers in communication suggesting the solution.

OR

Define buffer, and describe the organizational plan of writing bad news messages.
Q. # 3: What is adjustment letter? What are the main points one should keep in mind while writing a letter when the customer is right?

OR

Draft a reply from Ferozsons Ltd. Apologizing for loose packing and agreeing to replace the damaged books.

Q. # 4: Write short note on any FIVE of the following market terms:

- | | | | |
|---------------|------------------|---------------|-----------|
| (i) Blue chip | (ii) Haggling | (iii) Tariff | (iv) Glut |
| (v) Bull | (vi) Speculation | (vii) Dumping | |

OR

Define Market Report. What are the contents and advantages of a Market Report?
Q. # 5: Define listening. What are the barriers to the effective listening? How can listening skill be improved?

OR

Write a comprehensive note on an oral presentation.



UNIVERSITY OF THE PUNJAB

PART – II A/2016
Examination:- B. Com.

Roll No.

Subject: Business Law
PAPER: BC-404

TIME ALLOWED: 3 hrs.
MAX. MARKS: 100

NOTE: Attempt any FIVE questions. All questions carry equal marks.

- Q. # 1: Write notes on the following. (20)
- a) Executory Contracts.
 - b) Valid Contracts
 - c) Expressed Contracts
 - d) Wagering Contracts
- Q. # 2: Define Minor? What is the nature of minor's agreements? (20)
- Q. # 3: What remedies are available to an aggrieved party on the breach of contract? (20)
- Q. # 4: Define bailment. Explain rights and duties of bailee. (20)
- Q. # 5: Explain the difference among a Promissory note, a bill of exchange and a cheque? (20)
- Q. # 6: What is 'CONTRACT OF SALE'? Also make a difference between 'Sale' and 'Agreement to Sell'. (20)
- Q. # 7: What are powers and functions of National Industrial Relation Commission? (20)
- Q. # 8: Mention the circumstances under which employers are not liable for compensation. (20)

UNIVERSITY OF THE PUNJAB



PART – II A/2016
Examination:- B. Com.

Roll No.

Subject: Business Taxation
PAPER: BC-405

TIME ALLOWED: 3 hrs.
MAX. MARKS: 100

NOTE: Attempt any FIVE questions including question number 8, which is compulsory. All the questions carry equal marks.

- Q. # 1:** Define and explain the following terms with reference to Income Tax Ordinance 2001.
 (a) Approved superannuation fund (b) Pakistan source income
 (c) Public Company (d) Non-resident person
- Q. # 2:** Discuss the legal provisions regarding the exemption of the following under the second schedule of the Income Tax Ordinance 2001.
 (a) Income of Modarba (b) Exemption under international agreement
 (c) Special allowances (d) Profits and gains from transmission line project
- Q. # 3:** What is meant by "Income from Property" and discuss its allowable deductions under section 15-A of the Income Tax Ordinance 2001.
- Q. # 4:** Explain in detail the provisions of Income Tax Ordinance 2001 in respect of Appeal to the Appellate Tribunal.
- Q. # 5:** Discuss the various types of relief and allowances which may be claimed as tax credits by an individual.
- Q. # 6:** Mr. Muhammad Akram is dealing in wholesale business. During the month of August 2015, his purchases and sales as per return are as under.

01- Taxable turnover to registered persons	Rs. 28,00,000
02- Taxable turnover to wholesalers (Value fixed by the Board Rs. 1,20,000)	Rs. 1,50,000
03- Supplies to consumers on installment basis (Open market price 1,30,000)	Rs. 2,00,000
04- Supplies to charitable hospital (consists of less than 50 beds)	Rs. 3,50,000
05- Supplies to charitable hospital (consists of more than 50 beds)	Rs. 2,00,000
06- Supplies to teaching hospitals of statutory universities (Consists of 200 beds)	Rs. 2,20,000
07- Supplies to teaching hospitals of statutory universities (Consists of less than 200 beds)	Rs. 6,00,000
08- Free samples to customers	Rs. 1,80,000
09- Credit notes issued for taxable supplies	Rs. 2,60,000
10- Taxable purchases from registered persons (Tax invoices available for Rs.4,00,000)	Rs. 5,00,000
11- Imported taxed goods.	Rs. 3,00,000
12- Amount paid to Courier Company for delivering free samples to customers (excluding the amount of sales tax)	Rs. 50,000

Required: Determine the amount of sales tax liability in case National Tax Number is printed on bill.

- Q. # 7:** Discuss in detail the power and function of Commissioner Inland Revenue.
- Q. # 8:** The following data relates to Mr. Mahid Baig for the tax year ended 30th June 2015.

01- Basic Salary	Rs. 5,00,000
02- Bonus	Rs. 1,00,000
03- Pay in lieu of leave	Rs. 60,000
04- Special additional allowance	Rs. 35,000
05- Conveyance allowance	Rs. 60,000
06- House rent allowance	Rs.1,00,000
07- Donation to Al-Shifa Trust specified in clause 61 of second schedule	Rs. 15,000
08- Rental Income	Rs. 1,00,000
09- Property tax and insurance paid	Rs. 4,430
10- Gain on sale of private company shares (Disposed off within 12 months)	Rs. 34,000
11- Share of profit from AOP	Rs. 14,000
12- Contribution to approved pension fund	Rs. 1,50,000
13- Rent of furniture and fitting	Rs. 15,000
14- Income from fruit processing unit setup in Punjab.	Rs. 30,000
15- Rent from sublease of land and building	Rs. 25,000

Required: Compute taxable income and tax payable

S. No.	Taxable Income	Rate of Tax
1.	Rs.7,50,000 to Rs. 14,00,000	Rs. 17,500 + 10% of the amount exceeding Rs. 7,50,000
2.	Rs. 14,00,000 to Rs. 15,00,000	Rs. 82,500 + 12.5% of the amount exceeding Rs. 14,00,000
3.	Rs. 15,00,000 to Rs. 18,00,000	Rs. 95,000 + 15% of the amount exceeding Rs. 15,00,000



UNIVERSITY OF THE PUNJAB

PART – II A/2016
Examination:- B. Com.

Roll No.

Subject: Cost Accounting
PAPER: BC-406

TIME ALLOWED: 3 hrs.
MAX. MARKS: 100

NOTE: Attempt any FIVE questions. All questions carry equal marks.

Q. 1: The records of Bel Cold Refrigerator Company show the following information for the three months ended **March 31, 2015**.

Materials purchased	Rs. 1,946,700
Inventories, January 1, 2015:	
Finished goods (100 refrigerator) -----	43,000
Materials -----	268,000
Direct labour	2,125,800
Factory overhead	7,64,000
Marketing expenses	5,16,000
General and Administrative. Expenses	4,61,000
Sales (12,400 refrigerators)	66,34,000
Inventories, March 31, 2015:	
No unfinished work on hand	x x x x x
Finished goods (200 refrigerators), cost at Rs. 395 each	
Materials	167,000

- REQUIRED:**
1. An income statement for the period.
 2. The number of units manufactured.
 3. The unit cost of refrigerator manufactured.
 4. The gross profit per unit sold.
 5. The income per unit sold.
 6. The ratio of gross profit to sale.
 7. The income to sales percentage.

Q.2 On May 31, 2009 a fire broke out in factory premises of Al-Musawwer Manufacturing company Limited. Consequently the processing building and the in process inventory were completely destroyed but the storeroom could be saved. After the fire a physical inventory was taken. Raw materials were valued at Rs.30,000, finished goods at Rs.50,000 and supplies at Rs.5,000.

Inventories on January 1, 2009 consisted of:

Raw Materials	Rs.20,000
Work in process	40,000
Finished goods	60,000
Supplies	2,000

The financial statements reveal following figures of sales and gross profit for the last five years:

	Sales	Gross Profit
200A	Rs.650,000	Rs.220,000
200B	Rs.700,000	Rs.230,000
200C	Rs.750,000	Rs.250,000
200D	Rs.800,000	Rs.270,000
200E	Rs.850,000	Rs.280,000

Sales for the first five months of 200F were Rs.450,000. Raw materials purchases were Rs.175,000. Freight on purchases was Rs.7,000. Direct labor for the five months was Rs.80,000. For the past five years factory overhead was at 60% of direct labor.

Required: Compute the value of work in process inventory lost by fire.

Q.3 Factory overhead absorption rate of Ali Manufacturing Company is Rs.3 per hour. Budgeted overhead for 10,000 hours per month is Rs. 30,000 and for 16,000 hours per month is Rs.42,000. Actual factory overhead for the month is Rs.44,000 and actual volume is 15,000 hours.

- Required:**
- (1) Variable factory overhead rate.
 - (2) Budgeted fixed factory overhead.
 - (3) The capacity hours at which factory overhead applied rate is computed.
 - (4) Applied factory overhead.
 - (5) Under or overapplied factory overhead.
 - (6) Budget variance.
 - (7) capacity variance.

P.T.O.

Q. 4: The book and record of the Salman Manufacturing Co. present the following data for the month of February:

Direct Labour cost Rs. 16,000 (160% of F.O.H)

Cost of goods sold Rs. 56,000

Inventory accounts showed these opening and closing balances:

	February 01 st	February 28 th
Materials	Rs. 8,000	Rs. 8,600
Work in process	8,000	12,000
Finished goods	14,000	18,000

Marketing expenditure 5% of sales. General expenses and Admin. Expenses 10 % of sales, sales Rs. 75,000.

REQUIRED: An Income statement with supporting schedule showing cost of goods manufactured and sold statement.

Q. 5 The standard time for the completion of a certain job is fixed at 200 hours. Normal wages are paid to the workers according to time rate which is Rs. 25 per hour. If the job is completed in lesser time a bonus is paid to the worker calculated on the following lines:

Upto first 20% saving in time

10% of the corresponding saving in time.

For and within next 20% saving in time

25% of the corresponding saving in time.

For and within next 30% saving in time

50% of the corresponding saving in time.

For and within next 30% saving in time

30% of the corresponding saving in time.

Required: Compute the total earning and earning per hour of the following workers:

Workers	Time Taken (Hours)
Arshad	210
Amjad	160
Nazar	120
Naheed	50

Q. 6 During the year 2012 Shammusdeen & Co. Ltd. Produced 750,000 units. At this activity level factory overhead cost were Rs. 1,100,000.

Before the start of 2012 accountant of the company estimated annual activity level as 850,000 units and factory overhead as Rs. 1,275,000. Thus factory overhead applied rate was Rs. 1.50 per unit 60% of factory overhead applied rate is composed of variable cost.

Required: (1) Budgeted fixed factory overhead.
 (2) Under or overapplied factory overhead.
 (3) Volume variance.
 (4) Budget variance.

Q. 7 An operator engaged in machining certain components receives an ordinary day rate of Rs. 160 / day of 8 hours, the standard output for machining the components has been fixed at 80 pieces per hour (time as fixed for premium bonus). On a certain day the output of the worker on this machine is 800 pieces. Find labour cost per 100 pieces and the wages that would have been actually earned by the workman under the following :

- If paid for on straight piecework basis at the standard rate.
- If Halsey premium bonus system is being adopted.
- If a bonus of Rs. 23 is paid per 100 units of the extra output.

Q. 8 Explain the difference between periodic inventory system and perpetual inventory system. Which of these two systems is better?



UNIVERSITY OF THE PUNJAB

PART – II A/2016
Examination:- B. Com.

Roll No.

Subject: Economics of Pakistan
PAPER: BC-407

TIME ALLOWED: 3 hrs.
MAX. MARKS: 100

NOTE: Attempt any FIVE questions. All questions carry equal marks.

- Q. # 1:** Discuss economic, sociopolitical and administrative problems faced by the economy of Pakistan.
- Q. # 2:** What are the Problems of Agricultural Finance? Suggest Remedies to Solve the Problem of Agricultural Finance?
- Q. # 3:** What is cottage and small-scale industry? Describe the main problems faced by the small-scale industries in Pakistan.
- Q. # 4:** How far import substitution policy (ISI) can improve the balance of trade in Pakistan? Give methods to substitute imports in order to save foreign exchange.
- Q. # 5:** What is deficit financing? Discuss the advantages and disadvantages of deficit financing with reference to Pakistan.
- Q. # 6:** Are we successful in marketing our industrial products in the international market? How can we improve the situation?
- Q. # 7:** Define unemployment and discuss reasons behind high rate of unemployment in Pakistan. Also suggest remedial measures to solve this problem.
- Q. # 8:** Write Short Notes on the following:
- (i) Natural Resources in Pakistan.
 - (ii) Electricity Crisis in Pakistan.



UNIVERSITY OF THE PUNJAB

PART - II A/2016

Examination:- B. Com.

Roll No.

Subject: Pakistan Studies

TIME ALLOWED: 1 hr. & 30 min.

Paper: BC-408

MAX. MARKS: 40

NOTE: Attempt any TWO questions. All questions carry equal marks.

نوٹ: کوئی سے دو سوالات حل کریں۔ تمام سوالات کے نمبر یکساں ہیں۔

Q. # 1: Define Ideology of Pakistan and also discuss the sources of Ideology of Pakistan.

سوال نمبر ۱ ﴿ نظریہ پاکستان کی تعریف کریں اور نظریہ پاکستان کے ماخذ بیان کریں۔

Q. # 2: Indicate the Industrial Problems of Pakistan and also recommend the solution of these problems.

سوال نمبر ۲ ﴿ پاکستان کے صنعتی مسائل کی نشاندہی کیجیے۔ نیز ان مسائل کا حل بھی تجویز کریں۔

Q. # 3: Write a note on the initial problems faced by Pakistan.

سوال نمبر ۳ ﴿ پاکستان کی ابتدائی مشکلات پر نوٹ لکھیں۔

Q. # 4: Write short note on any TWO of the following:

a) The Allahabad Address

b) The Objectives Resolution

c) Saudi-Pak Relations.

d) Tehreek-e-Mujahideen

سوال نمبر ۴ ﴿ مندرجہ ذیل میں سے دو پر مختصر نوٹ لکھیں:

(ب) قراردادِ مقاصد

(الف) خطبہ الہ آباد

(د) تحریک مجاہدین

(ج) پاکستان اور سعودی عرب کے تعلقات