



# UNIVERSITY OF THE PUNJAB

PART – II A/2018  
Examination:- B. Com.

Roll No. ....

Subject: Advanced Financial Accounting  
PAPER: BC-401

TIME ALLOWED: 3 hrs.  
MAX. MARKS: 100

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

**Question #1:** Write short answers of the following:

1-Define Capital Stock 2- Define Bonds/PTC 3- Define Debt Equity Ratio 4- Define Share Premium 5- Define Bank 6- Who Is Hire Purchaser 7- Define Winding Up of the company 8- Define Work In Progress 9 -Define Inventory Stock Turnover Ratio. 10- Define Absorption

**Question #2:** Usman Munir & Company, Sargodha with an authorized capital of Rs. 1,000,000 divided into 100,000 shares of Rs. 10 each. On 31<sup>st</sup> December 2012, 50,000 shares were fully called and paid up. The following are the balance taken from the ledger of the company on 31<sup>st</sup> December 2012.

	Rs		Rs
Stock	100,000	Printing & Stationary	4,800
Sales	850,000	Advertisement	7,600
Purchases	600,000	Postage and Telephone etc.	21,000
Wages	140,000	Debtors	77,400
Discount allowed	8,400	Creditors	70,440
Discount Received	6,300	Plant and Machinery	161,000
Insurance Up to 30 <sup>th</sup> June, 2013	13,440	Furniture	34,000
Salaries	37,000	Cash at Bank	279,600
Rent	12,000	General Reserve	50,000
General expenses	17,900	Loan from managing director	31,400
Profit & Loss (Cr)	12,400	Bad Debts	6,400

Additional Information: i. Closing Stock Rs. 200,000. ii. Depreciation to be charged on Plant and machinery 15% p.a. and furniture at the rate of 10% p.a. iii. Outstanding expenses: Wages Rs. 10,400, salary Rs. 2,400 and Rent Rs. 1,200. iv. Dividend at 5% on paid-up share capital to be provided.

**Required:** Prepare trading and profit and loss account for the year ended 31<sup>st</sup> December 2012 and also a balance sheet as at that time.

**Question #3:** The Following data are taken in the comparative balance sheet prepared for the Stands Ford Company.

	2015	2016
Cash	RS. 16000	RS. 30000
Marketable security	20000	10000
Trade receivable	45000	55000
Inventories	60000	75000
Prepaid expenses	1500	2500
Plant and equipment	80000	85000
Intangible assets	25000	22500
Other assets	5000	6000
<b>Total Assets</b>	<b>252500</b>	<b>286000</b>
Current liabilities	60000	100000

From the given data calculate for both the years 2015 and 2016

- 1-The working capital
2. The current ratio
3. The acid –test ratio
4. The ratio of current assets to total assets
5. The ratio of cash to the current liabilities.

(P.T.O.)



**Question #4:** The contract ledger of a company indicates the under mentioned expenditure on the account of Contract "A" to 31<sup>st</sup> December 2003.

Materials	Rs. 240,000
Plant	Rs. 40,000
Wages	Rs. 128,000
Establishments expenses	Rs. 12,000

The contract began in January 2003; the contract price being Rs. 800,000. Cash received on account to date Rs. 480,000 which is 80% of the work certified; and the remainder is to be paid as to 10% on the completion and the balance six months after completion. The material on hand Rs. 20,000 and work not certified as Rs. 20,000.

**Required:** Prepare a contract account showing the profit to date after depreciating plant by 10%. How much profit would the company be justified in crediting to the profit and loss account? Show also the work-in-progress would appear on the balance sheet.

**Question #5:** Following particular have been extracted from the balance sheet of Sitara industries Ltd as on 31 December 2001.

Liabilities and Capital	Rs
Authorized capital: (200,000) ordinary shares of Rs 10 each)	2,000,000
Paid-up capital: (100,000 ordinary shares of Rs 10 each)	1,000,000
Reserves	300,000
Un-appropriated profit	120,000
Long-term loans	400,000

The directors of the company made the following recommendation which approved by the shareholder in the annual general meeting: The Long-term loan of Rs. 400,000 converted into shares capital by the issue of ordinary shares of Rs 10 each at par and Bonus shares are to be issued at the rate of 15% on ordinary shares out of the Reserve and Un- Appropriated profit in equal proportion.

**Required:** Make the journal entries necessary to carry out above resolutions and show how they affect the Balance sheet as on 31 December 2001

**Question #6:** What journal entries Punjab Corporation is made in the following cases? Also, prepare a balance sheet for each.

- A company issued Rs 500,000 6% debenture at par redeemable at par.
- A company issued Rs 500,000 6% debenture at 10% discount redeemable at par.
- A company issued Rs 500,000 6% debenture at 5% premium redeemable at par.
- A company issued Rs 500,000 6% debenture at par redeemable at 10% premium.
- A company issued Rs 500,000 6% debenture at 10% discount redeemable at 5% premium

**Question #7:** The Nadeem Stores Ltd., Multan has a branch at Hyderabad. Goods are invoiced to the branch at a selling price, being cost plus 20%. The branch keeps it's on sale ledger and deposits all cash received daily to the credit of the Head Office Account opened at the MCB, Hyderabad. All expenses are paid by Cheques from Multan. From the following information, prepare Branch Account in the Head Office Books and make the necessary adjustments therein to arrive at the actual branch profit or loss during the year 2007

Stock on 1-1-07	30,000
Stock on 31-12-07	36,000
Sundry Debtors on 1-1-07	16,800
Sundry Debtors on 31-12-07	21,600
Goods Invoiced from H.O	218,400
Cash sales	215,000
Rent, Rates and Taxes	9,600
Sundry Expenses	1,920
Cash collected from debtors	210,000

**Question #8:** What is the need for Business Amalgamation? State the factors affecting such decisions.





# UNIVERSITY OF THE PUNJAB

PART – II A/2018  
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.No.1 Discuss in detail the advantages of an audit to:-  
a) Business                      b) Public                      c) Government
- Q.No.2 Define Internal check. Suggest a suitable system of internal check over purchases of Manufacturing company.
- Q.No.3 Define continuous audit. Discuss its merits and demerits.
- Q.No.4 Explain in detail the techniques used by the auditor in vouching of :  
(a) Cash Sales                      (b) Wages and Salaries  
(c) Dividend Income              (d) Traveling expenses
- Q.No.5 Define verification. How would you verify the following  
(a) Furniture & fixture              (b) Trade Marks  
(c) Bills Receivable              (d) Investments
- Q.No.6 Explain the legal provision relating to appointment and removal of auditor in Pakistan.
- Q.No.7 Discuss the auditor liability in respect of "Negligence" and libel support your answer with relevant case law.
- Q.No.8 Explain the special points to be kept in mind during the audit of a Cement Plant.

# UNIVERSITY OF THE PUNJAB



PART – II A/2018  
Examination:- B. Com.

Roll No. ....

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

**TIME ALLOWED: 3 hrs.**  
**MAX. MARKS: 100**

Attempt ALL questions. All questions carry equal marks.

Q1: Define the following:

- i) Concreteness
- ii) ADCA
- iii) Salutation
- iv) Endorsement
- v) Diagonal communication
- vi) Buffer statement
- vii) You – attitude
- viii) Solicited job applications
- ix) Context
- x) Enclosures

Q 2: Write down some common receiver and sender centric communication barriers. Give some approaches to overcome these barriers.

OR

Write a comprehensive note on Oral Presentation and its requirements.

Q3: Define an Order letter. Write down some possible reasons for the Refusal and Cancellation of an order letter.

OR

Write a Sales letter for the introduction of a new Shampoo in the market. Suggest a name along with the qualities of the product and suggest why to select your product?

Q 4: Define any Five of the following Market terms.

- 1) Blue chips
- 2) Demurrage
- 3) Glut
- 4) Deflation
- 5) Bull Campaign
- 6) Tariff
- 7) Cum- dividend
- 8) Rigging

OR

What are Dunning Letters? Explain the four stages of their writing process.

Q 5: Ignoring the principles of communication mean ineffective communication. Justify this statement with reference to the 7Cs.

OR

Write a report on opening a cafeteria in the premises of the factory. Your report should contain findings and suggestions on the provided topic.





# UNIVERSITY OF THE PUNJAB

**PART – II A/2018**  
**Examination:- B. Com.**

Roll No. ....

**Subject: Business Law**  
**PAPER: BC-404**

**TIME ALLOWED: 3 hrs.**  
**MAX. MARKS: 100**

***Attempt any FIVE questions. All question carry equal marks***

- Q-1 Write a short note on the following: (20)
- Implied Contract
  - Consideration
  - Voidable Contract
  - Crossed Cheque
- Q-2 Explain the rules regarding employer's liability for compensation. (20)
- Q-3 Discuss the law relating to validity of contracts by Minor. (20)
- Q-4 Explain different types of damages arise on the breach of contract. (20)
- Q-5 What are the rights and duties of common carrier? (20)
- Q-6 Explain different types of damages arise on the breach of contract. (20)
- Q-7 Define the term 'Contract'. Explain essentials of a valid contract. (20)
- Q-8 What is 'Contract of Sale?' Explain rights of unpaid seller. (20)







**Q.8.** Mr. Tafiq received the following emoluments during the year ended 30<sup>th</sup> June 2017:

1. Basic salary (Rs. 30,000-5,000-60,000) .....	p.m Rs. 40,000
2. Free accommodation provided by employer. He was entitled to a house allowance of 60% of basic salary	
3. Cost of motor vehicle (conveyance provided by employer for personal use)	7,00,000
4. Concessional loan obtained from employer @ 8% p.a. ....	30,00,000
5. Free passage 4 air tickets provided by an airline to its employee @ 40,000 per ticket	
6. Medical allowance .....	50,000
7. Dearness allowance .....	12,000
8. Income from property .....	2,00,000
9. Life insurance premium paid by employee .....	1,20,000
10. Income from business .....	1,50,000
11. Dividend received from public company .....	10,000
12. Share from Association of Person .....	25,000

**Required:** Calculate tax payable by Mr. Tafiq.

Taxable Income		Rate of Tax
1.	Where the taxable income exceeds Rs. 7,50,000 but does not exceed Rs. 14,00,000	Rs. 14,500 + 10% of the amount exceeding Rs. 7,50,000
2.	Where the taxable income exceeds Rs. 14,00,000 but does not exceed Rs. 15,00,000	Rs. 79,500 + 12.5% of the amount exceeding Rs. 14,00,000
3.	Where the taxable income exceeds Rs. 15,00,000 but does not exceed Rs. 18,00,000	Rs. 92,000 + 15% of the amount exceeding Rs. 15,00,000





# UNIVERSITY OF THE PUNJAB

**PART-II: Annual - 2018**  
**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.**

1. Zeshaan Limited manufactures an electric light that is sold for Rs. 280 each. Last year the company sold 2,000 of these lights, realizing a gross profit of 25% of the cost of goods sold. Of this total cost of goods sold, materials accounted for 40% of the total and factory overhead 15%.

During the coming year, it is expected that materials and labor costs each will increase by 25% and factory overhead by 12.5%.

To meet the rising cost, a new selling price must be set.

**Required:** Compute the number of units that must be sold out to realize the same total gross profit in the coming year as was realized last year, if the new price per unit is set at (a) Rs. 325 and (b) Rs. 350.

2. A worker takes 9 hours to complete a job on daily wages and 6 hours on a scheme of payment by results. His day rate is Rs. 7.50 per hour. Materials cost of the product is Rs. 400 and overheads are recovered at 150% of total direct wages.

**Required:** Calculate factory cost of the product under:

- a) Piece Work Plan  
b) Halsey Plan  
c) Rowan Plan

3. In June, the volume variance of the Ali Processing Co. was zero and the budget variance showed a debit of Rs. 6,000. In July, volume variance was a debit of Rs. 8,000 but the budget variance was zero.

In June, actual factory overhead was Rs. 70,000 for an output of 8,000 tons. In July actual factory overhead was Rs. 56,000 and the output was 6,000 tons. In August, the output was 9,000 tons and actual factory overhead was Rs. 71,000.

**Required:**

- a) Budgeted factory overhead for 9,000 tons.  
b) Applied factory overhead in August.  
c) Budget variance and volume variance for August.

4. During the month of September Department No. M- 40 of Wajahat Industry received 20,000 units from preceding department. To the units received in materials are added resulting in an increase of 80% in number of units. At the end of month 3,000 units were in process in the department. Stage of completion of in process units is estimated as: 100% materials, 50% labour and 40% overhead. During processing 1,000 units were lost. The loss is regarded as unavoidable.

Following costs were charged to the department during the month:

Cost from preceding department	Rs. 175,000
Direct materials	Rs. 166,250
Direct labour	Rs. 117,250
Manufacturing overhead	Rs. 58,100

**Required:** Cost of Production Report.

5. A job order calling for 50 motors was sent through the factory. The cost elements per motor were

Materials	Rs. 110
Labour	Rs. 175
Predetermined Factory overhead	Rs. 125

**P.T.O.**



After the motors had been manufactured, final inspection discovered that 2 motors were spoiled and would have to be sold as seconds at a price of Rs. 100 each, whereas, one motor was defective which would require Rs. 50 of additional materials, and Rs. 50 and Rs. 25 of additional labour and factory overhead.

**Required:**

Prepare Journal entries

- When the loss is charged to specific job.
- When the loss is not so charged.
- Also calculate per unit cost in both the cases.

6. Shahid Ltd, had the following inventories at the beginning and end of the month.

	September 1	September 30
Materials	Rs. 20,000	Rs. 23,000
Work in process ... materials	Rs. 30,000	Rs. 34,000
Work in process ... labour	Rs. 40,000	Rs. 35,000
Work in process ... factory overhead	Rs. 50,000	Rs. 46,000
Finished Goods	Rs. 25,000	Rs. 28,000

During the month of September the cost of raw materials purchased was Rs. 125,000; direct labour cost incurred was Rs. 80,000 and factory overhead applied to production was Rs. 100,000.

**Required:**

- Prepare the necessary journal entries on September 30 to transfer the cost of goods manufactured and sold to proper summary accounts.
- Pass Journal entries of sales return with your own figures?

7. The following information has been extracted from the books and records of Harris Manufacturing company:

Material purchased		Rs. 120,000
Total payroll		Rs. 50,000
Direct labour		Rs. 42,000
Superintendence	Rs. 5,500	
Heat and light	Rs. 4,000	
Insurance (fire and other)	Rs. 500	
Indirect materials purchased and used	Rs. 2,000	
Depreciation of building	Rs. 1,500	
Depreciation of equipment	Rs. 1,500	
Factory taxes	Rs. 1,000	
Employer's provident fund contribution (94% factory, 4% selling and 2% administrative)	Rs. 5,000	
Tool expenses	Rs. 1,300	
Miscellaneous factory overhead costs	Rs. 550	Rs. 22,850
Predetermined overhead rate: 60% of direct labour cost		
The beginning and ending inventories were:	<b>January 1</b>	<b>December 31</b>
Materials	Rs. 12,000	Rs. 15,000
Work in process	Rs. 6,000	Rs. 4,000
Finished goods	Rs. 18,000	Rs. 21,000

**Required:** From the foregoing information prepare the cost of goods manufactured and sold statement, with over under applied adjustment.

8. Define Cost Accounting and explain fully the advantages to a manufacturing company of maintaining Cost Accounts



# UNIVERSITY OF THE PUNJAB

**PART-II: Annual - 2018**  
**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.***

1. Discuss in Detail the Role of Capital Formation in the Economic Development of Pakistan?
2. Describe what do you understand by the term human capital? How can we accumulate better human capital?
3. What is cooperative farming? Is it successful in Pakistan? Provide some suggestions to promote cooperative farming.
4. What are the important features of Pakistan's industrial sector? How can we boost exports with the help of the industrial sector?
5. Discuss the main exports and main export destinations? Do we need to diversify?
6. Describe the Role of Transportation and Communication in the Economic Development of Pakistan?
7. Is foreign debt good for Pakistan? Discuss the associated advantages and disadvantages.
8. Write Short notes on the following
  - a) Human Resources and economic development
  - b) External Debt of Pakistan



# UNIVERSITY OF THE PUNJAB



PART-II: Annual - 2018  
Examination: B. Com.

Roll No. ....

Subject: Pakistan Studies  
PAPER: BC-408

TIME ALLOWED: 1½ hrs.  
MAX. MARKS: 40

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

نوٹ: درج ذیل میں سے کوئی سے دو سوالات کے جواب دیں۔ تمام سوالات کے نمبر یکساں ہیں۔

Q. No.1. Write a comprehensive essay on TWO NATION THEORY.

سوال نمبر ۱۔ دو قومی نظریہ پر ایک جامع مضمون تحریر کیجئے۔

Q. No. 2. Write a comprehensive essay on the Educational services rendered by Sir Syed Ahmad Khan to uplift muslims of subcontinent.

سوال نمبر ۲۔ سر سید احمد خان نے برصغیر کے مسلمانوں کی بحالی کیلئے جو تعلیمی خدمات سرانجام دیں ان پر ایک جامع مضمون تحریر کیجئے۔

Q.No.3. Write a comprehensive essay on Lahore Resolution 1940.

سوال نمبر ۳۔ قرارداد لاہور پر ایک جامع مضمون تحریر کیجئے۔

Q.No. 4. Write note on the followings:

- Chaudhry Rehmat Ali
- Agricultural problems of Pakistan.

سوال نمبر ۴۔ مندرجہ ذیل پر نوٹ لکھیں۔

(ا) چوہدری رحمت علی

(ب) پاکستان کے زرعی مسائل