

TILAK MAHARASHTRA VIDYAPEETH, PUNE
BACHELOR OF COMMERCE(B.COM)
EXAMINATION – DECEMBER - 2025
SECOND SEMESTER

Sub.: Advance Financial Accounting (BCOM23-201/BCOM24-201)

Date: 24/12/2025

Total Marks: 60

Time: 10.00 am to 12.30pm

Instructions: 1) All questions are compulsory. 2) Figures to the right indicate full marks.

Q.1 a) Fill in the blanks (Any 5) (05)

1. Which of the following is not a liability?
 - a) Debenture
 - b) Loan
 - c) Bank overdraft
 - d) Machinery
2. Which of the following is a formula of working capital?
 - a) Current assets + Current liabilities
 - b) Current assets - Current liabilities
 - c) Current assets – Long term liabilities
 - d) Share capital + Fixed assets
3. Which of the following is not a current liability?
 - a) Creditors
 - b) Bank over draft
 - c) Short term loans
 - d) Debenture
4. Excess of minimum rent over royalties is called:
 - a) Short working
 - b) Dead rent
 - c) Royalties
 - d) None of them
5. Royalty account is the nature of
 - a) Real account
 - b) Personal Account
 - c) Nominal Account
 - d) None of them
6. When royalty is paid in the book of lessee, it is debited to
 - a) Royalty account
 - b) P & L account
 - c) Landlord account
 - d) Lessee account
7. Which of the following is not an asset?
 - a) Building
 - b) Furniture
 - c) Machinery
 - d) Loan from bank

b) State whether the following statement are true or false (any 5) (05)

1. Royalty account is a Personal Account.
2. Copyright Royalties are based on purchase
3. Ledger is group account
4. Balance sheet is a financial status of the business

5. Operational lease is revocable
6. When the branch is located in foreign country it is called NRI branch.
7. Journal is recording of accounts.

Q. 2 a) Amita Ltd. leased a colliery on 1st January 2021 From M/s M at a minimum rent of Rs 80000 p.a. at a royalty of Rs 3 per ton with a right to recover short working over the first three years of the lease. **(20)**

The output for the first four years of the lease was as follows:

Year	Output
2021	20000
2022	24000
2023	28000
2024	40000

Or

b) Define Royalty. Discuss the types of Royalty in detail.

Q. 3 a) Dhananjay leased his car valued Rs.89730. A lease Rental Rs.30000. Payable at the end of each year for 5 years. Calculate rate of interest. Verify it. **(10)**

(Factor 2.991- Lies in 20%)

PV factor at 20%	1 st year	.833
	2 nd year	.694
	3 rd year	.579
	4 th year	.482
	5 th year	.402

b) Write short notes. (Any 2) **(05)**

1. Minimum Rent
2. Depreciation
3. Agreement
4. Dependent Branch

Q. 4 a) Discuss the Advantages & Disadvantages of Lease. **(15)**

OR

b) Rita Lease a car costing Rs. 80000 for 5 year term and the rental payable 20000, 25000, 30000, 25000, 20000 rept. Calculate the rate of interest implicit.

Factor 3.33 is between 14% and 16%

PV factor	14%	16%
1st year	0.877	0.862
2nd year	0.769	0.743
3rd year	0.675	0.641
4th year	0.592	0.552
5th year	0.519	0.476