

Theory Questions of Advanced Accounting

1. What are departmental accounts? Discuss their objectives.
2. “While preparing departmental Trading , Profit & Loss account, the apportionment of indirect expenses is necessary.” Discuss such expenses and the basis on which that apportionment is made?
3. Discuss the procedure of incorporating Branch Trial Balance in the Head Office books.
4. Write explanatory notes on:
 - i) Goods in transit
 - ii) Inter-Branch Transfer
 - iii) Cash in transit
 - iv) Depreciation on Branch fixed assets
 - v) Exchange fluctuation Reserves a/c
5. How are the accounts of an independent branch situated in the same country incorporated in Head office Books? Give necessary journal entries for the same.
6. Give journal entries to be passed in the books of lessee using imaginary figures. Also prepare ledger accounts with the same figures.
7. Write short-notes on the following:
 - i) Minimum Rent
 - ii) Sub-Lease
 - iii) Irredeemable Dead Rent
 - iv) Recoupment of short-workings
8. How the investments in Hand are valued?

9. What do you mean by investment Accounts? What are the objectives of keeping investment accounts? Explain the meaning and accounting treatment of the term “cum-interest” and “Ex-interest”.
10. Write short-notes on the following:
- i) Fair value of investment
 - ii) Cum-interest and Ex-interest
 - iii) Carry forward of transactions
 - iv) Right shares
11. What is holding company? What information relating to subsidiary companies is to be separately disclosed in and along with the published account of a holding of company in India accordance to Companies Account, 2013.
12. What is Holding Company? Discuss the advantages and disadvantages of Holding Companies.
13. Write short notes on the following:
- i) Minority interest
 - ii) Cancellation of inter company transactions
 - iii) Treatment of unrealized profit
14. What is meant by pre-acquisition profits and post-acquisition profits? How are they dealt with in consolidated Balance Sheet?
15. What is meant by consolidated Balance Sheet? How is it prepared ? Give an example.
16. What is meant by internal reconstruction? Give conditions when internal reconstruction becomes desirable?

17. What considerations and steps should be taken in formulating an internal reconstruction scheme? Illustrate your answer by taking a suitable example.
18. Explain different methods of reduction of capital. Give journal entries in the books of a company adopting capital reduction scheme.
19. What is meant by Amalgamation of Companies? How purchase consideration is determined for these?
20. Discuss the guiding principles of Indian Accounting Standard-14 relating to amalgamation of company
21. Narrate the objects of amalgamation of companies. Also discuss the requirements of Accounting Standard-14 relating to amalgamation of companies.
22. Write short-notes on the following:
 - i) Deficiency account
 - ii) Receiver's statement of account
 - iii) Payment of preference share dividend by the liquidator
23. What do you mean by winding up of a company? Explain various methods of winding up of a company in detail.
24. Write short notes on:
 - i) Liquidator's remuneration
 - ii) Preferential creditors
25. Describe the Double Account System and comment on its usefulness and applicability.