

B.Com DEGREE EXAMINATION, APRIL 2019
I Year II Semester
Financial Accounting - II

Time : 3 Hours

Max.marks :75

Section A ($10 \times 2 = 20$) Marks

Answer any **TEN** questions

1. List out the objectives of maintaining Branch Accounts.
2. Mention any two features of Dependent branches?
3. What are Departmental accounts?
4. Define "Hire Purchase System".
5. Write short note on shop stock.
6. What is gaining ratio?
7. What is Revaluation account?
8. From the following particulars, calculate closing branch debtors balance:

	Rs.
Branch Debtors(1-1-98)	6,300
Credit Sales	39,000
Cash received from debtors	8,000

9. Compute net load on goods sent, to branch:
 Goods sent to branch (Cost to H.O) = Rs. 1,80,000
 Goods returned by branch to H.O. = Rs. 25,000
 Goods are invoiced to the branch at cost plus 25%
10. Apportion the following expenses on the basis of cost of goods sold ratio among the four departments, A, B, C & D:
 Sales(Rs.) : A : 2,00,000 ; B : 1,50,000 ; C : 1,00,000 ; D : 50,000
 G.P.Ratio : 20% on sales.
 Expenses : Salaries Rs. 6,000 ; Rent & Rates Rs. 1,500 ; Insurance Rs. 1,300.
11. A & B are partners sharing profit in the ratio of 3:2. They admit R as a partner for $\frac{1}{5}^{th}$ share in future profit. Calculate the new ratio.
12. Pass the journal entries for the following assuming all assets and liabilities are already transferred to realisation account:
 (a) Unrecorded asset realises Rs. 5,000
 (b) Unrecorded liability paid Rs. 3,000

Section B ($5 \times 5 = 25$) Marks

Answer any **FIVE** questions

13. Explain the different modes of Dissolution.

14. Koushik Ltd. opened a branch on 1.1.2017 at Mysore. The following information is supplied to you. Prepare Branch A/c.

	Rs.
Goods sent to Branch	50,000
Sales: Cash Rs. 20,000 and credit Rs. 36,000	56,000
Cash received from Debtors	32,000
Discount allowed to them	600
Cash sent to branch for expenses	7,000
Stock on 31.12.2017	8,000
Debtors on 31.12.2017	3,400

15. A company has two departments A and B. Dept. A supplies goods to Dept. B at its usual selling price. From the following figures prepare Departmental Trading A/c for the year 2015

	Rs.	Rs.
Opening stock (1.1.2015)	30,000	--
Purchases	2,10,000	--
Transfer to B	50,000	50,000
Sales	2,00,000	60,000
Closing stock (31.12.2015)	40,000	10,000

16. Koushik sells goods on H.P. system at cost plus 60%. From the following prepare Hire-purchase Trading A/c.

Jan 1	Goods out on H.P system at H.P. Price	32,000
Dec.31	Instalments not due and unpaid	72,000
Dec.31	Instalments due and unpaid	4,000

The following transactions took place during the year:

Goods sold on H.P. Price	1,60,000
Cash received from customers at H.P.price	1,12,000
Goods received back on default valued at	800

(Instalment due Rs. 4,000)

17. A firm earned net profits during the last three years as follows:

I year	-	Rs.36,000
II year	-	Rs.40,000
III year	-	Rs.44,000

The capital investment of the firm is Rs. 1,20,000. A fair return on the capital having regard to the risk involved is 10%. Calculate the value of goodwill on the basis of 3 years purchase of super profits.

18. A and B are partners sharing profits and losses in the ratio of 5:3. They admit C as a partner. C acquires his share $\frac{4}{20}$ from A and $\frac{2}{20}$ from B. find out the new profit sharing ratio and sacrificing ratio.

19. The following is the Balance Sheet of X,Y and Z as on 30.12.94.

Liabilities	Rs.	Assets	Rs.
Capitals:		Plant & Machinery	50,000
X	75,000	Land & Buildings	1,00,000
Y	22,500	Stock	20,000
Z	67,500	Debtors	70,000

Y's loan	13,000		
Creditors	62,000		
	2,40,000		2,40,000

On the above date, they decided to dissolve the firm and to repay the amounts due to partners as and when the assets were realised viz.

	Rs.
I Realisation	45,000
II Realisation	1,09,500
III Realisation	70,500

Prepare the statement showing how the distribution should be made.

Section C ($2 \times 15 = 30$) Marks

Answer any **TWO** questions

20. The Anusha Company invoiced goods to its Calcutta Branch at cost. The Head office paid all the branch expenses from its bank except petty cash expenses which were paid by the branch. From the following details relating to the Branch, prepare

- (a) Branch stock A/c
- (b) Branch Debtors A/c
- (c) Branch Expenses A/c
- (d) Branch P & L A/c

	Rs.
Stock (opening)	21,000
Debtors (opening)	37,800
Petty cash (opening)	600
Goods sent from H.O.	78,000
Goods returned to H.O.	3,000
Cash sales	52,500
Advertisement	2,400
Cash received from debtors	85,500
Stock (closing)	19,500
Allowances to customers	600
Discount to customers	4,200
Bad debts	1,800
Goods returned by customers to branch	1,500
Salaries & wages	18,600
Rent & rates	3,600
Debtors (Closing)	29,400
Petty cash (Closing)	300
Credit sales	85,200

21. Aditya purchased a machine on hire purchase system on 1.1.93. The terms of payment are four annual instalments of Rs. 12,690 at the end of each year. Interest is charged @ 5% and is included in the annual payment of Rs. 12,690.

Show Machinery account and Hire vendor account in the books of Aditya who defaulted in the payment of the third yearly payment whereupon the vendor repossessed the Machinery. Aditya provides depreciation on the machinery @ 10%, on the reducing balance method.

22. Sunil, devan and Ravi are equal partners in a firm and their Balance Sheet as on 31.12.90 is given below:

Liabilities	Rs.	Assets	Rs.
Creditors	40,500	Machinery	43,500
Reserve	4,500	Furniture	1,500
Capital:		Debtors	30,000
Sunil	15,000	Stock	15,000
Devan	12,000		
Ravi	18,000		
	90,000		90,000

Ravi retired on 31.12.90 and assets were revalued as under:

Machinery Rs. 51,000, Furniture Rs. 1,200, Debtors Rs. 28,500, Stock Rs. 14,700. Goodwill of the firm is valued at Rs. 9,000 and Ravi's share of goodwill is to be adjusted to continuing partners' capital without raising goodwill account. Give Journal entries, prepare necessary Ledger accounts and new Balance sheet.

23. X,Y and Z share profits in the ratio 3:2:1. On 31.12.2017, their Balance sheet was as follows:

Liabilities	Rs.	Assets	Rs.
Creditors	12,000	Machinery	25,000
General reserve	3,000	Stock	11,000
Capital:		Debtors	9,500
X	20,000	Goodwill	13,000
Y	15,000	Cash	1,500
Z	10,000		
	60,000		60,000

On the above date, the firm was dissolved. The assets except cash realised Rs. 60,000. The creditors were settled at Rs. 11,500. Dissolution expenses amounted to Rs. 800. Give necessary ledger accounts.