

B.Com. (CS) DEGREE EXAMINATION, EVEN SEMESTER 2021**I Year II Semester****Financial Accounting - II**

Max Marks: 25

Answer any **Five** questions (5 * 5 = 25) Marks

1. State the differences between Hire Purchase and Instalment System.
2. What are the benefits of limited liability partnership?
3. From the following particulars relating to Delhi Branch for the year ending December 21, 1988 prepare Branch Account in the books of head office.

	Rs.		Rs.
Stock at branch on 1/1/1988	15,000	Cheques sent to Branch for	
Debtors at branch on 1/1/1988	30,000	Salaries	9,000
Petty Cash at Branch on 1/1/1988	300	Rent & taxes	1,500
Goods sent to Branch	2,52,000	Petty Cash	<u>1,100</u>
Cash Sales	60,000	Goods returned by the Branch	2,000
Received from Debtors	2,10,000	Stock at Branch on 31/12/1988	25,000
Credit Sales	2,28,000	Petty cash at Branch on 31/12/1988	200
		Debtors at Branch on 31/12/1988	48,000

4. M/s Omega is a departmental store having three departments X, Y and Z. The Information regarding three departments for the year ended 31st March, 2001 are given below:

	X Rs.	Y Rs.	Z Rs.
Opening stock	36,000	24,000	20,000
Purchases	1,32,000	88,000	44,000
Debtors at end	15,000	10,000	10,000
Sales	1,80,000	1,35,000	90,000
Closing Stock	45,000	17,500	21,000

	X	Y	Z
Value of furniture in each department	20,000	20,000	10,000
Floor space occupied by each department (in sq.ft)	3,000	2,500	2000
Number of employees in each department	25	20	15
Electricity consumed by each department (in units)	300	200	100

The balances of other revenue items in the books for the year are given below:

	Amount Rs.
Carriage Inwards	3,000
Carriage outwards	2,700
Salaries	48,000
Advertisement	2,700
Discount allowed	2,250
Discount Received	1,800
Rent, Rates and Taxes	7,500
Depreciation on Furniture	1,000
Electricity Expenses	3,000
Labour Welfare Expenses	2,400

You are required to prepare Departmental Trading and Profit & Loss Account for the year ended 31st March ,2001 after providing provision for Bad debts at 5%.

5. Mr. Anil purchased a washing machine on 1st January 2015 from Adi Traders on hire purchase basis, the details of which are as follows:

- Cash price of washing machine Rs.25,000.
- Down payment:Rs.10,000 and the remaining amount in three equal annual instalments commencing from 1st January 2016(first instalment) with interest on the outstanding amount
- Rate of interest 12% per annum.

Determine the amount of interest payable with the three instalments and the hire purchase price.

6. Calculate the goodwill under super profit method for the past 3 years as follows:

	Rs.
2002	25,000
2003	40,000
2004	55,000

The capital invested by the firm is Rs.2,50,000. A normal rate of return on capital is at 10%. Goodwill is based on 3 years of purchase.

7. Ram, Rahim and Suresh share profit in the ratio 3:2:1. On 31st December , 2008 their balance sheet was as follows:

Liabilities	Rs.	Assets	Rs.
Creditors	12000	Machinery	25000
General Reserve	3000	Stock	11000
Capital:		Debtors	9500
Ram	20000	Goodwill	13000
Rahim	15000	Cash	1500
Sures	10000		
	60000		60000

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