

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

Max Marks: 25

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

1. Distinguish between Hire purchase and Instalment purchase system.
2. From the following particulars, prepare Branch account showing the profit or loss of the branch:

Opening stock at the branch	Rs. 30,000
Goods sent to branch	Rs. 90,000
Sales (cash)	Rs.1,20,000
Expenses :	
Salaries	Rs. 10,000
Other expenses	Rs. 4,000

Closing stock could not be ascertained, but it is known that the branch usually sells at cost plus 20 per cent. The branch manager is entitled to a commission of 5 per cent on the profit of the branch before charging such commission.

3. A and B are partners sharing profits and losses in the ratio of 5:3. They admit C as 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.
4. P, Q and R share profits in proportion of $\frac{1}{2}$, $\frac{1}{4}$, and $\frac{1}{4}$. On the date of dissolution their balance sheet was as follows:

Liabilities	Rs	Assets	Rs
Creditors	14,000	Sundry assets	40,000
P's Capital	10,000		
Q's Capital	10,000		
R's Capital	6,000		
	40,000		40,000

The assets realized Rs. 35,500. Creditors were paid in full. Realization expenses amounted to Rs.1, 500. Close the books of the firm.

5. A, B and C are in partnership sharing profits and losses in the ratio of 9:6:5. Their balance sheet stood as follows:

Liabilities	Rs.	Assets	Rs.
Sundry creditors	15,000	Sundry Assets	80,000
Capital accounts:			
A	20,000		
B	20,000		
C	15,000		
Profit & Loss A/c	10,000		
	<hr/> 80,000		<hr/> 80,000

C retires and a revaluation loss of Rs.2000 is visualized. The goodwill of the firm is Rs. 20,000 and the remaining partners A and B pay for the share of goodwill due to C so as to keep the goodwill as a secret reserve.

6. Write up the capital account of the outgoing partner C and transfer it to C's loan account.

	Rs.
Goods sent 10,000 Kgs.	
Consignor expenses	1,00,000
Consignee's direct expenses	10,000
Sales 8000 Kgs.	2,000
Normal loss due to evaporation 100 Kg.	1,12,000

Calculate the value of unsold stock.

7. Sunder sells goods on Hire Purchase system at cost plus 60%. From the following prepare Hire-Purchase Trading A/c.

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

The following transactions took place during the year:-

a)	Goods sold on H.P. Price	Rs.1,60,000
b)	Cash received from customers at H.P. Price	Rs.1,12,000
c)	Goods received back on default valued at	Rs.800

(Instalment due Rs.4000)