

SHRIMATHI DEVKUNVAR NANALAL BHATT VAISHNAV COLLEGE FOR WOMEN (AUTONOMOUS)
 (Affiliated to the University of Madras and Re-accredited with 'A+' Grade by NAAC)
 Chromepet, Chennai — 600 044.
 B.Com. END SEMESTER EXAMINATIONS NOVEMBER-2022
 SEMESTER - II
20UCOCT2003 - Financial Accounting II

Total Duration : 2 Hrs 30 Mins.

Total Marks : 60

Section AAnswer any **SIX** questions ($6 \times 5 = 30$ Marks)

1. The Following information relates to Madurai Branch

	Rs.
Stock on 1.1.2014	11,200
Branch debtors on 1.1.2014	6,300
Goods send to Branch	51,000
Cash sent to Branch	
Rent	1,500
Salaries	3,000
Petty Cash	500
Sales at branch	
Cash	25,000
Credit	39,000
Cash received from debtors	41,200
Stock on 31.12.2014	13,600

Prepare Branch account for the year 2014

2. A purchased a machinery by the hire purchase system for Rs.30,000 to be paid as follows

Down Payment Rs.5,000 I Year Rs.7,000

II Year Rs.6,500 III Year RA.6,000

IV Year Rs.5,500

Interest is charged on the cash value at 10% per annum.

Calculate the Cash Price of the Machine

3. R and S were partners sharing profits in the ratio of 5 : 3 in view of V's admission they decided to revalue their assets and liabilities as follows:

i) To increase the value of land and building by Rs.30,000

ii) Provision for doubtful debts to be decreased by Rs.400

iii) To decrease machinery by Rs.8,000, Furniture by Rs.2,000 and Stock by Rs.6,000

iv) A provision for outstanding liabilities was to be created for Rs.400

Prepare Revaluation Account.

4. Explain the circumstances of dissolution of Partnership firm.

5. From the following information prepare Departmental Trading and Profit and loss a/c.

	Dept A	Dept B
Opening stock	40,000	-
Purchase	2,00,000	20,000
Wages	10,000	1,000
Sales	2,00,000	71,000
Closing stock	30,000	10,000
Inter.Dept.Transfer	50,000	50,000
Administrative Expenses	12,000	3,000

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6. Classify the various important terms used in Hire Purchase system.
7. Explain the adjustments are necessary for admission of a partner.
8. A,B,C Were equal partners on 31st December 1995 their position was as follows:

Liabilities	Rs.	Assets	Rs.
A Capital	2,000	Cash	1,500
B Capital	600	C capital	200
		Loss on Realisation	900
	2,600		2,600

C is insolvent and can pay nothing. Close the books of the firm. Apply Garner Vs Murray Rule.

Section B

Answer any **THREE** questions ($3 \times 10 = 30$ Marks)

9. From the following particulars prepare a branch account showing the profit or loss at the branch

	Rs.
Opening stock at the branch	15,000
Goods sent to the branch	45,000
Sales	60,000
Salaries	5,000
Other Expenses	2,000

Closing stock could not be ascertained but it is known that the branch usually sells at Cost plus 20%. The Branch Manager is entitled to a Commission of 5% on the profit of the Branch before charging such Commission.

10. The following purchases were made by a firm having three departments:

Dept. A - 1000 Units
 Dept.B - 2000 Units at a total cost of Rs.1,00,000
 Dept.C - 2400 Units

Opening stock on 1st January were :

Dept. A - 120 Units
 Dept.B - 80 Units
 Dept.C - 152 Units

Sales were:

Dept. A - 1020 Units at Rs.20 each
 Dept.B - 1920 Units at Rs.22.50 each
 Dept.C - 2496 Units at Rs.25 each

The rate of gross profit is same in each department. Prepare department trading account.

11. Distinguish Between Hire Purchase System and Instalment System.
12. A, B are partners in a firm. They share profit and losses in the ratio 3 : 1 their Balance sheet is as follows

Liabilities	Rs.	Assets	Rs.
Capital		Building	1,00,000
A	80,000	Plant	25,000
B	40,000	Stock	40,000
Reserve	40,000	Debtors	70,000
Creditors	60,000	Cash	5,000
Bills Payable	20,000		
	2,40,000		2,40,000

C is admitted into partnership for 1/ 5th share of the business on the following terms

- 1) Building is revalue at Rs.1,20,000

Contd...

- 2) Plant is depreciated to 80%
- 3) Provision for bad debts is made at 5%
- 4) Stock is revalue at Rs.30,000
- 5) C Should introduce 50% of the adjusted capital of both A and B.

Open Necessary Ledger account and the new Balance Sheet.

13. Anbu, Arivu, Arasu were partners, the following Balance sheet was as under

Liabilities	Rs.	Assets	Rs.
Sundry creditors	12,000	Stock	11,000
Capital		Debtors	9,500
Anbu	20,000	Machinery	25,000
Arivu	15,000	Cash	1,500
Arasu	10,000	Goodwill	13,000
	60,000		60,000

The firm was dissolved on the above date. The assets realised Rs.50,000. Dissolution Expenses amounted to Rs.1,000. The Creditors were Settled at Rs.11,500 The Patners had 3 : 2 : 1 as their profit sharing ratio.

Close the books of the firm.
