

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 APRIL-2023

SEMESTER - II

20UCOCT2003 - Financial Accounting - II

Total Duration : 2 Hrs. 30 Mins.

Total Marks : 60

Section B

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

1. Distinguish Between Branch Account and Departmental Accounts.
2. The Calcutta Co., Ltd. opened a branch at Bangalore on 1st April 1993.
From the following particulars, prepare Bangalore Branch Account in H.O Books.
(Goods Sent to branch at Cost Price)

Particulars	Rs.
Goods Sent to Branch	40,000
Cheque Sent to Branch for:	
Rent	4,000
Salaries	5,000
Other expenses	2,000
Cash Received from Branch	60,000
Stock on 31 st March 1994	8,000
Petty cash on hand, 31 st March 1994	150

3. Classify the basis for allocation of common expenses to different department of an organization.
4. On 1-1-86, X purchased machinery on hire purchase system. The payment is to be made Rs.4,000 down (on signing of the contract) and Rs.4,000 annually for three years. The cash price of the Machinery is Rs.14,900 and the rate of interest is 5%. Calculate the interest in each year instalment.
5. Difference between Hire Purchase and Instalment System.
6. A and B were partners in a firm sharing profits and losses in the ratio of 3:2. They admit C into the partnership with 1/6 share in the profits. Calculate the new profit sharing ratio.
7. Following is the Balance Sheet of Ramu and Raghu as on 4.4.08

Liabilities	Rs.	Assets	Rs.
Ramu's capital	50,000	Sundry assets	80,000
Raghu's capital	40,000	Bank	10,000
Creditors	20,000	Goodwill	20,000
	1,10,000		1,10,000

Contd...

Ramu and Raghu share profits and losses equally. Rasu is admitted on 1.4.08. He contributes Rs.50,000 as his capital but cannot bring any amount for goodwill which is valued at Rs.35,000. The new profit sharing ratio is 3:2:2. Journalise and show balance sheet after Rasu's admission.

8. Pass the journal entries for the following transactions in the books of A, B & C sharing profits in the ratio of 3 : 2 : 1 at the time of dissolution of the firm. Realization expenses of Rs.3,500 were to be borne by A and also to be paid by A.

Partner B was given a loan of Rs.30,000 by the firm.

C a partner took machinery for 10,000.

Loss on dissolution was Rs.4,000.

Bank loan Rs.50,000 was paid.

Section C

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

9. A Ltd. with its H.O in Calcutta has a branch at Delhi. You are given the following particulars relating to Delhi Branch for the year ended 30-6-98.

	Rs.		Rs.
Stock at Branch (1.7.97)	15,700	Goods returned by Branch	3,900
Goods sent to branch during the year	45,600	Cash sent to Branch for Expenses:	
Total Sales at Branch (including Rs.19,700 for Cash sales)	73,300	Salary	12,800
Cash received from debtors	52,200	Petty cash	2,600
Branch debtors on 1-7-97	16,900	Rent	3,000
Petty cash at branch on 1-7-97	110	Stock at branch on 30-06-98	18,800
		Petty Cash at branch on 30-6-98	90

Prepare the Branch Trading and Profit and Loss A/c in the Books of H.O.

10. From the following Information, prepare departmental trading and Profit & Loss account in a columnar form of the three departments of Sharma Dry Cleaners Ltd.

	Dry Cleaning	Darning	Dyeing
Stock 1 st Jan 1996	4,00,000	3,40,000	9,40,000
Stock 31 st Dec 1996	3,30,000	4,38,000	8,17,000
Purchases	19,59,000	6,97,000	13,73,000
Sales	40,00,000	20,00,000	40,00,000
Wages	7,28,000	3,00,000	2,46,000

Contd...

Goods were transferred from one department to another at cost price as follows:

- i) Darning to dry cleaning Rs.2,400 and to dyeing Rs.40,200
- ii) Dyeing to dry cleaning Rs.25,800 and to darning Rs.18,000
- iii) Dry cleaning to darning Rs.3,000 and to dyeing Rs.24,000

Apportion equally - Stationary - Rs.5,418; Postage - Rs.4,050; General expenses - Rs.2,37,618; Insurance - Rs.10,080; Depreciation - Rs.32,598.

Rent and Taxes Rs.1,80,000 is to be split in proportion to space occupied i.e. dry cleaning 4, darning 2, dyeing 2 and other space 2.

11. Following are the particulars relating to hire purchase: Purchaser - Ram & Co., Seller- Shyam & Co., Date of purchase - 1.1.2009
Asset purchased – Machinery, Cash price - Rs.12,894 Payments = Rs.2,000 on signing of the agreement and the balance in the three equal annual instalments of Rs.4,000 due on 31st December every year. Rate of interest - 5% per annum Depreciation – 20% on written down value each year. Make Journal entries and prepare necessary ledger accounts in the books of Ram & Co., and show the Machinery in the Balance Sheet as on 31st December 2010.
12. A and B are the partners sharing profit and loss in the ratio of 2:1 with a capital of ₹5,00,000 and ₹2,50,000, respectively on 1st April, 2020. The Partnership Deed provides the following clause:
 - i) Interest on Capital to be paid to each partner @8% p.a.
 - ii) Salary of ₹1,750 per month to be paid to B.
 - iii) B is also entitled to receive a commission of 10% of the Net Profit after deducting
 - iv) Interest on Capital and salary and after charging his commission.
 - v) The profit for the year ended 31st March, 2021, after charging B's salary was ₹2,25,000.

Prepare Partner's Capital Account under Fluctuating Capital Method.

13. The following was the Balance sheet of R and S as on 31.3.2000:

Liabilities	Rs.	Assets	Rs.
Creditors	48,000	Cash	11,500
Reserve	20,000	Debtors	19,000
Capital Accounts		Stock	46,000
R	70,000	Machinery	92,000
S	48,000	Profit and Loss A/c	17,500
	1,86,000		1,86,000

Contd...

The firm was dissolved on 31.3.2000 and the following was the result:

i) The assets realized the following:

Stock	- Rs.45,000
Debtors	- Rs.18,500
Machinery	- Rs.89,500

ii) Expenses were Rs.1,100

iii) The Sundry creditors were paid in full.

R and S Share profits in 3:2 ratio. Show the Realization A/c and the Capital A/c of the Partners.
