

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 2025

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. From the following particulars, Prepare Departmental Trading & Profit and Loss Account for the year ended 31.12.2017.

Particulars	Dept. X ₹	Dept. Y ₹
Stock (01.01.2017)	4,500	4,200
Sales	21,000	18,000
Purchases	13,500	10,800
Direct Expenses	2,745	4,260
Postage	180	180
Stock (31.12.2017)	5,400	2,400

Indirect expenses for the entire business were ₹1,950 that are to be apportioned in the proportion of Sales of the two departments.

2. Raman purchases a motor car from Bharathan whose cash price is Rs.56,000 on 1.1.93. Rs.15,000 is paid on signing the contract and the balance is to be paid in three equal annual instalments of Rs.15,000 each. The rate of interest is 5% p.a. Calculate the amount of interest included in each instalment.
3. Good Luck Ltd., opened a branch on 1.1.2013 at Calcutta. 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 31.12.13	8,000
Debtors on 31.12.13	3,400

4. M, N and O were partners in a firm sharing profits in the ratio of 3 : 2 : 1. O retired and the new profit sharing ratio between M and N was 1 : 2. On O's retirement the goodwill of the firm was valued at Rs.18,000. Pass journal entry for goodwill.

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5. Raman and Laxman were partners sharing profits and losses in the ratio of 4: 3. In view of Velan's admission, they decided to revalue the assets and liabilities as indicated below:
- To Increase the value of buildings by Rs.60,000;
 - Provision for doubtful debts to be decreased by Rs.800
 - To decrease machinery by Rs.16,000; Furniture by Rs.4,000 and stock by Rs.12,000
 - A provision for outstanding liabilities to be created at Rs.800.

Show the revaluation account.

6. P, Q and R share profits and losses in proportion of $\frac{1}{2}$, $\frac{1}{4}$, and $\frac{1}{4}$ respectively. On the date of dissolution, their balance sheet was as follows:

Liabilities	Rs.	Assests	Rs.
Creditors	28,000	Sundry Assets	80,000
Capitals			
P	20,000		
Q	20,000		
R	12,000		
	80,000		80,000

Assets realized Rs.71,000. Creditors were paid in full. Realization expenses amounted to Rs.3,000. Prepare Realisation Account, Partner's Capital Account and Cash Account.

- Write a short note on Garner Vs. Murray rule.
- Explain the types of Branch Accounting.

Section C

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

9. The following purchases were made by a business house having 3 departments:

Particulars	Dept. A (₹)	Dept. B (₹)	Dept. C (₹)	
Purchases	1,000 Units	2,000 Units	2,400 Units	@Total Cost of Rs.1,00,000
Sales	1,020 Units @ 20 Per Unit	1,920 Units @ 22.50 Per Unit	2,496 Units @ 25 Per Unit	
Stock on 1 st January	120 Units	80 Units	152 Units	

The rate of gross profit is same in each case. You are required to prepare Departmental Trading Account.

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10. X , Y and Z are in partnership. The following is their Balance Sheet as at 31.12.2015 on which date, they dissolved partnership. They share profits in the ratio of 5:3:2

Liabilities	Rs.	Assets	Rs.
Capitals:		Premises	40,000
X	50,000	Plant	30,000
Y	15,000	Stock	30,000
Z	45,000	Debtors	60,000
Creditors	40,000		
Red's loan	10,000		
	1,60,000		1,60,000

It was agreed to repay the amounts due to the partners as and when the assets were realized, viz:

- 1.02.2016 Rs.30,000
- 1.06.2016 Rs.73,000
- 1.09.2016 Rs.47,000

Prepare a statement showing how the distribution to the partners should be made under Proportionate capital method.

11. Differentiate Between Hire Purchase and Installment Purchase System.
12. A, B, C and D were partners sharing profits in the ratio of 3:2:3:2. Their Balance Sheet on the date of dissolution was as follows:

Liabilities	Rs.	Assets	Rs.
A's Capital	20,000	Assets	34,000
B's Capital	10,000	C's Capital	12,720
Reserve Fund	8,000	D's Capital	3,280
Creditors	12,000		
Total	50,000	Total	50,000

On the above date C becomes insolvent and was able to contribute only 50 paise in the rupee. Assets realised Rs.25,000. Realisation expenses amounted to Rs.800. Make Ledger Accounts.

13. Ganesh traders, Bangalore have a branch at Madras to which goods are sent at cost price to be sold for cash & credit.

	Rs.		Rs.
Stock on 1.1.09	27,000	Stock on 31.12.09	19,260
Debtors on 1.1.09	9,000	Goods sent to branch	54,000
Bank balance on 1.1.09	8,400	Goods returned to H.O. by branch	1,080
Goods returned by customers	540	Credit sales	72,000
Cash sales	14,400	Cash collected from customers	66,000
Discount allowed to customers	1,320	Rent, Rates & Insurance paid by HO	1,500
Cash remitted to HO by branch	75,000	Bad debts written off	780
Expenses paid by the branch			
Wages & salaries	1,200		
Miscellaneous expenses	600		

From the above particulars you are required to prepare

- (i) Branch Stock A/c (ii) Branch debtors A/c (iii) Branch expenses A/c
 (iv) Branch P&L A/c
