

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. CA - END SEMESTER EXAMINATIONS - APRIL 2025  
SEMESTER - II

**23UCCCT2002 - Financial Accounting -II**

Total Duration : 2 Hrs.30 Mins.

Total Marks : 60

**Section B**

Answer any **SIX** questions (6 × 5 = 30 Marks)

- 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.
- Explain 'Hire Purchase Trading Account'
- Good Luck Ltd., opened a branch on 1-1-95 at Calcutta. The following information is supplied to you. Prepare Branch A/c.

Particulars	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 31-12-95	8,000
Debtors on 31-12-95	3,400

- Fancy Clothes Ltd., opened a branch on 1<sup>st</sup> January, 1998 at Delhi. The figures given below are for the year 1998:

Particulars	Rs.
Goods sent to branch	25,000
Sales: Cash	10,000
Credit	18,000
Cash received from Debtors	16,000
Discount allowed to them	300
Cash sent to branch for expenses	3,500
Stock on 31-12-1998	4,000

Give journal entries and prepare branch account.

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5. A firm earned net profits during the last three years as follows:

	Rs.
I year	36,000
II year	40,000
III year	44,000

The capital investment of the firm is Rs.1,20,000. A fair return on the capital having regard to the risk involved is 10%. Calculate the value of goodwill on the basis of 3 years purchase of super profits.

6. X and Y are sharing profits and losses in the ratio of 7:3. They admit Z for  $\frac{3}{7}^{th}$  share in the new firm which he takes  $\frac{2}{7}$  from X and  $\frac{1}{7}$  from Y. Calculate the new profit sharing ratio of partners and sacrificing ratio of old partners.

7. Ram, Rahim and Suresh share profits in the ratio 3:2:1. On 31.12.94, their Balance Sheet as follows:

Liabilities	Rs.	Assets	Rs.
Creditors	12,000	Machinery	25,000
General reserve	3,000	Stock	11,000
<b>Capital</b>		Debtors	9,500
Ram	20,000	Goodwill	13,000
Rahim	15,000	Cash	1,500
Suresh	10,000		
	60,000		60,000

On the above date, the firm was dissolved. The assets except cash realised Rs.60,000. The Creditors were settled at Rs.11,500. Dissolution expenses amounted to Rs.800. Give necessary Ledger A/c's.

8. Who is an 'Insolvent partner'?

### Section C

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

9. X purchased a machine under hire purchase system. According to the terms of the agreement Rs.40,000 was to be paid on signing of the contract. The balance was to be paid in four annual instalments of Rs.25,000 each plus interest. The cash price was Rs.1,40,000. Interest is chargeable on outstanding balance at 20% per annum. Calculate interest for each year and the instalment amount.

10. G Traders, Bangalore have a branch at Madras to which goods are sent at cost price to be sold for cash and credit.

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**SEMESTER - II**  
**23UCCCT2002 - Financial Accounting -II**

	Rs.		Rs.
Stock on 1-1-91	27,000	Stock on 31-12-91	19,260
Debtors on 1-1-91	9,000	Goods sent to branch	54,000
Bank balance on 1-1-91	8,400	Goods returned to H.O. By branch	1,080
Cash sales	14,400	Credit sales	72,000
Goods returned by customers	540	Cash collected from customers	66,000
Discount allowed to customers	1,320	Bad debts written off	780
Cash remitted to H.O. By branch	75,000	Rent, Rates & Insurance paid by H.O	1,500
Expenses paid by the branch:			
Wages & Salaries	1,200		
Miscellaneous expenses	600		

From the above particulars, you are required to prepare:

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

11. A and B are partners in a Business. The Balance sheet of the partners was as follows:

Liabilities	Rs.	Assets	Rs.
Creditors	1,40,000	Goodwill	40,000
Bills Payable	60,000	Motor Car	1,60,000
Profit & Loss A/c	1,00,000	Stock	4,00,000
Capital:		Debtors	3,60,000
A	4,00,000	Cash At Bank	40,000
B	3,00,000		
	10,00,000		10,00,000

C is admitted for  $1/5^{th}$  share on the following terms:

- i. Goodwill is valued at Rs.80,000 and 'C' can bring only Rs.6,000 cash for his share of goodwill.
- ii. C is to bring Rs.1,50,000 as his capital.
- iii. Motor car is valued at Rs.2,00,000; stock at Rs.3,80,000; and debtors at Rs.3,50,000.

Pass journal entries and prepare revaluation account, capital accounts and balance sheet share after C's admission.

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12. A and B were partners sharing profits and losses in the ratio of 3:2. On 1.7.91, their Balance Sheet was as under:

Liabilities	Rs.	Assets	Rs.
Sundry Creditors	2,00,000	Stock	1, 20,000
Capital:		Furniture	6,000
A	50,000	Cash	4,000
B	30,000	Debtors	1,50,000
	2,80,000		2, 80,000

The firm was dissolved on the above date. The assets realised only Rs.1,60,000. Expenses came to Rs.5,000. A's Private Estate could pay only Rs.10,000. B had to surplus. Close the books of the firm by showing the relevant ledger accounts

13. A, B and C are equal partners in a firm on 31<sup>st</sup> Dec. 2000, their Balance Sheet stood as follows:

Liabilities	Rs.	Assets	Rs.
Creditors	10,000	Bank	200
Bills Payable	3,200	Debtors	16,000
General Reserve	9,000	Stock	25,000
Capital Accounts		Bills Receivable	5,000
A	21,000	Machinery	15,000
B	13,000		
C	5,000		
	61,200		61,200

'C' became insolvent and his private estate could pay Rs.100. The firm was dissolved. Assets realised Rs.31,000. Realisation expenses came to Rs.600. Prepare necessary ledger A/c to close the books of the firm. (Apply GARNER Vs MURRAY Rule).

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