

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 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. M/s Bharat Enterprise Ltd., invoices goods to their various branches at cost, and the branches sell on credit as well as for cash. From the following details relating to Bangalore Branch, prepare Branch Stock and Branch Debtors Account in the books of head office:

Particulars	₹	Particulars	₹
Stock on 1 <sup>st</sup> January, 2024	15,000	Returns from customers	600
Stock on 31 <sup>st</sup> December, 2024	14,000	Bad Debts written off	500
Debtors on 1 <sup>st</sup> January, 2024	25,000	Discount allowed to customers	2,000
Debtors on 31 <sup>st</sup> December, 2024	35,000	Remittance from branch	70,000
Cash at branch on 1 <sup>st</sup> Jan. 2024	500	Rent & Taxes	1,500
Cash sent to branch	1,500	Wages & Salaries	5,000
Goods sent to branch	50,000	General Trade Charges	1,000
Goods returned by branch	500	Normal Loss of goods due to wastage	1,000
Cash sales	32,000	Abnormal Loss of goods due to pilferage	2,000
Credit sales	58,000		
Allowances to customers	300		

2. A Company had two departments A and B. A department supplies the goods to B department. From the following figures, Prepare Departmental Trading Account for the year 2024.

Particulars	Departments	
	A(₹)	B(₹)
Opening Stock	30,000	-
Purchases	2,10,000	-
Transfer to B	50,000	50,000
Sales	2,00,000	60,000
Closing Stock	40,000	10,000

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3. On 1<sup>st</sup> January, 2022 Sharda purchased a machine from Kusum on hire-purchase basis. The particulars are as follows: (i) Cash Price ₹10,000. (ii) ₹4,000 to be paid on signing the contract. (iii) Balance in three instalments of ₹2,000 plus interest. (iv) Interest charged on outstanding balance at 5%. (v) Depreciation at 10% p.a. on Written Down Value Method. Prepare Kusum's account in the books of purchaser.
4. Prepare Capital accounts of partners Snehan and Priyan from the following information, when their capitals are fluctuating.

Particulars	Snehan (₹)	Priyan (₹)
Capital on 1 <sup>st</sup> January 2024 (Cr. balance)	4,00,000	3,50,000
Drawings during 2024	80,000	70,000
Interest on drawings	2,000	1,000
Share of profit for 2024	42,000	33,000
Interest on capital	24,000	21,000
Salary	36,000	Nil
Commission	Nil	5,000

5. Difference between dissolution of partnership and dissolution of a firm.
6. Difference between Hire purchase and Instalment system.
7. A and B are partners sharing profits and losses in the ratio of 5:3. They admit C as a 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.
8. From the following information, prepare Realisation A/c assuming all the partners are insolvent:
- Current Assets   Rs.40,000  
Furniture        Rs.50,000  
Fixed Assets     Rs.4,55,000  
Provision for depreciation on Furniture Rs.20,000  
Sundry Creditors   Rs.4,20,000  
Bills Payable      Rs.20,000
- Amount realised on selling the assets Rs.2,55,000. Partners A, B and C share profits & losses in the ratio of 2:2:1.

### Section C

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

9. Distinguish between Wholesale Profit & Retail Profit.

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10. From the following particulars given by M/s Tins and Toys prepare a Departmental Trading and Profit and Loss Account for their two Departments, viz. Tins department and Toys department, for the year ended 31-3-2025.

Particulars	₹	Particulars	₹
Opening Stock:		Office expenses	4,800
Toys	5,000	Depreciation:	
Tins	15,000	Factory Equipment	3,200
Raw materials consumed (Tins)	36,000	Buildings	1,600
Stores consumed	9,000	Sales:	
Wages:		Tins	90,000
Toys	3,000	Toys	18,000
Tins	6,000	Closing Stock:	
Advertisement	1,500	Toys	6,000
Packing expenses (Toys)	600	Tins	12,000

Additional information:

- Toys are made of end bit of sheets of raw materials used by Tins Department. The value of such materials used during the year by Toys Department was ₹2,000.
  - Toy making does not require any equipment.
  - Only 1/8 of the total area of buildings occupied by Toys Department.
11. X purchased a car from Y costing ₹1,50,000 on hire purchase system. Payment was to be made ₹30,000 down and remainder in 3 equal annual instalments together with interest at 5% p.a. X provides depreciation at 20% p.a. on diminishing balance basis. X paid the first instalment at the end of the first year but could not pay the next. Y took possession of the car. He spends ₹5,800 on the car and sold it for ₹80,000. Show necessary ledger accounts in the books of X.
12. A, B and C are partners in a business, sharing profits and losses in ratio of 3:2:1. Their balance sheet on 30<sup>th</sup> June, 2024 was as follows:

Liabilities		Assets	
Sundry Creditors	1,600	Cash in Hand	600
Reserve Fund	6,000	Cash at Bank	1,000
A's Capital	10,000	Stock	7,000
B's Capital	10,000	Debtors	9,000
C's Capital	10,000	Machinery	6,000
		Factory Building	14,000
	37,600		37,600

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On that date C retires from business. It is agreed to adjust the values of assets as follows:

- a) To make a provision of 5% on sundry debtors for doubtful debts;
- b) To depreciate stock by 5% and machinery by 10%;
- c) Factory buildings to be revalued at ₹15,100.

Show the Revaluation account and the Partners' capital accounts and prepare the Balance sheet of the continuing partners on July 1, 2024.

13. A, B and C share profits and losses in the proportion of 1/2, 1/3, 1/6. Their balance sheet is as follows:

Liabilities		Assets	
Creditors	50,000	Land & Buildings	70,000
A's Loan	10,000	Plant & Machinery	40,000
A's Capital	50,000	Stock	25,000
B's Capital	10,000	Debtors	20,000
C's Capital	40,000	Cash	5,000
	1,60,000		1,60,000

The partnership is dissolved and the assets are realised as follows:

1<sup>st</sup> Realisation: ₹40,000; 2<sup>nd</sup> Realisation: ₹30,000; 3<sup>rd</sup> Realisation: ₹54,000; 4<sup>th</sup> Realisation: ₹7,000. Prepare a statement showing how the distribution should be made.

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