

Roll.No.

21UBCCT2003

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. CS - END SEMESTER EXAMINATIONS - NOVEMBER 2025
SEMESTER - II

21UBCCT2003 - Financial Accounting-II

Total Duration : 2 Hrs.30 Mins.

Total Marks : 60

Section B

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

1. Distinguish between wholesale profit and retail profit.
2. Goods Luck Ltd. opened a branch on 1.1.24 at Calcutta. The following information is supplied to you. Prepare Calcutta Branch A/c.

Particulars	₹
Goods Sent to Branch	50,000
Cash Sales	20,000
Credit Sales	36,000
Cash received from Debtors	32,000
Discount allowed to them	600
Cash sent to branch for expenses	7,000
Stock on 31.12.24	8,000
Debtors on 31.12.24	3,400

3. A company has two departments A and B. Dept. A supplies goods to Dept. B at its usual selling price. From the following figures. Prepare Department Trading A/C for the year 2023.

Particulars	A ₹	B ₹
Opening stock (1.1.23)	30,000	-
Purchases	2,10,000	-
Transfer to B	50,000	50,000
Sales	2,00,000	60,000
Closing stock (31.12.23)	40,000	10,000

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4. X Purchased a Machine under Hire Purchase System. According to the Terms of the Agreement ₹40,000 was to be paid on signing of the contract. The Balance was to be paid in four annual installments of ₹25,000 each plus interest. The Cash Price was ₹1,40,000. Interest is Chargeable on Outstanding balance at 20% per annum. Compute the interest for each year and the installment amount.
5. Bring out the accounting treatment of interest under hire purchase system.
6. Bil, Chil, Dhil and Gil are partners sharing profits in the ratio of 3:2:3:2. On the retirement of Dhil, goodwill was valued at ₹48,000. Dhil's share of goodwill will be given to her by adjusting it into the capital accounts of Bil, Chil and Gil. Prepare the journal entry for goodwill, when the new profit sharing ratio is 3:1:6.
7. P, Q and R share profits in the proposition of $\frac{1}{2}$, $\frac{1}{4}$ and $\frac{1}{4}$. On the date of dissolution their balance sheet was as follows:

Liabilities	₹	Assets	₹
Creditors	14,000	Sundry assets	40,000
P's capital	10,000		
Q's capital	10,000		
R's capital	6,000		
	40,000		40,000

The assets realized ₹34,000. Show how the proceeds should be distributed as and when received.

8. Ram, Rahim and Suresh share profits in the ratio 3:2:1. On 30.12.2023, their balance sheet was as follows:

Liabilities	₹	Assets	₹
Creditors	12,000	Machinery	25,000
General reserve	3,000	Stock	11,000
Capital A/c's		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 realized of ₹60,000. The creditors were settled at ₹11,500. Dissolution expenses amounted to ₹800. Show necessary ledger A/Cs.

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Section C

Answer any **THREE** questions (3 × 10 = 30 Marks)

9. From the following particulars relating to Trichy Branch for the year ending 31.12.2022, prepare various accounts in the Chennai Head Office books.

Particulars	₹	Particulars	₹
Stock on 1.1.22	30,000	Bad debts Written off	300
Debtors 1.1.22	12,000	Discount allowed to customers	100
Petty cash 1.1.22	200	Branch expenses paid by H.O	3,000
Goods sent to branch	50,000	Petty cash sent to branch	500
Goods returned to H.O	600	Petty expenses at branch	400
Cash Sales	30,000	Furniture purchased by branch	1,000
Credit sales	42,000	Stock 31.12.22	12,500
Sales return at branch	250		

10. Predict the objectives and advantages of departmental accounting.
11. Mr. P purchased 4 cars for ₹14,000 each on 1.1.2012 under the hire purchase system. The hire purchase price for all the 4 cars was ₹60,000 to be paid as ₹15,000 down payment and 3 equal installments of ₹15,000 each at the end of each year. Interest is charged at 5% p.a. The buyer depreciates the car at 10% p.a. on straight line method.
From the above particulars, prepare journal entries and relevant A/c's in the books of Mr. P and in the books of hire-vendor.
12. A, B & C are partners in a firm sharing profits and losses in the ratio of 1/3:1/2:1/6 respectively. Their balance sheet as on 31.3.2025 was as follows.

Liabilities	₹	Assets	₹
Reserve Fund	16,000	Building	50,000
Capital A/C's :		Debtors ₹18,000	
A	30,000	Less: Provision ₹500	17,500
B	40,000	Furniture	10,000
C	25,000	Stock	25,000
Loan payable	15,000	Machinery	40,000
Sundry Creditors	25,000	Cash	8,500
	1,51,000		1,51,000

'C' retires on 31.3.2025 subject to the following conditions:

- a) Goodwill of the firm is valued at ₹24,000

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- b) Machinery to be depreciated by 10%
- c) Furniture to be depreciated by 5%
- d) Stock to be appreciated by 15% and buildings to be appreciated by 10%
- e) Reserve for doubtful debts to be raised to ₹2,000.

Prepare necessary ledger accounts and show the balance sheet of the new firm.

13. P and G are equal partners. They decide to dissolve the partnership on 31.12.2024 when their Balance Sheet as follows:

Liabilities	₹	Assets	₹
Capitals A/C's :		Machinery	19,200
P	48,000	Buildings	60,000
G	48,000	Stock	6,960
Sundry creditors	2,400	Debtors	5,760
		Bank	6,480
	98,400		98,400

- i. P is to take over the business and pay ₹12,000 for goodwill which had not been previously valued. He is also to take over the buildings and stock at book value and Machinery at ₹18,000.
- ii. During the period upto 31.05.2025, P collects ₹4,800 from the firm's debtors and pays the liabilities, getting ₹240 as cash discount.
- iii. P also pays dissolution expenses amounting to ₹480.

Prepare the Revaluation A/c, Partner's Capital A/c's and Bank A/c assuming that settlement was made on 31.5.2025.
