



QP CODE: 24019303

24019303

Reg No :

Name :

**B.COM DEGREE (CBCS) REGULAR / IMPROVEMENT / REAPPEARANCE
EXAMINATIONS, MAY 2024**

Second Semester

Core Course - CO2CRT04 - FINANCIAL ACCOUNTING II

(Common to all B.Com Degree Programmes)

2017 ADMISSION ONWARDS

0A139452

Time: 3 Hours

Max. Marks : 80

Instructions to Private candidates only: This question paper contains two sections. Answer SECTION I questions in the answer-book provided. SECTION II, Internal examination questions must be answered in the question paper itself. Follow the detailed instructions given under SECTION II

Part A

*Answer any **ten** questions.*

*Each question carries **2** marks.*

1. Differentiate hire purchase price and cash price.
2. Should depreciation to be charged on fixed assets purchased on hire purchase in the books of hire purchaser?
3. What is Repossession?
4. State any two features of branch.
5. Give journal entries for , goods worth Rs. 4000 sent by H.O to branch ,but not yet received by the branch.
6. What do you mean by general profit and loss account?
7. How would you allocate Lighting and Rent among different departments of Departmental Organisation?
8. Mention the order of settlement of claim on dissolution of a firm.
9. Mention any four circumstances under which a partnership firm is dissolved.
10. What is Garner Vs Murray decision?
11. Explain maximum possible loss method.





12. What is AS 10?

(10×2=20)

Part B

*Answer any **six** questions.*

*Each question carries **5** marks.*

13. Distinction between Hire Purchase System and Instalment System?
14. A purchased a Machine on Hire- purchase system. The cash price of the Machine was ₹ 1 86,250. He paid ₹ 50,000 on signing of the agreement and rest in three annual instalments of ₹ 50,000 each. Calculate interest for each year.
15. What are the various accounts maintained under stock and debtors system?
16. How inter branch transactions are dealt in the accounting of independent branch?
17. Differentiate between branch account and departmental accounts.
18. A firm has two Departments X and Y. During the year ending 31.12.2017 their books stood as follows:

Particulars	Dept X	Dept Y
Opening Stock	2,700	3,700
Purchases	24,000	34,000
Sales	45,500	74,500
Return Outwards	3,000	4,000
Closing Stock	4,900	7,800
Salaries	6,700	7,950
Wages	4,000	5,000

Other expenses during the year :

Carriage on purchases	3,600
Carriage on Sales	2,480
General manager's salary	10,000
Rent,rates and taxes	3,900
Interest on investments	2,000

Prepare Trading and Profit and Loss Account after making following adjustments:

- i)The rent and rates are to be apportioned in the ratio 2 : 3
- ii)Depreciation at 20% should be charged on machinery costing Rs.6000 which is used by the two departments equally.
19. Aman and Thahir were partners in a firm sharing profits and losses in the ratio of 3:2. On 30th June 2018, they had capitals of Rs.20,000 and Rs 10,000 respectively. They had creditors for Rs 30,000 and cash balance Rs 3,000. They decided to dissolve the firm. Sundry assets realized Rs 68,000. Cost of realization amounted to Rs 1,000.





Prepare Realisation a/c.

20. Explain the accounting steps for the dissolution of a firm.
21. Explain the procedure for issuing Accounting Standards in India.

(6×5=30)

Part C

Answer any **two** questions.

Each question carries **15** marks.

22. Kiran & Co. bought a Machinery of the cost of ₹ 60,000 from Krishna & Co. Under Hire Purchase System on 1st April 2014. ₹ 20,000 was paid on delivery of the Machine and the balance was agreed to be paid in four equal half yearly instalments together with interest @ 20% per annum. Accounts are closed on 31st March by both the parties. The Machinery is depreciated @ 20% on Straight Line Method.

Prepare accounts in the books of Kiran & Co. And Krishna & Co. for the first two years.

23. King Bros. had a branch at Kolkata. Goods are invoiced to the branch at cost plus 25%. Branch is instructed to deposit cash every day in the head office account in the bank. All expenses are paid by the branch manager. From the following particulars, prepare branch account under debtors system in the books of head office :

Stock on 1-1-2016	2,500
Stock on 31-12-2016	3,000
Sundry debtors on 1-1-2016	1,400
Sundry debtors on 31-12-2016	1,800
Cash sales for the year	7,000
Cash remitted to the head office	15,000
Furniture purchased by the branch Manager	1,200
Goods invoiced from the head office	18,200
Expenses paid by the head office	1,640
Expenses paid by the branch	120
Head office sent cash to purchase safe for the Branch	1,300

24. From the following balances prepare Departmental Trading and Profit and Loss account for the year ended 31.03.2018

Opening Stock	Sales:	
Dept A 2,50,000	Dept A	10,50,000
Dept B 3,50,000	Dept B	12,50,000
Purchases:	Salaries:	
Dept A 6,50,000	Dept A	90,000





Dept B	9,50,000	Dept B	1,00,000
Closing Stock:		Carriage Inwards:	
Dept A	3,00,000	Dept A	50,000
Dept B	3,30,000	Dept B	60,000
General managers Salary 1,00,000			

Additional Information:

1. Closing stock of Dept A includes goods taken from Dept B at a value of Rs.70,000 at a profit of 20% on invoice price
Closing stock of Dept B includes stock of the value of Rs.50,000 delivered by Dept A at a profit of 25% on cost.
 2. During the year Dept A transferred goods of the value of Rs. 1,00,000 to Dept B and Dept B transferred goods of the value of Rs. 1,40,000 to Dept A.
 3. The opening stocks are at cost price to the transferer Departments.
25. Pankaj, kiran and Mathew were partners sharing profits and losses in the ratio of 2:2:1. The partnership was dissolved on December 31, 2018, and their Balance Sheet on that date was as follows.

Liabilities	Amount	Assets	Amount
Sundry Creditors	6,000		
Capital Accounts:			
Pankaj	16,000	Cash in hand	2,000
Kiran	10,000	Other Assets	38,000
Mathew	3,000		
Profit and Loss Account	5,000		
	40,000		40,000

The assets were realized gradually: Rs 10,000 was received in first installment, Rs. 10,000 the second time and Rs 13,000 finally. Show how cash was distributed under proportionate capital method.

(2×15=30)

