

Total No. of Printed Pages:05

**SUBJECT CODE NO:- CC-3359**  
**FACULTY OF COMMERCE AND MANAGEMENT**  
**B.Com F.Y. (Sem-II) (CBCGS) Examination Oct/Nov 2019**  
**Financial Accounting - II**

[Time: Three Hours]

[Max.Marks:80]

Please check whether you have got the right question paper.

N.B

- 1) Q.1 is compulsory.
- 2) Attempt any four questions from Q.2 to Q.7.
- 3) Use of calculator is allowed.

Q.1 A) Select the most appropriate answer: 05

- 1) Disclosure of accounting policies are related to \_\_\_\_\_.  
 a) AS – 1                      b) AS – 2                      c) AS – 3                      d) AS – 4
- 2) Stock and debtor system is generally used when goods are sent to the branch at \_\_\_\_\_.  
 a) Cost Price                      b) Invoice Price  
 c) Both                      d) None
- 3) \_\_\_\_\_ Item is not shown in Branch Stock Account.  
 a) Goods sent                      b) Goods return by H.O.  
 c) Goods return by debtor to branch                      d) Closing stock
- 4) Cost Price = Selling Price Less \_\_\_\_\_.  
 a) Net Loss                      b) Gross Profit  
 c) Net Profit                      d) Profit / Loading
- 5) The dispatch of goods from one person to another person at different place for the purpose of where housing and ultimate sales is termed as \_\_\_\_\_.  
 a) Delivery of goods                      b) Transfer  
 c) Consignment                      d) Exchange

B) Answer the following questions in one sentence each: 05

- 1) What is non – trading concern?
- 2) Who issue Accounting Standard in India?
- 3) On which basis selling expenses will be allocated?
- 4) What will be the entry in the books of consigner on dispatch of goods?
- 5) Where is prepared Branch Account?

C) Fill in the blanks and rewrite the sentences: 05

- 1) The system of keeping accounts generally adopted by small size branches are \_\_\_\_\_ system.
- 2) Cash Sales + \_\_\_\_\_ = Total Sales
- 3) Income and Expenditure Account is \_\_\_\_\_ Account.

- 4) Allocation base of rent is on \_\_\_\_\_.
- 5) Education Societies are \_\_\_\_\_ organization.

D) State the following statements are whether True or False.

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- 1) Receipts and Payments account starts with an opening balance.
- 2) The abnormal loss on consignment is not credited to consignment account.
- 3) Accountings for Fixed Assets are related to AS- 10.
- 4) Advertisement is a Selling Expense.
- 5) Buying and selling is prime objective of non- trading concerns.

Q.2 Mohitraj trading company, Aurangabad has a branch at sillod. Goods are invoiced to the branch at 15 Selling Price which is cost plus 25%. From following particulars, prepare branch account in the books of head office for the year ended 31<sup>st</sup> march 2018.

Stock on 1 <sup>st</sup> April 2017 (invoice price)	Rs. 45,000
Debtors (1 <sup>st</sup> April 2017)	Rs. 37,500
Petty cash (1 <sup>st</sup> April 2017)	Rs. 100
Goods sent to branch (Invoice Price)	Rs 2,50,000
Sales:	
Cash	Rs. 1,05,000
Credit	Rs. 1,85,000
Goods returned by branch (invoice)	Rs. 7,500
Cash sent to branch:	
Salaries	Rs. 18,000
Rent	Rs. 14,000
Petty Cash	Rs. 3,250
Cash received from debtors	Rs. 1,97,000
Discount allowed to debtors	Rs. 3,000
Stock on 31 <sup>st</sup> march, 2018 (invoice)	Rs. 55,000
Petty cash (31 <sup>st</sup> march, 2018)	Rs. 150

All cash received by branch is submitted to head office.

Q.3 Nikita Industries, Pune consigned 200 Machine to Sudha Traders, Solapur costing Rs. 1,500 each 15 at the invoice price of Rs. 2,000 each.

The consignee is to get 5% commission on gross sales and 1% Delcredere commission on credit sales. Nikita Industries incurred Rs 15,000 as expenses and received a bill from sudha Traders for Rs. 1,50,000. Sudha Traders incurred expenses amounting to Rs. 25,000 (Non. Recurring).

At the end of the year Sudha Traders sent on account sales showing that 100 machines realized Rs. 2,100 each and 50 machines at Rs. 2,000 each. Sudha Traders sent a bank draft for the balance. It was also disclosed that a customer who purchased 5 machines. At Rs. 2,000 each on credit has become bank craft.

Q.4 From the following Figures prepare departmental trading and profit and Loss and General Profit and Loss Account for the year ended 31<sup>st</sup> December 2018. 15

Particulars	Rs.
Opening Stock. Dept. A	30,400
Dept. B	21,600
Purchases: Dept. A	1,50,200
Dept. B	1,39,600
Carriage Inwards	5,720
Salaries: Dept. A	18,000
Dept. B	17,000
General	23,200
Rents & Rates	12,000
Advertising	16,200
Insurance	2,000
General expenses	10,800
Discount allowed	3,600
Accounting charges	1,000
Sales: Dept. A	2,00,000
Dept. B	1,60,000
Purchase Returns:	
Dept. A	2,200
Dept. B	1,600
Discount Received	2,860

The following Information is supplied.

- 1) Goods transferred from Dept. 'A' to Dept 'B' Rs. 10,000. This is not yet recorded.
- 2) General salaries are to be allocated equally.
- 3) The area occupied is in the ratio of 3:2.
- 4) Insurance Premium is for a comprehensive Policy.
- 5) The closing stock was valued at dept 'A' Rs. 35,600 and Dept 'B' Rs. 31,200.

Q.5 Dr. Prashant commenced practice in January 1, 2018. He has prepared the following Receipts and Payments Account for the year ended 31<sup>st</sup> December 2018. 15

Receipts and Payments Account  
(for the year ended 31 Dec. 2018)

Receipts	Rs.	Payments	Rs.
To capital fund	63,000	By Medical Equipment's	31,500
To Income from visits	84,000	By computers	21,000
To Receipts from Dispensing	98,000	By Purchases of Drugs	21,000
To sundry Receipts	1,050	By compounder's Salary	12,600
		By Rent of Dispensary	6,300
		By conveyance charges	10,500
		By printing & stationery	2,100
		By journals & Newspapers	1,820
		By Lighting	1,330
		By 'X' Ray machine	1,06,400
		By Balance of cash	31,500
	2,46,050		2,46,050

Additional Information:-

- 1) Income from visit is outstanding Rs. 15,750.
- 2) Outstanding expenses: Compounder's salary Rs. 3,150 and stationary bill Rs. 1,050.
- 3) Closing stock of drugs on hand was Rs. 3,675.
- 4) Depreciate at the rate of 5% on medical equipments and computers (excluding X- Ray machine)

You are required to prepare

- i) Income & expenditure account for the year ended 31<sup>st</sup> Dec. 2018.
- ii) Balance Sheet as on that data.

Q.6 Fresco water industry has a branch at Jalna. Goods are invoiced to branch at selling Price, being cost plus 25%. Branch expenses paid by Head office during the year. The information is given below. 15

Particular	Rs
1. Opening stock	6,000
2. Opening Debtors	7,000
3. Cash Sales	10,000
4. Credit Sales	15,000
5. Cash received from customers	18,000
6. Goods sent to branch	35,000
7. Rent & rates	2,000
8. Wages & salaries	3,000
9. Sundry Expenses	4,000
10. Discount Allowed to customer	1,000
11. Goods return by Customer	1,500
12. Goods spoiled	800

You are required to follow stock & debtor system and prepare Branch account, Branch Debtors Account, goods sent to Branch Account and Branch Expenses Account.

Q.7 Write short notes: (any three)

15

- 1) AS- 9
- 2) Normal and Abnormal Loss
- 3) Distinction between consignment and sale
- 4) Income and Expenditure
- 5) Debtors system