



WEST BENGAL STATE UNIVERSITY
B.Com. Programme 3rd Semester Examination, 2020, held in 2021

FACGCOR06T-B.Com. (DSC6)

FINANCIAL ACCOUNTING-II

Time Allotted: 2 Hours

Full Marks: 50

*The figures in the margin indicate full marks.
Candidates should answer in their own words as far as practicable
All symbols are of usual significance.*

GROUP-A

Answer any two questions from the following

10×2 = 20

1. A and B are partners. They admit C as a partner on the understanding that his share of profits shall not be less than Rs. 2,400 in any year. Profits are shared in the proportion of one-half to A, three-eighths to B and one-eighth to C. The profits for the year ended 30th June, 2020, were Rs. 15,280. Draw up the appropriation account to show the division of profits amongst the partners. 10
2. X, Y and Z are partners in a firm sharing profits and losses in the ratio of 1:1:2. The firm was dissolved on 31.03.2020 and on that date the Balance Sheet of the firm was as under: 10

Liabilities	Amount	Assets	Amount
Partners' Capital		Fixed Assets	100000
Account		Stock	35000
X	60000	Debtors	60000
Y	150000	Cash at Bank	25000
Creditors	30000	X's Capital A/c	20000
	2,40,000		2,40,000

Prepare necessary accounts including Bank Account, after considering the following aspects:

- (a) Fixed Assets realised Rs. 1,17,000; (b) Z took over the stock at 80%;
(c) Unrealised portion of Debtors Account Rs. 6000; (d) Creditors allowed 10% discount.

3. Van Suppliers Ltd sold a tempo to Motor Purchasing Co. on hire-purchase system on 1st January, 2020. The agreed cash selling price was Rs 8,400 which was to bear interest at 6% p.a. 10

The payments were to be made as follows:

Rs. 2,000 on delivery Rs. 2,400 on 31.12.21

Rs. 2,400 on 31.12.20 Rs. 2,400 on 31.12.22

The Motor Purchasing Co. provides depreciation at the rate of 10% p.a. under reducing balance method.

Prepare Tempo Account and Van Suppliers Ltd Account in the books of Motor Purchasing Co.

4. From the following particulars prepare a branch account in the books of head office assuming that all sales at branch are on cash basis: 10

	Rs.
Opening stock at branch	45,000
Goods sent to the branch	1,35,000
Expenses:	
Salary	15,000
Other expenses	6,000
Sales	1,80,000

Closing stock could not be ascertained, but it is known that the branch usually sells at cost plus 20%. The branch manager is entitled to a commission of 5% on the profit of the branch before charging such commission.

5. M/s Z & Co. has two departments. You are requested to prepare the trading and profit and loss account for each department for the year ended on 31st March, 2020 on the basis of following information: 10

	Deptt. A	Deptt. B
	Rs.	Rs.
Opening stock (1.4.19)	25,000	20,000
Purchases	2,30,000	1,90,000
Sales	6,33,000	4,92,000
Sales return	3,000	2,000
Closing stock (31.3.20)	30,000	18,000
Wages	80,000	60,000
Salaries	40,000	25,000

Other common expenses:

	Rs.
Rent	15,000
Electricity	6,000
Depreciation	18,000
Selling expenses	8,000

Some other relevant information is given below:

	Deptt. A	Deptt. B
Light points	18	9
Value of assets (Rs.)	1,50,000	1,20,000
Floor area (sq ft)	300	200

6. Mr. S. Das held 260, 12% Debentures in X Ltd. @ Rs.110 on 1.4.2019. The face value of each debenture was Rs.100. Interest on debentures is payable annually on 31st March every year. The following were his transactions during 2019-20. 10

1.7.2019 Bought 400 Debentures cum-interest @ Rs.108.
 1.9.2019 Bought 240 Debentures Ex-interest @ Rs.105.
 1.10.2019 Sold 360 Debentures cum interest @ Rs.115.

Make out Investment Account in the books of S. Das.

GROUP-B**Answer any two questions from the following**

15×2 = 30

7. S and R are equal partners. They took into partnership B who brings Rs. 5000 as capital. The old Partners decided to alter the value of the assets and liabilities according to current valuation, but that would not be recorded permanently in the books of accounts of the firm. The new profit and loss sharing ratio is: S- $\frac{4}{9}$ th, R- $\frac{4}{9}$ th and B- $\frac{1}{9}$ th. 15

The Balance Sheet of the firm before B's admission was as follows:

Particulars	Amount	Particulars	Amount
Creditors	6,000	Bank	2,000
Capital A/c:		Stock	5,000
S - 12000		Debtors	9,000
R - <u>8000</u>	20,000	Furniture	10,000
	26,000		26,000

Following revalued figures are available on B's admission on Jan. 1, 2020:

Furniture Rs. 9,000; Debtors Rs. 8,500; Stock Rs. 6,000 and Creditors Rs. 6,400.

Prepare (i) Memorandum Revaluation Account, (ii) Partner's Capital Account and (iii) Revised Balance Sheet of the firm.

8. The following is the Balance Sheet as on 01.01.2020 of a partnership business firm where the partners P,Q and R are sharing profits and losses as $\frac{2}{5}$ th, $\frac{2}{5}$ th and $\frac{1}{5}$ th respectively. 15

Liabilities	Amount	Assets	Amount
Creditors	40,000	Sundry Assets	1,00,000
Capital:		Cash	4,000
P	40,000	Capital:	
Q	30,000	R (Overdrawn)	6,000
	1,10,000		1,10,000

The firm is dissolved on the same date.

Taking the following aspects under consideration, show necessary accounts including Cash Book.

(a) Sundry assets realized Rs. 90,000. (b) Creditors accepted Rs. 38,000 in full settlement. (c) Expenses amounted to Rs. 2,000.

R was insolvent and a final dividend of 50% was received from his estate.

9. M Ltd. has a branch at Chennai. Goods are invoiced to the branch at cost plus 50%. Branch remits all cash received to the head office and all expenses are paid by the head office. 15

From the following particulars prepare branch stock account, branch adjustment account, branch debtors account and branch profit and loss account in the book of head office:

	Rs.
Stock on 1.1.20 (invoice price)	37,200
Debtors on 1.1.20	27,200
Goods invoiced to branch (cost price)	1,36,000
Cash sales	10,040
Credit sales	1,24,000
Cash received from debtors	1,21,600
Goods returned by debtors	4,800
Goods returned to head office	6,000
Expenses at branch	21,600
Stock on 31.12.20 (invoice price)	1,01,160

10. X Ltd. purchased on 1.1.18 machinery from Credit Ltd on hire purchase basis. It was agreed to pay the amount as below: 15

	Rs.
On signing the agreement	50,000
First instalment on 31.12.18	29,000
Second instalment on 31.12.19	14,500
Third instalment on 31.12.20	13,500

The above instalments include interest @8% p.a. X Ltd. paid all the instalments within due date.

Prepare machinery account and Credit Ltd's account in the books of X Ltd. for all these years assuming rate of depreciation to be 10% p.a. under diminishing balance method.

11. From the following information, prepare Departmental Trading and Profit & Loss Account for the year ended March 31, 2020: 15

Particulars	Dept. A (Rs.)	Dept. B (Rs.)	Dept. C (Rs.)
Stock on 1.4.2019	6000	7000	3000
Purchases	7000	6500	4700
Sales	12000	10000	6000
Direct expenses	2000	1500	700
Rates of gross Profit	40%	30%	20%

Indirect Expenses: Sundry Expenses Rs. 700; Salaries Rs. 840 and Rent Rs. 560.

The indirect expenses are changed in proportion to departmental turnover.

12. Mrs. Bhakat furnishes the details of her holding in 6% Govt. Bonds.

15

- 1.4.2019 Opening Balance: Face Value Rs. 60,000; Cost Rs. 59,000.
- 1.6.2019 Purchased 100 units ex-interest at Rs. 98
- 1.10.2019 Sold 200 units ex-interest at Rs. 100.
- 1.1.2020 Purchased 50 units at Rs. 98 cum-interest.
- 1.2.2020 Sold 200 ex-interest at Rs. 99.

Mrs. Bhakat closes her books every March 31 and interest dates are June 30 and December 31.

Show the investment Account in the Books of Mrs. Bhakat valuing the securities on FIFO basis.

N.B. : *Students have to complete submission of their Answer Scripts through E-mail / Whatsapp to their own respective colleges on the same day / date of examination within 1 hour after end of exam. University / College authorities will not be held responsible for wrong submission (at in proper address). Students are strongly advised not to submit multiple copies of the same answer script.*

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