

Q1.a) State whether following statements are True or False. (any 8)

(8)

1. Under the hire purchase system, depreciation is provided by the hire purchaser.
2. Discount allowed is allocated on the basis of sales of each department.
3. Balance in Goods sent to Branch A/c is transferred to credit of Trading A/c.
4. The ratio by which existing partners are benefited is known as gain ratio.
5. Hire purchase price is equal to total amount payable by the hirer.
6. In case of dissolution, assets and liabilities are transferred to realization account.
7. There are two types of branch accounts dependent & independent branch.
8. Sacrifice Ratio = Old Ratio – New Ratio.
9. In piecemeal distribution order of payment need to be followed.
10. Death of a partner is considered as compulsory retirement.

b) Match the following. (any 7)

(7)

COLUMN A	COLUMN B
1. Depreciation	a) provided by hire purchaser on cash price
2. Discount received	b) allocated on the basis of purchase ratio
3. Goodwill	c) Intangible asset
4. Bad debts	d) Calculated on debtors
5. A hire purchase trader	e) Stock method
6. Average Profit	f) Total profit / Number of years
7. Piecemeal distribution	g) First pay to realization expenses
8. lighting	h) No. of points in each department
9. Debtors method	i) Small size of dependent branch
10. Gain Ratio	j) New ratio – Old ratio

Q2. X&CO. of Delhi have a branch at Madras. Goods are sent by the head office at invoice price which is at the profit of 25% on cost price. All expenses of the branch are paid by the head office. From the following particulars, prepare branch account in head office books when goods are shown at invoice price. (15)

Particulars	Opening (Rs.)	Closing (Rs)
Stock at invoice price	11,000	13,000
Debtors	1,700	2,000
Petty cash	100	25

Goods sent to branch at invoice price Rs. 20,000.

Expenses made by head office:-Rent Rs.600, Wages Rs.200, and Salaries Rs.900

Remittances made to head office:-Cash sales Rs.2650, Cash collected from debtors Rs.21,000

Goods returned by branch at invoice price Rs.400.

OR

Q2. From the following balances prepare Departmental Trading & profit & loss account for the year ended 31-12-2021 (15)

Particulars	Dept X Rs	Dept Y Rs	Total Rs
Opening stock	15,000	14,000	29,000
Purchases	35,000	30,000	65,000
Sales	60,000	50,000	1,10,000
Wages	6,000	4,000	10,000
Salaries			9,390
Lighting & heating			3,100

Discount allowed		650
Discount Received		2,200
Advertising		3,680
Carriage Inwards		2,340
Furniture & Fittings		5,000
Rent, Rates, Taxes & Insurance		2,100

Q5. The Car Mart Company purchase a motor car from Autorider Company on a hire purchase agreement on 1st January, 2011, paying cash Rs.10,000 and agreeing to pay further three Installments of Rs.10,000 each on 31st December each year. The cash price of the care is Rs.37,250 and the Autorider Company charges interest @ 5% pa. Deepak Gupta writes off 10% p.a. as depreciation on reducing balance method. Compute the amount of yearly depreciation. Calculate the Depreciation by R.B.M.

You are required to Journalized the transaction for all the years in the books of The Car Mart Company under the full cash price / credit purchase method. Also show the Motor Car A/c and the Hire vendor's A/c in its ledger.

(15)

OR

Q3. From the following particulars you are required to prepare Departmental Profit & loss Account for Departments A & B:

(15)

Particulars	Department A Rs.	Department B Rs.
Opening stock	60,000	90,000
Purchases	3,60,000	5,40,000
Sales	6,00,000	8,00,000
Closing stock	20,000	80,000
Salaries	25,000	30,000
Wages	12,000	15,000
		Total Rs.
Advertising expenses		28,000
Rent		20,000
General expenses		60,000
Conveyance		25,000
Insurance		10,000
Postages		15,000

Transfer stock worth Rs. 20000 from department A to department B. advertising expenses should be apportioned in the ratio of sales, rent equally and general expenses in the ratio of 2:3 between department A and B. also prepare general profit and loss account.

Q4. Pandit, Sharma and Karma are partners sharing profit & losses in the ratio 4:2:1. They decided to dissolve their partnership as on 31st march 2021 when their balance sheet was as under:-

(15)

Liabilities	Rs.	Assets	Rs.
Partner's Capital:-		Land & Building	1,00,000
Pandit	2,00,000	Machinery	3,00,000
Sharma	1,20,000	Stock	69,000
Karma	40,000	Debtors	90,000
10% loan (unsecured)	80,000	Cash & bank	1,000
Bills Payable	60,000		

Creditors	60,000		
	5,60,000		5,60,000

Rs 1,680 has to be provided for realization expenses.

Thereafter all the cash received should be distributed among the partners. The amount realized were as follows:

1st Realization- Rs.1,20,000 2nd Realization- Rs.1,00,000

3rd Realization- Rs.1,58,000 4th Realization – Rs.55,400.

The actual realization expenses were Rs 1,000. Prepare a statement showing piecemeal distribution of cash as per Excess Capital method.

OR

Q.4. Mr. Tata purchased a car on hire-purchase basis from Santro Ltd, on 1-1-2012 for Rs 2,60,000 he paid Rs20,000 on signing the contract and four half-yearly installments of Rs 60,000 each on 30th June and 31st December every year thereafter. The cash value of the car was Rs 2,10,000 Santro Ltd, charged interest at 20% p.a. with half-yearly charge. Depreciation @ 20% p.a. on W.D.V is charged on car. Prepare ledger Accounts for Mr. Tata and interest in the books of Santro Ltd, for the years 2012 and 2013. (15)

- Q5. A) What is a need for preparing departmental accounting? (8)
B) Distinguish between hire purchase system & installment purchase system. (7)

OR

Q5. Write short notes on (Any three) (15)

- 1) Branch account.
- 2) Admission of a partner.
- 3) New ratio.
- 4) Dissolution of a partnership.
- 5) Hire purchase system