

VCD: 150423 F.Y. B. COM - SEM II SUB: Accountancy and Financial Management-II

Time: 3 Hrs.

Total: 100 Marks

Q.1. A) Fill in the blanks choosing the correct alternatives (any 10)

[10 Marks]

1. The relationship between consignor and consignee is that of _____.
(a) Debtors and Creditors (b) Principal and Agent (c) Buyer and Seller (d) None of these
2. Under Debtors System, the Branch Account is _____.
(a) Real Account (b) Nominal Account (c) Personal Account (d) None of the above
3. Consignment A/c is prepared in the books of _____.
(a) Consignee (b) Consignor (c) Transporter (d) None of these
4. If the consignee gets _____ he will bear the bad debts.
(a) Del Credere Commission (b) Normal Commission (c) Discount (d) None of these
5. Under Single entry system, credit sales are ascertained by preparing _____.
(a) Total Debtors A/c (b) Total Creditors A/c (c) Cash A/c (d) Balance Sheet.
6. Claim = stock on the date of fire [-] _____.
[a] Salvage [b] opening stock [c] closing stock [d] purchase
7. Goods distributed as free sample should be credited to _____ A/c.
[a] Trading A/c [b] Profit & Loss A/c [c] Balance sheet [d] none of these.
8. Stock for the purpose of claim should be _____.
[a] At market value [b] At marginal cost [c] At Cost [d] None of these.
9. Books of accounts are not maintained by _____.
[a] Foreign branches [b] Independent branches [c] Dependent branches [d] Indian branches.
10. Under debtors method, opening balance of debtors is _____.
[a] Debited to Branch A/c [b] Credited to Branch A/c [c] Debited to H.O. A/c [d] Credited to H.O. A/c.
11. A send goods costing Rs. 100000 on consignment to yield a profit of 20% on cost. What is the invoice price?
[a] 137500 [b] 125000 [c] 120000 [d] 300000
12. A consignee is entitled to _____.
[a] commission on sales [b] salary [c] fees [d] None of these.

Q.1. B) State whether the following statements are True or False (any 10)

[10 Marks]

1. Fire insurance covers the death of human beings due to fire.
2. Credit purchases are ascertained from Total Debtors A/c.
3. Memorandum Trading A/C is prepared to ascertain the Amount of salvage.
4. Under single entry system, only one journal Entry is passed for all the transactions during a day.
5. Consignment is a sale between the consignor & consignee.
6. Balance in goods sent to branch A/c is transferred to credit of Profit & Loss A/c.
7. Profit & Loss on consignment belongs to the consignor.
8. Consignor is a person who consigns goods.
9. Credit sales are debited to Branch Debtors Account under Stock and Debtors Method.
10. Loading on opening stock is credited to Branch Account under Debtors Method.
11. Bills payable A/c is prepared to ascertain Bills accepted by creditors.
12. In case of overvaluation of stock, it should be brought down to cost.

Q.2. A fire occurred in the premises of Miss. Neha on 14-10-2022. From the following particulars ascertain the loss of stock & prepared a statement of claim to be lodged with insurance Company. **[20marks]**

Particulars	Rs.
Stock as on 1-1-2021	68000
Purchases from 1-1-2021 to 31-12-2021	244000
Sales from 1-1-2021 to 31-12-2021	360000
Stock as on 31-12-2021	60000
Purchases from 1-1-2022 to 14-10-2022	294000
Sales from 1-1-2022 to 14-10-2022	300000

Salvage was Rs. 36000. The amount of Policy was Rs. 126000. The claim was subject to average clause.

OR

Q.2. M/s. Suryakant traders supplies you the following information.

[20 marks]

Particulars	1-4-2022	31-3-2023
Creditors	55000	60000
Debtors	90000	105000
stock	75000	105000
Furniture	10000	?
Machinery	175000	?

Summary of Cash Transactions for the year 2022-2023

Receipts	Rs.	Payments	Rs.
Opening Balance	15000	Paid to Creditors	175000
Cash sales	55000	Wages	80000
Received from debtors	390000	Salaries	75000
Loan from Kiran @8% p.a. on 1-4-2022	50000	Printing & Stationery Expenses	30000
		Drawings	60000
		Machinery purchased on 1-4-2022	50000
		Closing Balance	40000
Total	510000	Total	510000

Discounts allowed were Rs. 6000 and discount Received Rs.5000. Bad debts written off were Rs.4000. Depreciation is to be provided on furniture @ 10% p.a. and on Machinery @20% p.a. Expenses include payment of Rs.1000 which related to 2023-2024. Wages outstanding Rs. 5500.

Prepare Trading, Profit & Loss A/c for the year ended 31st March 2023 and Balance sheet as on that date.

Q.3.A) Rohit is having H.O. At Pune & Branch office at Mumbai. Prepare the Branch Account in the books of the H.O. from the following transactions with the branch. [10 marks]

Particulars	Rs.	Particulars	Rs.
Opening Balance at Branch :		Amounts remitted to the Branch for:	
Petty cash	1000	Petty cash	4000
Stock	39500	Salary	12000
Debtors	21000	Rent and Taxes	3500
Goods Supplied to Branch during the year	310000	Closing Balances at Branch:	
Amounts remitted by the Branch :		Petty cash	950
Cash Sales	113200	Debtors	53000
Realisation from Debtors	230200	Stock	26500

Q.3.B) From the following details prepare Surat Branch A/c for the six month ended 31st December 2022 after depreciating branch furniture at 20% p.a. [10 Marks]

Particulars	Rs.	Particulars	Rs.
Opening Branch Assets:		Branch Expenses paid by	
Stock	30000	The H.O.	34000
Petty Cash	16000	Remittances Received from	
Furniture	26000	The Branch	232800
Debtors	30000	Closing Branch Assets:	
Opening Branch liabilities:		Stock	34000
Outstanding Expenses	1000	Petty Cash	14000
Goods sent to the Branch	180000	Debtors	34000
Petty Cash expenses	16000	Closing Branch Liabilities :	1400
		outstanding Salaries	

OR

Q.3. YK Trading Company Nagpur, invoices goods to its Kanpur Branch at cost which sells on credit as well as for cash. From the following particulars prepare Branch Stock Account, Branch Debtors Account, Branch Expenses Account. Cash is immediately remitted by Branch at Head Office. Expenses are paid direct by Head Office. [20Marks]

Particulars	Rs.
Stock at Branch on 1-1-2022	7,560
Goods from Head Office	35,500
Goods returned by customers	300
Total Sales	46,760
Cash Sales	16,750
Goods returned to Head Office	350
Stock at Branch on 31st December 2022	6,950
Debtors on 1st January 2022	13,000
Cash paid by customers	24,600
Discount and commission to customers	1,360
Bad Debts	300
Rent, Rates and Taxes	900
Salaries and wages etc	3,650

Q.4. On 1st November 2022 Raj&co. sends goods costing Rs.100000 to Rani&co. on consignment basis. Raj paid Rs.5000 as railway freight and Rs 2000 as insurance. On 31st December 2022, an Account sale was received from Rani & co. disclosing that the entire quantity of goods were sold for Rs. 150000-out of which, Rs. 30000 was sold on credit. A customer who purchased goods for Rs 5000 failed to pay and the debt proved bad. All other debts were collected by Rani &co. in full. As per agreement Rani is allowed a commission @10%on sales. Rani sends the amount due to Raj by a cheque.

Prepare necessary ledger account in the books of Raj and Rani.

[20 marks]

OR

Q.4. M of Meerut consigned 100 sewing machines to R of Ranchi to be sold on his risk. The cost of one sewing machine was Rs. 150, but the invoice price was Rs. 200. M paid freight Rs. 600 and insurance in transit Rs. 200. R sent a bank draft to M for Rs. 10,000 as advance payment and later sent an account sales showing that 80 sewing machines were sold at Rs. 220 each. Expenses incurred by R were: carriage inward Rs. 25, octroi Rs. 75, godown rent Rs. 500 and advertisement Rs. 300. R is entitled to a commission of 5% on sales. Prepare the necessary accounts in the books of both parties. [20 marks]

Q.5. A) Explain single Entry System and its features.

[10marks]

Q.5. B) Explain in brief, Fire insurance claim and points to be considered while preparing Memorandum trading A/c.

[10marks]

OR

Q.5. Write shorts notes on (any 4)

[20 Marks]

1. Consignment Accounts.
2. Branch Accounts.
3. Memorandum Trading Account.
4. Fire Insurance Claims.
5. Distinguish between Ordinary Commission & Del-Credere Commission.
6. Distinguish between Single entry double entry system.

ALL THE BEST