

VCD - 14/11/2019

Q1) a) State whether the following is True or False (any 10):-

(10)

- 1) Under Stock & Debtors method, Branch Stock A/c is opened in order to ascertain net profit/ loss of Branch.
- 2) Del credere commission is always allowed on credit sale.
- 3) If consignee gets Del credere commission, the consignor will bear the Bad debts.
- 4) Trial balance is prepared under single entry system in order to verify arithmetical accuracy of the records.
- 5) In single entry system, credit sales are recorded only in the Debtors A/c but no sales register is maintained.
- 6) Tally is simple, easy to setup and use.
- 7) Tally allows the user to maintain multiple companies & with unlimited levels of classification & grouping.
- 8) Under the Stock n Debtors system, Branch stock A/c is a Real A/c.
- 9) The consignee acts as the agent of the consignor for supply of goods.
- 10) All expenses incurred by the consignee are credited to his A/c.
- 11) Goods transferred from H.O to branch are debited to branch stock A/c.
- 12) In fire insurance, Loss = closing stock – salvage.

Q1)a) Match the following Columns. (Any 10)

(10)

Group "A"	Group "B"
1] Credit purchase	A] Head office opens a Separate Account for each Branch
2] Debtor System	B] Principal & Agent
3] To select the contra	C] Debit to Branch stock A/C.
4] Gross Profit Transferred	D] F4.
5] Credit Sales	E] Prepared by consignee.
6] Credit Side of Bills Payable A/C	F] Total Debtors A/C.
7] Account sales	G] Bills Accepted.
8] Tally suits	H] No Entry.
9] Branch opening stock	I] Any size of Business
10] Relationship between consignor and consignee	J] Credit to Branch stock A/C.
11] Fire insurance	K] Total Creditors A/C
12] Invoice price	L] cost + profit
	I] Average clause

Q2) You are given:

(15)

- (a) Balance sheet of Mr. Ansh On 1st Jan 2018.
- (b) Cash Book of Receipts and Payments during the year.
- (c) Summary of other transaction of 2018.

Balance sheet as at 1st Jan 2018

Liability	Amt	Assets	Amt
B/P	2000	Cash at Bank	4000
Creditors	5000	B/R	2500
Capital	20,500	Debtors	5000
		Stock	6000
		Plant and Machinery	4000
		Land and Building	6000
	27,000		27,500

Cash Book for the year 2018

Receipts	Amt	Payment	Amt
To Balance b/d	4000	By Salary	1300
To Debtors	26,000	By Wages	1480
To B/R	10000	By B/P	7320
		By Creditors	14,700
		By Office Expenses	800
		BY Mr. Ansh's Drawing	3000
		By Balance c/d	11,400
	40,000		40,000

Summary of other transaction:

- 1) Purchases Rs.30,000 ,sales Rs.40,000.
- 2) Discount Allowed to Debtors Rs.500.
- 3) B/R Received during the year Rs. 8000, B/P given during the year Rs.14,500.
- 4) Stock on 31-12-2018 Rs. 10,000.
- 5) Depreciation Plant and Machinery by Rs.500 and Land and Building by Rs.1000.

Prepare Trading and P &L a/c and Balance sheet for 2018.

OR

Q2)The following is the summary of Bank A/c of Mr. 'Adarsh', a trader for the year 201 (15)

Bank Summary

Particulars	Amt	Particulars	Amt
Balance 1-1-2017	10,280	Payment to Creditors	4,75,720
Cash Sale & Receipts on		General Expenses	33,940
Credit sale	5,87,440	Rent & Rates	15,420
Balance 31-12-2017	2,360	Drawing	75,000
	6,00,080		6,00,080

All business taking had been paid into the Bank except Rs. 42,360. Out of which, Mr. 'Adarsh' paid Wages amounting to Rs.25,600. He retained Rs.16,760 for private purposes.

The following information is obtained from the Books:

Particulars	31-12-2016	31-12-2017
Stock-in-Trade	48,600	63,000
Creditors (Goods)	38,900	34,180
Debtors (Goods)	44,800	53,800
Amount owing to a customer who had over paid his account	1200	--
Rent paid in advance	1640	1800
Creditors for General expenses	1620	2680
Furniture & Fittings	40,000	40,000

Prepare Trading and P &L a/c for the year end 31-12- 2017 and Balance sheet as on that date.

Q3) Mr 'A' Consigned goods to his Agent Mr 'B' of Rs20,00,000 for sale on consignment Agreement. (15)
Consignor Spent Rs50,000 for Freight. Mr 'A' received an advance of Rs5,00,000 from Mr 'B'. Mr 'B' Sold the entire quantity of goods for Rs30,00,000 out of which Rs10,00,000 was on credit & Spent Rs20000 on Carriage.

Mr 'B' remitted the balance amount to Mr 'A' after deducting his Commission @ 10%.

Prepare necessary Ledger A/C in the book of Consignor.

OR

Q3) Mr. 'X' consigned to his Agent Ms. 'Y' goods worth Rs. 5,00,000. (15)

An Account sale was received from Ms. 'Y' stating that the entire quantity of goods was sold for Rs. 9,50,000 out of which Rs. 2,50,000 was on credit basis. Bad debts were Rs. 25,000 and Ms. 'Y' spent Rs15,000 for freight & insurance.

Ms. 'Y' remitted the balance amount to Mr. 'A' by cheque after deducting her commission @ 10% and Del credere commission @ 5%.

Prepare necessary ledger account in the books of Ms. 'Y'.

Q4) a) Sunil Traders of Mumbai have their Branch at Madras. Prepare the Branch in the books of Head Office from the following transactions with the Branch: (07)

Particulars	Amt	Particulars	Amt
Opening Balances :		Goods sent to Branch during the year	15,34,000
- Petty Cash at Branch	25,750	Amount remitted to the Branch :	
- Stock at Branch	3,60,000	- For Petty Cash Expenses	62,500
- Debtors at Branch	2,43,250	- For Salary	50,500
Closing Balances :		- For Rent and Taxes	20,000
- Petty Cash at Branch	13,000	Amount remitted by the Branch	
- Debtors at Branch	3,61,000	- Cash Sales	88,000
- Stock at Branch	1,93,000	- Realisation from Debtors	17,31,000

Q4) b) From the following details prepare Mumbai Branch A/c for SIX month ended 31st Dec, 2018 after Depreciating branch Furniture @ 20% p.a. (08)

Particulars	Amt	Particulars	Amt
Opening Branch Assets:		Remittance received from the Branch	9,60,500
- Br Stock	90,000	Closing Branch Assets	
- Br Petty Cash	10,000	- Br Stock	88,000
- Br Debtors	1,05,000	- Br Petty cash	14,000
- Br Furniture	1,20,000	- Br Debtors	1,38,000
Opening Branch Liabilities:		Closing Branch Liability	
- Br outstanding Expenses	15000	- Br Outstanding Salary	6000
Goods sent to Branch	8,10,000		
Petty cash sent to Brach	55,000		
Branch Expenses paid by Head Office	1,45,000		

OR

Q4) Shaurya Trading Co. Goa, invoices goods to its Mumbai 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 to Head Office. Expenses are paid direct by Head Office. (15)

Particulars	Amt
Stock at Branch on 1-1-2015	15,120
Goods from Head office	71,000
Goods returned by customers	700
Total Sales	93,520
Cash Sales	33,500
Goods returned to Head Office	600
Stock at Branch on 31 st December 2015	13,900
Debtors on 1 st January 2015	26,000
Cash paid by customers	49,200
Discount and commission to customers	2720
Bad Debts	600
Rent Rates and Taxes	7300
Salaries and Wages etc.	1800

Q5) Mr. Ram prepares accounts on 30th September each year, but on 31st December 2018 fire destroyed the maximum part of stock. Following information is collected from the books: (15)

Particulars	Rs.
Stock on 1-10-2018	150000
Purchases from 1-10-2018 to 31-12-18	550000
Wages from 1-10-2018 to 31-12-18	230000
Sales from 1-10-2018 to 31-12-18	120000

The rate of gross profit is 33.33% on cost. Stock to the value of Rs 30000 salvaged. Insurance policy was for Rs. 250000, Fire fighting expenses Rs 8000 and claim was subject to average clause.

OR

Q5) On 5th June 2019 there was a fire in the godown of Bad Luck Ltd. Following details are available from the books accounts. (15)

Particulars	Rs.
Stock on 1-4-2018	1,50,000
Purchases from 1-4-2018 to 31-3-19	4,60,000
Purchases from 1-4-2019 to 5-6-19	46,000
Sales from 1-4-2018 to 31-3-19	7,20,000
Sales from 1-4-2019 to 5-6-19	72,000
Wages from 1-4-2018 to 31-3-19	42,800
Wages from 1-4-2019 to 5-6-19	10,400
Stock on 31-3-2019	1,20,000

The salvage amounted to Rs 6,400, company spent Rs 3000 on fire fighting expenses. The sum assured by insurance company was Rs 1,20,000. The bears an average clause. you are required to compute the claim to be filed with the Insurance company.

- Q6) . A) Explain in brief consignment and explain accounting procedure
B) Explain accounting method of Dependent branch

(10)

(10)

OR

Q6) write short note on (any 4) :-

(20)

- 1) Debtors Method.
- 2) Consignee
- 3) Total debtors Account
- 4) Del-Credere Commission
- 5) Consignor
- 6) Average clause

-----ALL THE BEST-----

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