

1. All Questions are Compulsory.
2. Use of simple calculator is allowed.
3. Figures to the right indicate Marks.

**Q1) Multiple Choice Questions:**

(50)

1. Cash remitted to branch is debited to \_\_\_\_\_.  
A) Branch A/c B) Head Office A/c C) Debtors A/c D) Goods sent to branch A/c
2. Opening balance of petty cash is shown on \_\_\_\_\_.  
A) Credit side of Branch Account B) Debit Side of Branch Account  
C) Credit side of Head Office Account D) Debit Side of Head Office Account
3. Under debtors method, Goods sent to Branch by HO are recorded on \_\_\_\_\_.  
A) Branch A/c Debit Side B) Branch A/c Credit Side  
C) Debtors A/c Debit Side D) Debtors A/c Credit Side
4. Under Debtors method, Goods returned by Branch to Head Office are recorded on \_\_\_\_\_.  
A) Branch A/c Debit Side B) Branch A/c Credit Side  
C) Debtors A/c Debit Side D) Debtors A/c Credit Side
5. Expenses in respect of Branch paid by Head Office are recorded on \_\_\_\_\_.  
A) Branch A/c Debit Side B) Branch A/c Credit Side  
C) Goods sent to branch A/c Debit Side D) Goods sent to branch A/c Credit Side
6. Cash remitted by Branch to Head Office is credited to \_\_\_\_\_ Account.  
A) Branch B) Debtors C) Creditors D) Goods sent to Branch
7. Credit Sales will be \_\_\_\_\_ in the Debtors A/c.  
A) Credited B) Debited C) Deducted D) Ignored
8. \_\_\_\_\_ Account is prepared to ascertain bills received from debtors in order to complete total debtors Account.  
A) Bills Receivable Account B) Total Creditors Account  
C) Total Sales Account D) Total Debtors Account
9. Discount Allowed by the creditor to us is \_\_\_\_\_ in the creditor's A/c.  
A) Credited B) Added C) Debited D) Ignored
10. Discount received is a \_\_\_\_\_.  
A) Asset B) Liability C) Income / Gain D) Expenses/Losses
11. Amount received from Debtors is \_\_\_\_\_ to cash / bank A/c.  
A) Credited B) Debited C) Deducted D) Ignored
12. Value of Furniture is ₹ 25,00,000 and the rate of Depreciation is 10 %. What is the amount of Depreciation \_\_\_\_\_.  
A) ₹ 25,00,000 B) ₹ 25,000 C) ₹ 2,50,000 D) ₹ 22,500
13. Memorandum trading A/c is prepared to find out \_\_\_\_\_.  
A) Stock on date of fire B) Loss of stock C) Opening stock D) Claim
14. Loss of stock = stock on date of fire less \_\_\_\_\_.  
A) Salvage B) Purchase C) sales D) Return
15. Fire insurance covers the risk of loss due to \_\_\_\_\_.  
A) Damage B) theft C) Fire D) Flood
16. Purchase of Furniture included in purchases should be \_\_\_\_\_.  
A) Deducted from furniture B) Deducted from purchases  
C) Added to sales D) Added to purchases
17. Goods taken by Proprietor are \_\_\_\_\_.  
A) Add to sales B) Add to purchase



- C) Credited to Memorandum Trading A/c D) Credited to P&L A/c
18. As per average clause insurance company pays compensation \_\_\_\_\_.
- A) Proportionately B) More than the loss  
C) Less than the loss D) More than policy amount
19. Goods recovered in good condition at the time of fire accident is called \_\_\_\_\_.
- A) Scrap B) Damage goods C) Unsavaged goods D) Salvaged goods
20. The relationship between the Consignor and the Consignee is that of \_\_\_\_\_.
- A) Principal and Principal B) Agent and Principal  
C) Principal and Agent D) Agent and Sub Agent
- 21 Goods sent on Consignment are the property of \_\_\_\_\_?
- A) The Consignee B) Both Consignee and Consignor equally  
C) Either the Consignee or Consignor D) The Consignor
22. Any stock remaining unsold with the consignee \_\_\_\_\_.
- A) Belongs to consignor B) Belongs to consignee  
C) Belongs to consignor or consignee D) Belongs to consignor or consignee equally
23. If the consignee gets Del credere commission \_\_\_\_\_.
- A) The consignee will bear the bad debts B) The consignor will bear the bad debts  
C) The consignor will bear all the expenses D) None of the Above
24. Balance of consignment A/c indicates \_\_\_\_\_.
- A) Profit or Loss B) Goods sent to Consignor  
C) Balance of goods with Consignee D) Goods returned
25. Extra Commission given to the consignee, for making him responsible for bad Debt this extra commission is known as \_\_\_\_\_.
- A) Commission B) Del Credere commission  
C) Profit to consignee D) Over-riding commission
- Q2) On 17th June, 2019, a fire occurred in the premises of Mr. Aditya. Most of the stock was destroyed, the cost of the salvaged stock being 22,400. In addition, some stock was salvaged in damaged condition and its value was estimated at 20,800. The following Particulars were available from the books of accounts:
- (1) Stock at the close of accounts on 31st December, 2018 was 1,67,000.  
(2) Purchases from 1-1-2019 to 17-6-2019 amounted to 2,24,000 and sales during that period amounted to 3,08,000.  
(3) On the basis of the past three years it appears that on average the gross profit of 25% is earned on sales.
- Stock was insured for 1,50,000. Compute the amount of claim.

(10)

OR

- Q2) Vijaay Enterprises close their accounts on 30th June every year. On 30th September 2019 a major fire destroyed most of their stock. Following information could be gathered from their books:

Particulars	Rs.
Stock on 30th June 2019	
Purchases – 1st July, 2019 to 30th September 2019	7,20,000
Wages – 1st July, 2019 to 30th September 2019	12,00,000
Sales – 1st July, 2019 to 30th September 2019	4,60,000
Carriage inward for the above period	20,00,000
Carriage outward for the above period	20,000
	30,000

Average percentage of G.P. to cost is  $33\frac{1}{3}\%$ . Stock of the value of 1,50,000 could be salvaged. Policy was for 5,00,000. Claim was subject to average clause.

Following further information is available:

(1) Stock in the beginning was calculated at 10% less than cost.  
(2) Purchases include purchase of furniture Rs. 50,000.



(3) Amount spent for bringing and setting-up the furniture in the office was 10,000 which was included in Carriage inward.

You are required to calculate the amount of claim.

(10)

Q3.A) The following information is given: Calculate Total Purchases.

(05)

Particulars	Rs.
Opening Creditors	60,000
Cash paid to Creditors	3,02,000
Closing Creditors	40,000
Opening Bills Payable	50,000
Closing Bills Payable	70,000
Bill Discharged	89,000
Purchases Return	12,000
Cash Purchase	2,58,000

B) From the following information supplied by Mr. Shaurya, Calculate Total Sales:

(05)

Particulars	Rs.	Particulars	Rs.
Capital in beginning	2,40,000	Cash paid to suppliers	60,000
Cash in hand in the beginning	80,000	Sales Returns	17,400
B/R in the beginning	15,600	B/R dishonored	3,600
Debtors (opening)	61,600	B/R at the end of the year	12,000
Cash received from Debtors	1,40,000	Debtors at the end of the year	51,000
B/R Encashed during the year	41,800	Cash Sales	81,800
Bad Debts written off	5,600		

OR

(3) Mr. Chris commenced business as a Food merchant on 1st January, 2019 with a capital of 40,000. On the same day he purchased Furniture and fittings for cash 16,000. From the following particulars obtained from his books kept by Single Entry you are asked to prepare a Trading and Profit and Loss Account for the year ended 31st December 2019 and a Balance Sheet as on that date :

Particulars	Rs.
Sales (Inclusive of Cash 40,000)	80,000
Purchase (Inclusive of Cash 24,000)	68,000
Chris's Drawings	4,800
Salaries of Staff	7,200
Bad Debts written off	2,000
Business Expenses	2,800

Chris took food worth 2,000 from the shop for private use and paid 800 to his son, but omitted to record these transactions in his books. On 31st December, 2019 his Sundry Debtors were 20,800 and Sundry Creditors 4,400. Stock in hand on 31st December, 2019 was 26,000.

(10)

(4) Hriti is having her Head Office at Mumbai and Branch Office at Nasik. Prepare the Branch Account in the books of the Head Office from the following transactions with the branch:

(10)

Particulars	Rs.	Particulars	Rs.
Opening Balance at Branch:		Amounts remitted to the Branch for:	
- Petty Cash	2,000	- Petty Cash Expenses	8,000
- Stock	79,000	- Salary	24,000
- Debtors	42,000	- Rent and Taxes	7,000
Goods Supplied to Branch during the year	6,20,000		
Amounts remitted by the Branch:		Closing balances at Branch:	
- Cash Sales		- Petty Cash	1900
- Realization from Debtors	2,26,400	- Debtors	1,06,000
	4,60,600	- Stock	53,000

OR

- 14) From the following details prepare Mumbai Branch Account for the six months ended 31st December, 2013 after depreciating branch furniture at 20% per annum: (10)

Particulars	Rs.	Particulars	Rs.
<u>Opening Branch Assets:</u>		Branch expenses paid by the Head Office	68,000
- Branch Stock	40,000	Remittances received from the Branch	4,65,600
- Branch Petty Cash	12,000	<u>Closing Branch Assets :</u>	
- Branch Furniture	52,000	- Branch Stock	48,000
- Branch Debtors	60,000	- Branch Petty Cash	8,000
<u>Opening Branch Liabilities:</u>		- Branch Debtors	68,000
- Branch Outstanding Expenses	2,000	<u>Closing Branch Liabilities:</u>	
		- Branch Outstanding Salaries	2,800
Goods sent to the Branch	3,60,000		
Petty Cash sent to the Branch	32,000		

25. R & Company of Rajasthan consigned 100 bundles of cloth @ Rs. 700 each to M & Company of Mumbai to be sold on commission basis. An advance of Rs. 32,000 was received from M & Company. M & Company sent an account sale which states that total goods were sold for Rs. 1,12,000 and Rs. 3,600 were paid for carriage, godown rent and port expenses. Their commission was Rs. 4,000. They sent a bank draft for the balance amount to R & Company. From the above particulars prepare Necessary Ledger Accounts In the Books Of Consignor. (10)

OR

- Q5. The Kolkata motors Ltd. consigned to their agent in Patna two motor cars costing Rs. 96,000 each for sale. Commission was payable ordinary 8% and del-credere commission 2%. The agent was to bear all expenses in Patna which amounted to Rs. 13,000. The agent sold one car for Rs. 1,30,000 and remitted Rs. 1,04,000 on account. The second car was sold for Rs. 1,43,000 but out of this a sum of Rs. 26,000 became bad debts. Prepare necessary ledger account in the books of consignor. (10)

- Q6. Short Notes (Any two)

1. Actual loss
2. Debtors Method
3. Consignor
4. Total Creditors A/c

(10)