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No.	

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Shivaji University, Kolhapur

Kamala College, Kolhapur

B.Com. (Part -I) (Semester - II) Examination, April -2022

Financial Accounting (Paper – II) (CC - A6) (CBCS)

Sub. Code: 71493

Day and Date: Thursday, 23/06/2022

Total Marks: 50

Time: 10:30 am to 1:00 pm

- Instructions:
- 1) All Questions are compulsory.
 - 2) Figures to the right indicate full marks.
 - 3) Use of calculator is allowed.

Q1) Mr. Akshay Kumar maintains his books of accounts by single entry system, supplies you the following information.

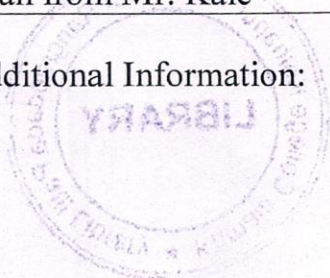
Summary of Cash Book

Receipts	Rs.	Payments	Rs
To Balance b/d	15900	By Creditor	59100
To Debtors	65100	By Bills payable	45900
To Bills receivable	39900	By Wages	22470
To Sales	43500	By Carriage inward	330
To Interest	5100	By Salaries	13200
		By Printing	1590
		By Postage	1410
		By Insurance	1500
		By Drawings	12600
		By Balance c/d	11400
	169500		169500

Particulars of Assets and Liabilities

Particulars	01.04.17	31.03.18
Investments	30000	30000
Debtors	75000	87000
Bills Receivables	30000	27000
Creditors	59000	53700
Bills payable	12300	4200
Stock	42300	34200
Plant and Machinery	90000	90000
Loan from Mr. Kale	45000	45000

Additional Information:



- 1) Interest on Loan from Mr. Kale was outstanding for the year at 10% per annum.
- 2) Outstanding Wages were Rs. 420 and Outstanding Printing bill was Rs. 630
- 3) Postage stamps of Rs. 90 were in Hand on 31.3.2018
- 4) Insurance was Prepaid to the extent of Rs. 360
- 5) Depreciate plant and machinery at 5% and maintain reserve for doubtful debts on debtors at 5%

From the above information-

You are required to Prepare

- a) Trading and Profit and Loss A/c for the year ended 31-03-2018 [10]
- b) The Balance Sheet as on 31-03-2018 [10]

Q2) Attempt any two out of a, b and c.

- a) Mayuri Steel Company Ltd. Kolhapur has a Branch at Solapur. Goods are invoiced to the Branch at 20% profit on Sales. Branch has been instructed to send all cash daily to the Head Office. All expenses are paid by the Head Office except petty expenses which are met by Branch Manager.

The details of transactions for the year ended 31.03.2021 were as under:

Particulars	Rs.
Stock on 01.04.2020 (Invoice Price)	42000
Branch Debtors on 01.04.2020	18000
Petty Cash on 01.04.2020	800
Office Furniture on 01.04.2020	4000
Goods Sent to Branch (at Invoice Price)	160000
Goods Returned by Branch to H.O. (I.P.)	2400
Goods Returned by Debtors	1000
Cash Received from Debtors	62000
Cash Sales	100000
Credit Sales	64000
Discount allowed to Debtors	1200
Petty Expenses paid by branch manager	600
Expenses paid by Head Office	
Rent	2400
Salary	4800
Printing & Stationery	8000

Additional Information:



Depreciation is to be provided on Branch Furniture at 10% p.a. and Stock on 31st March, 2021 at Invoice Price is Rs. 30000.

Prepare- Branch Account and Branch Debtors Account In the books of Mayuri Steel Company Ltd. Kolhapur. [10]

- b) Harshda, Hema and Hindvi were partners sharing profits and losses in the ratio 3:2:1 respectively. The Balance Sheet of the firm as on 31st March 2021 was as under:-

Balance Sheet as on 31st March, 2021

Liabilities	Rs.	Assets	Rs.
Sundry Creditors	12000	Cash at Bank	8800
Capital Reserve	4800	Debtors	30000
Investment Fluctuation Fund	6000	Stock	24000
Capitals:		Furniture	18000
Harshda	45000	Plant and Machinery	32000
Hema	30000		
Hindvi	15000		
	112800		112800

The partners of the firm decided to dissolve the firm and to form a Private Ltd. Company to take over the business of the firm on the above date subject to the following adjustments:

- 1) The assets are transferred to new company at following value Debtors Rs.28000 Stock Rs.20000 Plant & Machinery Rs.40000
- 2) Furniture was sold at Rs.16000
- 3) The new company valued the goodwill at Rs.4000
- 4) The creditors of the firm are to be transferred to new company at Rs.11200.
- 5) Realisation expense amounted to Rs.1200
- 6) Purchase consideration is to be given in the form of 7200 equity shares of Rs.10 each and balance in cash

Prepare necessary Ledger Accounts to close the books of the firm. [10]



- c) The Punjab Hosieries Ltd. Ludhiyana invoices goods to its various branches at cost and the branches sell on cash as well as on credit. From the following particulars relating to Kolkatta Branch, The branch is permitted to incur petty expenses and maintain petty cash balance of Rs. 2000 on the imprest system. It is also permitted to buy furniture of the value Rs. 4,000.

Particulars	Rs	Particulars	Rs
Balances 1 st April 2020		Cash Purchases by the Branch (with H.O. permission)	25000
Stock	82000	Bad Debts	300
Debtors	25000	Payments to Creditors by Branch	90000
Petty Cash	2000	Closing balance on Creditors A/c	55000
Creditors	20000	Payments by H.O. Rent for 1 year (paid on 01.07.2020)	2400
Rent Prepaid up to 30.06.2020	500	Insurance (paid up to 30.06.2021)	1500
Transactions during 2020-21:		Salaries	12000
Goods sent to Branch	150000	Payments by Branch: Furniture	4000
Credit Sales	80000	Petty Cash Expenses	500
Cash Sales	150000	Balance on 31.03.2021	
Cash Received from Debtors	90000	Stock	200000
Discount & Allowances	300		

Write off depreciation on furniture @ 10%.

Prepare the necessary Ledger accounts in the books of Head Office. [10]

Q3) Write Short Notes (Any Two) [10]

- 1) Objectives of Branch Accounting
- 2) Important Features of Tally
- 3) Purchases Consideration

