

Vidya Vikas Mandal's
Shree Damodar College of Commerce & Economics, Margao
FYB.COM, SEM II, SUPPLEMENTARY EXAMINATION, MAY/JUNE 2015

FINANCIAL ACCOUNTING (OLD COURSE)

Duration: 2 Hours

Total Marks: 80

Instructions:

- i. Attempt any FOUR questions*
- ii. Figures to the right indicate maximum marks to the question.*

Q1. A Department Stores has three Departments – X, Y and Z. Following information pertains to the three Departments : 20

	X (Rs.)	Y (Rs.)	Z (Rs.)
Opening Stock	40,000	20,000	60,000
Purchases	1,10,000	55,000	2,20,000
Salaries	8,000	8,000	8,000
Sales	4,00,000	3,00,000	2,00,000
Closing Stock	24,000	12,000	2,40,000

Following were the expenses incurred by the Departments during the year ended 31st December 2014:

	Rs.
General Expenses	24,000
Rent,Rates,Taxes	18,000
Commission received	9,000
Discount allowed	27,000
Sales promotion expenses	36,000
Salesmen's Salaries	9,000
Discount received	14,000

- 1) Goods worth Rs.10,000 were transferred from Dept. X to Dept. Y and Goods worth Rs.5,000 were transferred from Dept.Z to Dept.Y.
 - 2) Allocate General Expenses and Rent,Rates,Taxes equally between the three Departments.
 - 3) Commission Received is divided in the ratio of 3:2:1 between the three Departments.
- Prepare Departmental Trading and Profit & Loss A/c for the year ended 31st December 2014.

Q2. A Company issued 20,000 Equity shares of Rs.100 each at a premium of 20%. The amount was payable as follows: 20

On application	Rs.40
On allotment	Rs.50 including premium
On First Call	Rs. 20
On Final Call	Rs.10

The Company received applications for 24,000 shares. The Directors decided to reject excess applications for 4,000 shares and allotted the remaining shares. All moneys were duly received except the final call on 200 shares. These shares were forfeited and later reissued at Rs.90 per share. Pass journal entries in the books of the Company.

- Q3. P, Q and R were partners sharing profits and losses as 3:2:1. Their Balance Sheet as on 31st December 2013 was as under when they dissolved their firm: 20

Liabilities		Rs.	Assets		Rs.
Capitals: P		24,000	Goodwill		16,000
	Q	26,000	Building		10,500
	R	18,000	Furniture		2,000
General Reserve		12,000	Stock		30,400
Creditors		8,000	Debtors		27,100
			Cash		2,000
		88,000			88,000

Dissolution expenses were provided for at Rs.5,000. The actual expenses amounted to Rs.2,000 only. Following were the realisations:

January 2015	Rs. 9,000
February 2015	Rs.24,200
March 2015	Rs.23,800

Show the Piecemeal Distribution of cash under Surplus Capital method.

- Q4. From the following information pertaining to Pune Branch to which goods are invoiced at Cost plus 25% by the Head Office, prepare in the books of Head Office, Pune Branch A/c under Debtors System. 20

	Rs.
Stock on 1-1-2014 (Invoice Price)	15,000
Debtors on 1-1-2014	10,000
Petty Cash on 1-1-2014	80
Goods sent to Branch	50,000
Sales : Cash	26,000
Credit	36,000
Cash received from Debtors	34,200
Discount allowed to Debtors	800
Cash remitted to Branch for expenses	8,000
Petty Cash at Branch on 31-12-2014	90
Stock on 31-12-2014 (Invoice Price)	12,000
Outstanding Expenses on 31-12-2014	250

Q5. Ashok, Bharat and Chandra were partners sharing profits and losses in the ratio of 3:2:1. They decided to dissolve their partnership on 1st January 2014 when their Balance Sheet was as follows: 20

Liabilities	Rs.	Assets	Rs.
Capitals : Ashok	60,000	Sundry Assets	2,45,000
Bharat	40,000		
Chandra	25,000		
Creditors	90,000		
Bank Overdraft	30,000		
	2,45,000		2,45,000

The Assets realised in instalments as follows:

First Realisation	Rs.75,000
Second Realisation	Rs.32,000
Third Realisation	Rs.62,000
Fourth Realisation	Rs.43,000
Fifth Realisation (Final)	Rs.21,000

Show the Piecemeal Distribution of Cash by the Maximum Loss Method.

Q6. Write short notes on any FOUR of the following: 20

- a) Preferential Liabilities
- b) Systems of maintaining Branch Accounts
- c) Oversubscription of Shares
- d) Garner vs Murray rule
- e) Inter-departmental Transfers
- f) Pro rata Allotment of Shares
