

**Goa Vidyaprasarak Mandal's**  
**GOPAL GOVIND POY RAITURCAR COLLEGE OF COMMERCE AND**  
**ECONOMICS, PONDA-GOA**  
**B. COM. (SEMESTER- II) SUPPLEMENTARY EXAMINATION**  
**(New Course), MAY/JUNE 2019**  
**FINANCIAL ACCOUNTING (Paper-2)**

Duration: 2 Hours

Marks: 80

*Instructions; 1) Question No. 1 is compulsory.*

*2) Answer any three questions from Q. No. 2 to Q. No. 6.*

*3) Figures to the right indicate maximum marks allotted to each question.*

*4) Give working notes wherever necessary.*

Q.1) Prepare a Stores Ledger under the FIFO method from the following Transactions:

01-02-2019	Opening Balance 500 units @ ` 4/ each.	
02-02-2019	Issued 200 units.	
03-02-2019	Received 400 units @ ` 8/ each.	
05-02-2019	issued 150 units.	
06-02-2019	Bought 300 units @ ` 12 each.	
08-02-2019	Returned to Vendor 10 units @ `12/ each.	
09-02-2019	Issued 300 units.	
11-02-2019	Purchased 100 units @ ` 14/ each.	
12-02-2019	Issued 200 units.	
13-02-2019	Discarded 02 units @ ` 10/ each as they were damaged.	
15-02-2019	Stock verification report revealed 05 units as an excess.	(20)

Q.2) A, B and C dissolved their firm on 31<sup>st</sup> December, 2018 when their Balance Sheet stood as under:

Balance Sheet as on 31<sup>st</sup> December, 2018

Liabilities	Amt.	Assets	Amt.
Capital A/Cs		Fixed Assets	1,60,000
A - 30, 000		Cash in Hand	40,000
B - 40, 000			
C - 50, 000	1,20,000		
General Reserve	20,000		
Creditors	60,000		
	2,00,000		2,00,000

The fixed assets were sold and realized as under:

31<sup>st</sup> Jan., 2019      ` 20, 000

28<sup>th</sup> Feb., 2019    ` 30, 000

31<sup>st</sup> Mar., 2019    ` 1, 05, 000

The partners A, B and C shared the profits and losses in the ratio of 2:3:5 respectively,

Prepare : i) Statement of excess capital and ii) Statement of distribution of cash between partners. (20)

Q.3) Radhika Traders of Ponda has a branch office at Margao. Goods are invoiced to the branch at cost plus 50%. Branch remits all the cash received to the head office and all expenses are met by the head office. Prepare Margao Branch A/c in the books of Radhika traders (Head office) and also show Branch Stock A/c and Branch Debtors A/c from the following information for the year ended 31<sup>st</sup> March 2018:

Stock (opening balance) at invoice price	18,600	
Debtors (Opening balance)	13,600	
Goods invoiced to branch at invoice price	1,06,200	
Sales at Branch		
Cash Sales	50,000	
Credit Sales	62,000	
Goods returned by Debtors	2,400	
Cash collected from Debtors	60,800	
Goods returned by Branch to Head office at invoice price	3,000	
Discount allowed to customers	200	
Expenses at Branch;		
Rent	6,000	
Salary	4,000	
Office expenses	1,000	11,000
Goods destroyed by fire at invoice price	6,000	(20)

Q.4) A fire occurred on 31<sup>st</sup> December, 2018 in the premises of Raj Ltd. Calculate the amount of claim to be lodged with the insurance company for the loss of stock from the following information:

Stock at cost as on 1 <sup>st</sup> April, 2017	1,00,000
Stock at cost as on 31 <sup>st</sup> March, 2018	1,50,000
Purchase for the year ended 31 <sup>st</sup> March, 2018	2,00,000
Purchase from 1 <sup>st</sup> April to 15 <sup>th</sup> December, 2018	4,40,000
Sales for the year ended 31 <sup>st</sup> March, 2018	3,00,000
Sales from 1 <sup>st</sup> April to 15 <sup>th</sup> December, 2018	5,25,000

During the year 2018– 2019, the cost of purchase rose by 8% above the previous year's levels while the selling price went up by 4%. The value of stock salvaged was ` 10,000.

(20)

Q.5. a) Tata Enterprise provides the following information on its two Departments - R and P;

	Dept. R	Dept. P
Stock as on 1 <sup>st</sup> Jan., 2018	17,000	14,500
Purchases	35,400	30,200
Sales	60,800	51,250
Wages	8,200	2,700
Rent and Rates	9,390	
Sundry expenses	3,600	
Salaries	3,000	
Lighting	2,100	
Discount allowed	2,220	

Discount received	650
Advertising	3,680
Carriage inwards	2,340

Additional Information:

- 1) Rent and rates, Sundry expenses, Salaries, Lighting and Carriage inwards are to be apportioned 2/3 to Dept. R and 1/3 to Dept. P.
- 2) Discount allowed, discount received and Advertising are to be apportioned equally between Dept. R and Dept. P.
- 3) Stock as on 31<sup>st</sup> Dec., 2018; Dept. R – ₹ 16, 740 and Dept. P – ₹ 12, 050. Prepare Departmental Trading and Profit and Loss A/Cs for the year ended 31<sup>st</sup> Dec., 2018. (10)

Q.5.b) Arti Industries Ltd. uses weighted average method to issue the materials to the production department. Prepare a stores ledger from the following transactions:

1 <sup>st</sup> March, 2019	Balance 200 units @ ₹ 20 each.	
4 <sup>th</sup> March, 2019	Received 400 units @ ₹ 28 per unit.	
6 <sup>th</sup> March, 2019	Issued 300 units	
8 <sup>th</sup> March, 2019	Bought 400 units @ ₹ 36 per unit.	
11 <sup>th</sup> March, 2019	Issued 280 units	
12 <sup>th</sup> March, 2019	Purchased 200 units @ ₹ 44 each.	
14 <sup>th</sup> March, 2019	Issued 200 units	
15 <sup>th</sup> March, 2019	Issued 50 units	(10)

Q.6) Answer the following:

- a) Maximum Loss method.
- b) Debtors system of maintaining branch account.
- c) LIFO method.
- d) Fire insurance. (20)

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