

Goa Vidyaprasarak Mandal's
GOPAL GOVIND POY RAITURKAR COLLEGE OF COMMERCE AND
ECONOMICS, PONDA-GOA
B. COM (SEMESTER – II) EXAMINATION, APRIL 2018
FINANCIAL ACCOUNTING (OLD COURSE)
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; (20)

01-02-2018	Opening Balance 500 units @ ₹ 2/ each.
02-02-2018	Issued 200 units.
03-02-2018	Received 400 units @ ₹4/ each.
05-02-2018	issued 150 units.
06-02-2018	Bought 300 units @ ₹ 6/ each.
08-02-2018	Returned to Vendor 10 units @ ₹ 6/ each.
09-02-2018	Issued 300 units.
10-02-2018	Returned by production department 15 units.
11-02-2018	Purchased 100 units @ ₹ 10/ each.
12-02-2018	Issued 200 units.
13-02-2018	Discarded 02 units @ ₹10/ each as they were damaged.
15-02-2018	Stock verification report revealed 05 units as an excess.

Q.2) A, B and C dissolved their firm on 31st December, 2017 when their Balance Sheet stood as under; (20)

Balance Sheet as on 31st December, 2017

Liabilities	Amt.	Assets	Amt.
Capital A/Cs		Fixed Assets	1, 60, 000
A - 30, 000		Cash in Hand	20, 000
B - 40, 000		Deferred Advertise- ment Expenditure	20, 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;

31st Jan., 2018 ₹ 20, 000

28th Feb., 2018 ₹ 30, 000

31st March, 2018 ₹ 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.

Q.3) Laxmi 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 Laxmi Traders (head office) and also show Branch Stock A/C and Branch Debtors A/c from the following information for the year ended 31st March, 2017;

(20)

Stock as on 01/04/2016 at invoice price		18, 600
Debtors as on 01/04/2016		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		400
Expenses at Branch;		
Rent	6, 000	
Salary	4, 000	
Office expenses	800	
		10, 800
Goods destroyed by fire at invoice price		3, 000

Q.4) A fire occurred on 15th December, 2016 in the premises of XYZ Ltd. Calculate the amount of claim to be lodged with the insurance company for the loss of stock from the following information;

(20)

Stock at cost as on 1 st April, 2015	2, 00, 000
Stock at cost as on 31 st March, 2016	3, 00, 000
Purchase for the year ended 31 st March, 2016	4, 00, 000
Purchase from 1 st April to 15 th December, 2016	8, 80, 000
Sales for the year ended 31 st March, 2016	6, 00, 000
Sales from 1 st April to 15 th December, 2016	10, 50, 000

During the year 2016 – 2017, the cost of purchase rose by 10% above the previous year's levels while the selling price went up by 5%. The value of stock salvaged was ₹20, 000.

Q.5.a) Tara Enterprise provides the following information on its two Departments - A and B;

(10)

Stock as on 1 st April, 2016	
Dept. A	17, 000
Dept. B	14, 500
Purchases;	
Dept. A	35, 400
Dept. B	30, 200
Sales;	
Dept. A	60, 800
Dept. B	51, 250

Wages;

Dept. A	8, 200
Dept. B	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
Furniture	24, 000

Additional Information;

- 1) Rent and rates, Sundry expenses, Lighting, Salaries and Carriage inwards are to be apportioned $\frac{2}{3}$ to Dept. A and $\frac{1}{3}$ to Dept. B.
 - 2) Discount allowed, discount received and Advertising are to be apportioned equally between Dept. A and Dept. B.
 - 3) Stock as on 31st March, 2017; Dept. A – ₹ 16, 740 and Dept. B – ₹ 12, 050.
- Prepare Departmental Trading and Profit and Loss A/Cs for the year ended 31st March, 2017.

b) Ajay Industries Ltd. uses weighted average method to issue the materials to the production department. Prepare a stores ledger from the following transactions; (10)

1 st March, 2018	Balance 100 units @ ₹ 10 each.
4 th March, 2018	Received 200 units @ ₹ 14 per unit.
7 th March, 2018	Issued 150 units
8 th March, 2018	Bought 200 units @ ₹ 18 per unit.
10 th March, 2018	Issued 140 units
12 th March, 2018	Purchased 100 units @ ₹ 22 each.
13 th March, 2018	Issued 100 units
15 th March, 2018	Issued 100 units

Q.6) Answer the following: (20)

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

GOOD LUCK