

FYBCOM/SEM-II/EXT/AFM-II

Time: 3 hrs

Marks: 100

- Note:** 1. All Questions are compulsory with internal options.
2. Figures to the right indicate full marks.
3. Workings should form a part of your answer paper.

Q.1 (A): Fill in the blanks choosing the correct alternatives (Any 10) (10M)

1. Bills Payable dishonoured are debited to _____ Account
(a) Bills Receivable (c) Sundry Debtors
(b) Bills Payable (d) Sundry Creditors
2. With the available information a trader needs to convert the incomplete records into records, it is known as _____
(a) Complete records method (b) Statement of affairs method
(c) Conversion method (d) None of these
3. If the rate of gross profit is 25% on sales and the cost of goods sold is 10,000 the gross profit will be _____
(a) 2,500 (b) Rs.3,333 (c) 2,800 (d) None of these
4. The relationship between Consignor and Consignee is that of _____
(a) Principal and Agent (b) Debtor and Creditor
(c) Owner and Servant (d) Buyer and Seller
5. If the consignee gets _____ he will bear bad debts.
(a) Commission (b) Del Credere Commission (c) Discount (d) None of these
6. Consignment account is a _____ Account
(a) Personal (b) Real (c) Nominal (d) None of these
7. Goods sent by head office to the branch but not received by the branch are termed as _____
(a) Branch Account (b) Goods in transit
(c) Neither (a) nor (b) (d) Both (a) and (b) Account.
8. Under _____ method, goods returned by Branch are credited to Branch
(a) Stock and Debtors (b) Debtors (c) Both (a) and (b) (d) None of the these
9. The branch is said to be _____ when its accounts are maintained by Head office.
(a) Independent (b) Dependent (c) Foreign (d) None of these

10 Stock for the purpose of claim should be _____

- (a) At marginal cost (b) At market value (c) At cost (d) At realisable value

11. The amount to be paid by insurance company in the event of loss is called as _____

- (a) Premium (b) Insurance (c) Sum assured (d) None of these

12. If Gross profit is 20% on cost, then it is, _____ on sales.

- (a) 25% (b) 50% (c) $1/6^{\text{th}}$ (d) $1/5^{\text{th}}$

Q.1 (B): State whether the following statements are True or False (any 10)

(10M)

1. For ascertaining Credit Purchases, Sundry Debtors Account is prepared.
2. Bills receivable dishonoured are credited to Bills Payable Account.
3. A statement of assets and liabilities as on a particular date with missing figure is called as Balance Sheet.
4. Profit/Loss on consignment belongs to the consignor
5. Consignor is a person who consigns goods
6. Invoice price is always higher than cost.
7. Under Stock and Debtors Method, Branch Debtors Account is maintained
8. Credit Sales are debited to Branch Debtors Account under Stock and Debtors Method
9. Loading on opening stock is credited to Branch Account under Debtors Method.
10. Fire Insurance covers death of human beings due to fire.
11. RBI governs insurance business in India
12. Memorandum Trading Account is prepared to ascertain the amount of salvage.

Q.2 The business premises of Rahul Mart destroyed by fire on 16-7-2018, However all the Books of accounts and stock amounting Rs.18,000 were salvaged and the following information was Available from the books Year ended. **(20M)**

Year Ended	Gross Profit	Sales
31-3-2015	2,39,500	9,58,000
31-3-2016	2,25,000	9,00,000
31-3-2017	2,05,480	9,34,000
31-3-2018	2,00,640	9,12,000

Additional Information:

- (a) Stock on 31-3-2018 Rs.1,02,250
- (b) Purchases from 1-4-2018 to 16-7-2018 Rs.2,12,380
- (c) Sales from 1-4-2018 to 16-7-2018 Rs.3,50,000

(d) Wages from 1-4-2018 to 16-7-2018 Rs.25,000

(e) The amount of policy was Rs.55,000

Claim was subject to Average clause.

You are required to prepare a statement of claim against insurance company.

OR

Q.2: A Head office in Mumbai has a branch in Punjab to which goods are invoiced by the Head office @20% Profit on sales price. (20M)

All cash received by the branch is daily remitted to Head Office.

From the following particulars, show the Branch Account in the books of the Head office.

Also prepare necessary accounts required to find out the value of branch credit sales.

Particulars	Amount
Stock on 1st January 2018 (at invoice price)	6,25,000
Debtors on 1st January 2018	6,00,000
Goods supplied by Head Office (at invoice price)	20,00,000
Cash Sales	8,00,000
Cash Received from Customers	14,75,000
Goods Returned to Head Office (at invoice price)	1,20,000
Cheques Received from Head Office:	
- Wages and Salaries	5,50,000
-Rent, Rates and Taxes	1,50,000
-Sundry Expenses	25,500
Stock as on 31st December, 2018 (at invoice price)	7,50,000
Debtors as on 31st December, 2018	11,25,000
Liability for Outstanding Petty expenses as on 31-12-2018	5,500

Q.3 : M/s Abhijeet Timber Mart suppliers does not maintain double entry books of accounts. They have furnished you with the following information. (20M)

(a)

Particulars	1 st April 2018	31 st March 2019
Sundry Debtors	2,50,500	2,75,800
Sundry Creditors	2,45,700	2,28,200
Stock	35,000	60,000
Furniture	1,30,000	?
Machinery	5,00,000	?
Cash and Bank Balance	75,000	?

(b) Summary of cash transaction for the year 2018-19:

Particulars	Amount
Cash Sales	56,000
Received from Debtors	8,50,000
Paid to Creditors	4,80,000
Wages Paid	39,200
Salaries Paid	45,800
Printing and Stationery Expenses Paid	24,500
Drawings	25,000
Additional Capital Introduced	80,000
Commission Received	59,000
Cash Purchases	69,000
Sundry Expenses Paid	36,600

(c) Other Transactions:

Discount allowed-Rs.3,800

Discount received –Rs.2,550

Bad Debts written off-Rs.6,000

Salaries outstanding-Rs.6,000

Depreciation is to be provided on furniture @ 10% p.a. and on machinery @ 20% p.a.

Prepare Trading, Profit and Loss Account of M/s Abhijeet Timber Mart suppliers for the year ended 31st March 2019 and Balance Sheet as on that date..

OR

Q.3 : Rahul of Mumbai sent 400 cookers at Rs.1000 each to Pooja of Chennai and paid for carriage Rs.2,000, Packaging Rs.2,500 and Insurance Rs.3,000. Pooja accepted a 3 months bill drawn upon by Rahul for Rs.80,000. The bill was discounted by Rahul with his bankers on the same day for Rs.77,600 and discount was charged to consignment account. (20M)

Rahul received an account sales from Pooja from which it appeared that:

(a) 340 Cookers were sold at Rs.1,400 each for cash.

(b) 40 Cookers were sold at Rs.1,500 each for credit.

Pooja paid for Rent and Taxes Rs.3,200 and advertisement Rs.1,800. Pooja is entitled to a total commission of 10% on sales which includes a del-credere commission of 2%. The balance amount was remitted by bank draft.

Prepare Consignment A/c and Consignee's A/c in the books of Rahul.

Q.4 M/S Shashikala Ltd does not maintain his books of account on Double Entry Keeping System. He Supplies you the following information: (20M)

I. Asset and Liabilities as on 1st April,2017 and 31st March,2018.

Particulars	1 st April 2017	31 st March 2018
Plant	72,000	72,000
Motor Vehicle	1,00,000	?
Sundry Debtor	67,000	49,000
Sundry Creditor	74,000	59,000
Stock	76,000	1,00,000
Cash and Bank Balance	3,000	24,000

II Cash Transaction During the year:

Particulars	Amount
Purchase of Motor Vehicle (on 1-4-2017)	30,000
Capital Introduced	30,000
Cash Sales	?
Paid for Rent	20,000
Paid for Salaries	23,000
Received from Debtors	2,00,000
Payment made to Creditors	1,00,000
Paid to General Expenses	17,000
Drawings	36,000
Carriage Inward	49,000

1. Depreciation is to be provided on Plant @ 10% p.a. and Motor Vehicle @ 20% p.a.

2. Rent Outstanding is Rs.2,000.

3. Discount allowed was Rs.3,000 and discount received Rs.2,000.

You are required to prepare :

1. Trading and Profit and Loss A/c for the year ended 31st March, 2018.

2. Balance Sheet as on 31st March, 2018.

OR

Q.4 M/s Sujata Ltd Enterprises close their accounts on 30th June every year. On 30th September 2013 a major fire destroyed most of their stock. Following information could be gathered from their books: (20M)

Particular	Amount
Stock on 30th June 2013	3,60,000
Purchases 1st July, 2013 to 30th September 2013	6,00,000
Wages 1st July, 2013 to 30th September 2013	2,30,000
Sales 1st July, 2013 to 30th September 2013	10,00,000
Carriage inward for the above period	10,000
Carriage outward for the above period	15,000

Average percentage of G.P. to cost is $33\frac{1}{3}\%$ Stock of the value of Rs.75,000 could be salvaged. Policy was for Rs.2,50,000. 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.25,000.
- (3) Amount spent for bringing and setting-up the furniture in the office was Rs.5,000 which was included in carriage inward.

You are required to calculate the amount of claim.

Q.5: (a) What is Single Entry System? What are the features of Single Entry System? (10M)

(b) What is branch? Explain Different types of branches . (10M)

OR

Q.5 Write Short Notes on (any Four): (20M)

- 1) Distinguish Between Consignment & Sale
- 2) Memorandum Trading A/C
- 3) Consignment Account
- 4) Average clause
- 5) Distinguish Between Single Entry & Double Entry System.
- 6) Total Debtors Account

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