**ST. ALOYSIUS COLLEGE, EDATHUA**

**B. Com. DEGREE (C.B.C.S.S.) MODEL EXAMINATION, JUNE 2020**

**Second Semester**

**FINANCIAL ACCOUNTING- II**

Time: 3 hours. Mark: 80

**Section A**

Answer any ***ten*** questions, each question caries 2 marks.

1. What is Down Payment?

2. What are departmental accounts?

3. What is consolidated balance sheet?

4. What do you mean by Invoice Price?

5. What is goods in transit?

6. Define a branch.

7. What do you mean by piecemeal distribution?

8. What do you mean by Realisation account?

9. List out the features of branches.

10. Mention any two rights of hire purchaser.

11. What is AS-9?

12. What is instalment system?

**Section B**

Answer any ***six*** questions, each questions carries 5 marks.

13. Distinguish between Hire Purchase and Instalment System.

14. What are the advantages of Accounting Standards?

15. Explain the different types of Lease.

16. Explain the objectives and advantages of preparing departmental accounts.

17. How do you allocate and apportion expenses of Departments?

18. Differentiate between dissolution of partnership and dissolution of firm?

19. Explain the two methods of piecemeal distribution?

20. Explain Garner Vs Murray rule?

21. What are the features of Hire purchase system?

**Section C**

Answer any ***two*** questions, each question carries 15 marks.

22. On 1st January 2016 Jasmine Traders purchased two photocopying machine from Rolta India Ltd, under hire purchase system. The cash price of one machine was Rs.1, 00,000. Jasmine Traders paid Rs. 80,000 on signing the agreement and the balance was agreed to be paid in 3 equal yearly instalments of Rs. 40,000 together with interest at 30% per annum. Jasmine Traders could not pay the last instalment and as a result, one machine was repossessed for Rs. 28,000 by adjusting its value against the amount due. The hire purchaser depreciated the machine at 20% on fixed instalment system.

Prepare important ledger accounts in the books of Jasmine Traders.

23. The following is the trial balance of Kottayam Branch as on 31 -3-2020

|  |  |  |
| --- | --- | --- |
| Particulars | Dr. | Cr. |
| Purchases  Sales  Goods from H.O  Wages  Salaries  Carriage inwards  Goods sent to H.O  Cash at bank  Furniture  Opening stock  Sundry debtors  Sundry creditors  Rent and rates  Bills receivable  Discount  Head office account | 75,000  15,000 5,000  4,000  1,000  8,000 20,000 7,000 25,000  4,000 13,000 | 1,40,000  12,000  13,000  2,000 10,000 |
|  | 1,77,000 | 1,77,000 |

The branch account in the head office books shows a debit balance of rs.14, 000. It is found that goods costing Rs. 3,000 sent by H.O on 24-12-2019 has been received by the branch only on 5th January 2020. It is also noticed that a cheque of Rs. 1,000 sent by the branch in December is received by H.O only in January. Branch furniture required a depreciation of 10%. Salary outstanding at branch amounts to Rs.800. Closing stock at branch is valued at Rs. 22,000.

Prepare branch trading P&L account; give incorporating entries and branch account in the books of Head office.

24. The Balance Sheet of X, Y and Z, sharing profits and losses in the ratio of 2:2:1, as on 31/12/2019 stood as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| Liabilities | Amount | Assets | Amount |
| Creditors  Loan from X  General Reserve  Capital: X  Y  Z | 7000  6000  5000  7000  4000  5000 | Cash at Bank  Debtors  Stock  Plant & Machinery  Land & Buildings | 2000  8000  5000  7000  12000 |
| Total | 34000 | Total | 34000 |

The firm was dissolved on 31.12.2019.

The assets were realized as follows:

Amount 1st Realisation 6500

2nd Realisation 7500

3rd Realisation 10000

Y took over stock worth Rs.2000/- at the time of third realization. The partners distributed the cash as and when available.

Show the distribution of cash on the basis of proportionate capital method.