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**D.K.M.COLLEGE FOR WOMEN (AUTONOMOUS), VELLORE-1**

**SEMESTER EXAMINATIONS**

**APRIL – 2016 CACO4C**

**ALLIED: FINANCIAL ACCOUNTING - II**

Time : 3 Hrs Max.Marks : 75

SECTION-A (10 x 2 =20)

**Answer ALL the questions.**

1. Write any two features of dependent branch.
2. What are the different types of branches?
3. What are the advantages of departmental accounting?
4. Write note on stock reserve.
5. What is partial repossession?
6. Who is a Hire vendor?
7. What is sacrificing ratio?
8. What is meant by interest on capital?
9. What is dissolution of partnership?
10. What is meant by Realisation a/c

SECTION-B (5 x 5 =25)

**Answer any FIVE of the following questions.**

1. What are the objectives of Branch accounts?
2. From the following particulars, prepare a branch account showing the profit and loss at the branch.

|  |  |
| --- | --- |
| Opening stock at the branch | 15,000 |
| Goods sent to the branch | 45,000 |
| Sales | 60,000 |
| Salaries | 5000 |
| Other expenses | 2000 |

1. Write in detail the important basis of apportionment of expenses among various

departments.

1. Calculate Gross profit and closing stock of department I and department II of X LTD.

|  |  |  |
| --- | --- | --- |
| Particulars | Departments | |
| I | II |
| Stock on 1.1.2014 (Rs.) | 15000 | 18000 |
| Purchases (Rs.) | 23000 | 30000 |
| Sales (Rs.) | 40000 | 60000 |
| Gross profit ratio | 20% | 30% |

1. Mr. Ram purchased a machine under hire purchase system. Rs. 40,000 was to be paid on

signing the contract. The balance was to be paid in 4 annual instalments of Rs. 25,000 each plus interest. The cash price was Rs.1,40,000. Interest is chargeable on outstanding balance at 20% per annum. Calculate Interest for each year and the instalment amount.

1. Distinguish between hire purchase and instalment system.
2. X and Y are partners sharing profits in the ratio of 7:3. Z was admitted on 3/7th share in the profits. Calculate new profit sharing ratio of the partners.
3. Explain the advantages of EDP.

SECTION-C (3 x 10 =30)

**Answer ALL the questions.**

1. (a) Mr. X opened a branch at Chennai on 1st Jan. 2000. Goods were involved at selling price

which was at lost 25 %. From the following particulars relating to the year 2000, you are

required to prepare different accounts under stock and debtors system.

|  |  |
| --- | --- |
| Goods sent to branch | 30,000 |
| Sales |  |
| Cash | 10,000 |
| Credit | 14,000 |
| Goods returned by customers | 300 |
| Cash received from customers | 8000 |
| Discount allowed | 100 |
| Defective goods written off | 100 |
| Goods returned by branch | 1200 |

Cash remitted to branch for

* Rent and rates 150
* Salaries 600
* Sundry expenses 100
* stock at the end 5000

(Or)

(b) Prepare Delhi branch account in the books of head office.

|  |  |
| --- | --- |
|  | Rs. |
| Opening stock | 10,000 |
| Closing stock | 20,000 |
| Opening petty cash | 1500 |
| Closing petty cash | 1000 |
| Opening Debtors | 25000 |
| Closing Debtors | 15000 |
| Goods sent to branch at cost | 50,000 |

Expenses of branch met by head office.

* Rent 2,500
* Salaries 4,500
* Cash sales 30,000
* Collection from debtors 80,000

1. (a) Write the Journal entries when a firm is dissolved?

(Or)

(b) From the following particulars given by M/s X and Y, prepare a departmental trading and

profit and loss account for the year ended 31 Dec. 2015.

|  |  |
| --- | --- |
| Particulars | Rs. |
| Opening Stock X | 2500 |
| Y | 7500 |
| Raw materials consumed (Y) | 18000 |
| Stores consumed | 4500 |
| Wages X | 1500 |
| Wages Y | 3000 |
| Advertisement | 750 |
| Packing expenses (X) | 300 |
| Depreciation |  |
| Factory equipments | 1600 |
| Building | 800 |
| Sales X | 9000 |
| Y | 45000 |
| Closing stock X | 3000 |
| Y | 6000 |
| Office expenses | 2400 |

Additional information:

* 1. Y is made out of wastages of raw material tested by X department. The value of such materials used during the year by Y department was 1000.
  2. Y department does not require any equipment.
  3. Only 1/8 of the total area of the building was occupied by Y department.

1. (a) A partnership firm has three partners X, Y and Z with capitals as X Rs.20,000,

Y Rs.10,000 and Z Rs.10,000. The creditors amounted to Rs.20,000 and sundry assets

to Rs.60,000. On dissolution, the assets realised as follows.

I instalment Rs.20,000

II instalment Rs.20,000 and

Final realisation Rs.10,000

The partners share profits and losses in the ratio of 3:2:1. Show the piecemeal distribution of realisation on maximum loss method.

(Or)

(b) X and Y are partners sharing profit in the ratio of 3:1. Their balance sheet as on 31 Dec.

2012 is as under

|  |  |  |  |
| --- | --- | --- | --- |
| Particulars | Rs. | Particulars | Rs. |
| Capital |  | Cash | 22,500 |
| X | 30,000 | Bills receivable | 3,000 |
| Y | 20,000 | Stock | 20,000 |
| General reserve | 4,000 | Debtors | 16,000 |
| Sundry creditors | 37,500 | Furniture | 5,000 |
|  |  | Building | 25,000 |
|  | 91,500 |  | 91,500 |

On 1.1.2013 they admit Z into their firm as a new partner on the following adjustments.

* Z to bring Rs.10,000 as capital for 1/5th share of profit.
* Goodwill is raised in the books to the extent of Rs.10000.
* Stock and furniture to be reduced by 10% and a reserve of 5% on debtors for doubtful debts to be created
* Buildings to be appreciated at 20%.

Prepare revaluation account, capital accounts and balance sheet.

**\* \* \* \* \* \* \***