

D.K.M. COLLEGE FOR WOMEN (AUTONOMOUS), V
SEMESTER EXAMINATIONS
APRIL – 2016
ALLIED : ACCOUNTING FOR BUSINESS - II

Time: 3 Hrs

SECTION – A (10 X 2 =20)

Answer ALL the questions.

1. What is Goods in transit?
2. Write note on dependent branch.
3. What do you mean by Inter – departmental transfer?
4. What is stock reserve?
5. Write any two features of Hire purchase system.
6. Write note on complete repossession.
7. Define Partnership.
8. What is sacrificing ratio?
9. When there is no agreement among the partners, how the profit or loss of t among the partners.
10. Write note on partnership deed.

SECTION – B (5 X 5 =25)

Answer any FIVE of the following questions.

11. From the following particulars relating to the year 2000, you are required to under.

Stock and debtors system of Mr.X.who opened a branch at Chennai on 1st

Goods were invoiced at selling price which was at cost plus 25 %.

Particulars
Goods sent to branch
<u>Sales</u>
<ul style="list-style-type: none">• Cash• Credit

12. What are the objectives of branch Account?

13. From the following details prepare departmental Trading and Profit and loss account for the year ending 31.Dec.2009.

Particulars	Department A	Department B
Stock (1.1.2009)	40,000	
Purchases	2,00,000	
Wages	10,000	
Transfer of goods from Dept.A	-	
Stock (31.12.2009)	30,000	
Sales	2,00,000	

B's entire stock represents goods from department A, which was transferred to B at the cost. Administration expenses came to Rs.15,000 to be allocated to A and B respectively.

14. Distinguish between Hire purchase and installment systems.

15. X, Y and Z are partners sharing profits in the ratio of 3: 4: 2. Y retires and his share of goodwill valued are Rs.16,200.No goodwill account appears in the books of the firm. The firm's profit in the ratio of 5: 3. Pass journal entries to record goodwill and it is all in the books.

16. X,Y and Z were partners sharing profits in the ratio 2 : 2 : 1. Z retires and his share of goodwill and Y in the ratio of 3 : 2 .Calculate the gaining ratio of X and Y.

17. Write in detail the different modes of dissolution of a firm?

18. Explain the advantages of EDP.

SECTION – C (3 X 10 =30)

Answer ALL the questions.

b) The branch sent the following Trial balance to its head office.

Particulars	Dr.
Head office Account	--
Sundry creditors	--
Sales	
Balance at bank	9,000
Cash in hand	140
Sundry debtors	54,000
Purchases	1,60,000
Rent and Rates	4,000
General expenses	7,000
Salaries	12,000
Bad debts	700
Fixtures & Fittings	2,400
Machinery	4,600
Stock on 1 st Jan	38,000
	<u>2,91,840</u>

The proportion of head office expenses to be charged to the branch include a sum of Rs.2,600 paid to branch manager who is further entitled the net profit of the branch before charging such commission.

The branch stock on 31. Dec was Rs.22,000. Prepare the branch Trading account and balance sheet allowing 10% depreciation on fixed assets.

20.a) Explain in detail the important basis of apportionment of expenses among

(Or)

b) Mr. Ram purchased a machine under hire purchase system. Rs.40,000 was contract. The balance was to paid in 4 annual installments of Rs.25,000 each. The cash price was Rs.1,40,000. Interest is chargeable on outstanding balance. Calculate interest for each year and the installment amount.

(Or)

b) A and B are partners sharing profit and losses in the proportion of $\frac{3}{5} : \frac{2}{5}$ partnership, who is to get $\frac{1}{5}$ th share in the business. C brings in Rs.1,00,000 for the $\frac{1}{5}$ th share of goodwill which he acquires $\frac{3}{20}$ th from A and B. Profit for first year of the new partnership amounted to Rs.2,00,000.

Make the necessary journal entries in connection with C's admission between the partners.

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