

Anjuman Islam Janjira Degree College of Science
Murud-Janjira, Raigad-402401
Affiliated to University of Mumbai

Class: -F.Y.B.A.F	Subject: - Financial Accounting
Semester: -II	Course code: -
Exam Event: - (FH) Summer 2024	Marks: 75
Date: - 22/04/2024	Duration: - 2 Hours 30 Mins

N.B1. All questions are compulsory.

2. Figures to the right indicate full marks.

3. Use of log-table/nonprogrammable calculator is allowed.

4. Answer for the same question as far as possible should be written together.

Q.1 A. State whether following statements are True or False (any 8)

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1. Under Single Entry system, only cash and personal accounts are maintained.
2. Consignment is not Sale.
3. Balance an Goods Sent to Branch account is transfer to debit of trading account.
4. Memorandum Trading Account is always prepared for 1 year period.
5. Under the Conversion Method of Single entry, credit purchases are ascertained by preparing the total creditors account.
6. Consignee can return the unsold goods to the Consignor.
- 7 Depreciation on branch fixed asset is debited to branch account under Debtor system.
8. Abnormal goods are fast moving goods.
9. If the consignee gets Del Credere Commission, the consignee will bear the bad debts.
10. Branch stock account is always prepared at cost price.

Q.1 B. Match the column (any 7)

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Column A	Column B
1. Debit side of Total Debtors A/c	a) Applies only in case of over-insurance
2. Credit Side of Machinery A/c	b) Based on cost
3. Account sales	c) Credit to branch stock account
4. Ownership of goods is passed on to the buyer	d) Credit to branch debtors account
5. Collection form debtors by consignee	e) Debit to branch stock account
6. Gross profit transferred	f) No entry
7. Discount to customers	g) Sale
8. Loss of goods in fire	h) Principal and agent
9. Mark up	i) Balance to be shown in closing statement affairs
10. Average clause in a fire insurance	j) Credit sales

Q.2 M/s. Bhavani Enterprises does not maintain double entry books of accounts. They have furnished you with the following information.

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Particulars	1 st April, 2015	31 st March 2016
Sundry Debtors	15,600	28,300
Stock	68,500	98,600
Sundry Creditors	14,800	19,700
Furniture	50,000	??
Machinery	1,00,000	??
Cash and Bank Balance	28,600	??

Summary of Cash transaction for the year 2015-2016

	Rs.
Cash Sales	27,600
Received from Debtors Cash	2,47,600
Paid to Creditors	1,91,200
Wages Paid	16,500
Salaries Paid	18,000
Printing and Stationery Expenses Paid	9,700
Drawings	12,000
Furniture Purchased on 1st January, 2016	10,000
Additional Capital Introduced	50,000
Cash Purchases	2,800
General Expenses Paid	3,700

- Discount allowed was 1,250 and discount received 860.
- Bad debts written off were 840.
- Depreciation is to be provided on Furniture @ 10% p.a. and on Machinery @ 20% p.a.
- Wages outstanding 2,550.
- Prepare Trading Profit & Loss Account of M/s. Bhavini Enterprises for the year ended 31" March and Balance Sheet as of that date.

OR

Q.2 Mr. Aryan, a retailer, does not keep any books of accounts but does operate a business bank account. A summary of the bank statements for the year ended 31-3-2013 is given below:

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Receipts	Rs.	Payment	Rs.
Opening Balance	5,280	Cash paid to creditors	74,500
Cash received from Debtors	97,000	Salaries	11,000
Closing Balance	4,420	Rent	3,600
		General Expenses	7,000
		Advertisement	600
		Drawing	10,000
	1,06,700		1,06,700

His assets and liabilities on 31st March, 2012 and 2013 were:

	31.03.2012	31.03.2013
Fixed Assets	20,800	20,800
Stock	10,480	12,600
Debtors	13,000	13,600
Rent prepaid	600	600
Creditors	9,200	9,400
Outstanding advertisement bill	200	300

Fixed assets should be charged depreciation at 10%.

Required to prepare the Trading and Profit & Loss Account of Mr. Aaryn for the year ended 31-3-2013 and a Balance Sheet as at the date.

Q3. M/s Diamond Cements Ltd. of Nagpur consigned to Suyesh Brother of Bhopal, 5,000 Cement bags costing 80 per Bag. M/s Diamond Cements Ltd. paid 4,500 For railway freight, 2,500 for insurance and 2,200 for sundry expenses.

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On receipt of consignment, suyesh brothers accepted a Bill for Rs.2,00,000

Suyesh Brothers sent an Account sales which shows as:

1. Cash sales of 4,000 bags @ 95 each.

2. Expenses paid by Suyesh brothers were:

a) Godown rent Rs.2,000.

b) Selling expenses of 6,000.

c) Suyesh Brother remitted the balances due by bank draft after deducting their expenses and commission at 2% on gross sales.

Prepare the consignment Account and Consignee's Account in the books of M/s Diamond Cements Ltd.

OR

Q.3 Following information is given to you from the books of Shivam Law Agency for its branch at Virar for the financial year 2021-22. Prepare Virar Branch A/e in the books of Shivam Law Agency. **15**

Particulars	Rs.	Particular	Rs.
Balance as on 1-4-2021		Transactions during 2021-22	7,800
Branch Debtors	1,200	-Goods sent by H.O.	2,000
Stock	600	-Goods lost at branch	750
Cash	100	-Credit Sale	3,600
Balance as on 31-3-2022		-Cash sent by H.O. for petty cash	
Branch Debtors	?	-Insurance claim received by branch	600
Cash	600	-Cash received from debtors	2,400
Stock	1,000	-discount allowed	480
		-Bad debts	520
		-Goods returned by debtors	100
		-Branch Exp. Paid by H.O	
		Salary	320
		Advt.	780
		-Amount remitted by Branch to H.O.	8,460

Q.4 On 30th June, 2022; accidental fire destroyed a major part of the stocks in the go down of Jaya Associates. Stocks costing 30,000 could be salvaged but not their stock ledgers. A fire insurance policy was in force under which the sum insured was ₹ 3,50,000. **15**

You are given the following data from available records:

- Total of sales invoice during the period April to June amounted to 30,20,000. An analysis showed that goods of the value of 3,00,000 had been returned by the customers before the date of fire.
- Opening stock on 1" April, 2022 was 2,20,000 including stock of value of 20,000 being lower of cost and net value subsequently realized.
- Purchases between 1" April, 2022 and 30th June, 2022 were 21,00,000.
- Normal gross profit ratio was 33%.
- A sum of 30,000 was incurred by way of firefighting expenses on the date of the fire.

Prepare a statement of insurance claim.

OR

Q.4 The business premises of Gala Timber Mart destroyed by fire on 16/07/2022. However all the books of accounts and stock amounting 18,000 were salvaged and the following information was available from the books. **15**

Year Ended	Gross Profit (Rs.)	Sales (Rs.)
31-3-2019	2,39,500	9,58,000
31-3-2020	2,25,000	9,00,000
31-3-2021	2,05,480	9,34,000
31-3-2022	2,00,640	9,12,000

Additional Information:

- Stock on 31-03-2022 1,02,250.
 - Purchases from 01-04-2022 to 16-07-2022 2,12,380.
 - Sales from 01-04-2022 to 16-07-2022 3,50,000.
 - Wages from 01-04-2022 to 16-07-2022 ₹25,000.
 - The amount of policy was 55,000.
- Claim was subject to Average clause.

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

Q.5 A. Explain the Conversion Method of single entry system. **08**

B. Distinguish between Consignment Vs Sale. **07**

OR

Q.5 Write Short Note.(Any 3) **15**

- Del Credere Commission
- Defects of Single Entry
- Need of Insurance.
- Stock Debtor System
- Features of Dependent branch a/c