



**WEST BENGAL STATE UNIVERSITY**  
B.Com. Honours 3rd Semester Supplementary Examination, 2021

**FACACOR07T-B.COM. (CC7)**

**FINANCIAL ACCOUNTING-II**

Time Allotted: 2 Hours

Full Marks: 50

*The figures in the margin indicate full marks.  
Candidates should answer in their own words as far as practicable  
All symbols are of usual significance.*

**GROUP-A**

**Answer any two questions**

10×2 = 20

1. G Ltd. has three operating departments. The details of their operations during 2019 are given below: 10

|                                       | <b>Deptt.-I</b> | <b>Deptt.-II</b> | <b>Deptt.-III</b> |
|---------------------------------------|-----------------|------------------|-------------------|
|                                       | <b>Rs.</b>      | <b>Rs.</b>       | <b>Rs.</b>        |
| Sales to customers                    | 4,00,000        | 6,00,000         | 8,00,000          |
| Purchases from outsiders              | 3,00,000        | 4,00,000         | 5,00,000          |
| Opening stock (out of local purchase) | 80,000          | 1,00,000         | 1,20,000          |
| Transfer to Department-III            | 1,50,000        | --               | --                |
| Closing stock                         | 50,000          | 50,000           | 1,00,000          |

Common Expenses:

Selling commission- Rs. 36,000; Depreciation- Rs. 45,000; Administration expenses- Rs. 80,000

Stock of Deptt.-III includes 20% transfers from Deptt.-I. Prepare Departmental Profit & Loss A/c and ascertain the net profit of the company after considering the following details:

|                                 | Deptt.-I | Deptt.-II | Deptt.-III |
|---------------------------------|----------|-----------|------------|
| Fixed Assets installed (Rs.)    | 3,60,000 | 2,00,000  | 1,60,000   |
| Administration work apportioned | 4/10     | 3/10      | 3/10       |

Department-I transfer supplies to Department-III at normal selling price.

2. Diamond Ltd. purchased and sold 5% Government Stock as follows: 10

| Date           | Particulars   |
|----------------|---|
| June 1, 2018   | Purchased Rs. 60,000 5% government Stock at Rs. 95 cum-interest |
| August 1, 2018 | Sold Rs. 20,000 of Stock at Rs. 97 cum-interest.                |
| March 15, 2019 | Sold another Rs. 20,000 Stock at Rs. 93 ex-interest.            |

On March 31, 2019, the closing date of the financial year, the market price of the Stock was Rs. 92. Half-yearly interest is received every year as on September 30 and March 31. Prepare an Investment in 5% Government Stock Account assuming that the stock transfer books is closed 20 days before the date of payment of interest. Ignore income tax and brokerage. (Detailed workings are to be given).

3. Write short notes on any *two* of the following: 5×2 = 10
- Inter-Branch Transactions
  - Cum-dividend and Ex-dividend transaction
  - Sacrificing ratio
  - Piecemeal distribution.

### GROUP-B

#### Answer any *two* questions

15×2 = 30

4. A, B and C were in partnership sharing profits and losses in the ratio of 5:3:2. On 1st January, 2013, they decided to admit D into partnership on the basis of the following balance sheet as on 31st, December, 2012: 15

| Liabilities          | ₹               | Assets      | ₹               |
|----------------------|-----------------|-------------|-----------------|
| Capital Accounts:    |                 | Goodwill    | 40,000          |
| A                    | 1,00,000        | Motor Car   | 30,000          |
| B                    | 64,000          | Stock       | 44,000          |
| Sundry creditors     | 16,000          | Debtors     | 32,000          |
| General reserve      | 8,000           | Investments | 20,000          |
| Outstanding expenses | 6,000           | Bank        | 24,000          |
|                      |                 | C's Capital | 4,000           |
|                      | <b>1,94,000</b> |             | <b>1,94,000</b> |

The following terms were agreed upon:

- The new profit sharing ratio would be 4:2:1:3
- Goodwill to be revaluated at ₹50,000
- D should bring his share of goodwill in cash; thereafter the amount of Goodwill should be written off.
- ₹2,000 of sundry debtors proved to be bad and there was doubtful amount of ₹1,500.
- Investments and stock were revalued at ₹16,000 and ₹46,000 respectively.
- Provision to be made for an unrecorded bill of a supplier amounting to ₹4,000.
- D was required to bring his capital of ₹60,000.
- Partners decided to bring their capital account balances to profit sharing ratio taking D's capital as basis, any excess or shortfall to be adjusted in cash.

Prepare Revaluation Account, Partner's Capital Accounts and Balance Sheet.

5. Pack & Carry Ltd. purchased five lorries costing Rs. 10,00,000 each from Ashoke Leyland on 1st January, 2013 on hire-purchase system on the following terms: 15
- Payment of Rs. 2,50,000 is to be made for each lorry on delivery. Remainder is to be paid in three equal instalments together with interest at 10% p.a. at the end of each year. The buyer writes off 25% depreciation each year on diminishing balance method. It makes payment for the two instalments but cannot pay the

final instalment. Thereupon the vendor repossesses two lorries adjusting its valued against the amount due. The repossession is done on the basis of 30% depreciation on diminishing balance method.

Write up the ledger accounts in the books of Pack & Carry Ltd. Show the necessary working notes in detail.

6. (a) Distinguish between Hire Purchase System and Instalment Payment System. 5  
 (b) Joy & Co. Ltd. Kolkata has a branch at Gwahati for sale of its goods. For the year ending 31st March, 2018 the following particulars are furnished: 10

|   | ₹                          |                             |
|---|----------------------------|-----------------------------|
| Goods sent branch                                 | 1,42,000                   |                             |
| Goods returned by branch                          | 4,000                      |                             |
| Cash sales  | 79,000                     |                             |
| Credit sales                                      | 2,02,000                   |                             |
| Cash received from debtors                        | 1,89,000                   |                             |
| Branch expenses paid by the head office:          |                            |                             |
| Rent  | 10,000                     |                             |
| Salaries  | 30,000                     |                             |
| Cash sent by head office to branch for petty cash | 5,000                      |                             |
| Other details:                                    |                            |                             |
|   | 1 <sup>st</sup> April 2017 | 31 <sup>st</sup> March 2018 |
|   | ₹                          | ₹                           |
| Petty cash at branch                              | 100                        | 150                         |
| Branch debtors                                    | 23,500                     | ?                           |
| Branch stock                                      | 44,500                     | 27,000                      |

All cash collections are remitted to the head office

Show the Guwahati Branch Account in the head office books and also the branch trading and profit and loss account for the year.

**N.B. :** *Students have to complete submission of their Answer Scripts through E-mail / Whatsapp to their own respective colleges on the same day / date of examination within 1 hour after end of exam. University / College authorities will not be held responsible for wrong submission (at in proper address). Students are strongly advised not to submit multiple copies of the same answer script.*

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