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RAN-2008000202030001**F. Y. B. Com. (Honours) (Sem. - II) Examination April - 2023****Financial Accounting : Paper - II****[Total Marks: 50****સૂચના : / Instructions**

(1)

નીચે દર્શાવેલ નિશાનીવાળી વિગતો ઉત્તરવહી પર અવશ્ય લખવી.
Fill up strictly the details of signs on your answer book

Name of the Examination:

F. Y. B. Com. (Honours) (Sem. - II)

Name of the Subject :

Financial Accounting : Paper - II

Subject Code No.: 2008000202030001

Seat No.:

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Student's Signature

Q. 1. Answer the following.

- a) Diva sent 100 bicycles to Riya on consignment at Rs. 6000. She paid Rs. 24,000 for freight and carriage. Riya paid Rs. 18,000 for customs and carriage. Diva received an account sales for 80 bicycles sold by Riya at Rs. 7,440. Riya has also paid Rs. 31,200 for advertisement and salary of salesman. Find out the value of closing stock if the market price is Rs. 7,500 per bicycle. (03)
- b) Almond and Saffron entered into joint venture business. They purchased goods of Rs. 2,83,800. Almond sold for Rs. 1,60,149 and Saffron sold for Rs. 98,835. 9% profit was added on the cost. Almond and Saffron take over stock at cost in the ratio of 2:3. Write journal entries. (03)
- c) State objectives of branch accounts. (02)
- d) Meera purchased a machine of cash price of Rs. 9,72,000 on hire purchase. They paid Rs. 81,000 on the day of contract and remaining amount in three 6 months equal installment with 9% interest. Calculate amount of interest of each installment. (02)

Q. 2. Arva Ltd., manufacturers and dealers in edible oil, consigned to their Bangalore agent, 250 crates of oil (each crate containing 12 one - kilo sachets) in March, 2012. The consignment was sent at 20% over the cost price of Rs 120 per kilo. A bill was drawn on the agent for 80% of the value of the consignment which was met on presentation. Expenses incurred by the company by way of freight and insurance came to Rs. 12,000. The agent received the consignment by lorry and sold in March 2012, 225 crates @ Rs 180 per kilo. He found that 125 sachets had got damaged in transit — the manufacturer accepted this as a normal loss and these were sold to consumers at Rs 80 per sachet. The insurance company settled the loss claim for Rs 2,500. Agent incurred expenses of Rs 5,000 on his own account (unconnected with the liability under the agreement) and Rs 3,000 on consignor's account. He is entitled to a commission of 5% on sales effected. By 15th April, 2012, the agent remitted the balance due to him to the company. Draw the accounts in the book of Arva Ltd., to record the above transactions. **(14)**

OR

A, B and C entered into a joint venture on 1-1-2021 on the condition to share profits and losses in the ratio of 5:3:2 to build a town hall at a price of Rs. 10,00,000. They contributed Rs. 8,00,000 in profit sharing ratio and paid the amount in the joint bank account. They paid the deposit at 2% of the tender price.

Details regarding the expenses of joint venture paid from joint bank account are as under: **(14)**

Material.... 4,00,000, sub-contract..... 1,00,000, wages.... 2,00,000

Plant & machinery (purchased on 1-4-2021).... 50,000

A paid Rs. 20,000 for architect's fees. B brought materials for Rs. 30,000 from his personal stock. C brought his personal truck of the value of Rs. 40,000 into business on 1-7-2021.

Construction was completed on 31-3-2022. C took over surplus materials for Rs. 15,000. Machinery and truck are subject to depreciation of 20%. Machinery and truck are taken over by A at Rs. 35,000 and by B at Rs. 30,000 respectively.

The cheque of Rs. 8,50,000 and municipal bonds of the value of Rs. 1,50,000 were received towards contract price. Half the amount of deposit was deducted as penalty for late completion and remaining amount was returned. The market value of bond was Rs. 1,20,000 and it was taken over by all partners equally.

Prepare joint venture account, joint bank account and partners' capital account.

Q. 3. Deepjyoti of Valsad has a branch at Surat. The head office dispatches goods to the branch at cost price. Branch remits to head office all the cash collected by it. All expenses of the branch are paid from head office, Valsad.

Head office has instructed the branch to sell goods at 1/5th profit over and above the selling price. Assuming that the branch has fully carried out the instructions. Prepare Branch account, Branch Trading account and Branch Profit & Loss account in the books of head office for the year ending 31-03-2022.

(14)

	31-3-2021	31-3-2022
Debtors	(?)	1,00,000
Stock	60,000	(?)
Prepaid insurance	700	500
Unpaid salary	1500	1000
Furniture	10,000	(?)
Goods sent to branch		9,00,000
Goods returned by branch		10,000
Cash sales		4,50,000
Rent, taxes, insurance		60,000
Advertisement expense		20,000
Wages and salary		10,000
Goods returned by customers to branch		12,000
Bad debts		5,000
Discount to debtors		15,000
Cash received from debtors by branch		7,50,000
Cash paid by branch debtors direct to head office		2,00,000
Bad debt recovery		1,000
Total sales		12,00,000
Furniture sent to branch(1-1-2022)		4,000

Write of depreciation on furniture at 10%.

OR

Star Co. Ltd. purchased on 1-1-2019 a motor car on hire purchase. The company paid in cash 33 1/3% of the cash price of the motor car. The remaining amount was paid in four annual installments which included 15% annual interest as follows: (14)

31-12-2019	Rs. 1,74,000
31-12-2020	Rs. 1,56,000
31-12-2021	(?)
31-12-2022	Rs. 57,500

On completion of third year on 31-12-2021 motor car account is shown in Balance sheet asset side as under:

Motor car.....	3,87,400
Less: Depreciation.....	<u>43,740</u>
	3,43,660

The purchaser provides depreciation at 10% p.a. on reducing balance method.

Prepare seller's account, motor car account and interest account in the books of purchaser.

Q. 4. Write short notes. (any three) (12)

1. Difference between joint venture and consignment.
2. Indian accounting standards.
3. Hire purchase and instalment purchase system.
4. Accounting for non-trading institution.