

SOMAIYA

VIDYAVIHAR UNIVERSITY

Dr. Shantilal K. Somaia School of Commerce and Business Studies

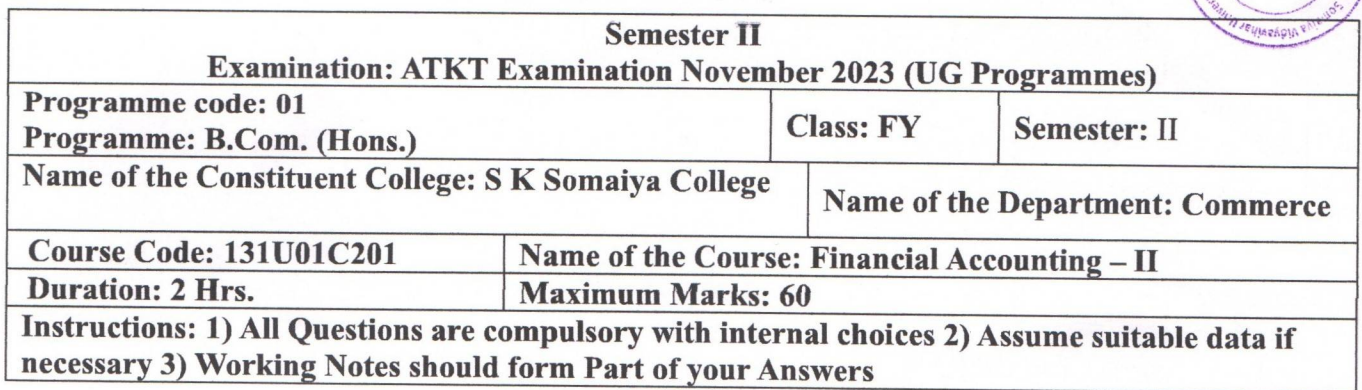
QUESTION PAPERS

BRANCH: Bachelor of Commerce (Hons.)	SEM: II
	NOV-2023

Sr. No.	Subject	Available
1.	131U01C201 – Financial Accounting II	
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11.		
12.		
13.		
14.		



LIBRARY



Question No.		Max. Marks	CO Attainment																																																																								
Q.1	<p>A) Kranti & Sumangala are Partners sharing Profits and Losses in the ratio of 3:1. From the Trial Balance given below and Adjustments, you are required to prepare Trading and Profit and Loss Account for the year ended 31st March, 2023 and Balance Sheet as on that date.</p> <p style="text-align: center;">Trial Balance as on 31st March, 2023</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 25%;">Debit Balance</th><th style="width: 15%;">Amount (Rs.)</th><th style="width: 25%;">Credit Balance</th><th style="width: 35%;">Amount (Rs.)</th></tr> </thead> <tbody> <tr> <td>Stock (1/4/2022)</td><td style="text-align: right;">32,500</td><td>Capital :</td><td></td></tr> <tr> <td>Purchases</td><td style="text-align: right;">40,000</td><td>Kranti</td><td style="text-align: right;">1,20,000</td></tr> <tr> <td>Sundry Debtors</td><td style="text-align: right;">1,00,000</td><td>Sumangala</td><td style="text-align: right;">40,000</td></tr> <tr> <td>Bills Receivable</td><td style="text-align: right;">8,500</td><td>Sales</td><td style="text-align: right;">60,000</td></tr> <tr> <td>Wages</td><td style="text-align: right;">3,000</td><td>Sundry Creditors</td><td style="text-align: right;">30,000</td></tr> <tr> <td>Investment</td><td style="text-align: right;">32,000</td><td>Bills Payable</td><td style="text-align: right;">15,000</td></tr> <tr> <td>Postage</td><td style="text-align: right;">2,700</td><td>Commission</td><td style="text-align: right;">325</td></tr> <tr> <td>Insurance</td><td style="text-align: right;">7,500</td><td>Purchases Returns</td><td style="text-align: right;">1,000</td></tr> <tr> <td>Plant & Machinery</td><td style="text-align: right;">15,000</td><td></td><td></td></tr> <tr> <td>Salaries</td><td style="text-align: right;">4,850</td><td></td><td></td></tr> <tr> <td>Prepaid Rent</td><td style="text-align: right;">2,000</td><td></td><td></td></tr> <tr> <td>Bad-debts</td><td style="text-align: right;">500</td><td></td><td></td></tr> <tr> <td>Furniture</td><td style="text-align: right;">12,500</td><td></td><td></td></tr> <tr> <td>Cash in Hand</td><td style="text-align: right;">3,775</td><td></td><td></td></tr> <tr> <td>Sales Return</td><td style="text-align: right;"><u>1,500</u></td><td></td><td></td></tr> <tr> <td>Total</td><td style="text-align: right;"><u>2,66,325</u></td><td>Total</td><td style="text-align: right;"><u>2,66,325</u></td></tr> </tbody> </table> <p>Adjustments :</p> <ol style="list-style-type: none"> 1. Closing Stock is valued at Cost Price Rs. 28,000. 2. Outstanding Expenses - Wages Rs. 800, Salaries Rs. 700. 3. Depreciate Furniture by 5% p.a. and plant and Machinery by 10% 4. Provide further Bad debts of Rs. 800. 5. Goods of Rs. 3,000 distributed as a free sample. <p style="text-align: center;">OR</p> <p>B) The following is the Trial Balance of a firm as on 31st March 2023.</p> <table style="width: 100%; margin-top: 10px;"> <thead> <tr> <th style="width: 25%;">Debit</th><th style="width: 25%;">Amt(Rs)</th><th style="width: 25%;">Credit</th><th style="width: 25%;">Amt(Rs)</th></tr> </thead> </table>	Debit Balance	Amount (Rs.)	Credit Balance	Amount (Rs.)	Stock (1/4/2022)	32,500	Capital :		Purchases	40,000	Kranti	1,20,000	Sundry Debtors	1,00,000	Sumangala	40,000	Bills Receivable	8,500	Sales	60,000	Wages	3,000	Sundry Creditors	30,000	Investment	32,000	Bills Payable	15,000	Postage	2,700	Commission	325	Insurance	7,500	Purchases Returns	1,000	Plant & Machinery	15,000			Salaries	4,850			Prepaid Rent	2,000			Bad-debts	500			Furniture	12,500			Cash in Hand	3,775			Sales Return	<u>1,500</u>			Total	<u>2,66,325</u>	Total	<u>2,66,325</u>	Debit	Amt(Rs)	Credit	Amt(Rs)	15	CO1
Debit Balance	Amount (Rs.)	Credit Balance	Amount (Rs.)																																																																								
Stock (1/4/2022)	32,500	Capital :																																																																									
Purchases	40,000	Kranti	1,20,000																																																																								
Sundry Debtors	1,00,000	Sumangala	40,000																																																																								
Bills Receivable	8,500	Sales	60,000																																																																								
Wages	3,000	Sundry Creditors	30,000																																																																								
Investment	32,000	Bills Payable	15,000																																																																								
Postage	2,700	Commission	325																																																																								
Insurance	7,500	Purchases Returns	1,000																																																																								
Plant & Machinery	15,000																																																																										
Salaries	4,850																																																																										
Prepaid Rent	2,000																																																																										
Bad-debts	500																																																																										
Furniture	12,500																																																																										
Cash in Hand	3,775																																																																										
Sales Return	<u>1,500</u>																																																																										
Total	<u>2,66,325</u>	Total	<u>2,66,325</u>																																																																								
Debit	Amt(Rs)	Credit	Amt(Rs)																																																																								



To Drawings		By Capitals	
-A	15,000	-A	3,00,000
-B	10,000	-B	2,00,000
-C	5,000	-C	1,50,000
To Opening stock	30,000	By Sales	14,00,000
To Purchases	9,00,000	By Creditors	2,50,000
To Wages	1,40,000	By Amount brought by C for goodwill	50,000
To Furniture	2,00,000		
To General Expenses	60,000		
To Selling expenses	14,000		
To Debtors	6,26,000		
To Cash & Bank	3,50,000		
Total	23,50,000	Total	23,50,000

Additional Information:

1. A & B were sharing profits & losses in the ratio of 3:2, they decided to admit C as partner from 1st April 2022. The new profit-sharing ratio was 2:2:1
2. Stock as on 31st March 2019 was Rs 1,80,000
3. Provide depreciation on furniture at 20% p.a.
4. Interest on partner's capital is to be provided at 12% p.a. No interest on drawings.

You are required to prepare profit & loss A/c for the year ended 31st March 2019 & Balance Sheet on that date.

Q.21,

A) Nihar & Ashish were in partnership sharing profits & losses in the ratio of 2:2:1. Their firm was dissolved as on 31st March, 2023 on which date the Balance Sheet of the firm was as under:

15

CO2

LIABILITIES	AMT(Rs.)	ASSETS	AMT(Rs.)
Capitals		Land & Building	25,000
Pavan	20,000	Plant	15,000
Nihar	40,000	Furniture	20,000
Ashish	40,000	Debtors	30,000
General reserve	30,000	Bank	3,000
Loan from Bank	12,000	Other Current Assets	66,500
Creditors	17,500		
	1,59,500		1,59,500

Rs 1,500 to be provided for realisation expenses. Following were the realisations:

Date	Amt(Rs.)
1 st Realisation	15,000
2 nd Realisation	15,000
3 rd Realisation	25,000
4 th Realisation	50,000

Actual realisation expenses were Rs 1,000 only. Prepare a statement showing distribution of cash by Excess Capital Method.

OR

B) Leela, Manda and Kunda are Partners in the firm 'Janki Stores' sharing Profits and Losses in the ratio of 3:2:1 respectively. On 31st March 2022 they decided to dissolve the firm when their Balance Sheet was as Under.

Balance Sheet as on 31st March 2022.

Liabilities	Amount (Rs.)	Assets	Amount (Rs.)
Creditors	28,800	Building	1,02,000
Bills Payable	21,600	Machinery	73,000
Capital A/c's		Motor Car	1,67,000
Leela	2,27,160	Goodwill	45,600
Manda	1,44,000	Investment	62,400
Kunda	1,08,000	Debtors	30,600
		Stock	45,000
		Bank	3,3600
	5,29,500		5,29,560

Leela agreed to take over the Building at Rs. 1,23,600. Madan took over Goodwill, Stock and Debtors at Book values and agreed to pay Creditors and Bills payable. Motor Car and Machinery realised Rs. 1,51,080 and Rs. 31,680 respectively. Investment were taken by Kunda at an agreed value of Rs. 55,440, Realisation expenses amounted to Rs. 6,800. Prepare Realisation A/C, Partners Capital A/C and Bank A/C.



15

CO2

Q.3

A) Following figures are extracted from the books of Hotel Kirti Mahal, Gujarat having 3 departments namely Punjabi, South Indian and Continental for the year ending 31st March 2023.

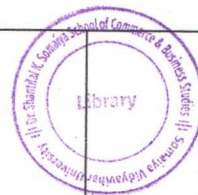
Particulars	Department Punjabi (Rs.)	Department South Indian (Rs.)	Department Continental (Rs.)
Stock of goods as on 1 st April 2022	85,000	71,240	87,120
Stock of goods as on 31 st March 2023	1,86,900	1,98,460	1,06,840
Purchases	4,71,360	6,86,520	8,25,220
Sales	5,24,900	7,82,400	10,48,260
Sales Returns	4,900	2,400	8,260
Purchases returns	11,360	6,520	5,220
Wages	15,300	16,500	6,480
<u>Additional Information</u>			
Number of Employees	2	3	5
Area Occupied	500 sq.ft	800 sq.ft	200 sq.ft

Expenses incurred during the year are:-

Rent	30,000	Advertising	36,000
Salaries	53,600	Discount Received	19,600
Office Expenses	36,000	Discount Allowed	9,000
Printing &	12,000	Audit fees	1,000

15

CO3



Stationery
 -Office expenses to be allocated in sales ratio.
 -Allocate printing and stationery equally.
 You are required to prepare Departmental Trading and Profit & Loss Account in columnar form of Hotel Kirti Mahal for the year ended 31st March 2023 and General Profit & Loss Account.

OR

B) Draw a Stores Ledger Account for the following transactions which took place during the month of August 2023 adopting the FIFO Method and Weighted Average Method and calculate value of Cost of Goods Sold.

15

CO4

Date	Transaction	Units	Rate
01/08/2023	Opening Stock	4000	4
05/08/2023	Purchases	2000	4.40
10/08/2023	Purchases	3000	4.80
20/08/2023	Purchases	3600	5
02/08/2023	Issues	3000	8
07/08/2023	Issues	2000	10
12/08/2023	Issues	2000	10
28/08/2023	Issues	4000	12

Q.4

Answer the following.

15

A. State the ratio in which following items are to be allocated.

- i. Insurance of Asset
- ii. Contribution to provident Fund
- iii. Selling and distribution expenses

CO3

B. Discuss methods of valuation of Inventory.

CO4

C. State difference between Fixed Capital Method and Fluctuating Capital Method.

CO1

D. State the order of payment of liabilities in case of dissolution of partnership firm.

CO2

F. Which account is prepared to find out profit or loss on dissolution of partnership firm. Explain its Format.

CO2