

SEM	SET	PAPER CODE	TITLE OF THE PAPER
II	2014	14UCO230203	FINANCIAL ACCOUNTING – II

**SECTION – B****Answer any THREE questions:****3 x 25 = 75**

26. A, and B are partners in the firm, sharing profits and losses in the ratio of 5:3. They admit C into the firm on 1<sup>st</sup> April 1999, when their Balance sheet was as follows.

Balance sheet

Liabilities	`	Assets	`
A's Capital A/c	32,000	Goodwill	8,000
B's Capital A/c	34,000	Machinery	38,000
General Reserve	8,000	Furniture	5,000
Bank loan	6,000	Debtors	23,000
Creditors	6,000	Stock	7,000
		Bank	5,000
	<u>86,000</u>		<u>86,000</u>

Terms of C's admissions were as follows:

- Will bring ` 30,000 through cheque, as his share capital and will be entitled to  $\frac{1}{3}$  share of profit.
- Mr. C is not bring goodwill in cash. A and B raise the goodwill in the books which is valued on the basis of 2 year's purchase of average profit of the last three years.
- Average profits of the last 3 years are ` 6,000.
- Machinery and stock are valued at ` 45,000 and ` 8,000 respectively.

v) Goodwill is not be shown in the books of the new firm.

Prepare revaluation A/c, partners capital A/cs in incorporating the above adjustments and also show the balance sheet of the firm after the above adjustments.

27. Kanta and Shanta were partners sharing profits and losses in the ratio of 3:2. Their Balance sheet on 31-12-2002 was as follows:

Balance sheet as on 31-12-2002

Liabilities	`	Assets	`
Creditors	9,000	Bank	5,500
Bills payable	2,500	Stock	5,500
<u>Capital A/c</u>		Building	25,000
Kanta	20,000	Plant	10,000
Shanta	15,000	Debtors	3,500
<u>Current A/c</u>			
Kanta	1,800		
Shanta	1,200		
	49,500		49,500

The firm was dissolved on the above date, and the assets were realized as under:

- i) Stock ` 5,000, debtors ` 2,500, plant ` 8,000 and Building ` 20,000.
- ii) Kanta agreed to pay the Bills payable.
- iii) Creditors were paid-off ` 8,000.
- iv) Dissolution expenses were ` 500.

Prepare a) Realization Account

b) Current A/c and Capital A/cs of the partners

c) Bank A/c.

28. The Calcutta commercial company invoiced goods to its Jamshedpur Branch at cost. The Head office paid al the branch expense from its bank except petty cash expenses which were paid by the branch. From the following prepare

- 1) Branch stock A/c      2) Branch Debtors A/c      3) Branch expenses A/c
- 4) Branch profit and loss A/c

	₹		₹
Stock (opening)	21,000	Discount to customers	4,200
Debtors (opening)	37,800	Bad debts	1,800
Petty cash (opening)	600	Goods returned by	
Goods sent to H.O.	78,000	customers to branch	1,500
Goods returned by H.O.	3,000	Salaries and wags	18,600
Cash sales	52,500	Rent & rates	3,600
Advertisement	2,400	Debtors (closing)	29,400
Cash received from debtors	85,500	Petty cash (closing)	300
Stock (closing)	19,500	Credit sales	85,200
Allowances to customers	600		

29. Delhi Tourist Service Ltd. purchased from Maruti Utyog Ltd. a motor van on 1-4-1997, the cash price being ₹ 1,64,000. The purchase was on hire-purchase basis, ₹ 50,000 being paid on the signing of the contract and thereafter, ₹ 50,000 being paid annually on 31<sup>st</sup> March, for three years, interest was charged 15% per annum. Depreciation written-off at the rate of 25% per annum. Delhi Tourist Service Ltd. closes the books every year on 31<sup>st</sup> March.

Prepare necessary Ledger Accounts in the books of Delhi Tourist Service Ltd.

30. On 15-06-1990, the premises of a concern were destroyed by fire; but sufficient records were saved from which the following particulars were obtained

	₹
Stock at cost 1-1-89	36,750
Stock at cost 31-12-89	39,800
Purchased for 1989	1,99,000
Sales for 1989	2,43,500
Purchases from 1-1-90 to 15-6-90	81,000
Sales from 1-1-90 to 15-6-90	1,15,600

In valuing stock on 31-12-89, ₹ 1,150 had been written-off

certain stock which was a poor selling line, having cost ` 3,450. A portion of these goods were sold in March 1990 at a loss of ` 100 on their original cost of ` 1,725. The remainder of this stock was now estimated to be worth 80% of the original cost. Subject to the above explanation, gross profit had remained at an uniform rate throughout.

The stock salvaged was ` 2,900. Show the amount of claim.

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