



SECOND SEMESTER B.COM. (NEP) DEGREE EXAMINATION, AUG./SEPT. 2023  
**COMMERCE**  
**Financial Accounting – II (DSC – 1)**

Time : 2 Hours]

[Max. Marks : 60

- Instructions :** 1) Attempt **all** Sections according to **internal** choice.  
2) **Use** of simple calculator is allowed.  
3) Question No. 11 is **compulsory**.

SECTION – A

Answer **any five** of the following :

(5×2=10)

1. a) What is statement of affairs ?
- b) What are preferential creditors ?
- c) Write any two objectives of departmental accounts.
- d) Name any four types of branches.
- e) What is memorandum trading A/c ?
- f) What are accounting standards ?
- g) Expand IFRS.

SECTION – B

Answer **any four** of the following :

(4×5=20)

2. From the following information prepare branch debtors accounts :

	Rs.
Debtors on 1-4-22	31,200
Debtors on 31-3-23	70,000
Allowance to customers	3,200
Cash received from debtors	1,68,800
Good returned by customer	3,720
Discount allowed to customer	2,680
Bad debts	2,800

[P.T.O.]



3. State how the following expenses are to be allocated among different departments :

- a) Salary to staff
- b) Insurance of goods
- c) Lighting charges
- d) Bad debts
- e) Depreciation on machinery
- f) General expenses
- g) Advertisement
- h) Labour welfare expenses
- i) Discount allowed
- j) Rent.

4. Fire occurred in the premises of Ganesh Stores on 23-5-2022 and a considerable stock was destroyed. The following data is available from the books.

	<b>Rs.</b>
a) Stock on 1-1-2022	56,000
b) Purchases for the year 2022	2,24,000
c) Sales for the year 2022	2,40,000
d) Value of salvaged stock	20,000

During the past 3 years the average gross profit on sales was 25%. Prepare a statement of insurance claims.

5. Mr. Sangmesh of Neregal adjudged as insolvent on 31-3-2022. He provides the following information :

- 1) Started business with a capital Rs. 1,44,000.
- 2) First two year net trading profit Rs. 45,600
- 3) Last two year net trading loss Rs. 1,06,800

4) Interest on capital per year Rs. 5,000

5) Drawings Rs. 1,81,200.

Prepare Deficiency Account (List H).

6. What are the objectives of accounting standards ?

## SECTION – C

Question No. 11 is **compulsory**. Answer **any two** from the remaining : (3×10=30)

7. Mr. Ramu has been adjudged as insolvent on 31-3-2023. His creditors were as follows :

	Rs.
Trade creditors	2,50,000
Bills payable	25,000
Bank overdraft	35,000
Income tax	9,600
Municipal tax	8,000
Salary for 10 clerks for 4 months	16,000
Wages for 8 workers for 4 months	12,000
Rent due to landlord for 4 months	16,000
Loan from wife (out of streedhan)	20,000

Find out the amount due to unsecured creditors and preferential creditors under provisions of Presidency Town Insolvency Act 1909.

8. From the following information prepare the branch account in the books of head office. All the expense are paid by the head office and daily collections of branch are remitted to head office.

	Rs.
Stock on 1-4-2022	75,000
Stock on 31-3-2023	1,25,000
Debtors on 1-4-2022	50,000
Debtors on 31-3-2023	70,000
Petty cash on 1-4-2022	150
Petty cash on 31-3-2023	100
Goods sent to branch	3,50,000
Cash sales remitted to head office	1,50,000
Cash collected from debtors and remitted	1,40,000
Cash sent to branch for	
Salary	8,000
Rent	2,000
Discount allowed	3,000
Bad debts	2,000
Goods returned to branch	25,000
Furniture purchased by branch	1,950
Goods returned from customers	5,000



9. On 15-7-2023 fire occurred in the premises of Geeta stores of Ron. The following figures are available from the records of the stores.

	Rs.
Stock on 1-1-2022	2,00,000
Stock on 31-12-2022	3,00,000
Purchases during the year 2022	27,00,000
Sales during the year 2022	32,50,000
Purchases from 1-1-2023 to 15-7-2023	18,00,000
Sales from 1-1-2023 to 15-7-2023	20,50,000

Value of stock salvaged from fire amounted Rs. 40,000, and the stores has taken a fire policy Rs. 3,91,000. Fire extinguishing expenses are amounted to Rs. 13,000.

Calculate the value of stock lost by fire and prepare the statement of claim under average clause.

10. Briefly explain the benefits of accounting standards.

### Compulsory

11. From the following information prepare the departmental trading and Profit and Loss account for the year ending 31-3-2023.

Particulars	A (Rs.)	B (Rs.)	Total (Rs.)
Opening stock	25,000	40,000	65,000
Purchases	1,00,000	80,000	1,80,000
Wages	15,000	10,000	25,000
Sales	2,25,000	1,50,000	3,75,000
Office salary	–	–	1,20,000
Office rent	–	–	1,50,000
Discount allowed	–	–	10,000
Advertisement	–	–	10,000

#### Other information :

- 1) Stock on goods on 31-3-2023 A – Rs. 85,000, B – Rs. 70,000
- 2) Office staff A – 8 persons, B – 4 persons
- 3) Area occupied A – 100 sq. ft., B – 50 sq. ft.
- 4) Depreciation on furniture worth Rs. 40,000 @ 10% and on machinery Rs. 1,00,000 at 20% to be distributed equally between the departments.
- 5) Inter-departmental transaction A to B Rs. 40,000
- 6) If any department is incurring loss, suggest whether to close that department or not.