

C2A522

Class → F4BCom Sem - II  
Exam → May - 2022 / Reg / MKT  
Sub → A/C and Fin / MKT - II  
Date - 02/05/2022

Roll No: \_\_\_\_\_

Jr. Supervisor Sign. \_\_\_\_\_

**Q.1 Multiple Choice Question**

**50 Marks.**

- 1 Bills payable dishonored are debited to \_\_\_\_\_ account.
- |                     |                     |
|---------------------|---------------------|
| a) Bills Receivable | b) Bills Payable    |
| c) Sundry debtors   | d) Sundry Creditors |

Answer: \_\_\_\_\_

- 2 Capital at the beginning of the year is ascertained by preparing \_\_\_\_\_.
- |                                  |                                 |
|----------------------------------|---------------------------------|
| a) Cash book                     | b) Debtors Account              |
| c) Receipts and Payments Account | d) Opening Statement of Affairs |

Answer: \_\_\_\_\_

- 3 Single Entry System of maintaining account cannot be followed by \_\_\_\_\_.
- |                    |                     |
|--------------------|---------------------|
| a) Sole Proprietor | b) Professional     |
| c) Limited Company | d) Partnership Firm |

Answer: \_\_\_\_\_

- 4 Closing balance on Creditors Accounts can be ascertained from \_\_\_\_\_.
- |                  |                            |
|------------------|----------------------------|
| a) Cash Account  | b) Total Creditors Account |
| c) Balance sheet | d) None of above           |

Answer: \_\_\_\_\_

- 5 Credit Sales can be ascertained from \_\_\_\_\_.
- |                  |                          |
|------------------|--------------------------|
| a) Cash Account  | b) Total debtors Account |
| c) Balance sheet | d) None of above         |

Answer: \_\_\_\_\_

- 6 Usually, in a single entry system
- |   |
|---|
| a) Only manual accounts are maintained            |
| b) Only cash and personal accounts are maintained |
| c) Only real accounts are maintained              |
| d) Only nominal accounts are maintained           |

Answer: \_\_\_\_\_

- 7 If books are kept under single entry system, opening stock is ascertained by preparing \_\_\_\_\_.
- |                               |                                 |
|-------------------------------|---------------------------------|
| a) Opening stock account      | b) Stock register               |
| c) Memorandum trading account | d) Opening statement of affairs |

Answer: \_\_\_\_\_

- 8 Cash received from debtors needed for the construction of cash account can be ascertained from \_\_\_\_\_.
- |                          |                  |
|--------------------------|------------------|
| a) Total debtors account | b) Balance sheet |
| c) Analysis of cash book | d) Pass book     |

Answer: \_\_\_\_\_

- 9 An estimate of assets and liabilities as on a date is called \_\_\_\_\_.  
a) Balance sheet                      b) Statement of affairs  
c) Statement of capital                d) Trial balance

**Answer :** \_\_\_\_\_

- 10 With the available information, a trader need to convert the incomplete records into complete records, it is known as \_\_\_\_\_.
- a) Complete records method                      b) Statement of affairs method  
c) Conversion method                                d) Random method

Answer : \_\_\_\_\_

- 11 Credit purchase should be ascertained from \_\_\_\_\_.
- |                            |                  |
|----------------------------|------------------|
| a) Total creditors account | b) Total debtors |
| c) Cash account            | d) Balance sheet |

Answer : \_\_\_\_\_

- 12 For determining Bills accepted by customers the a/c prepared is \_\_\_\_\_
- a) Bills Receivable ac                      b) Bills payable a/c  
c) Debtors a/c                                  d) Creditors a/c

**Answer :** \_\_\_\_\_

- 13 A statement of assets and liabilities on a particular date without missing figures is called as \_\_\_\_\_.
- a) Balance sheet                      b) Trading a/c  
c) Statement of affairs                d) Revenue statement

Answer : \_\_\_\_\_

- 14 In Consignment accounting, to consign means\_\_\_\_\_.
- a) To receive    b) To purchase
- c) To send     d) To stock

Answer : \_\_\_\_\_

- 15 When consignee incurs expenses\_\_\_\_\_.
- No entry passed in the books of the Consignor
  - entry passed in the books of the Consignor and Consignee
  - entry passed in the books of only the Consignor
  - entry passed in the books of either the Consignor or the Consignee

Answer : \_\_\_\_\_

- 16 Closing stock with consignee is shown in the balance sheet of \_\_\_\_\_.
- a) Consignee
  - b) Consignor
  - c) In the books of consignee as well as consignor
  - d) Neither in the books of consignee nor in the books of consignor

Answer : \_\_\_\_\_

- 17 The person to whom goods are sent for sale in Consignment is called as \_\_\_\_.
- a) Consignee                      b) Buyer
- c ) Agent                         d) Seller

Answer : \_\_\_\_\_

- 18 In consignment, Consignor is \_\_\_\_.
- |                            |                  |
|----------------------------|------------------|
| a) Principal               | b) Agent         |
| c) Debtor of the consignee | d) None of these |

Answer : \_\_\_\_\_.

- 19 Expenses incurred by the consignee are borne by \_\_\_\_.
- |              |              |
|--------------|--------------|
| a) Consignor | b) Consignee |
| c) Buyer     | d) Seller    |

Answer : \_\_\_\_\_.

- 20 Del-credere commission is calculated on \_\_\_\_.
- |                |                     |
|----------------|---------------------|
| a) Total Sales | b) Credit Sales     |
| c) Cash Sales  | d) All of the above |

Answer : \_\_\_\_\_.

- 21 The relationship between the "consignor" and the "consignee" is that of \_\_\_\_.
- |                              |                          |
|------------------------------|--------------------------|
| a) "Principal and principal" | b) "agent and principal" |
| c) "Principal and agent"     | d) Agent and sub-agent"  |

Answer : \_\_\_\_\_.

- 22 When the consignee receives the goods on consignment, \_\_\_\_.
- |  |
|--|
| a) The consignee buys the goods  |
| b) The consignee merely agrees to sell them on behalf of the consignor |
| c) The consignee and the consignor become equal partners               |
| d) The consignee and the consignor become co-ventures                  |

Answer : \_\_\_\_\_.

- 23 Performa invoice is prepared by the \_\_\_\_.
- |                  |              |
|------------------|--------------|
| a) Seller        | b) Consignor |
| c) Account sales | d) Consignee |

Answer : \_\_\_\_\_.

- 24 If the consignee gets del-credere commission, \_\_\_\_.
- |   |
|---|
| a) The consignor will bear the bad debts                                  |
| b) The consignee will bear the bad debts                                  |
| c) The consignee will pay the price immediately on receipt of consignment |
| d) The consignee will bear all the expenses                               |

Answer : \_\_\_\_\_.

- 25 A periodic statement furnished by the consignee to consignor is \_\_\_\_.
- |                     |                      |
|---------------------|----------------------|
| a) Proforma invoice | b) Debit note        |
| c) Account sales    | d) None of the above |

Answer : \_\_\_\_\_.

- 26 Where goods are sent on consignment, credit is given to \_\_\_\_ in the books of consignor.
- |                    |                                  |
|--------------------|----------------------------------|
| a) Purchase A/C    | b) Goods sent on consignment A/C |
| c) Consignment A/C | d) Consignee's A/C               |

Answer : \_\_\_\_\_.

27 Extra commission given to the consignee, for making him responsible for bad debt this extra commission is known as \_\_\_\_\_

- a) Commission
- b) Del. Credere commission
- c) Profit to consignee
- d) Over-riding commission

Answer : \_\_\_\_\_.

28 Branch account under debtor system is \_\_\_\_\_.

- a) Real account
- b) Personal account
- c) Nominal account
- d) Impersonal account

Answer : \_\_\_\_\_.

29 Stock reserve in relation to closing stock appears \_\_\_\_\_.

- a) On the debit side of the branch account.
- b) On the credit side of the of the branch account
- c) On the debit side of the Profit and Loss Account
- d) On the credit side of the Profit and Loss Account

Answer : \_\_\_\_\_.

30 Depreciation on branch fixed assets under debtor system is \_\_\_\_\_.

- a) Not shown separately in Branch account.
- b) Shown in Branch account
- c) Shown in Profit and Loss account in Head Office
- d) Not accounted

Answer : \_\_\_\_\_.

31 Goods send by Head Office to the branch but not received by the branch are termed as \_\_\_\_\_.

- a) Branch Account
- b) Goods in Transit
- c) HO Account
- d) None of these

Answer : \_\_\_\_\_.

32 If profit on cost is 25% then profit on sales will be \_\_\_\_\_.

- a) 25%
- b) 20%
- c) 30%
- d) 40%

Answer : \_\_\_\_\_.

33 Branch Adjustment Account is opened \_\_\_\_\_.

- a) Under debtors method, when goods are sent by HO to branch at cost
- b) Under stock and debtors method, when goods are sent by HO to branch at cost
- c) Under debtors method, when goods are sent by HO to branch at invoice price
- d) Under stock and debtors method, when goods are sent by HO to branch at invoice price

Answer : \_\_\_\_\_.

34 The cash and credit sales of a branch are Rs.5,000 and Rs.10,000 respectively. The amount collected from debtors is Rs.10,000. Under Debtors system the amount credited to branch will be

- a) Rs.20,000
- b) Rs.15,000
- c) Rs.25,000
- d) Rs.10,000

Answer : \_\_\_\_\_.

- Answer : \_\_\_\_\_

- Answer : \_\_\_\_\_

- Answer : \_\_\_\_\_

- Answer: \_\_\_\_\_

- Answer : \_\_\_\_\_

- Answer : \_\_\_\_\_

- Answer : \_\_\_\_\_

- Answer : \_\_\_\_\_

- Answer :** \_\_\_\_\_

- Answer : \_\_\_\_\_

- 45 Stock on the date of fire is ascertained by preparing \_\_\_\_.
- a) Memorandum Trading A/c
  - b) Trading A/c
  - c) Profit and Loss A/c
  - d) Balance sheet

Answer : \_\_\_\_\_.

- 46 In fire insurance compensation is \_\_\_\_.
- a) Equal to policy amount
  - b) Stock on the date of fire
  - c) Actual loss incurred
  - d) Less than policy amount

Answer : \_\_\_\_\_.

- 47 Average clause in an insurance policy applies only in case of \_\_\_\_.
- a) Life-insurance
  - b) Over-insurance
  - c) Under-insurance
  - d) None of the above

Answer : \_\_\_\_\_.

- 48 Purchase of furniture should be \_\_\_\_.
- a) Added to purchase
  - b) Deducted from purchase
  - c) Ignored
  - d) Recorded in Profit and Loss A/c

Answer : \_\_\_\_\_.

- 49 If stock on date of fire is Rs.40,000 and salvage is Rs.10,000 and amount of policy is Rs.50,000 then claim will be \_\_\_\_.
- a) Rs.30,000
  - b) Rs.40,000
  - c) Rs.50,000
  - d) Rs 60,000

Answer : \_\_\_\_\_.

- 50 In fire insurance slow moving goods are called \_\_\_\_.
- a) Normal Goods
  - b) Abnormal goods
  - c) Stock on date of fire
  - d) Salvage

Answer : \_\_\_\_\_.

C2A522

Exam - May 2022 / Reg / ATKT  
Sub - A/c and Fin mgmt  
Date - 02/05/2022

Duration: 3 hour & 15 Minutes.

Marks: 100

Q.1 Multiple Choice Question (Separate Sheet Attached)

50

Q.2 Solve any 2 Question

10

A. Following are given :

Balance Sheet as at Jan. 1, 2018

Liabilities	Rs	Assets	Rs
B/P	800	Cash at Bank	1,950
Creditors	1,800	B/R	750
Capital	10,100	Debtors	2,000
		Stock	3,000
		Plant and Machinery	2,000
		Land and Buildings	3,000
	12,700		12,700

Cash book of the year 2018

Receipts	Rs	Payments	Rs
To Opening balance	1,950	By Salaries	600
To Received from debtors	13,500	By Wages	740
To B/R	4,500	By B/P	3,660
		By Creditors	7,350
		By Office Expenses	400
		By A's Drawings	1,500
		By Balance c/d	5,700
	19,950		19,950

Summary of other Transactions during the year 2018

- Purchases 15,000, Sales 19,000
  - Discount allowed to debtors 100
  - B/R received during the year 4,550
  - B/P given during the year 7,750
  - Stock on 31-12-2018 3,500
  - Depreciate Plant and Machinery by 200 and Land and Buildings by 150.
- Prepare Trading and Profit and Loss Account and Balance Sheet for 2018.

B. Mr. M does not maintain proper books of account from the following information, prepare Trading and Profit and Loss Account for the year ended 31st March, 2015 and a Balance Sheet as on that date

Particulars	31-03-2014	31-3-2015
Debtors	31,500	43,750
Stock	17,150	23,100
Cash and Bank	8,750	?
Creditors	10,500	7,875
Furniture	3,000	3,500
Plant and Machinery	55,000	55,000
Land and Buildings	1,40,000	1,40,000

Analysis of the other transactions are:

Particulars	Rs
Cash Collected from Debtors	1,07,000
Cash Paid to Creditors	77,000
Salaries	21,000
Rent	2,700
Office Expenses	3,150
Drawings	5,000
Fresh Capital Introduced	3,500
	3,000

Cash Sales	8,800
Cash Purchases	1,225
Discount Received	525
Discount Allowed	1,750
Returns Inward	1,400
Returns Outward	350
Bad Debts	

**Further Information:**

- (a) Depreciate Plant and Machinery by 2%, Land and Building by 5% and Furniture by 10%.  
(b) Office Expenses were prepaid Rs 150 on 31st March, 2015.

- C Mr. Sunny, a retailer, does not keep any books of accounts, but does operate a business bank account. A summary of the bank statements for the year ended 31-3-2013 is given below:

Receipts	Amt	Payments	Amt
Opening balance	2,640	Cash paid to creditors	37,250
Cash received from debtor	48,500	Salaries	5,500
Closing balance	2,210	Rent	1,800
		General expenses	3,500
		Advertisement	300
		Drawings	5,000
	53,350		53,350

Assets and liabilities on 31st March, 2012 and 2013 were:

	31-3-2012	31-3-2013
Fixed Assets	10,400	10,400
Stock	5,240	6,300
Debtors	6,500	6,800
Rent Prepaid	300	600
Creditors	4,600	4,700
Outstanding advertisement	100	150

Fixed Assets should be depreciated at 10%.

**Required :** Prepare the Trading and Profit & Loss Account of Mr. Sunny for the year ended 31 -3-2013 and a Balance Sheet as at that date.

**Q.3 Solve any 2 Question**

10

- A. M/s. Dinesh & Co. of Mumbai consigned to Anuj of Nashik 1,000 Sewing Machines costing Rs 2,500 per Sewing Machine. They invoiced at 20% above cost price. M/s. Dinesh & Co. paid Rs 3,000 for Insurance, Rs 7,000 for Carriage and Rs 10,000 for Miscellaneous expenses.

On receiving the consignment Mr. Anuj accepted a Bill for half the amount of invoice price. M/s. Dinesh & Co. discounted the bill for Rs 14,75,000 and discount was charged to consignment account. Mr. Anuj sent an Account Sales which shows as :

- a) Cash Sales of 600 Sewing Machines @Rs 3,500 each.  
b) Credit Sales of 300 Sewing Machines @Rs 4,000 each.  
c) Mr. Anuj paid for godown Rent Rs 6,000 and Selling expenses Rs 7,500.

Mr. Anuj remitted the balance due by a draft after deducting his expenses and commission @ 10% on sales and Delcreder Commission @ 2%.

Show Consignment Account and Mr. Anuj Account in the books of M/s. Dinesh & Co



- B. Daimond Cements ltd., Naveen consigned to M/s Sonam Bros of Bhopal, 5,000 cement bags costing Rs 80 per bag. Daimond Cements ltd paid Rs 4,500 for railway freight, Rs 2,500 for insurance and Rs 2,200 for sundry expenses.

On the receipt of consignment Sonam Bros accepted a Bill for Rs 2,00,000 which was discounted by the consignors at the bank for Rs 1,99,500 and discount was charged to consignment account.

Sonam Bros sent an account sales which shows as:

1. Cash sales of Rs 4,000 bags @ 95 each
2. Expenses paid by Sonam Bros were godown rent Rs 2,000 and Selling Expenses Rs 6,000
3. Sonam Bros remitted the balance due by bank draft after deducting their expenses and commission at 2% on gross sales.

Show Consignment Account and Consignee's Account in the books of Consignor and the Consignor's Account in the books of the Consignee.

- C. Make India Company of Mumbai consigned 100 tape recorders to National Company of Hyderabad. The cost of each tape recorder was Rs 500. The consignor paid insurance Rs 500, freight Rs 800. Account sale was received from National Company showing sale of 80 units at Rs 600 each. The expenses paid by them were:

	Rs
Carriage	20
Establishment expenses	130
Commission @5%	2400
	<u>2550</u>

Prepare Consignment Account in the books of Consignor.

#### Q.4 Solve any 2 Question

10

- A. Following information is available from the books of Sunny Pharmaceuticals Ltd. for its branch at Bangalore for the year ended 31 March 2018. The head office invoices goods to the Branch at 25% on invoice price. You are required to prepare Bangalore Branch Account in the books of Sunny Pharmaceuticals Ltd. Using Branch Debtors Method. Also prepare Total Debtors A/c to support your answer.

Particulars	Rs
<b><u>Balance as on 1-4-2017 :</u></b>	
Branch Debtors	55,000
Stock at Invoice Price	75,000
Cash-in-Hand	10,000
Office Furniture (Depreciated @ 10% p.a.)	10,000
<b><u>Balance as on 31-3-2018 :</u></b>	
Branch Debtors	?
Cash	12,000
Stock at Invoice Price	1,25,000
Office Furniture	?
<b><u>Transactions during 2017-18</u></b>	
Goods sent by H.O. at Invoice Price	2,25,000
Total Sales	2,10,500
Cash Sales	1,35,000
Cash received from Debtors	55,000
Discount Allowed	1,500
Bad Debts	1,000
Goods returned by Debtors	3,000
Goods returned by Branch to H.O. (Invoice Price)	5,000
<b><u>Cash Received from HO for Branch Expenses :</u></b>	
Salary	12,000
Rent and Taxes	8,000
Sundry Expenses	15,000

- B. Ankush ltd, Nagpur, sends goods to its Kanpur Branch at cost, which the branch sells on credit as well as for cash. From the following particulars prepare necessary accounts by Stock and Debtors System in the Head Office book assuming cash is immediately remitted by Branch to

Particulars	Rs
Stock at branch on 1-1-2019	75,500
Goods received from Head Office	3,55,000
Goods returned by customers	3,000
Total sales	3,67,600
Cash sales	1,67,600
Goods returned to Head Office	3,500
Stock at branch on 31-12-2019	69,500
Debtors on 1-1-2019	55,000
Cash paid by customers	1,84,500
Discount allowed	1,360
Bad debts	390
Rent and Rates	1,200
Salesman expenses	3,650

- C. A Head office in Chennai has a branch in Delhi to which goods are invoiced by the Head office @ 20% Profit on sales price. All cash received by the branch is daily remitted to Head Office.  
From the following particulars, show the Branch Account in the books of the Head office.  
Also prepare necessary accounts required to find out the value of Branch credit sales.

Particulars	Rs
Stock on 1 st January 2018 (at Invoice Price)	6,25,000
Debtors on 1st January 2018	6,00,000
Goods supplied by Head office (at Invoice price)	20,00,000
Cash Sale	8,00,000
Cash Received from Customers	14,75,000
Goods returned to Head office (at Invoice Price)	1,20,000
<b><u>Cheques Received from Head Office</u></b>	
Wages & Salaries	5,50,000
Rent, Rates & Taxes	1,50,000
Sundry Expenses	25,500
Stock as on 31st December 2018 (at Invoice Price)	7,50,000
Debtors as on 31st December 2018	11,25,000
Liability for outstanding petty expenses as on 31/12/2018	5,500

#### Q.5 Solve any 2 Question

- A. A fire occurred in the business premises of Mr. Purohit on 1st May, 2017. All the stock was destroyed however stock amounting to Rs 35,000 and the books of accounts were saved. Mr. Purohit had taken a policy of Rs 16,00,000. You are required to ascertain the claim to be filed with the Insurance company.

The following information was available from the books :

- The stock on 31st March, 2017 was valued at Rs 4,10,000. (Overvalued by 25%)
- The purchases, sales and factory wages from 1st April, 2017 to 1st May, 2017 were ascertained at Rs 20,30,000; Rs 29,00,000 and Rs 12,00,000 respectively.
- Sales returns amounted to Rs 2,00,000, whereas, Purchase returns were Rs 30,000.
- Carriage Inward was Rs 3,00,000.
- Goods given out as free samples were Rs 3,65,000.

The Normal rate of Gross Profit was 50% on cost.

- B. The premises of Ms Firewood and Company caught fire on 30th June 2018.  
The stock of goods was totally destroyed by fire with an exception of Rs 25,000, the books of accounts, however, being saved. The following is the further information:

Particulars	1-4-2017 to 31-03-2018	1-04-2018 to 30-06-2018
Opening stock (valued at 5% above cost)	1,20,120	1,30,200
Purchases	4,50,000	1,20,000

Sales	5,40,000	2,25,000
Wages	80,000	36,000
Purchase returns	50,000	20,000
Sales returns	40,000	25,000
Goods withdrawn for personal use	10,000	-----

Prepare a statement for submission to the insurance company against your policy of Rs 50,000.

- C. The business premises of Gala Timber Mart destroyed by fire on 16-7-2018. However all the books of accounts and stock amounting Rs 18,000 were salvaged and the following information was available from the books.

Year ended	Gross Profit (Rs)	Sales (Rs)
31-3-2015	2,39,500	9,58,000
31-3-2016	2,25,000	9,00,000
31-3-2017	2,05,480	9,34,000
31-3-2018	2,00,640	9,12,000

**Additional Information :**

- (a) Stock on 31-3-2018 Rs 1,02,250
- (b) Purchases from 1-4-2018 to 16-7-2018 Rs 2,12,380
- (c) Sales from 1-4-2018 to 16-7-2018 Rs 3,50,000
- (d) Wages from 1-4-2018 to 16-7-2018 Rs 25,000
- (e) The amount of policy was Rs 55,000

Claim was subject to Average clause.

You are required to prepare a statement of claim against insurance company.

**Q.6 Write a short note on (Any Two):**

- A. Average clause
- B. Total Sales and Total Purchases
- C. Consignment account
- D. Stock and Debtors Method

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