

C2AC423

Ace & FM

FYB Com

Sem II.

Apr 123

Duration: - 3 Hrs.

Marks: 100

Note: All questions are compulsory.

Figures to the right indicate maximum marks.

Q.1 A Rewrite the statement with the appropriate answer (Any 10) 10

- 1 Single Entry System of maintaining account followed by _____.
a) Sole Proprietor b) Joint Stock Company
c) Limited Company d) Partnership Firm
- 2 Credit Sales can be ascertained from _____.
a) Cash Account b) Total debtors Account
c) Balance sheet d) None of above
- 3 Closing balance on Creditors Accounts can be ascertained from _____.
a) Cash Account b) Total Creditors Account
c) Balance sheet d) None of above
- 4 The person to whom goods are sent for sale in Consignment is called as _____.
a) Consignee b) Buyer
c) Agent d) Seller
- 5 In consignment account sale is prepared by _____.
a) Consignor b) Agent
c) Consignee d) Dealer
- 6 Commission is calculated on _____.
a) Total Sales b) Credit Sales
c) Cash Sales d) All of the above
- 7 Under Stock and Debtors method, goods returned by branch are _____ to Branch stock a/c.
a) Credited b) Debited
c) Not recorded d) Omitted
- 8 Under the 'Debtor' method, closing balance in the branch account indicates _____.
a) Amount due from the branch b) Closing stock at the branch
c) Profit or loss at the branch d) None of the above
- 9 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
- 10 In fire insurance Memorandum Trading a/c is prepared to find out _____.
a) Salvage b) Loss by fire
c) Stock on date of fire d) Abnormal stock
- 11 Fire insurance covers a risk due to _____.
a) Fire b) Flood
c) Earthquake d) Volcano
- 12 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

Q.1 B State whether the following statements are True or False(Any 10) 10

- 1 In Statement of Affairs method of single entry, complete records are converted into incomplete records.
- 2 Purchase return is debited to Creditors Account.

- 3 Under Single Entry System, closing capital is ascertained by preparing opening statement of affairs
- 4 Consignee prepares Consignment Account.
- 5 In case of del-credere commission, bad debt loss is borne by the consignee.
- 6 The relationship between consignor and consignee is that of Principal and Agent.
- 7 Under Stock and Debtors Method, Branch Debtors Account is not maintained.
- 8 Discount allowed to debtors is recorded in Branch Account
- 9 Loading on opening stock is credited to Branch Account under Debtors method.
- 10 In case of over valuation of stock, it should be brought down to cost.
- 11 Average clause has no effect on calculation of claim.
- 12 Insurer gets compensation less than the amount of policy, in case of full insurance.

Q.2 A Mr Anil keeps his books on Single Entry System. From the following information provided by him, prepare a Trading and Profit & Loss Account for the year ended 31st March, 2021 and Balance Sheet as on that date:

20

Particulars	31.03.2020	31.03.2021
Furniture	10,000	?
Stock in Trade	6,000	2,000
Sundry Debtors	12,000	14,000
Sundry Creditors	4,000	?
Cash	2,200	600

Receipts and Payments during the year were as follows:

Particulars	Rs.
Received from Debtors	42,000
Paid to Creditors	20,000
Carriage Outwards paid	4,000
Drawings	12,000
Sundry Expenses paid	14,000
Furniture Purchased	2,000

Other Information:

There were considerable amount of cash sales. Credit purchases during the year amounted to Rs. 23,000. Provide a provision for doubtful debts to the extent of 10% on debtors

OR

Q.2 B Mr. Mark does not maintain proper books of account from the following information, prepare Trading and Profit and Loss Account for the year ended 31st March, 2021 and a Balance Sheet as on that date

20

Particulars	31-03-2020	31-3-2021
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
Cash Sales	3,000
Cash Purchases	8,800

Discount Received	1,225
Discount Allowed	525
Returns Inward	1,750
Returns Outward	1,400
Bad Debts	350

Further Information :

(a) Depreciate Plant and Machinery by 2%, Land and Building by 5% and Furniture by 10%.

(b) Office Expenses were prepaid 150 on 31st March, 2021.

- Q.3 A** M/s. Ramdayal & Co. of Bombay sent 100 boxes of tea powder at Rs 70 per box, to Shamlal of Solapur. The boxes were invoiced at Rs 100 per box and paid Rs 70 for carriage and Rs 30 on miscellaneous heads. 20

Shamlal sold 50 boxes at Rs 100 per box for cash and 50 boxes at Rs 110 per box on credit. M/s. Ramdayal & Co. drew a bill for three month for Rs 6,000 which was duly accepted by Shamlal. Shamlal incurred Rs 50 for Carriage and Rs 20 for Sundry charges. Shamlal was entitled to 5% commission and 2% del credere commission on total sale proceeds. Shamlal remitted the balance to M/s. Ramdayal and Co., and settled the account.

Open Consignment Account and Shamlal's Account in the books of M/s. Ramdayal & Co and Ramdayal & Company's Account in the books of Shamlal.

OR

- Q.3 B** Ishani Enterprises of Mumbai has a branch at Shimla. Following information is obtained from the branch for the year 2018-19. 20

Particulars	01/04/2018 (Rs)	31/03/2019 (Rs)
Stock	60,000	40,000
Debtors	50,000	60,000
Cash	1,500	1,000

Transactions during the year 2018-19

Goods sent to Branch	2,25,000
Credit Sales	?
Cash Sales	1,80,000
Goods returned by Customers to Branch	8,000
Goods returned to Head Office	6,000
Cash received from Debtors	1,50,000
Expenses Paid at Branch :	
Salaries	15,000
Commission	10,000
Rent and Taxes	16,500
Discount allowed to Customers	2,500
Bad Debts	1,000

Prepare following accounts for the branch under stock and Debtors method in Mumbai office :

- a. Branch stock Account
- b. Branch Debtor Account
- c. Branch Expenses Account
- d. Branch Profit & Loss Account

- Q.4 A** On 5th June, 2020 there was a devastating fire in the godown of Vinit Ltd. Following details were available from the books that were saved. **20**

Particulars	Rs
Stock on 1-4-2019	75,000
Purchases from 1-4-2019 to 31-3-2020	2,30,000
Purchases from 1-4-2020 to 5-6-2020	23,000
Sales from 1-4-2019 to 31-3-2020	3,60,000
Sales from 1-4-2020 to 5-6-2020	36,000
Stock on 31-3-2020	60,000
Wages from 1-4-2019 to 31-3-2020	21,400
Wages from 1-4-2020 to 5-6-2020	5,200

The salvage amounted to Rs 3,200, Company spent Rs 1,640 as firefighting expenses. The sum assured by Insurance Company was Rs 60,000. The policy bears an Average Clause. You are required to compute the claim to be filed with the Insurance Company

OR

- Q.4 B** The premises of Ms Firewood and Company caught fire on 30th June 2021. **20**

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	1-4-2020 to 31-03-2021	1-04-2021 to 30-06-2021
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.

- Q.5 A** Give stepwise details of calculation of Fire insurance claims **10**
B What is Consignment? Explain the distinction between Consignment and Sale. **10**

OR

- Q.5 C** Write short note on (Any Four) **20**
- 1 Average clause
 - 2 Stock and Debtors Method
 - 3 Proforma Invoice and Account Sale
 - 4 Memorandum Trading Account
 - 5 Total Debtors Account
