

FYBAF sem II Reg. Exam May-2022  
**M. K. S. COLLEGE OF COMMERCE & ECONOMICS**  
 F.Y.B.A.F. (SEM. - II) 19/5/22

Name : \_\_\_\_\_  
 Roll No. : \_\_\_\_\_ Subject : **FINANCIAL ACCOUNTING**

**SECTION - B**

**Note :**

- a) All Questions are Compulsory, however each Question has internal choice.
- b) Out of Q. no. 1 (A) & 1 (B) - attempt any one; Out of Q. no. 2 (A) & 2 (B) - attempt any one; Out of Q. no. 3 (A) & 3 (B) - attempt any one And Out of Q. no. 4 (A) & 4 (B) - attempt any one
- c) All Questions have equal marks.
- d) All workings must be part of your answer else your answer will be considered as incomplete and marks may be deducted.

**Q. 1 A :**

On 31st May, 2022, the premises and stock of a firm were totally destroyed by fire. The books of accounts, however, being saved. In order to make a claim on their fire policy, they seek your advice. you are able to obtain the following information - Stock on hand is always been valued at 5% below cost.



	2019	2020	2021	2022
Opening stock as valued	22,800	30,400	36,100	39,900
Purchases less returns	91,000	1,10,000	1,20,000	41,000
Sales less returns	1,40,000	1,70,000	1,86,000	75,000
Wages	28,400	31,200	34,200	12,000
Closing stock	30,400	36,100	39,900	?

Prepare a statement of claim. The Policy is subject to Average Claim.

**Q. 1 B :**

On 1.7.2022, a fire took place in the Godown of Ranjit Kumar which destroyed all stocks. Calculate the amount of insurance claim from the following details :

	<u>Rs.</u>
Sales in 2020	2,00,000
Gross profit in 2020	60,000
Sales in 2021	3,00,000
Gross profit in 2021	60,000
Stock as on 1.1.2022	2,70,000
Purchases from 1.1.2022 to 30.6.2022	4,00,000
Sales from 1.1.2022 to 30.6.2022	7,20,000

The following are also to be taken into consideration :

- i) Stock as on 31.12.2021 had been undervalued by 10%

- ii) A stock taking conducted in March 2022 had revealed that stock costing Rs. 80,000 were lying in a damaged condition. 50% of these stock had been sold in May 2022 at 50% of the cost and balance were expected to be sold at 40% of cost.

**Q. 2 A:**

M/S Dilip & Co. of Bombay consigned to Balkrishna of Nagpur 1,000 bags of tobacco, costing Rs. 250 per bag. They were invoiced at 20% above cost price. M/S Dilip & Co. paid Rs. 1,500 for insurance, Rs. 3,500 for carriage and Rs. 5,000 for miscellaneous exp.

On receiving the consignment, Mr. Balkrishna accepted a Bill for half the amount of invoice price. M/S Dilip & Co. discounted the bill for Rs. 1,47,500 and the discount was charged to consignment account.

Mr. Balkrishna sent an account sales which shows as :

- a) Cash sales of 600 bags at Rs. 350 each.
- b) Credit sales of 300 bags at Rs. 400 each.
- c) Mr. Balkrishna took 50 bags for his own use at Rs. 320 per bag.
- d) Expenses paid by Balkrishna were Godown rent Rs. 3,000 and selling expenses Rs. 5,000.

Mr. Balkrishna remitted the balance due by a bank draft, after deducting his expenses and commission at 10% on sales and Del credere commission at 2% on credit sales of 300 bags only.

Show necessary accounts.

**Q. 2 B:**

Usha Fans, Calcutta, consigned to Vijay & Sons, Amravati 100 fans costing Rs. 250 each, at 20% above cost and paid Rs. 100 for insurance, Rs. 400 for carriage and Rs. 500 for other expenses. Vijay & Sons accepted a bill for Rs. 15,000 after receiving the consignment.

Usha Fans then discounted the bill for Rs. 14,000 and in due course, received an account sales, showing :

- a) Credit sales 50 fans at Rs. 350 each
- b) Cash sales 40 fans at Rs. 400 each
- c) Expenses incurred by Vijay & Sons : Godown rent Rs. 300; Carriage Rs. 500 and commission Rs. 1,730.
- d) Vijay & Sons took 6 fans for their own use at an agreed value of Rs. 320 each.
- e) Vijay & Sons entitled to receive 6% on Total Sales as Normal Commission and 2% on Credit Sales as Del Credre Commission.

They remitted the balance due by a bank draft.

The discount on the bill is to be treated as a consignment expenses.

Prepare necessary accounts.

**Q. 3 A:**

Maharashtra Stores Ltd. Has two branches at Pune and Mumbai. Goods are invoiced to branches at Cost plus 50%. Branches remit all cash received to the head office and all expenses are met by head office.

From the following particulars, prepare the necessary accounts of Mumbai Branch, under Stock and Debtor system to show the profit earned at Mumbai Branch. :



	Mumbai Branch
Branch Stock on 01.04.2021 (at invoice price)	3,12,000
Branch Debtors on 01.04.2021	1,74,000
Goods invoiced to Branches (at invoice price)	10,80,000
Cash Sales at branches	7,00,000
Credit Sales at branches	6,02,000
Cash collected from Debtors	5,96,000
Goods returned by Branch to Head Office	-
Goods returned by Debtors	30,000
Goods transferred from Mumbai branch to Pune Branch	42,000
Shortage of Stock	-
Discount allowed to customers	7,000
Expenses at Branches	1,34,000
Surplus in Stock	6,000

**Q. 3 B :**

Stylish Products Ltd., Mumbai has its branch at Goa. It charges goods to its branch at cost plus 25%. Following information is available of the transactions of Goa Branch for the year ended on March 31, 2022.

Balances on 01.04.2021

Stock (at invoice price)	30,000
Debtors	10,000
Petty Cash	50

Transactions during 2021-22

Goods sent to branch (at cost price)	2,60,000
Goods returned to Head office (at invoice price)	10,000
Cash Sales	1,00,000
Credit Sales	1,75,000
Goods pilfered (at invoice price)	2,000
Goods lost in fire (at invoice price)	5,000
Insurance Co. paid to HO for loss by fire	3,000
Cash sent for petty expenses	34,000
Bad debts at branch	500
Goods transferred to Pune Branch, under Head Office advice (at invoice price)	15,000
Insurance charges paid by HO	500
Goods returned by Debtors	500

Balance on 31.03.2022

Petty Cash	230
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Debtors

14,000

Goods worth Rs. 15,000 (included above) sent by Goa branch to Pune Branch were lost in transit on 31.03.2016.

Prepare Goa Branch account in the books of Mumbai Head Office; under Debtor system.

**Q. 4 A :**

From the following information, calculate -

- a) Amount of Bills payable given to Creditors
- b) Amount of Credit Purchases
- c) Amount of Total Purchases

<u>Creditors</u>	as on 31.03.2021	20,000
	as on 31.03.2022	25,000
<u>Bills Payable</u>	as on 31.03.2021	60,000
	as on 31.03.2022	90,000
Payment made against Bills Payable		70,000
Bills Payable Dishonoured		10,000
Cash paid to Creditors		60,000
Purchase Returns		30,000
Discount received from Creditors		2,000
Cash Purchases		2,40,000

**Q. 4 B :**

From the following information, calculate -

- a) Amount of Bills Receivable received from Debtors
- b) Amount of Credit Sales
- c) Amount of Total Sales

<u>Debtors</u>	as on 01.04.2021	65,000
	as on 31.03.2022	50,000
<u>Bills Receivables</u>	as on 01.04.2021	23,000
	as on 31.03.2022	29,000
Cash Received from Debtors		3,02,000
Discount allowed		8,000
Cash received against Bills Receivables		21,000
Bad Debts		14,000
Bills Receivable (dishonoured)		20,000
Cash Sales		2,25,000
Sales Return		17,000