

**II Semester B.Com. Examination, May/June 2018
(CBCS) (Fresh + Repeaters) (2014-15 and Onwards)
COMMERCE**

Paper – 2.3 : Advanced Financial Accounting

Time : 3 Hours

Max. Marks : 70

Instruction : Answers should be written **completely** in **English** or in **Kannada**.

SECTION – A

Answer **any five** sub-questions. **Each** sub-question carries **two** marks. **(5×2=10)**

1. a) What is Average Clause ? Why is it included in fire claims ?
- b) What is Account Sales ?
- c) Mention any two differences between a joint venture and a partnership.
- d) Mention any four features of dependent branch.
- e) How do you allocate the following expenses in Departmental Accounting ?
 - i) Insurance premium on stocks
 - ii) Labour welfare expenses
 - iii) Carriage in-wards
 - iv) Canteen expenses.
- f) Calculate the actual amount of claim from the following details :

| | |
|--|----------|
| Stock on the date of fire accident | ₹ 85,000 |
| Value of goods salvaged | ₹ 7,500 |
| Expenses incurred for extinguishing fire | ₹ 3,000 |
- g) Goods are invoiced at a profit of 20% on sales. The cost price of goods sent is ₹ 1,48,800. Calculate the load included in cost price of goods sent.





SECTION – B

Answer **any three** questions. **Each** question carries **six** marks.

(3×6=18)

2. A fire occurred in the premises of Aditya on 25-8-2017, when a large part of the stock was destroyed. Salvage was ₹ 15,000. Aditya gives you the following information for the period from 1-1-2017 to 25-8-2017 :

Purchases ₹ 85,000; Sales ₹ 90,000; Goods costing ₹ 5,000 were taken by Aditya for personal use and cost price of stock on 1-1-2017 was ₹ 40,000.

Over the past few years, Aditya has been selling goods at a consistent gross profit rate of $33\frac{1}{3}\%$ on sales.

The insurance policy was for ₹ 50,000. It included average clause. Aditya asks you to ascertain amount of loss and claim to be made on the insurance company.

3. Calculate the value of abnormal loss and value of closing stock from the following information :
- Goods sent on consignment – 400 units of glassware at ₹ 100/unit.
 - Expenses incurred by the consignor – ₹ 2,000.
 - Goods lost in transit – 20 units.
 - Expenses incurred by the consignee – taxes ₹ 1,420 and selling expenses ₹ 1,000.
 - Goods sold by the consignee – 340 units.
 - Goods damaged at Consignee's place – 2% of the total goods consigned (which is permissible).

4. Naveen and Praveen entered into a joint venture to construct a building for ₹ 7,50,000. Naveen and Praveen contributed ₹ 3,75,000 and ₹ 2,85,000 respectively. They agreed to share profits and losses in the ratio of 3 : 2. It was decided that the work would be looked after by Naveen, who would be paid 10% commission on contract price in addition to his share of profits. Naveen bought the necessary materials for ₹ 6,00,000 and paid ₹ 18,000 for expenses. He also contributed building materials from his own stock worth ₹ 37,500. There was an outstanding wages of ₹ 9,000.

The building was completed and the contract money was duly received. Praveen took over the stock of materials at an agreed value of ₹ 30,000 and outstanding wages were paid by Naveen.

Prepare Joint Venture A/c and Praveen's A/c in the books of Naveen.



5. X Ltd., invoices goods to its branch at cost. From the following particulars, prepare Branch Account for the year ended 31-3-2017 in the books of Head Office.

| | |
|---|----------|
| Branch stock on 1-4-2016 | ₹ 66,000 |
| Branch stock on 31-3-2017 | 78,000 |
| Branch debtors on 1-4-2016 | 42,000 |
| Branch debtors on 31-3-2017 | 59,600 |
| Cost of goods sent to branch during the year | 3,60,000 |
| Sales at branch : | |
| Cash | 1,80,000 |
| Credit | 2,93,600 |
| Cash received from branch debtors during the year | 2,76,000 |
| Branch expenses paid by H.O. | 20,420 |



6. A firm has two departments X and Y. The following information related to the trading period ending 31-3-2017 :

| | X | Y | Total Amount |
|------------------|--------|--------|--------------|
| | ₹ | ₹ | ₹ |
| Opening stock | 5,000 | 7,000 | 12,000 |
| Purchases | 42,000 | 52,000 | 94,000 |
| Sales | 80,000 | 93,000 | 1,73,000 |
| Purchase returns | 2,000 | 2,000 | 4,000 |
| Sales returns | 2,000 | 2,000 | 4,000 |
| Carriage inwards | — | — | 4,500 |
| Power | — | — | 6,000 |
| Wages | — | — | 11,000 |
| Closing stock | 4,000 | 12,000 | 16,000 |

Wages are to be allocated in the ratio 5 : 6 and the power in the ratio 1 : 2 to the Department X and Y respectively.

Prepare Departmental Trading Account in the Columnar Form.



SECTION - C

Answer **any three** questions. **Each** question carries **fourteen** marks. (3×14=42)

7. Determine the amount of claim to be lodged by M/s Tridev Company to Insurance Company from the following details :

The company had taken a fire insurance policy for ₹ 1,20,000, covering its stock and the policy was subjected to average clause.

| | 1-10-2016 to 30-9-2017 (₹) | 1-10-2017 to 15-3-2018 (₹) |
|--------------------|-------------------------------|-------------------------------|
| Sales | 11,43,000 | 6,90,500 |
| Purchases | 7,89,500 | 3,94,000 |
| Wages and salaries | 1,37,400 | 68,900 |
| Sales returns | 54,500 | 15,800 |
| Purchase returns | 27,400 | 9,600 |
| Carriage inwards | 27,400 | 9,600 |



Date of fire 15-3-2018 :

Stock on 1-10-2016 ₹ 1,28,700

Stock on 30-9-2017 ₹ 1,89,000

Stock salvaged ₹ 19,310

Stocks have been valued at 10% less than cost.

8. On 1-1-2017 Chetan of Chennai dispatched to Raghu of Mysore, 500 chairs at an invoice price of ₹ 300 each, which was 25% above the cost price. He paid ₹ 200 for packing and ₹ 300 for carriage and insurance. Chetan draws three months bill for ₹ 50,000 which was accepted by Raghu and Chetan discounted the same for ₹ 49,800.

Raghu received the consignment on 15-1-2017 and incurred ₹ 100 for unloading and carriage, ₹ 500 for selling expenses and ₹ 1,000 for salesman



salary. Raghu returned 50 chairs and sold 200 chairs at ₹ 330 each and 200 chairs at ₹ 350 each on credit. Raghu sent a bank draft for the amount due after deducting expenses and commission at 10% on sales and del-credere commission 3% on credit sales. On 30-3-2017 market value of chair was ₹ 250 each (closing stock).

All the money due was collected from debtors except ₹ 2,000 from Mr. Kumar, a debtor.

Prepare necessary Ledger Accounts in the books of Chetan.

9. Charith and Chinmay entered into a joint venture and agreed to share profits and losses in the ratio of 3 : 2 after providing for interest on capital at 10% p.a. A joint bank account was opened in which Charith deposited ₹ 4,00,000 and Chinmay deposited ₹ 2,00,000 on 1-4-2017. Goods purchased for ₹ 3,75,000 in cash and was sent to Bengaluru agent for sale.

Freight and insurance amounted to ₹ 7,500 was paid. All the goods were sold by the agent for ₹ 7,00,000. The agent remitted the balance amount after deducting his commission at 3% and expenses of ₹ 4,000.

Prepare :

- a) Joint venture A/c
- b) Co-venturer's A/c
- c) Joint Bank A/c and
- d) Agent's A/c in the books of joint venture.

10. Belagavi H.O. of a company invoices goods to its Hubli branch at cost plus 20%. The branch also purchases independently from local traders for which payments are made by H.O. All cash collections of the day is to be remitted to H.O. through a bank account and all expenses of the branch are directly paid by H.O. From the following, show the Hubli Branch Account in the books of H.O.

Imprest cash on :

1-1-2017

31-12-2017

Debtors on 1-1-2017



₹

60,000

55,500

7,50,000



Stock on 1-1-2017 :

| | |
|---|-----------|
| Transferred from H.O. at invoice price | 7,20,000 |
| Direct purchases by branch | 4,80,000 |
| Total sales | 52,50,000 |
| Cash sales | 13,50,000 |
| Returns from customers | 90,000 |
| Direct purchase | 13,50,000 |
| Goods sent to branch from H.O. at invoice price | 18,00,000 |
| Transfer from H.O. for Petty Cash expenses | 75,000 |
| Bad debts | 30,000 |
| Discount to customers | 60,000 |
| Cash received from customers | 37,50,000 |
| Branch expenses | 9,00,000 |

Stock on 31-12-2017 :

| | |
|--|----------|
| Direct purchase by branch | 3,60,000 |
| Transferred from H.O. at invoice price | 5,40,000 |

11. From the following Trial Balance, prepare Departmental Trading and Profit and Loss Account for the year ended 31-12-2017 and a Balance Sheet as on that date in the books of VM Ltd.

| | Dr. (₹) | Cr. (₹) |
|-----------------------------|---------|---------|
| Stock on 1-1-2017 : Dept. A | 5,400 | — |
| Dept. B | 4,900 | — |
| Purchases : Dept. A | 9,800 | — |
| Dept. B | 7,350 | — |
| Sales : Dept. A | — | 16,900 |
| Dept. B | — | 13,520 |
| Wages : Dept. A | 1,340 | — |
| Dept. B | 240 | — |



| | | |
|------------------------|---------------|---------------|
| Discount received | - | 133 |
| Capital | - | 9,530 |
| Sundry creditors | - | 3,737 |
| Rent | 1,870 | - |
| Salaries | 1,320 | - |
| Lighting and heating | 420 | - |
| Discount allowed | 441 | - |
| Advertising | 738 | - |
| Carriage inwards | 469 | - |
| Furniture and fittings | 600 | - |
| Plant and Machinery | 4,200 | - |
| Sundry debtors | 1,820 | - |
| Personal drawings | 900 | - |
| Cash in hand | 32 | - |
| Cash at bank | 1,980 | - |
| Total | 43,820 | 43,820 |

The following information is also provided :

- Rent, lighting and heating, salaries and depreciation are to be apportioned to Departments A and B in the ratio 2 : 1.
- Other expenses and incomes are to be apportioned to Departments A and B on suitable basis.
- The following adjustments are to be made :

Rent prepaid ₹ 370; Lighting and Heating outstanding ₹ 180; Depreciation on furniture and fittings and plant and machinery @ 10% p.a.

- The stock at 31-12-2017 :

Department A – ₹ 2,748

Department B – ₹ 2,401.



ಕನ್ನಡ ಆವೃತ್ತಿ

ವಿಭಾಗ - ಎ

ಯಾವುದಾದರೂ ಐದು ಉಪ-ಪ್ರಶ್ನೆಗಳಿಗೆ ಉತ್ತರಿಸಿ. ಪ್ರತಿ ಉಪ-ಪ್ರಶ್ನೆಗೆ 2 ಅಂಕಗಳು.

(5×2=10)

1. a) ಸರಾಸರಿ ಕಲಮು ಎಂದರೇನು ? ಬೆಂಕಿ ವಿಮಾ ಹಕ್ಕಿನಲ್ಲಿ ಇದನ್ನು ಯಾವ ಕಾರಣಕ್ಕಾಗಿ ಸೇರಿಸಿರುತ್ತಾರೆ ?
- b) 'ಆಕೌಂಟ್ ಸೇಲ್ಸ್' ಎಂದರೇನು ?
- c) 'ಜಂಟಿ ವ್ಯವಹಾರ' ಮತ್ತು 'ಪಾಲುದಾರಿಕೆ' ಗಿರುವ ಯಾವುದಾದರೂ ಎರಡು ವ್ಯತ್ಯಾಸಗಳನ್ನು ತಿಳಿಸಿ.
- d) ಅವಲಂಬಿತ ಶಾಖೆಯ ಯಾವುದಾದರೂ ನಾಲ್ಕು ಲಕ್ಷಣಗಳನ್ನು ತಿಳಿಸಿ.
- e) ಈ ಕೆಳಗಿನ ವೆಚ್ಚಗಳನ್ನು ವಿಭಾಗೀಯ ಲೆಕ್ಕಪುಸ್ತಕದಲ್ಲಿ ಹೇಗೆ ವಿತರಿಸುವಿರಿ ?

- i) ದಾಸ್ತಾನಿನ ಮೇಲಿನ ವಿಮೆ ಪ್ರೀಮಿಯಂ
- ii) ಕಾರ್ಮಿಕರ ಕಲ್ಯಾಣ ವೆಚ್ಚ
- iii) ಒಳ ಸಾರಿಗೆ
- iv) ಉಪಾಹಾರ ಗೃಹದ ಖರ್ಚು.



- f) ಈ ಕೆಳಗಿನ ವಿವರಗಳಿಂದ ವಿಮೆಯ ಬೆಂಕಿನಷ್ಟ ಪರಿಹಾರ ಕಂಡುಹಿಡಿಯಿರಿ :

ಬೆಂಕಿ ಅಪಘಾತದ ದಿನದಂದು ಇದ್ದ ದಾಸ್ತಾನು — ₹ 85,000

ಬೆಂಕಿಯಿಂದ ರಕ್ಷಿಸಿದ ದಾಸ್ತಾನಿನ ವೆಚ್ಚ — ₹ 7,500

ಬೆಂಕಿಯನ್ನು ನಂದಿಸಲು ತಗುಲಿದ ವೆಚ್ಚ — ₹ 3,000

- g) ಸರಕುಗಳನ್ನು ಮಾರಾಟ ಬೆಲೆಯ ಮೇಲೆ 20% ಲಾಭದ ದರದಲ್ಲಿ ರವಾನಿಸಿದೆ. ಈ ಸರಕುಗಳ ವೆಚ್ಚ ₹ 1,48,800 ಇದ್ದರೆ, ಸರಕುಗಳ ವೆಚ್ಚ ಪಟ್ಟಿ ಬೆಲೆಯಲ್ಲಿ ಸೇರಿರುವ ಹೇರಿಕೆ (load) ಎಷ್ಟು ಎಂದು ಕಂಡುಹಿಡಿಯಿರಿ.