AC-2655

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First Year B. Com. (Hons.) (Sem. II) Examination

April / May – 2015

Financial Accounting : Paper - II

Time : Hours] [Total Marks : **50**

Instruction :

નીચે દર્શાવેલ ☛ નિશાનીવાળી વિગતો ઉત્તરવહી પર અવશ્ય લખવી. Fillup strictly the details of ☛ signs on your answer book. Name of the Examination : ☛ FIRST YEAR B. COM. (HONS.) (SEM. II) Name of the Subject : ☛ FINANCIAL ACCOUNTING : PAPER - 2 ☛ Subject Code No. : 2 6 5 5 ☛ Section No. (1, 2,.....) : Nil	Seat No. : Student's Signature

1 (A) A and B are partners in a business sharing profits and losses in the ratio of 3:2. They admit a new partner C with 1/5 share in the profits. Calculate the new profit sharing ratio of the partners. **2**

(B) A, B and C were partners sharing profits and losses in the 3/6, 2/6 and 1/6. Calculate the new and gaining ratios when A retires. **2**

(C) Answer in true or false : **2**

(1) Receipt and Payment Account is a Nominal Account.

(2) Receipt and Payment Account starts with an opening balance.

(D) Virat purchased a machine from Ajay and Co. on 1-04-2010 on hire purchase system. Down payment is Rs. 10,000/- and the balance amount is payable in four annual instalment at 10% interest as follows : **2**

31-03-2011 .... Rs. 10,900/-
31-03-2012 .... Rs. 9,100/-
31-03-2013 .... Rs. 7,400/-
31-03-2014 .... Rs. 8,800/-

Find out the cash price of the machine.

E) Dhaval and Sanjay are partners in joint venture. If Sanjay sold of goods worth of Rs. 5,000/-, what will be journal entry in the books of Dhaval? **2**

2 The Mayur Toys Ltd., has a branch at Navsari. All goods are supplied to the branch at invoice price which is fixed by adding 25% to the cost and are sold at invoice price only. From the following particulars relating to the year 2013-14 ascertain net profit or loss of the branch by 'Stock and Debtors System' : **14**

Particulars	*Rs.*	*Particulars*	*Rs.*
Opening Stock		Bad Debts	1,500
(Invoice price)	5,000	Discount allowed	
Debtors (1-04-2013)	6,000	to customers	500
Good supplied to Branch		Goods returned by	
(Invoice price)	54,000	customers	1,000
Sales : Cash	20,000	Cash remitted to	
Credit	30,000	Branch for :	
Cash received from		Rent	2,000
Debtors	26,500	Salary	1,200
Goods returned by			
Branch			
(Invoice price)	2,000		

3 Jeet Radio consigned 1000 radios to Bombay Radio Services on 1-03-2013. The cost price was Rs. 600/- per radio, but the pro-forma invoice was made out at a figure so as to show a profit of 25% on invoice price. On the same day, Jeet Radio incurred the following expenses : **14**

Carriage ....Rs. 2,000/-

Freight .... Rs. 30,000/-

Insurance .... Rs. 25,000/-

On the same day Bombay Radio Service sent a bank draft for Rs. 2,44,000/-. On 30th June, 2013 to Bombay Radio Services sent an Account Sale and a bank draft for the amount payable. According to Account Sale 600 radios were sold at Rs. 820/- each for cash, 100 radios were sold at Rs. 850/- each to Anil on credit and 40 radios were sold at Rs. 840/- each to Darshan on the recommendation and responsibility of Jeet Radio. Selling expenses incurred Rs. 10,450/-, Octroi incurred Rs. 7,000/-. Anil and Darshan became bankrupt and Bombay Radio could recover only 80% from their estate.

Bombay Radio Service is entitled to get a commission of 5% on sale and 2% Del credere commission on credit sales and 1/7 share of the net profits on consignment after deducting both his commission and share of profits.
Prepare necessary Accounts in the books of the Consignor.

4 Write Short notes. (any **three**) **14**

(1) Difference between Receipt Payment Account and Income Expenditure Account.

(2) Joint life policy

(3) Maximum loss method

(4) Accounting standard in India

(5) Garner V/s. Murrey Decision.
