

manager. From the following particulars, you are required to draw up the Branch Account as it would appear in the books of Akash Chappal Stores, Kanpur.

	₹
Stock on 1st April, 2017 at Invoice Price	15,000
Sundry Debtors on 1st April, 2017	9,000
Petty cash in hand on 1st April, 2017	400
Office Furniture on 1st April, 2017	1,200
Goods received from the Head Office (Invoice Price)	75,000
Goods returned to Head Office	1,000
Goods returned by Debtors	480
Cash received from Debtors	30,000
Cash Sales	50,000
Credit Sales	30,000
Discount allowed to Debtors	300
Expenses paid by Head Office :-	
Rent	1,200
Salary	2,400
Stationery and Printing	300
	<u>3,900</u>

Roll No.

Exam Code : J-19

Subject Code—0768

B.B.A. (Second Year) EXAMINATION

(For Batch 2009 to 2017 Only)

FINANCIAL ACCOUNTING-II

BBA-204

Time : 3 Hours

Maximum Marks : 70

Section A

Note : Attempt any *Seven* questions. 7×5=35

1. What is the purpose of del-credere commission ? Explain.
2. Distinguish between Joint Venture and Consignment.
3. What is exchange suspense account in Branch Accounts ? Discuss.

4. Explain Partnership Deed.
5. What are the various methods of valuation of goodwill ? Discuss.
6. Distinguish between sacrificing ratio and gaining ratio.
7. Write the circumstances under which a firm is dissolved.
8. Distinguish between Reserve Capital and Capital Reserve.
9. Explain the utility of Final Accounts.
10. What are the features of co-operative accounting ? Discuss.

Section B

Note : Attempt all the questions.

11. Mahesh Tyres Ltd. Consigned 2,000 tyres to Gulshan. The cost of a tyre was ₹ 500 but the tyres were invoiced at a figure so as to show

a gross profit of 20% on cost. Gulshan sold 1,600 tyres at a profit of 15% on the proforma invoice price. The expenses paid by Mahesh Tyres Ltd. Were as follows : carriage ₹ 3,500, loading charges ₹ 2,000 and insurance ₹ 700. Unloading charges ₹ 3,000, octroi ₹ 1,800 and selling expenses ₹ 1,500 were paid by Gulshan. The consignee is entitled to a commission of 6% on sales and 20% on the profit after charging commission on profit. The consignee remitted the balance amount of the consignor by bank draft Prepare necessary accounts in the books of the consignor. **12**

Or

Akash Chappal Stores has an old established branch at Jalandhar. Goods are invoiced to the branch at 20% profit on invoice price, the branch having been instructed to send all cash daily to the Head Office. All expenses are paid by the Head Office except Petty Expenses which are paid by the branch

Petty Expenses paid by the branch manager 280
 Stock on 31st March, 2018 at invoice price 14,000
 Goods in transit from H.O. on 31st March, 2018 5,000
 Depreciation to be provided on office furniture at 10% per annum.

12. M/s X, Y and Z who were in partnership sharing profits and losses in the ratio of 2 : 2 : 1 respectively, had the following Balance Sheet as at 31st March, 2018 :

Liabilities		₹	Assets		₹
Capital :			Fixed Assets		4,00,000
X	2,92,000		Stock		2,50,000
Y	68,000		Book Debts		2,50,000
Z	1,00,000	4,60,000	Less : Provision		<u>50,000</u> 2,00,000
Z's Loan		50,000	Cash		10,000
Loan from					
Mrs.X		1,00,000			
Sundry Trade					
Creditors		2,50,000			
		<u>8,60,000</u>			<u>8,60,000</u>

The firm was dissolved on the date mentioned above due to continued losses. After drawing up the Balance Sheet given above, it was discovered that goods amounting to ₹ 40,000 were purchased and received in November, 2017 but the purchase was not recorded in the books. Fixed Assets realised at 50%, Stock at 84% and Book debts, 82%. Similarly, the creditors allowed a discount of 2% on an average. The expenses of realization came to ₹ 10,800. X agreed to take over the loan of Mrs. X. Y is insolvent and his estate is unable to contribute anything.

Give the accounts to close the books, according to the decision in *Garner Vs. Murray Case*.

Or

What are the various types of joint venture ?
How does a joint venture work ? Explain.

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13. A company issued 10,000 shares of ₹ 10 each at premium of ₹ 1 per share, payment to be made as follows :

	₹
On Application	3
On Allotment	4 (including premium)
On First Call	2
On Second and final call	2

Applications were received for 20,000 shares. Applications for 5,000 shares were rejected and allotment was made proportionately to the remaining applicants. The directors made both the calls and all money were received, except the allotment, first call and final call on 400 shares, which were subsequently forfeited. Later, 300 of the forfeited shares were reissued as fully paid @ ₹ 15 per share. Give journal entries to record the above. Also prepare the Balance Sheet.

Or

What is Purchase Consideration ? Explain the various methods of its calculation ? Discuss.

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