

**B.Com. 3rd Semester (Honours) Examination,2021 (CBCS)**

**Subject : Financial Accounting-II**

**New Syllabus : 2020-21**

**Paper : CC-7 (3.3 CH)**

**Time : 3 Hours**

**Full Marks : 60**

*The Figures in the margin indicate full marks.*

*Candidates are required to give their answers in their own words as far as practicable.*

দক্ষিণ প্রান্তস্থ সংখ্যাগুলি পূর্ণমান নির্দেশক।

পরীক্ষার্থীদের যথাসম্ভব নিজের ভাষায় উত্তর দিতে হবে।

**1. Answer any Six questions from the following :**

**5 x 6 = 30**

নিম্নলিখিত প্রশ্নগুলি থেকে যে কোনো ছয়টি প্রশ্নের উত্তর দাও:

(a) What do you mean by Dissolution of partnership firms? State any three ways of Dissolution of a partnership firm.

অংশীদারি প্রতিষ্ঠানের বিলোপসাধন বলতে কী বোঝ? একটি অংশীদারি প্রতিষ্ঠানের বিলোপসাধনের যে কোন তিনটি উপায় উল্লেখ করো।

(b) Mr. X purchased a machine under installment basis from Kamala Trading Company on 01.01.2018. The cash price of the machine was ₹ 3,10,000. The payment for the purchase is to be made as under:

	₹
On signing the agreement	60,000
First year end	1,00,000
Second year end	1,00,000
Third year end	1,00,000

Make necessary Journal entries for the first year in the books of Mr. X adopting the Interest Suspense Method. Ignore depreciation.

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(c) Show what entries would be passed by the Head Office to record the following transactions in its books:

(i) Goods amounting to ₹ 5,000 transferred from Kolkata Branch to Patna Branch under the instructions of the Head Office.

(ii) Goods worth ₹ 10,000 were sent by the Head Office to its Patna Branch on 20.12.2021 but the same were received by the Branch on 03.01.2022 only.

প্রধান কার্যালয় তার বইতে নিম্নলিখিত লেনদেনগুলি রেকর্ড করতে কী কী দাখিলা করবে তা দেখাও:

(i) 5,000 টাকার পণ্য হেড অফিসের নির্দেশে কলকাতা শাখা থেকে পাটনা শাখায় স্থানান্তর করা হয়েছে।

(ii) 10,000 টাকা মূল্যের পণ্য 20.12.2021 তারিখে হেড অফিস কর্তৃক তার পাটনা শাখায় পাঠানো হয়েছিল কিন্তু তা শাখাটি শুধুমাত্র 03.01.2022 তারিখে পেয়েছিল।

(d) Write short notes on : (i) Sub-Royalty; (ii) Shortworkings.

সংক্ষিপ্ত টিকা লেখো : (i) উপস্বত্ব-ভাড়া; (ii) ঘাটতি উৎপাদনের খাজনা।

(e) What do you mean by Marked and Unmarked applications in case of Underwriting of Shares?

শেয়ারের দায়গ্রহণের ক্ষেত্রে চিহ্নিত এবং অচিহ্নিত অ্যাপ্লিকেশন বলতে তুমি কি বোঝো ?

- (f) A Ltd. has a branch at Kolkata. Goods are sent to the branch at cost price. From the following particulars, prepare a Branch Account in the books of Head Office:

	₹
Stock at Branch as on April 1, 2019	90,000
Goods sent to Branch	3,12,570
Goods returned by the Branch	18,810
Cash Sales	4,57,880
Cash sent to branch for expenses:	
Salaries	74,000
Insurance	20,470
Stock at Branch as on March 31, 2020	?

The Branch sells goods at a uniform profit of 25% on sales.

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- (g) Mr. A has patented a quick-boiling Kettle and gave the Domestic Manufacturing Co. the right to manufacture and sell under a license for seven years. The stipulated terms were as follows:
- A royalty of ₹ 4 to be paid on each Kettle sold;
  - A Minimum rent payment of ₹ 20,000 per annum.
  - The right to deduct in two following years any excess of minimum rent over the calculated royalties in any year.

The numbers of Kettles sold were:

- Year ended 31<sup>st</sup> March, 2016 – 4,000;
- Year ended 31<sup>st</sup> March, 2017 – 4,500;
- Year ended 31<sup>st</sup> March, 2018 – 5,400;
- Year ended 31<sup>st</sup> March, 2019 – 5,300.

Give the Analysis of Royalty Payable by the Domestic Manufacturing Co.

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- (h) What are the sources from which funds can be obtained for issuing Bonus Shares?  
বোনাস শেয়ার বিলিকরণের জন্য কোন কোন উৎস থেকে প্রয়োজনীয় তহবিল পাওয়া যেতে পারে?

**2. Answer any three questions from the following :**

**10 x 3 = 30**

নিম্নলিখিত প্রশ্নগুলি থেকে যে কোনো তিনটি প্রশ্নের উত্তর দাও :

- (a) X, Y and Z are in partnership sharing profits and losses in the ratio of 2 : 2 : 1. They decided to dissolve their partnership on March 31, 2021 and Balance Sheet as on that date stood as follows :

Balance Sheet as on March 31, 2021

Liabilities	Amount ₹	Amount ₹	Assets	Amount ₹	Amount ₹
Capital Account :			Goodwill		40,000
X	1,50,000		Land and Building		1,00,000
Y	1,00,000		Machinery		42,500
		2,50,000	Furniture and Fittings		40,000
Y's Loan		75,000	Trade Marks		60,000
Bank Loan		1,12,500	Stock in Trade		75,000
Creditors for Goods		1,25,000	Debtors	2,20,00	
Bills Payable		50,000	Less: Provision for Bad Debts	0	2,00,000
				20,000	
			Cash at Bank		20,000
			Capital Account :		35,000
			Z		
		6,12,500			6,12,500

The assets realized the following amounts:

Debtors at book value less 10% ; Trade Marks ₹ 25,500; Land & Building ₹ 1,25,000;  
Furniture ₹ 20,000.

Machinery and Stock were taken over by Y at ₹ 35,000 and ₹ 17,500 respectively; Creditors of goods were settled at ₹ 1,00,000. The expenses of realization were ₹ 20,000.

Z became insolvent and only ₹ 10,000 was realized from his private estate.

Show Realisation Account, Partners Capital Account and Bank Account in the books of the firm as per the decisions of Garner vs. Murrey.

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- (b) Avi Transport Co. purchased five Trucks from Royal Motor Ltd. on 1<sup>st</sup> January, 2014 on hire purchase system. The Cash Price of each Truck is ₹ 2,40,000. The mode of payments was as follows:

- (i) 15% of Cash Price down.
- (ii) 25% of Cash Price at the end of each year for 4 years.

Avi Transport Co. writes off 15% depreciation annually. The payment due on 31<sup>st</sup> December, 2015 could not be made. Royal Motors Ltd. agreed to leave three trucks with the buyer on the conditions that the value of the other two trucks would be adjusted against the amount due, the Trucks being valued at cost less 25% depreciation.

Show the Trucks Account, Royal Motor Ltd. Account and the Surrendered Trucks Account in the books of Avi Transport Co.

ইংরাজী প্রশ্ন দ্রষ্টব্য।

- (c) X Co. Ltd. with their Head Office at Kolkata, invoices goods to their Bangalore Branch at 20% less than listed price, which is cost plus 100% with instruction that Cash Sales are made at invoice price and credit sales at listed price. From the following particulars prepare the Branch Stock Account, Branch Adjustment Account, Branch Profit and Loss Account and Branch Debtors Account for the year ended 31.12.2020 :

	₹
Stock on 1.1.2020 (at invoice price)	48,000
Debtors on 1.1.2020	40,000
Goods received from H.O (at invoice price)	5,28,000
Goods returned to H.O (at invoice price)	4,000
Sales :	
Cash	1,84,000
Credit	4,00,000
Cash received from Debtors	3,42,536
Expenses at Branch	69,464
Remittance to H.O.	4,80,000
Debtors on 31.12.2020	97,464
Stock on 31.12.2020	70,400

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- (d) The directors of X Ltd. invited applications for 1,00,000 Equity Shares of ₹ 10 each to be issued at 20% premium. The money payable on shares is as follows :

On Application ₹ 5, on Allotment Rs. 4 (including premium), on First Call ₹ 2, on Final Call ₹ 1.

Application were received for 1,20,000 shares and allotment was made as follows:

- (i) To applicants for 50,000 shares – in full
- (ii) To applicants for 40,000 shares – 30,000 shares
- (iii) To applicants for 30,000 shares – 20,000 shares.

Applicants for 500 shares falling in category (i) and applicants of 600 shares falling in category (ii) failed to pay the allotment money. These shares were forfeited on failure to pay the first Call. Holders of 600 shares in category (iii) failed to pay the first call and final call. These shares were also forfeited after the final call.

650 shares [ 500 of category (i) and 150 of category (ii) ] were re-issued at ₹ 8 per share as fully paid.

Journalise the above transactions.

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- (e) A Ltd. took a licence for production of a medicine from P Ltd. at a royalty of ₹ 1 per bottle produced. The minimum rent being ₹ 1,00,000 with a power to recover shortworkings during the first three years of licence. A Ltd. issued a sub-licence to B Ltd. on the basis of royalty payment of ₹ 1.25 per bottle sold. Minimum rent payable by B Ltd. was fixed at ₹ 15,000 p.a. with a right to recover shortworkings in the following year. From the following details show the ledger accounts in the books of A.Ltd.

Year	A Ltd.		B Ltd.	
	Sales (Unit)	Closing Stock (Unit)	Production (unit)	Closing Stock (Unit)
1 <sup>st</sup> Year	50,000	5,000	10,000	2,000
2 <sup>nd</sup> Year	70,000	8,000	17,000	4,000
3 <sup>rd</sup> Year	1,00,000	10,000	25,000	5,000

ইংরাজী প্রশ্ন দ্রষ্টব্য।

**B. Com. 3rd Semester (Honours) Examination, 2021 (CBCS)**

**Old Syllabus : 2017-18**

**Subject : Financial Accounting-II**

**Paper : CC-7 (3.3CH)**

**Time: 3 Hours**

**Full Marks: 60**

*The figures in the margin indicate full marks.  
Candidates are required to give their answers in their own words  
as far as practicable.*

দক্ষিণ প্রান্তস্থ সংখ্যাগুলি পূর্ণমান নির্দেশক।  
পরীক্ষার্থীদের যথাসম্ভব নিজের ভাষায় উত্তর দিতে হবে।

**1. Answer any six of the following questions: 5x6=30**

নীচের যে কোনো ছয়টি প্রশ্নের উত্তর দাও:

a) Distinguish between operating lease and financial lease. 5

অপারেটিং লিজ ও ফিন্যান্সিয়াল লিজ এর মধ্যে পার্থক্য দেখাও।

b) How the following indirect expenses are distributed amongst different departments? (i) Rent; (ii) Insurance premium; (iii) Lighting; (iv) Advertisement; (v) Depreciation; and (vi) Managing Director's remuneration 5

নিম্নলিখিত অপত্যক্ষ খরচগুলি কি ভাবে বিভিন্ন বিভাগের মধ্যে বন্টন করা হয়?  
(ইংরাজি প্রশ্ন দ্রষ্টব্য)

c) Write a short note on non-performing assets (NPA) of a banking company. 5

বান্ধিং কোম্পানির অনুৎপাদক সম্পদের (NPA) উপর একটি সংক্ষিপ্ত টীকা লেখো।

d) What do you mean by amalgamation of firms? State any three ways of dissolution of a partnership firm. 5

অংশীদারি প্রতিষ্ঠানের একত্রিকরণ বলতে কী বোঝো? একটি অংশীদারি প্রতিষ্ঠানের বিলোপসাধনের যেকোনো তিনটি উপায়ের উল্লেখ করো।

e) What do you mean by minimum rent and short-workings? 5

ন্যূনতম খাজনা ও ঘাটতি খাজনা বলতে তুমি কী বোঝো?

- f) On 1.4.2018 M/s Dynamic Computers purchased 5 laptops from Dell Ltd. on hire purchase terms. The total cash price of the laptops was Rs. 1,19,145. On the said date M/s Dynamic Computers paid Rs. 32,000 and balance in 3 installments of Rs. 32,000 on 31<sup>st</sup> March every year subject to interest @5% p.a. Calculate the interest to be charged every year. 5

(ইংরাজি প্রশ্ন দ্রষ্টব্য)

- g) Hira and Meera are partners in a firm sharing profits and losses in the ratio of 3:2. Their capitals are Rs. 60,000 and Rs. 40,000 respectively. They admit Kamla as a new partner who will get 1/6<sup>th</sup> share in the profits of the firm. Kamla brings in Rs. 25,000 as her capital. Find out the amount of goodwill on the basis of the above information. Also show the calculations to find out their new profit-sharing ratio. 5

(ইংরাজি প্রশ্ন দ্রষ্টব্য)

- h) Briefly discuss the main features of the accounting system of an independent branch. একটি স্বাধীন ব্রাঞ্চার হিসাবরক্ষণ পদ্ধতির প্রধান বৈশিষ্ট্যগুলি সংক্ষেপে আলোচনা কর। 5

**2. Answer any *three* of the following questions:**

**10x3=30**

নীচের যে কোনো তিনটি প্রশ্নের উত্তর দাও:

- a) T of Kolkata has a branch at Dibrugarh. The branch does not maintain separate books of accounts. The branch has the following assets and liabilities on 31<sup>st</sup> August, 2021 and 30<sup>th</sup> September, 2021: (all figures in rupees)

	31 <sup>st</sup> August, 2021	30 <sup>th</sup> September, 2021
Stock of tea	1,80,000	1,50,000
Advance to suppliers	5,00,000	4,50,000
Bank balance	75,000	1,00,000
Prepaid expenses	10,000	12,000
Outstanding expenses	13,000	11,000
Creditors for purchases	3,00,00	to be ascertained

During the month, Dibrugarh branch:

- received electronic mail transfer Rs 10,00,000 from Kolkata head office;
- purchased tea worth Rs 12,00,000;
- sent tea costing Rs 12,30,000 to Kolkata, freight of Rs 80,000 being payable at the destination by the receiver;

- (iv) spent Rs 25,000 on office expenses;
- (v) paid Rs 3,00,000 as advance to suppliers;
- (vi) paid Rs 6,50,000 to suppliers in settlement of outstanding dues.

In addition, T informs you that the Kolkata office had directly paid Rs 3,50,000 to Dibrugarh suppliers by cheques drawn on Bank Accounts in Kolkata during the month.

T informs you that for the purpose of accounting, Dibrugarh branch is not treated as an outsider. He wants you to write the detailed accounts relating to the transactions of the Dibrugarh branch as would appear in the books of Kolkata Head office. 10

(ইংৰাজি প্ৰশ্ন দ্ৰষ্টব্য)

- b) Traders & Co. purchased 2 cars costing Rs 40,000 each from Anand Distributors on 1.1.2018 on hire purchase system on the following terms:

Payment of Rs 10,000 is to be made for each car on delivery. Remainder is to be paid in three equal installments together with interest at 10% p.a. at the end of each year. The buyer writes off 25% depreciation each year on a diminishing balance method. It makes payment for the two instalments but cannot pay the final instalment for one car. Thereupon, the vendor repossesses one car adjusting its value against the amount due. The repossession is done on the basis of 30% depreciation on diminishing balance method.

Write up the Car Account and Anand Distributors Account in the books of Traders & Co. 10

(ইংৰাজি প্ৰশ্ন দ্ৰষ্টব্য)

- c) MNC & Co. carries on business as departmental stores in Chennai. The partners Moni, Nandan and Chinmoy were in charge of Departments W, S and T respectively. The partners are entitled to a remuneration equal to 40% of the profits (without taking the partners' remuneration into consideration) of the respective departments of which they are in-charge and the balance of the profits are to be distributed among Moni, Nandan and Chinmoy in the ratio of 5:3:2. The following are the balance of the revenue items in the books for the year ended 31.3.2021:

Particulars	Departments		
	W	S	T
Opening Stock	1,50,000	1,00,000	80,000
Purchases	5,65,000	3,35,000	1,80,000
Sales	7,20,000	5,40,000	3,60,000
Closing Stock	1,80,000	70,000	85,000
Other revenue items:			
Salary and wages	Rs 19,500		
Advertising	Rs 9,000		
Discount Allowed	Rs 10,800		
Rent	Rs 21,600		
Sundry expenses	Rs 24,300		
Discount received	Rs 6,400		
Depreciation on furniture	Rs 6,000		

(i) Prepare the Departmental Trading and Profit and Loss A/C for the year ended 31.03.2021 and

(ii) Show the distribution of profits amongst the partners after taking into consideration the following:

- Goods having a transfer price of Rs 85,600 and Rs 4,800 were transferred from W and S respectively to Department T. The interdepartmental transfers are made at 125% of the cost.
- The various items shall be apportioned amongst the three departments in the following proportions:

Particulars	Proportions		
	W	S	T
Rent	2	2	5
Salary and wages	1	1	1
Depreciation	1	1	1
Discount received	8	5	3

All other expenses on the basis of sales (excluding interdepartmental transfer) of each department.

- The opening stock of Department T does not include goods transferred from other departments but the closing stock includes Rs 34,200 valued at interdepartmental transfer prices.

d) The following information has been obtained from the books of a lessee relating to the years 2017-18 to 2020-21 (all figures in Rs):

Years	Payments to Landlord After Deduction of Tax @ 20%	Short-workings Recovered	Short-workings Lapsed
2017-18	12,000	-----	800
2018-19	12,000	2,500	----
2019-20	12,000	1,000	500
2020-21	19,200	-----	----

Shortworkings Account balance brought forward on 1.4.2017 was Rs 800 (which arose in 2015-16).

According to the terms of agreement, shortworkings are recoverable within the next two years following the year in which Shortworking arises.

You are required to prepare Royalties Account and Shortworkings Account for the four years ended on 31.3.2021.

10

(ইংরাজি প্রশ্ন দ্রষ্টব্য)

e) Dowell & Co. is a partnership firm with three partners A, B, and C, sharing profits and losses in the ratio of 10:6:4. The Balance Sheet of the firm as on 31<sup>st</sup> March, 2021 is as under:

Liabilities			Rs	Assets		Rs
Capitals:	A	80,000		Land		10,000
	B			Buildings		2,00,000
		20,000	1,30,000	Plant and Machinery		1,30,000
	C		20,000	Furniture		43,000
		<u>30,000</u>		Investments		12,000
Reserves			3,00,000	Stock		1,30,000
(Unappropriated profit)			44,000	Debtors		1,39,000
Long-term Debt			1,70,000			
Bank overdraft			6,64,000			6,64,000
Trade creditors						

It was mutually agreed that B will retire from partnership and in his place, D will be admitted as a partner with effect from 1<sup>st</sup> April, 2021. For this purpose, the following adjustments are to be made:

(i) Goodwill is to be valued at Rs 1,00,000 but the same will not appear as an asset in the books of the reconstituted firm.

- (ii) Buildings, Plants and Machinery are to be depreciated by 5% and 20% respectively. Investments are to be taken over by the retiring partner at Rs 15,000. Provision of 20% is to be made on debtors to cover doubtful debts.
- (iii) In the reconstituted firm, the total capital will be Rs 2,00,000 which will be contributed by A, C and D in their new profit-sharing ratio, which is 2:2:1.
- (iv) The surplus funds, if any, will be used for repaying the bank overdraft.
- (v) The amount due to the retiring partner shall be transferred to his Loan Account.

You are to prepare: (a) Revaluation Account; (b) Partners' Capital Accounts; (c) Bank Account; and, (d) Balance Sheet of the reconstituted firm as on 1<sup>st</sup> April, 2021. 10

(ইংরাজি প্রশ্ন দ্রষ্টব্য)