

# KHUDIRAM BOSE CENTRAL COLLEGE

INTERNAL EXAMINATION 2020

B.COM PART-II (HONS & GEN)

FINANCIAL ACCOUNTING-II (FULL MARKS-25/TIME 1 HOUR)

**ANSWER ANY TWO (12.5X2=25)**

1. Arun, Barun and Tarun are partners in a firm sharing profits and losses in the ratio of 2:2:1. Their balance sheet as at 31<sup>st</sup> December, 2019 was as follows:

Liabilities	Rs.	Rs.	Assets	Rs.	Rs.
Creditors		30000	Cash at bank		20000
Capital accounts:					
Arun	50000				
Barun	20000		Sundry debtors	30000	
Tarun	10000	80000	Less : Bad debts provision	3000	27000
General reserve		50000	stock		43000
			Furniture		20000
			Goodwill		50000
		160000			160000

The partners decided to dissolve the partnership as on that date.

The following are the amounts realized: Book debts Rs.25000; Stock Rs.48000; Furniture Rs.19000.

Arun agreed to buy the firm name and goodwill for Rs. 60000,. Creditors were paid Rs.27000 in complete discharge.

Expenses of realization amounted to Rs.1000.

Show the capital accounts, realization account and the bank account of the firm on dissolution.

2. From the following data, prepare departmental trading and profit and loss account, and thereafter the combined income account revealing the concern's true results for the year ended 31-12-19:-

Particulars	A(Rs.)	B(Rs.)
Stock (01-01-19)	40000	--
Purchase from outside	200000	20000
wages	10000	1000
Transfer of goods from department A	--	5000
Stock at cost to the department (31-12-19)	30000	10000
Sales to outsiders	200000	71000

B's entire stock represents goods from department A which transfers them at 25% above its cost. Administration and selling expenses amount to Rs.15000 which is to be allocated between Department A and B in the ratio of 4:1 respectively.

3. The balance sheet of Tapan Ltd. at 31-03-20 included the following items:

100000 equity shares of Rs. 10 each, fully paid		Rs. 1000000
18000 5% preference shares of Rs.10 each, fully called up	180000	
Less: Calls-in arrear @ Rs.2 per share	2000	178000
Revenue reserve		1400000

The directors forfeited the preference shares (on which calls were in arrear) on 01-04-20 and redeemed the remaining preference shares at a premium of 10%. For this purpose 10000 equity shares of Rs.10 each were also issued at a premium of 10%.

Pass necessary journal entries.

4. Rain Ltd. purchased a motor van on hire purchase on 1<sup>st</sup> January 2020. The terms of payment were Rs.23000 on delivery, Rs. 11700 at the end of first year , Rs. 10800 at the end of second year and Rs. 9900 at the end of 3<sup>rd</sup> year including interest. Rain Ltd. charged depreciation at 10% p.a. under diminishing balance method. Assume the Storm Ltd. charge interest @10% p.a. on the outstanding amount at the beginning of each year. Accounts are closed on 31<sup>st</sup> December.

You are required to calculate the total cash price of the motor van and interest paid with each instalment. Also show Storm Ltd. account and motor van account in the books of Rain Ltd.

