BCO-26

Sl.No. :

Total No. of Pages : 4

Second Year B.Com. Degree Examination, May/June - 2025

(SLM Scheme)

FINANCIAL ACCOUNTING - II

Time : 3 Hours **Max. Marks : 80**

PART - A

Answer any four questions. Each question carries 5 marks. **[4 × 5 = 20]**

Q1) Write the contents of partnership Deed.

Q2) What is sublease in Royalty Agreement?

Q3) Write a note on social Responsibility Accounting.

Q4) State the features of Farm Accounting.

Q5) Write a note on Average clause.

Q6) Write the basis of Allocation for following expenses

i) Rent ii) Canteen Expenses

iii) Discount Received iv) Carriage Inwards

v) Lighting

PART - B

Answer any three questions. Each question carries 10 marks. **[3 × 10 = 30]**

Q7) Define Partnership. Explain the different types of partner and partnership.

Q8) What do you mean by Installment system. Distinguish between Hire parchase system and Installment system.

Q9) From the following information prepare Departmental Trading and profit and loss Account for the year ended 31-12-2023.

	Dept 'x'	Dept 'y'
	₹	₹
Stock on 1-1-2023	18,000	14,000
Purchases	35,000	30,000
Sales	60,000	40,000
Wages	8,000	3,000

Other Expenses incurred :

	₹
Rent & taxes	6,000
Salaries	3,000
Sundry Expenses	1,800
Advertising	5,000
Discount allowed	2,000
Discount received	650
Lighting	2,100
Carriage outwards	1,000

i) Internal transfer of goods from Dept, x to Dept, y ₹10,000 at cost

ii) Rent & taxes, salaries, sundry expenses, lighting to be apportioned in the ratio of 2 : 1

iii) Remaining expenses are to be apportioned on suitable basis.

Q10) Varun having his Head office in Mangalore goods are invoiced to the Mysuru branch at cost plus 25%. Branch remits all cash received to the head office Bank Account. From the following details prepare Branch Account to ascertain profit or loss of the Branch in the books of Head office.

	₹
Stock on 1-1-2023 at invoice price	24,000
Debtors on 1-1-2023	28,000
Goods received from Head office at invoice price	1,00,000
<u>Remittance to Head office</u>	
Cash sales	40,000
Cash from Debtors	60,000
Goods returned to Head office at Invoice price	4,000
Goods returned by customers	2,000
Further consignment from Head office at Invoice price	36,000
Credit sales	60,000

Cheques recived from Head office		
For salary	7,200	
For Rent	3,600	
For other expenses	400	11,200
Discount allowed to customers		3,200
Bad Debts		800
Stock on 31 - 12 -2023		32,000

Q11) The following is the Balance sheet of Anil, Vimal & Sunil as on 31-12-2023.

Liabilities		₹	Assets		₹
Bills payable		2,40,000	Cash at bank		6,00,000
Creditors		5,40,000	Bills Receivables		4,00,000
Capital Accounts			Debtors	3,00,000	
Anil	10,00,000		Less : RBD	30,000	2,70,000
Vimal	11,00,000		Stock		8,00,000
Sunil	6,20,000	27,20,000	Furniture		1,40,000
			Land & Building		12,00,000
			Profit & Loss A/c		90,000
		35,00,000			35,00,000

The firm is dissolved on the above date. The assets realised are as follows

i) Bills Receivable ₹ 3,85,000

ii) Debtors 5% less than book value

iii) Land & building 10% more than book value

iv) Un recorded asset ₹ 14,000

The bills payable are taken by Anil Expenses of realisation are ₹ 45,000.

Prepare Realisation Account and partners's capital Accounts.

PART - C

Answer any two questions. Each question carries 15 marks : [2 × 15 = 30]

Q12) What are the circumstances to dissolve partnership? Explain the Garner v/s murray rule relating to dissolution of partnership.

Q13) What are the challenges in implementing Human Resource Accounting in an organisation.

Q14) Ashok purchased Honda Activa for ₹ 1,20,000 from palace Honda on 1-1-2020 on Hire purchase system with a down payment of ₹ 15,000. He agreed to pay the balance amount in 3 equal installment along with 8% interest p.a. Ashok charged depreciation at 10% p.a. on diminishing balance method.

Prepare necessary ledger accounts in the books of Ashok.

Q15) Arun and Bhushan were partners sharing profits and losses in the ratio of 2:1 Their Balance sheet as at 31st December, 2023, was as follows.

Balance sheet as on 31-12-2023

Liabilities		₹	Assets	₹
Capital		4,00,000	Cash in hand	1,00,000
Bills payable		1,00,000	Stock	6,00,000
General Reserve		1,20,000	Debtors	6,00,000
Capital A/c.			Machinery	1,20,000
Arun	5,00,000		Furniture	1,00,000
Bhushan	4,00,00	9,00,000		
		15,20,000		15,20,000

On the above date, chandra was admitted into partnership on the following terms:

i) He has to share ¼ of the profits or losses of the firm and to bring ₹ 30,00,000 towards his capital

ii) Good will of the firm was valued at ₹ 2,40,000 and chandra was to bring his share of goodwill in cash.

iii) The assets were revalued as follows

Furniture	80,000
Stock	5,50,000
Debtors	5,80,000
Machinery	1,50,000

iv) There was an outstanding liability of ₹ 30,000

Prepare a) Revaluation Account

b) Partner's capital Account

c) Balance sheet

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