BCO-26

Sl.No. :

Total No. of Pages : 3

Second Year B.Com. Degree Examination, Oct./Nov. - 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) A and B are partners sharing profits and losses in the ratio of 7:3. They admit C and give him 1/4 share in future profits which is contributed by them in the ratio of 3:2.

Calculate the new profit sharing ratio of the partners.

Q2) What is piecemeal distribution of cash? How is it done?

Q3) Write a note on 'Minimum rent' and 'Short-working'.

Q4) What are the objectives of keeping branch accounts?

Q5) Briefly explain Social Responsibility Accounting.

Q6) State any five objectives of Human Resources Accounting.

PART - B

Answer any Three Questions. Each Question carries 10 Marks : [3 × 10 = 30]

Q7) From the following details of a department store, prepare departmental trading and P&L A/C :

Particulars	Dept. A (₹)	Dept. B (₹)
Opening stock	8,750	6,800
Closing stock	9,500	9,000
Purchases	80,000	1,20,000
Sales	1,00,000	1,50,000
Wages	4,500	6,000

Other expenses: Salary ₹ 7,500, carriage inwards ₹ 1,850, Bad Debts ₹ 2,450, Discount allowed ₹ 2,000, discount received ₹ 1,500, rent ₹ 6,000, lighting ₹ 450 and welfare expenses ₹ 750

Goods transferred from Dept. A to Dept. B at cost is ₹ 2,000 and from Dept. B to Dept. A at cost is ₹ 3,250

Apportion salary in the ratio of 3:2, rent and lighting in the ratio of 2:1 and welfare expenses equally between Dept. A & Dept. B
Apportion the remaining expenses on reasonable basis.

Q8) On 01.01.2025 Pradeep purchased a motor vehicle from Ravi Motors Ltd on instalment system. The cash price was ₹ 40,000 and the payment was to be made as follows:

₹ 16,000 were to be paid on signing the agreement and the balance in three annual equal instalments together with 5% interest p.a.

Ravi motors writes off depreciation at 10% p.a. on the original cost.

Prepare Motor Vehicles A/C and Ravi Motors Ltd. A/C in the books of Pradeep.

Q9) Distinguish between hire purchase system and instalment system.

Q10) Explain the circumstances under which a partnership firm is dissolved.

Q11) What is average due date? State the various circumstances which requires the calculation of average due date.

PART - C

Answer any Two Questions. Each Question carries 15 Marks. [2 × 15 = 30]

Q12) Granite India Ltd. leased a mine from landlord to work coal at a royalty of ₹10 pertonne with a minimum rent of ₹ 20,000 p.a. during first year, ₹ 22,000 for second year and thereafter ₹24,000p.a. Each year's excess of minimum rent over royalty is recoverable during next 2 years only. In the event of strike and the minimum rent would stand proportionately to the time actually worked. The lease is for 10 years. The results of the working for first 6 years are as follows:

2020-NIL, 2021 -800tonnes, 2022–200tonnes, 2023– 200tonnes, 2024–500 tonnes (strike for 3 months) and 2025–6,000 tonnes.

Show Minimum Rent A/C, Royalty A/C, Landlord A/C and Short-working A/C in the books of Granite India ltd.

Q13) Red, white and blue are partners sharing profits and losses in the ratio of 5:3:2 respectively. Their balance sheet as on 31.12.2024, when the business was wound up was as follows:

Liabilities	₹	Assets	₹
Red's Capital	50,000	Buildings	40,000
White's Capital	15,000	Plant	30,000
Blue's Capital	45,000	Stock	30,000
		Debtors	10,000
	1,10,000		1,10,000

It was agreed to repay the amounts due to the partners as and when the assets were realised, namely, 01.02.2025 ₹30,000, 01.04.2025 ₹73,000 and 01.06.2025 ₹3,000. Prepare a statement showing the distribution of cash among the partners under the surplus capital method.

Q14) What is Social Responsibility Accounting? Explain the approaches to social accounting.

Q15) What is inflation accounting? Explain the methods of inflation accouting.