

**WEST BENGAL STATE UNIVERSITY**

B.Com. Honours Part-II Examination, 2021

FINANCIAL ACCOUNTING-II**PAPER: FACA-III**

Time Allotted: 2 Hours

Full Marks: 50

The figures in the margin indicate full marks.
Candidates should answer in their own words
and adhere to the word limit as practicable.

প্রান্তিক সীমার মধ্যস্থ সংখ্যাটি পূর্ণমান নির্দেশ করে।
পরীক্ষার্থীরা নিজের ভাষায় যথা সম্ভব শব্দসীমার মধ্যে
উত্তর করিবে।

All symbols are of usual significance.

Question No. 4 is compulsory and answer any one question from the rest

1. P and Q are partners inform sharing Profit & Loss in the ratio of 1:2. On 1st April 2018 they decided to dissolve the partnership and that date the Balance Sheet of the firm was as under: 6+6+3

P এবং Q দুজন অংশীদার যাদের লাভ ও ক্ষতির অনুপাত হল 1:2 ১লা এপ্রিল ২০১৮ তারিখে অংশীদার দ্বয় অংশীদারী প্রতিষ্ঠানের অপসারণের সিদ্ধান্ত নেয় এবং ঐ তারিখে প্রতিষ্ঠানের উদ্ধৃত পত্র নিম্নরূপঃ

Balance Sheet as on 1.4.2018

| Liabilities | Rs. | Assets | Rs. |
|------------------|-----------------|-------------------|-----------------|
| Sundry Creditors | 50,000 | Cast at Bank | 10,000 |
| General Reserve | 60,000 | Sundry Debtors | 50,000 |
| | | Less: Provision | <u>2000</u> |
| Q's Loan | 30,000 | Stock | 1,02,000 |
| P's Capital | 1,50,000 | Land & Building | 1,20,000 |
| Q's Capital | <u>1,00,000</u> | | |
| | 2,50,000 | Furniture | 30,000 |
| | | Machinery & Plant | 80,000 |
| | <u>3,90,000</u> | | <u>3,90,000</u> |

The sales of firm's property realised Rs. 1,00,000 from Stock, Rs. 34,000 from Furniture and Rs. 1,00,000 from Land and Building, Rs. 48,000 were collected from Debtors. Creditors were paid off at a discount of Rs. 1,000, Machinery and Plant were taken over by X at their book value. The expenses of realisation amounted to Rs. 4,000. You are required to prepare Realisation A/c, Partners Capital A/c and Bank A/c.

উপরোক্ত তথ্য থেকে Realisation A/c. Partners Capital A/c ও Bank A/c প্রস্তুত করো।

OR / অথবা

- (a) What do you understand by dissolution of a firm? 3+12

ফার্মের অবসায়ন বলতে কি বোঝো ?

- (b) Babai, Buban and Mamai commenced business on 1.4.2017, with capitals of Rs. 2,00,000; Rs. 1,60,000 and 1,20,000 respectively, Profits and Losses are shared equally. Capitals carried interest at 10% p.a. During 2017-18 and 2018-19, they made net profits of Rs. 30,000 and Rs. 45,000 respectively. Drawings of each partner are Rs. 20,000 per year.

On 31.3.2019, the firm was dissolved. Creditors on that date were Rs. 15,200 and creditors were settled at Rs. 14,200. The assets realized Rs. 5,08,000 net.

Give the necessary accounts to close the books of the firm.

2. Sheli Ltd. invites application for 60,000 equity shares of Rs. 10 each payable as follows: 15

On Application Rs. 3, on allotment Rs. 4, on first and final call Rs. 3.

Applications were received for 70,000 shares. Applications for 5,000 shares were refunded and pro rata allotments were made to the remaining applicants on the following basis:

- (a) To applicants for 40,000 shares in full
(b) To applicants for 25,000 shares- 20,000 shares

Ash, who had applied for 2,000 shares falling in category (a), failed to pay allotment money and money due on call. These shares were forfeited after the final call. All the forfeited shares were reissued as fully paid on receipt of Rs. 9 per share.

Show the Cash book, relevant entries and Balance Sheet in the Books of Sheli Ltd.

OR / অথবা

- (a) Write short notes on: 8+7

- (i) Provisions of the Companies Act for 'Redemption of Preference Shares'

প্রেফারেন্স শেয়ার পরিশোধ সংক্রান্ত কোম্পানী আইনের বিধান

- (ii) Capital Redemption Reserve.

মূলধন পরিশোধ।

- (b) Kuhu Ltd. issued 2,00,000 equity shares of Rs. 10 each; of which 40,000 shares were bought back @ Rs. 9 per share. The company issued 2,000, 8% Preference Shares of Rs. 100 per share. The company had Rs. 1,00,000 in Securities Premium A/C and Rs. 1,60,000 in General Reserve A/C.

Show the Journal entries.

3. How do you treat the following items in preparing final accounts of a Company as per Companies Act 2013? 3×5

- (i) Investment
(ii) Closing Stock
(iii) Proposed Dividend
(iv) Provision for Taxation
(v) Preliminary Expenses

OR / অথবা

The following is the Trial Balance of Rabi Ltd, as at 31st March, 2019:

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| | Dr. | Cr. | | Dr. | Cr. |
|-----------------------------|-----------|-----------|-------------------------|-------------------|-------------------|
| Stock (as on 1.4.2018) | 9,52,000 | | Salaries | 4,64,000 | |
| Purchase and Sales | 43,00,000 | 65,68,000 | Carriage outward | 54,000 | |
| Preference Share Redemption | 5,50,000 | | Bills Receivable | 10,00,000 | |
| Furniture | 7,44,000 | | Debtors | 11,69,000 | |
| Interim dividend | 1,50,000 | | Creditors | | 3,61,000 |
| Profit & Losses (1.4.2018) | | 1,76,000 | Cash at Bank | 15,10,000 | |
| Share Capital | | 40,00,000 | Calls-in-arrears | 50,000 | |
| Plant & Machinery | 10,62,000 | | 16% Pref. Share Capital | | 5,00,000 |
| General Reserve | | 3,00,000 | | | |
| Security Premium | | 1,00,000 | | 120,05,000 | 120,05,000 |

Prepare Profit & Loss Account for the year ended 31.3.2019 and Balance Sheet as on that date after taking into consideration the following adjustments:

- Stock on 31.3.2019 is valued at Rs. 8,84,000.
Market price is Rs. 9,20,000
- Depreciate is to be provided as follows: Furniture @ 10%, Plant & Machinery @ 15%.
- The directors proposed to recommend a dividend of 5% on Equity Shares in addition to the interim dividend.
- Make a provision for Income Tax @ 40%.
- The Preference Shares are redeemed on 1.4.2018 at a premium of 10% but the same has not been given effect to any other account except debiting the amount in the Preference Share Redemption Account.

4. (a) Distinguish between Operating Lease and Financial Lease.

4+16

Operating Lease এবং Financial Lease মধ্যে পার্থক্য লেখো।

- On 1.4.2017, Babu Ltd. purchased two plants amounted to Rs. 1,00,000 from Tutu Ltd. under hire-purchase system. The cash price of two plants was Rs. 87,000. The price of two plants was payable in three installments. Rs. 20,000 was paid at the time of taking delivery; first installment was paid after first year Rs. 40,000, second installment was paid after second year Rs. 30,000 and last installment was paid after third year. The buyer decided to provide depreciation @ 10% p.a.

Babu Ltd. paid the installments due on 31st March 2017, but could not pay the installments due on 31st March 2018. Tutu Ltd. repossessed one plant adjusting value against the amount due. The re-possession was done on the basis of 15% depreciation on the straight line method. Show:

- The Plant Account and Tutu Ltd. Account in the books of Babu Ltd,
- Goods Re-posessed Account in the books of Tutu Ltd.

OR / অথবা

- (a) State four advantages of Departmental Accounts.

4+16

বিভাগীয় হিসাবের চারটি সুবিধা লেখো।

- (b) Tuya Ltd. has two departments- Cloth and Ready-made clothes. The ready-made clothes are made by itself out of cloth supplied by the Cloth Department as its usual selling price. From the following information, prepare departmental Trading and Profit and Loss Account for the year 2018-19 and also ascertain the net profit to be transferred to Balance Sheet:

| | Cloth Dept. | Ready-made Clothes Dept. |
|------------------------|-------------|--------------------------|
| | Rs. | Rs. |
| Opening Stock | 50,000 | 30,000 |
| Purchases | 9,00,000 | 2,70,000 |
| Sales | 10,00,000 | 5,40,000 |
| Goods from Cloth Dept. | - | 2,00,000 |
| Closing Stock | 50,000 | 40,000 |

Other administrative expenses: Rs. 3,000

General expenses of the business as a whole came to Rs. 50,000.

The stock in the ready-made clothes department may be considered as consisting of 80% cloth and 25% other expenses. The cloth department earned gross profit in 2017-18 at the rate of 1% lower than the percentage of profit earned in 2018-19. Other administrative expenses are to be allocated on the basis of 4:1

Question No. 8 is compulsory and answer any one question from the rest

5. X Company with its head office at Kolkata invoiced goods to Bangalore Branch at 25% on cost price. From the following information prepare Bangalore Branch A/C, Branch Stock A/C and Branch Debtors A/C for the year ended 31.12.18.

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X Company কলকাতা শাখা থেকে বাঙ্গালার শাখায় ক্রয়মূল্যের উপর 25% হিসাবে দ্রব্যসামগ্রী চালান করে। নিম্নোক্ত তথ্যের ভিত্তিতে 31.12.18. তারিখে সমাপ্ত বছরের জন্য Bangalore Branch A/C, Branch Stock A/C and Branch Debtors A/C প্রস্তুত করো:

| Details | Rs. |
|--|--------|
| Stock on 1.1.18 (at Invoice Price) | 5,000 |
| Debtors on 1.1.18 | 3,200 |
| Cash on 1.1.18 | 400 |
| Stock on 31.12.18 | ? |
| Debtors on 31.12.18 | ? |
| Cash on 31.12.18 | 400 |
| Goods sent to branch (at Invoice Price) | 40,000 |
| Goods returned to Head Office (at Invoice Price) | 2,000 |
| Credit sales at branch | 32,000 |
| Cash sales at branch | 8,000 |
| Collection from customers | 28,000 |
| Bills receivable accepted by the customers | 2,000 |
| Branch expenses | 4,800 |
| Discount allowed to branch customers | 320 |

OR / অথবা

Kolkata Traders sends goods to its branch Chennai at cost plus 25 percent. From the following information prepare Branch Stock A/C, Branch Stock Adjustment A/C and Branch Profit & Loss A/C.

10

Kolkata Traders চেন্নাই শাখায় দ্রব্যমূল্যের উপর 25% হিসাবে দ্রব্যসামগ্রী চালান করে। নিম্নোক্ত তথ্যের ভিত্তিতে Branch Stock A/C, Branch Stock Adjustment A/C and Branch Profit & Loss A/C প্রস্তুত করো।

| | Rs. |
|--|----------|
| Opening stock at branch at cost | 16,000 |
| Goods sent to branch at Invoice Price | 80,000 |
| Loss-in-transit at Invoice Price | 10,000 |
| Pilferage at Invoice price | 4,000 |
| Cash Sales at branch | 1,22,000 |
| Branch expenses | 32,000 |
| Closing stock at branch at Invoice Price | 24,000 |
| Insurance claim received against Loss-in-transit | 6,000 |

6. What do you mean by Redemption of Debenture? What are the different ways in which debentures may be redeemed by a company? Mention the sources which can be used for redemption of debenture.

2+4+4

ডিবেঞ্চার পরিশোধ বলতে কি বোঝো? কিভাবে একটি কোম্পানীর ডিবেঞ্চার পরিশোধ করা যায়? ডিবেঞ্চার পরিশোধ করার ক্ষেত্রে ব্যবহৃত উৎসগুলি উল্লেখ করো।

OR / অথবা

The following balances appeared in the books of M Ltd. on 1.4.17:

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1.4.17 তারিখে M Ltd.-এর বইতে নিম্নোলিখিত জেরগুলি ছিলঃ

Sinking Fund Account Rs. 50,000; Sinking Fund Investment Account (10% Govt. Securities, Nominal Value Rs. 45,000) Rs. 48,000; 12% Debentures Rs. 1,00,000.

The company sold Rs. 30,000 Govt. Securities at 110% and utilized the amount to redeem part of debenture at a premium of 10%.

Show Debenture Account, Sinking Fund Account and Sinking Fund Investment Account in the books of M Ltd.

কোম্পানীটি 30,000 টাকার Govt. Securities 110%-এ বিক্রয় করে এবং কিছু অংশ ডিবেঞ্চার 10% প্রিমিয়াম সহ পরিশোধের কাজে ব্যবহার করে। M Ltd.-এর বইতে Debenture Account, Sinking Fund Account এবং Sinking Fund Investment Account প্রস্তুত করো।

7. XYZ company bought and sold 6% stock as per the following details, interest being payable on march 31 and September 30 each year:

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| | |
|----------|--|
| 01.03.18 | Bought Rs. 24,000 @ Rs. $90\frac{7}{8}\%$ |
| 15.06.18 | Sold Rs. 10,000 @ Rs. $92\frac{5}{8}\%$ cum-interest |
| 01.08.18 | Bought Rs. 6,000 @ Rs. $91\frac{3}{8}\%$ |
| 01.09.18 | Sold Rs. 4,000 @ Rs. $93\frac{1}{8}\%$ |
| 01.12.18 | Bought Rs. 12,000 @ Rs. $94\frac{1}{8}\%$ cum-interest |

Prepare Investment Account for the year ended 31.12.18 assuming brokerage at $\frac{1}{8}\%$ in each case.

OR / অথবা

Briefly explain the utility of Investment Ledger. Distinguish between Ex-interest and cum-interest price.

5+5

বিনিয়োগ খতিয়ানের উপযোগিতা সংক্ষেপে ব্যাখ্যা করো। সুদ ব্যতিরেকে মূল্য ও সুদযুক্ত মূল্যের মধ্যে পার্থক্য নিরূপণ করো।

8. Briefly explain the limitations of Accounting Standards.

5

সংক্ষেপে হিসাবনিকাশের মানের সীমাবদ্ধতাগুলি আলোচনা করো।

OR / অথবা

Briefly discuss the need for international accounting standards.

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সংক্ষেপে আন্তর্জাতিক হিসাবনিকাশের মানের প্রয়োজনীয়তা আলোচনা করো।

N.B. : Students have to complete submission of their Answer Scripts through E-mail / Whatsapp to their own respective colleges on the same day / date of examination within 1 hour after end of exam. University / College authorities will not be held responsible for wrong submission (at in proper address). Students are strongly advised not to submit multiple copies of the same answer script.

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