			MODE	L ANS	WERS									
	F	YB	COM	SEM-	II (R	egula	r)							
	ACCOUNT	'ANCY A	AND FIN	ANCIAL	MANAG	EMENT	-II(C06	68)						
	QP CODE													
								1				··· ·		
Q.1 (A	A) Fill in the blanks with m	iost appropi	iate words:	(Any 10) (one	mark each)) [··		···••••					
1:0	pening balance of Petty Cas	h is shown o	n Debit	side of Branch	Account.		······································							
2 G	oods Sent to Consignee for	sale is called	as Consi	gnment .		············		···	••••••••••					
3 0	ood sent on consignment is	credited to	Good Sent	on Consignme	ent Accour	 nt.	···]							
4 0	oods costing Rs 2,00,000 w	ere sent on c	onsignment a	t cost plus 25%	6. Invoice val	ue of the goo	ods will be Rs	2.50.000						
3:0	whership of the goods sent of	on consignme	ent remains w	ith the Cons	signor .				···••		•••••			
6 Pr	oforma invoice is prepared	by <u>Consi</u>	gnor .	1	<u> </u>	··•		··•			•••••			
7 De	ependent branches do not	maintain con	nplete books	of accounts.	***************************************	··•		···			•••••			
8 Ur	nder Branch Debtors System	n, depreciatio	n of branch f	ixed assets is n	ot shown in	Branch Ac	i				••••••			
9 Br	anch Account is prepared un	nder Debto	rs method	of Branch Acc	ounting	Time 710								
10 In	fire insurance, the insured g	ets compens	ation proport	ionate to Lo	ss incurred	in case of s	i							
11 Slo	ow moving goods are called	as Abnor	mal goods		i iii	in case or si	: Incient msu	ance.			••••••			
12 Cr	edit Purchases can be ascert	ained from	Creditors				·							
	i i	·····	:	: 11000 unii.	·•••••••••••••••••••••••••••••••••••••	·•••••••••••••••••••••••••••••••••••••	·				•••••			
(B) State whether the followi	ng statemen	its are True	or False (Any	.i	.i	·!·····							
1.	Single Entry System is sui	itable to smal	Il organizatio	n TRUE	i (one ma	ii K each)								
2.	Credit sales can be ascerta	ined from D	ehtors Accou	nt TRIIF	·	·	·							
3.	Under Single Entry Syster	n closing ca	nital is ascert	ained by prepa	ing ononing	i	i.	<u> </u>				.i		
4.	The relationship between of	consignor an	d consignee i	e that of princip	al & scort	EDITE	allairs. FAL	SE.	<u>.i</u>		***************************************	. 		<u> </u>
5.	In case of del-credere com	unission had	debt loss is l	orne by the se	pai & agent.	IRUE	·		.į			<u> </u>		
6.	Consignment is same as sa	ele FAI SF	1 4001 1033 13 1	Firm by the co	insignee. I K	OF.	ļ							
7.	Discount allowed to custon		i	i	TOTE	<u> </u>	ļ				***************************************			
8.	Dependent branch depende	c on quetomo	es for averle	anch Account.	IKUE	<u> </u>	ļ					į		
9.	Dependent branch depends	S OII CUSIOIHE	-1 Ct -1	or goods and e	xpenses. FAI	LSE								
	Under Stock and Debtors s	system, Bran	ch Stock acco	ount is a real ac	count. TRUI	£						Ĭ		:
11.	Rate of gross profit need no Average clause has no effect	of be consiste	nt for deciding	ng the stock on	the date of fi	re. FALSE	<u>.</u>							:
					<u> </u>	į	ļ	.j	i				•	
12.	In case of overvaluation of s	stock, it shou	ld be brought	down to cost.	TRUE	<u> </u>	!	<u>.</u>				·		<u></u>
02 7-	the healer of M. W. 1		<u> </u>		<u> </u>	<u> </u>			<u> </u>			` .		i
V-2 III I	the books of Mr. Kedarnat	****			····				:			•	•	:
			& Profit Los		<u> </u>			<u> </u>		T	***************************************			:
				st March 2017							••••••	1	İ	<u>:</u>
	Particulars	Rs.	Rs.		Particulars	Rs.	Rs.	T	•••••••••••••••••••••••••••••••••••••••		•••••••	•		
	Opening Stock		30,000	By Sales				1	•		••••••••	:	ļ	
To	Purchases			Cash		120,000	***************************************	1			••••••	•		į

	Cash	<u> </u>	47,000		Credit (W)		331,000	451,000	l l			1	- 1
	Credit (W		298,000	345,000	By Closing s	tock		40,000	·····		••••••••••		
	To Gross Pro	fit c/d		116,000		Ĩ			•••••••••••••••••••••••••••••••••••••••	•••••••••••••••••••••••••••••••••••••••			
			1	491,000				491,000	2 Mí			••••••	
			1		By Gross Pro	ofit b/d		116,000					
********	To Salaries			50,000	By Interest R		†	6,000	•••••••••••••••••••••••••••••••••••••••				
*******	To Printing a	nd Stationery	1	22,000			†						······
•••••	To Insurance		15,000			•••••••••••••••••••••••••••••••••••••••	+		······································				
•••••	Less: Prepaid		1,000			·†·····	+		······································	•••••••••••••••••••••••••••••••••••••••			
•••••	To Sales Con			24,000		· 	+			•••••••••••••••••••••••••••••••••••••••			
******	To Dep on Fu		+	4,000			+						
*****	(Working No		+			·•••••••••••••••••••••••••••••••••••••	+						
•••••		Transferred to Cap	nital A/c	8,000			+						
	1-0110111	i Capacita io Cap	1	122,000		·	·	122 000					
*****	-			122,000		 	-	122,000	3 M				<u>.</u>
•••••							.ļj.						
*****		<u> </u>	į	n , ,		<u> </u>	<u></u>						
••••			1		31st March		,						
		abilities	Rs.	Rs.	Ass	ets	Rs.	Rs.		i			
	Capital	<u> </u>			Furniture					······		······	••••••••••
	Opening	<u> </u>	93,000		Opening balas	nce	20,000	1				·······	
	Add: Net Pro	fit	8,000	101,000	Additions	<u> </u>	30,000	1		•••••••••••••••••••••••••••••••••••••••		:	····
						!	50,000		······i	•••••••••••••••••••••••••••••••••••••••		······	
	Creditors			30,000	Less Depn @	10%	4,000	46,000	······································	•••••••••••••••••••••••••••••••••••••••		·····i	
	Bills payable				(Working Not							·····1	
	Loan Receive			40,000	Prepaid Insura	ance	tt	1,000	•••••••••••••••••••••••••••••••••••••••	•••••••••••••••••••••••••••••••••••••••			
					Closing Stock		t	40,000	······································			••••••	
					Debtors	i	t	60,000	······································				
		O	1		Bills Receival	oles	t	8,000	······································				
******		• !		**********	Cash & Bank		t	28,000		•••••••••••••••••••••••••••••••••••••••			
******		 !	1	183,000		 I	t	183,000	3 M				
	W Note 1			Bills Receiva	able A/C	 	 	200,000	21/1				
		Particulars		Rs.		Particulars	 	Rs.					
******	To Bal b/d		1		By Cash & Ba			20,000					
*****	To Debtors A	<u> Е</u> С	•		By Debtors A		onoured)	400					
	(New Bills Dr				By Bal c/d	וואוע אווען	onoured)	******************************					
•••••	LICK DITTS DI	i	 	28,400	by Bai C/U	 !	<u> </u>	8000					
	W/ No4= 2		<u> </u>			 		28,400	1 M				
	W Note 2	D .: 1	ļļ	Debtors A/c									
		Particulars		Rs.		Particulars		Rs.		<u> </u>			
	To Bal b/d		ļl		By Cash & Ba			300,000					
	To B/R (Disho				By Bills Recei			21,400				ĺ	
	To Credit Sale	***************************************	ļļ	331,000	(From Deb	tors A/c)							
	(Balancing	Figure)		381,400	By Bal c/d			60000					
								381,400			****************		******

W Note 3			Bills Payal	ole A/c					-	- I I			
	Particulars		Rs.		Particulars		Rs.				······		
To Cash & B	ank		30000	By Bal b/d			4000	***************************************					
To Bal c/d	•	•	12000	By Bal b/d By Creditors	·•••••••••••••••••••••••••••••••••••••	•	38000						
	:	•	1	(New Bills A	ccented Ral t	i fig)	30000						
	·•····································	•	42000		i Dar	15.)	42000	1 3 4					
W Note 4		<u> </u>	Creditors A	-			42000	1 M					ii
	Particulars	 	Rs.		Particulars			•••••					
To Cash & Ba	A	 	A		rarticulars		Rs.						
To Bills Paya			230000	By Bal b/d By Credit Pur	i	ļ	20000 298000						
To Bal c/d	:	·	30000			<u> </u>	2980001						<u>I</u>
10 Bar C/u	<u> </u>	·	30000	(Balancing	g Figure)						<u></u>	<u> </u>	
	<u>.</u>		318000	1	ļ				. <u>i</u>		<u></u>		
	ļ		318000				318000	1 M					
337 BT . F =	<u> </u>	<u> </u>											:
W Note 5: D	epreciation •	<u> </u>	<u> </u>	<u> </u>	İ				i i		i		
	: 	Furniture	<u> </u>	<u> </u>		Rs.	Rs.		`` .		······	•••••••	······i
		Opening I	Balance	<u> </u>		20000		••••••	''I'''''		······	•••••••	··········
			% for one ye	ear			2000	***************************************	··		······································		
		On Purcha				30,000	1	***************************************	''Î		······································		······································
		Dep @ 10	% for 8 mon	ths			2000		•••••••••••••••••••••••••••••••••••••••		•••••••••••••••••••••••••••••••••••••••		
		Total Dep	reciation	:			4000	1 M			•••••••••••••••••••••••••••••••••••••••		
W Note 6			Opening Sta	tement of Affa	irs as on 1st A	April 2016		***************************************	··•···································			•••••••••••••••••••••••••••••••••••••••	
Liabilities			Rs.	Assets			Rs.	***************************************	***************************************		•••••••••••••••••••••••••••••••••••••••		•••••••
Capital	(Bal Fig.)		93000	Furniture			20000		•••••••••••••••••••••••••••••••••••••••				
Creditors			20000	Closing Stock			30000		·•····································		•••••••••••••••••••••••••••••••••••••••		
Bills payable			4000	Debtors			50000		·!······		······		
			•••••••••••••••••••••••••••••••••••••••	Bills Receivab	le		7000	••••••	· [······				
			•••••	Cash and Bank	***************************************		10,000		÷	······································			
	••••••••••••••		117000				117000	2 M	·•••••••••••••••••••••••••••••••••••••				
							117000	2 141	·}				
	•••••••••••••••••••••••••••••••••••••••		OR		······			***************************************	·				
			OIC		······								
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2 In the healt	s of Mr. Harihara		J	L	l								
Z III UIE DUUK			Dungs I	A 2011 4 5-11	- Man	3 21-4 35	2015		į				
	Particulars	De I		Acount for th					<u></u>				
To Opening St		Rs.	Rs.	Des Calc	Particulars	Rs.	Rs.		<u> </u>				
To Purchases			30,000	By Sales					<u> </u>				
		15,000		Cash Sales		20,000			<u>:</u>				
Cash Purch	ases	15,000		Credit Sales		150,000	170,000		į				i i
Credit	-/1: DO 7 1/	70,000	85,000	By Closing sto	ck		12,000		<u> </u>				T T
10 Gross Profit	t c/d to P& L A/c		67,000										1
			182,000		<u>l</u>		182,000	2 M			1		••••••
To Discount Al	llowed		1,000	By Gross Profi	t b/d		67,000		Ī				

To Opfice Expenses 20,000	To Salaries			18,000	By Commission Received		4,000	-		<u> </u>			-
To Dep on Laplop/Computer	To Office Ex	penses	1				.,,,,,	•••••••••••••••••••••••••••••••••••••••	•••••	 	······	·	
To Net Profit Transferred to Capital A/c			1	18.750	i .	†		······		 	<u>-</u>	·	
			ital A/c	13,250		†		······································			······	!	.
Balance Sheet As on 31st March, 2017		······	T			†	71 000	2 M .					
Capital Capi			<u> </u>				71,000	3 IVI	•••••	ļļ			
Capital Capi			Dolones	Chart As as	21-135 1 2017	ii.	·····			ļļ			. .
Capital	<u> </u>	Linkilitian				1 5 1				<u> </u>		<u></u>	<u> </u>
Opening 100,000 Opening balance 50,000 Add Net Profit 13,250 113,250 Add Additions 50,000	Comital	Liabilities	Ks.	Rs.		Rs.	Rs.	į		ļļ			<u> </u>
Add Net Profit 13,250 113,250 Add: Additions 50,000	Capitai		100 000						***************************************	ļļ			<u> </u>
Lean from Friends		<u>.i.</u>		ļ	Opening balance								
Cas per Opening Balance Less: Dep (W Note 6)			13,250	·····	Add: Additions					<u> </u>			
Creditors (W Note 4) 2,000 Bills Receivable 11,000			ļ	15,000	<u> </u>	********************		į					
Bills Payable (W Note 4)			ļ	ļ	Less: Dep (W Note 6)	18,750		į					Ī
Cosing Stock 12,000			ļ	53,000	Debtors (W Note 3)	<u> </u>							1
Closing Stock	Bills Payable	(W Note 4)	<u> </u>	2,000			11,000					:	Ī
Cash & Bank Balances 18,000												:	1
Cash & Bank Balances 18,000							12,000				i i		T
Note 1							18,000	i	***************************************		•••••••••••••••••••••••••••••••••••••••		•
W Note 1					(W Note 1)		1		***************************************		***************************************	•	· • • • • • • • • • • • • • • • • • • •
W Note 1				183250			183250	3 M	•••••		•••••••••••••••••••••••••••••••••••••••		•
Receipts Rs. Payments Rs. Payments Rs. To Balance b/d 37,000 By Creditors 50,000 To Cash Sales 20,000 By Creditors 60,000 To Debtors 110,000 By Salaries 18,000 To Commission Received 4,000 By Office Expenses 20,000 To Gommission Received 4,000 By Office Expenses 20,000 To Bills Receivable By Computer/Laptop Purchased 50,000 (Matured and Received) 15,000 By Bills Payable Paid 5,000		1						······	•••••		······································	<u> </u>	ł
Receipts	***************************************	W Note 1		Cash	and Bank Account				••••••			ļ	ļ
To Cash Sales							Rs.	•••••••••••••••••••••••••••••••••••••••					······
To Debtors	To Balance b	/d		37,000	By Cash Purchases		15,000	·······	•••••••••••				•
To Debtors 110,000 By Salaries 18,000 To Commission Received 4,000 By Office Expenses 20,000 To Bills Receivable By Computer/ Laptop Purchased 50,000 To Bills Receivable By Balance c/d 18,000 To Bills Payable Paid 5,000 To Bills Receivable By Balance c/d 18,000 To Bills Receivable To Debtors To Debtors To Debtors To Debtors To Debtors To Debtors To Bills Drawn To Debtors To Bills Drawn To Debtors To Bills Drawn To Debtors To Debtors To Bills Drawn To Debtors To Bills Drawn To Debtors To Deb	To Cash Sale	S		20,000	By Creditors		60,000	•••••••••••••••••••••••••••••••••••••••		*****			••••••
To Commission Received	To Debtors			110,000	By Salaries		***************************************	······	••••••				·······
To Bills Receivable	To Commissi	on Received					********************						······
(Matured and Received) 15,000 By Bills Payable Paid 5,000 By Balance c/d 18,000 186,000 186,000 W Note No. 2 Bills Receivable A/c Particulars Rs. Particulars Rs. Particulars Rs. To Bal b/d 8,000 By Cash & Bank To Debtors (New Bills Drawn) 18,000 By Bal c/d 11,000 26,000 26,000 W Note 3 Debtors A/c Rs. Rs. To Bal b/d 40,000 By Cash & Bank 110,000 To Credit Sales 150,000 By Bills Receivable 18,000						hased	*************************	······································			······································		!
By Balance c/d 18,000	(Matured	and Received)		15,000			*************************	······································	••••••		·······		
186,000 186,000 2 M					•		*******************						
W Note No. 2 Bills Receivable A/c Particulars Rs. Particulars Particulars Rs. Particulars Rs. Particulars Particular	***************************************			186.000	i i	_		2 M	••••••		······································		
Particulars Rs. Particulars Rs. Particulars Rs.						-		2 IVI					
Particulars Rs. Particulars Rs. Particulars Rs. To Bal b/d 8,000 By Cash & Bank 15,000 To Debtors (New Bills Drawn) 18,000 By Bal c/d 11,000		W Note No. 2		Bills Receiv	able A/c			·····			······		<u> </u>
To Bal b/d 8,000 By Cash & Bank 15,000 To Debtors (New Bills Drawn) 18,000 By Bal c/d 11,000 26,000 1M W Note 3 Debtors A/c Rs. Rs. Ro Bal b/d 40,000 By Cash & Bank 110,000 To Credit Sales 150,000 By Bills Receivable 18,000							De i	······································					ļ
To Debtors (New Bills Drawn) 18,000 By Bal c/d 11,000 26,000 1 M	To Bal h/d	i articulats						·····					<u> </u>
26,000 26,000 1 M	******************************	New Rills Deserve	, ,	********************	b				•••••				ļ
W Note 3 Debtors A/c Rs. Rs. To Bal b/d 40,000 By Cash & Bank 110,000 To Credit Sales 150,000 By Bills Receivable 18,000	10 Deniois	(INCW DIIIS DIAWI	1.7										
Rs. Rs. To Bal b/d 40,000 By Cash & Bank 110,000 To Credit Sales 150,000 By Bills Receivable 18,000				20,000			20,000	1 M					<u></u>
Rs. Rs. To Bal b/d 40,000 By Cash & Bank 110,000 To Credit Sales 150,000 By Bills Receivable 18,000		W Note 3		Dehtors A/o								•••••	
To Bal b/d 40,000 By Cash & Bank 110,000 To Credit Sales 150,000 By Bills Receivable 18,000		11 11010 5	——i				Re i					•••••	ļ
To Credit Sales 150,000 By Bills Receivable 18,000	To Bal h/d				Ry Cash & Rank							•••••	
		i					10,000						ļ
(Dataneing Figure) (New Dills Drawn)				**********************			18,000						
		(Balancing Figure)			(New Bills Drawn)								

			i		By Discount	allowed		1,000		-					
					By Bal c/d	<u> </u>	1	61,000		!					<u></u>
				190,000		"		190,000						***************************************	. <u>I</u>
********						-	 	190,000	0 1 M						
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	1	W Note 4	·•••••••••••••••••••••••••••••••••••••	!	Dille Daviehl		<i>4</i> /				<u></u>	i i		***************************************	··········
•••••		1	+	Rs.	Bills Payable	: A/C	 '	<u> </u>			<u>i</u>	I		,	İ
	To Cash & Ba	iank	+		By Bal b/d		 '	Rs.				i		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	Ī
	To Bal c/d		,		By Creditors		ģ	Nil				i i		***************************************	
*******		•	/				ģ	7000	1					***************************************	
	1	•	. 		(New Bills Ad	ccepted) :	ķ	'						***************************************	
	1		<u> </u>	7,000	<u></u>		4	7,000	1 M					***************************************	į
	4	**************************************			<u> </u>	_ <u></u> /	<i></i>	1				•••••••••••••••••••••••••••••••••••••••	***********		1
		W Note 5			Creditors A/0	<u>C</u> ,	<u> </u>	1		···			•••••••••••••••••••••••••••••••••••••••		
	T. Call O. D.	<u> </u>		Rs.			,	Rs.		•••••••••••••••••••••••••••••••••••••••					į
	To Cash & Ba				By Bal b/d	J	1	50,000				·····			į
	To Bills Payal		<u> </u>	7,000	By Credit Pure	chases	<i>[</i>	70,000				·····	······································		ģ
	(New Bill	Accepted)	<u> </u>			i i	<i>[</i>	,				······································			<u> </u>
	To Bal c/d		<u>i</u>	53,000	1	Į.	/	,	·		~	······			
				120,000	,			120,000	1 M	····					<u> </u>
]	<u> </u>	Į.	Ī		1										ģ
		W Note 6	į T	1	,	†	,·····•	/*************************************	<u> </u>	.					<u> </u>
	4	Depreciation on La	aptop		/	Rs.	/*************************************	/ -	<u> </u>	.					į
	4	On 50000 @25% f	for one yea	ır		12,500		<i></i>		<u>.</u>					<u> </u>
	ź	On 50000 @25% f	for 6 month	ns		6,250	<i></i>	/	į						4
	1	Total Depreciation		<i>-</i>	J	18,750	······································	······································							4
		7	-	/		10,750			1 M						1
			/*************************************	,	**************************************	ļ			,					······································	i
.3		In the healts of U	1 2000		j	i						i			
		In the books of He													,
		Bhopal Branch for	r the year	ending on 31	st March, 20	17. (10 Mar	ks)					······	***************************************		
	Particulars	1 1		Rs.		Particulars			Rs.	Rs.	1-1	••••••••••••			
	To Assets Bal	l. as on 1.4.2016				By Goods retu	urned by Bra	inch (I.P)		10,000					
	Stock (I.P))	4	50,000		By Goods sen				••••		······································			
	Debtors	<i>[</i>	·	70,000		437500*20%		Loauing)		87,500					4
		/	-	70,000					***************************************						***************************************
	To Goods Ser	Goods Sent to Branch (I.P) Goods Sent to Branch (loading)			427.500	By Cash (Rer	nittance by	Branch)							
	To Goods Sen			10000*200	437,300	Cash Sales du Add: Cash rec	ring the year		170,000	1		Ī			
			······································	10000*20%	2,000	Add: Cash rec	eived from I	Jebtors [1	177,500	347,500		i	***************************************		
17	To Bank (Che	eque sent for Expen	nses)			By Stock Res	serve on Op	ening Stock		10,000	T			······	·······
	Salary	<u>.</u>	/	30,000		l				10,000					
	Salary Rent	/·····				50000*20%	İ.		***************************************	I					**********
	Miscellenous ex			12,000		By Assets Bal	as on 31.3.					:			•••••
TA	Alscellellous c	xpenses		6,700	48,7001	Stock (I.P)	:	17	75,000	1				······································	••••••

.

	To Stock reserve on Closing Stock		15,000 Debtors	1		95,000	170,000	T		ī	ī
	75000*20%			<u> </u>	i				······		. <u></u>
********	To General Profit and Loss Account		1,800	<u> </u>	İ						· •
			625,000	Time to the second seco			625,000	1	·····		· • • • • • • • • • • • • • • • • • • •
		Total Debto	ors Accounts (3 marks)						i i		· •
	Particulars	Rs.	Particulars	i	Rs.		i i		······································		· i
********	To balance b/d	70,000	ByAllowances to Debtors		1,500				······		· [
	To Credit Sales	210,000	By Bad Debts	Î	1,000		•••••••••••••••••••••••••••••••••••••••		•••••		1
			By Goods returned by De		5,000				i i		1
			By Cash received from Do	ebtors	177,500		ĺ				
			To balance c/d		95,000		Ĭ				
		280,000			280,000		Ĭ				Ĭ
		Goods sent	to Branch Account. (2 m	arks)							Ī
	Particulars Particulars	Rs.	Particulars		Rs.						
	By Goods returned by Branch (I.P)	10,000	To Goods sent to Branch	(I.P)	437,500						
********	By Goods sent to Branch (Loading)	87,500	By Goods returned by Bra	nch (loading)	2000				Ī		Ī
	By Purchases/ Trading Account	342,000		Ĭ							:
********		439,500			439,500	***************************************			······		:
********							Ī		i i		
*********	i i i	····		Ī					·······		<u> </u>
••••••	i i i	OR		<u> </u>			···•				·
•••••		i	i i	Ī					<u> </u>	TI TI	<u> </u>
Q.3	In the books of Head Office of Ankush	Trading Com	oany, Nagpur						i i		Ī
********		Kanpur Br	anch Stock Account								
*******	Particulars	The same of the sa	Particulars Particulars		Rs.						
	To bal b/d		By Branch Cash (Cash Sa		167,600	4 M			ĺ		Ĭ
	To Goods sent to branch	355,000	By Branch Debtors (Cred	it sales)	200,000						
	To Branch Debtors	3,000	By Goods sent to branch	į	3,500						
			By Balance c/d		69,500		<u>. [</u>		<u> </u>		
	To Gross Profit	7,100									<u> </u>
		440,600			440,600						
				. į							<u> </u>
		Kanpur Br	anch Debtors Account								<u>.</u>
	Particulars	Rs.	Particulars		Rs.	***********************			<u>.</u>		<u> </u>
	To bal b/d		By Branch Stock (returns)	3,000	4 M					
	By Branch Stock	200,000	By Branch Cash	<u> </u>	184,500						<u> </u>
			By Branch P&L (Discount	and commiss							
			By Branch P&L (Bad deb	ts)	390						<u></u>
			By. Balance c/d		65,750						<u></u>
		255,000			255,000				<u>.</u>		<u> </u>
		Kanpur Bra	anch Expenses Account								

Particulars	Rs.	Particulars	Rs.			1
To Rent Rates and Taxes	1,200	By Branch P& L Account	4,850	2 M		1
To Salesmen and wages etc.	3,650					1
i i	4,850		4,850	······		1
	Kannur Br	anch P&L Account				
Particulars	Rs.	Particulars	Rs.		<u>-</u>	İ
To Branch Expenses		By Gross Profit	7,100	3 M		İ
To Branch Debtors (Discount and comm	nissi 1,360	\$			 ·····	†
To Branch Debtors (Bad debts)	390					
To Net Profit	500	<u> </u>				 :
	7,100		7100		••••••	
		anch Cash Account				İ
Particulars	Rs.	Particulars	Rs.			
To Branch Debtors		By Cash Remitted to Branch	352,100			•
To Cash Sales	167,600	6	332,100	2 M	 	·····
10 Cash Sales:	352,100		352,100			 !
	332,100	 	332,100	······································	 	
DITTE BOOKS OF A	I DIAMOND	CEMENTS I TO (No.			 	ļ
Q.4 IN THE BOOKS OF M	CONSTANT	CEMENTS LTD (Nagpur)			 	ļ
		MENT ACCOUNT (Marks 7)	- Pa		 	
Particulars	Rs.	Particulars A/a [Salas]	Rs. 380,000	······	 	<u> </u>
To Goods sent on Consignment A/c		By Suyesh Bros. A/c [Sales]			 	<u> </u>
To Cash/Bank A/c	9,200	By Stock on Consignment A/c	81,840		 	<u> </u>
[Diamond Cements Expenses]	2.000	(WN)			 	<u> </u>
To Suyesh Bros. A/c [Expenses]	8,000				 	<u></u>
To Suyesh Bros. A/c [Commission]	7,600				 	
To Profit and Loss A/c	37,040		461.940		 	<u></u>
	461,840		461,840	<u>.</u>	 	<u> </u>
		<u> </u>			 	
		ROS. A/C [Consignee A/c] (Mark			 	į
Particulars	Rs.	Particulars	Rs.		 	
To Consignment A/c [Sales]	380,000	By Consignment A/c [Expenses]	8,000		 	<u></u>
		By Consignment A/c [Commission]	7,600		 	<u> </u>
		By Bills Receivable [Remittance]	200,000			Į
		By Cash/Bank A/c [Remittance]	164,400			<u> </u>
	380,000		380,000			
						<u> </u>
	i i					
Working Note :_			(Marks 3)			<u> </u>
Closing Stock		Quantity Rs.				<u> </u>
Cost of Goods Sent	i i					<u> </u>
[a] Quantity Sent		5000				
Cost of Goods Sent [5,000 * 80]	i i	400000				

Diamond Cements Ltd.'s Expe	enses		9200:		•		
[b] Total cost		<u>-</u>	9200		ļ	i i	i i
[c] Quantity sold		4000					·····
[d] Quantity stock [a-c]		4000	'				·····
[e] Closing stock - Cost		1000			<u> </u>		•••••••••••••••••••••••••••••••••••••••
:	409200 x 1000	7	l		i		•••••••••••••••••••••••••••••••••••••••
Total Cost	= 409200 X 1000	= 81840			i i		
	3000		·			······	
			<u></u>				
Q.4 IN THE BOOKS OF M/s HE	OR OCCUPATION						
E STATE DOORS OF M/S HI	CONCLOSION CONTRACTOR I	gnorj	<u> </u>				
Particulars	CONSIGNMEN	FACCOUNT (MA	ARKS 8)				
To Goods sent on	Rs.			Rs.		 	
********	120,	000 By Goods sent		30,000		 	
Consignment A/c		Consignment				 	
[1500 x 80] [(Load) 1500 x				 	
To Ganesh Cycle A/c		By Ganesh Cyc	cle A/c	95,000	·······i	 	
Advertisement	4500	1000 x 95		22,000	·····	 	
Godown Rent	3000 7,5	500 By Closing Sto	ck on	40,000		 	
To Stock Reserve A/c	10,0	000 Consignment A	Vc	.0,000		 	
To Ganesh Cycle A/c	13,7	750	1			 	
[Commission]						 	
To Profit & Loss A/c	13,7	750				 	
	165,0	100		165,000		 	
	GANESH CYCLI	E A/C [Consignee A	/cl (5 MARKS)	•		 	
Particulars	Rs.	Particulars	:	Rs.		 	
To Consignment A/c [Sales]		000 By Bills Receiv	able [Advance]	25,000		 	
	<u> </u>	By Consignmen	nt A/c [Expenses]	7,500			<u>i</u>
		By Consignmen	at A/c [Commission	n] 13,750			<u> </u>
		By Bank A/c [B	al Fig 1				<u> </u>
		, <u> </u>		48,750		 	
	95,0	70		05.000			
	75,0	=		95,000		 	
	GOODS SENT ON	CONSTONATION	'ACCOIDE (==	I I			······
Particulars	Rs.	N CONSIGNMENT Particulars	ACCOUNT (2)				1
To Trading A/c[transfer]			\ A/-	Rs.			······
To Consignment A/c		00 By Consignmen	ı A/C	120,000			······································
1	30,00	vo					
	120,00	10					•••••••••••••••••••••••••••••••••••••••
Working Note :	120,00	20		120,000			
Consignment stock	ļ				i		
	ļ	<u></u>				 	
500 cycles @ 80	400	00				 	

	•	T 1 500 C 1	O 20		10000		-			-					
		Load 500 Cycles (@ 20		10000	ļļ				!	<u></u>		<u> </u>		
		2. Commission	I		ļ	ļl		<u>i</u>		<u> </u>	<u>l</u>				<u> </u>
		12.5 % on Invoice	e Price		ļ	ļ <u>l</u>		<u> </u>		<u> </u>					<u> </u>
		1000 cycles @ Rs	. 80	80000	~	ļi									<u> </u>
		12.5 % of 80,000			10000	ļi						***************************************			
		Surplus Commissi			Į	ļl									<u> </u>
		Surplus Sale Pric		95000	*************************	ļl									
		Less: Invoice Pric	ce	80000	ļ	ļl		<u></u>					į		
				15000		ļl									
		25% of Rs.15000			3750		<u>.</u>	<u> </u>		1					<u> </u>
		ļ			13750	<u> </u>	<u>.</u>	<u> </u>							
		L				<u> </u>	<u>i</u>		***************************************					<u> </u>	
Q.5	In the Books	of M/s Fireprone	& Co.			<u> </u>			***************************************						
			Memoran	idum Tradir		<u> </u>		· · · · · · · · · · · · · · · · · · ·	8 M						
		Form 1st April to	Form 1st A												
	Particulars				Particulars			Amt.							
		tock [(660000/110)*100]		By Sales	<u> </u>	9060000								
	To Purchases				Less Return	<u> </u>	900000	8160000							
******	To G P (33 1/3	3 % of 8160000)			By Closing St	ock		1660000							Ĭ
				9820000		<u></u>		9820000							Ĭ
	Calculation for	or Actual Loss							3 M				[
	Stock on the d	ate of Fire		1660000		•				Î					•
	Less Salvage V	······		520000	&	1			***************************************					!·····	
••••••		Actual Loss		1140000	£	Ĭ Ť			•••••	Ī					
••••••		or Insurance Clair	n		-			•••••••••••••••••••••••••••••••••••••••	4 M	Î					
	•			ınt of Insurar	nce Policy	I_ A_ 1 T			***************************************	Ī					
*******	•	Insurance Claim =		ck on the date		x Actual Loss	s i	······i		Ī					
*******		Inc., 101 ·	[1200000		1140000	•••••••••••••••••••••••••••••••••••••••	•••••••••••••••••••••••••••••••••••••••					***************************************		
		Insurance Claim =		1660000		x 1140000	2	•					***************************************		
*******		Insurance Claim =	824096	,		1		••••••							***************************************
*******		- Carrier Ciantii -	å	OR		ļ							***************************************		
0.5	In the Rooks	i of Vulnerable Tra	A			ļ			10 M	}i					
X.2	THE DOURS			dum Tradin	g Account	<u> </u>			19 1/1	ļi					
*******					2016 to 31-05-	2016								ļi	
••••••	Particulars		I or the I'l		Particulars			Amt.		ļ					
		tock [(270000/90)*	*1001		By Sales	 		Aiit.							
•••••	To Purchases		100]	300000	Cash	†······	636000			ļ		·····i			
	Cash (Ass		Nil		Credit	ł	720000								
	Credit	4104)	1170000		Cicui	!	1356000								
******	Cicuit				Less Returns	ļ	6000	1250000							
	Less Return		1170000 3000	1167000	Ry Goods Do-	rated at Cost	- 0000	1350000						ļ	
••••••	To G. P. (@ 25	5 % of calca)	3000	227500	By Goods Dor By Closing St	nated at COSE		15000						ļ	
	100.1.(@2	70 OI SAICS)		1804500	Closing St			439500 1804500							
				1004300				1004300							

Galada Cara	. 17								-	-	-
Calculation for Act		420500				2 M					<u> </u>
Stock on the date of	rire	439500	A								
Less Salvage Value	al Loss	100000	A								
Calculation for Insi	II LOSS	339500				335					
	•		<u> </u>	.l		3 M					
Since the Sum Ass											
Insurance/Average	Clause.Hence the a	mount of cla	im will be sa	me as Stock Los	st by					·!·····	
fire i.e. Rs. 3,39,50	00/-									·	
						·····	······································			<u> </u>	÷
	······	ī		· I · · · · · · · · · · · · · · · · · ·		***************************************				·	·
		Î		1		***************************************	······································		··•	!	1
· · · · · · · · · · · · · · · · · · ·		-								1	· † · · · · · · · · · · · · · · · · · ·
Working Note: 2	Total De	btors Accoun	nt	1			······i			1	•
Particulars			Particulars		Amt.					1	
To Bal B/d			By Cash		600000						•
To Credit sales (Ba	ıl. Fig.)		By Cash Disc		15000						
	<u>i</u>		By Sales Retu	ım	6000						
	<u>.</u>		By Bal. C/f	<u> </u>	174000	<u>.</u>		<u> </u>			
		795000			795000						
Working Note: 3	Total Cr	editors Acco							<u>. i</u>		
Particulars			Particulars		Amt.	<u>.</u>			<u> </u>	<u> </u>	<u> </u>
To Cash			By Bal B/d	<u>.l</u>	45000					<u></u>	<u> </u>
To Discount Receive	d į		By Credit Pur	rchases	1170000	<u>.</u>					<u> </u>
To Purchase Returns		3000	• • • • • • • • • • • • • • • • • • • •	.ļļ						ļ	<u></u>
To Bal C/d		90000		ļ	1215000					ļ	ļ
		1215000		<u> </u>	1215000					ļ	<u> </u>
	<u>l</u>			<u> </u>						<u> </u>	<u></u>
Q.6 What is Branch?	***************************************		dent Branch	and Give Forn	nat of					<u> </u>	
Branch Account	in Branch Debtors	system?									<u></u>
What is Branch (1	Mark)										
A Branch is a part	of central system or	organization	it is subordi	nate unit of the	organization and carri	ied					
on same activities						i i	••••••	''I''''''''			İ
Features of branc	**************************************	T		T T	<u></u>	······i		·	·	<u> </u>	
	maintained by Head	.i		†							<u></u>
		***************************************								ļ	
***************************************	eceived from Head (· ~ · · · · · · · · · · · · · · · · · ·		ļ						ļ	į
···············	tted to Head Office.	. 4		<u> </u>	L					!	!
***************************************	······································		petty cash, de	ebtors, stock, etc	and sends periodica	al statement.					<u> </u>
Format of Branch	Account. (5Marks	s)									
In the books of Hea	ad Office										

Particulars	Amt	Particulars		Amt			П			<u> </u>	
To Bal b/d		By Bal c/d				<u> </u>		***************************************		·	
Stock	XXX	(Outstanding expenses))	XXX		:				:	
Debtors	XXX	By Goods sent to branch (r		XXX		Ī					Ī
Cash	XXX	By Cash/Bank A/c	T I	XXX		<u> </u>					İ
Petty Cash	XXX	(remittance to Head Off	fice)			Ī			••••••••••		Ì
Fixed Assets		By Profit and Loss Accoun	nt	XXX		Ī				<u> </u>	Ī
To Goods sent to Branch A/c	XXX	(Branch Los	ss)			<u> </u>			******************************		
To Cash/Bank A/c	XXX	By Bal c/d									•
(Remittance for expenses)		Stock		XXX		ĺ					
To Profit and loss A/c	XXX	Debtors		XXX							<u>.</u>
(Branch profit)		Cash		XXX						•	<u></u>
To Bal c/d		Petty Cash		XXX							Ī
(Outstanding Expenses)	xxx	Fixed Assets		XXX		<u> </u>			,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	•	•
	XXX			XXX		<u> </u>					
						Ĭ			••••••••		
B. What is consignment and its neces	ssity? Give	format of Consignment A	Account.						***************************************		
What is Consignment (1 Mark)			T i			 !			***************************************		
Consignment refers to business of sendi	ng goods to	agent for sale on commi	ission. Consign	nors hold t	he ownership)			***************************************		
of goods although the goods are in poss	***************************************					 !			***************************************		
on behalf of and at the risk of consignor						•			***************************************		
Necessity (4 Marks)				*******************	*************************	 !			***************************************	İ	 !
Save on inventory cost	•••••				••••••					<u> </u>	
Product reaches customer	***************************************					 !			•••••		
No stock outs		•	<u> </u>				-		••••••		
	luat	ļ							•••••		
	iuci		!			<u>:</u>			••••••		
Leads to long term relation		<u> </u>				[<u> </u>		***************************************	!	
	ks of a Cons	· ~	ļļ		•••••	<u> </u>	ļļ				
	ignment Ac		<u> </u>			<u> </u>	ļļ				
Particulars	Amt.	Particulars		Amt.		ļ	ļļ				
To Goods Sent on Consignment A/c	XXX	By Goods Sent on Consignm	nent A/c	XXX		ļ	ļļ				
(Goods sent on consignment)		(Returns)	<u> </u>	XXX		· · · · · · · · · · · · · · · · · · ·	ļļ				
To Goods Sent on Consignment A/c	XXX	By Goods Sent on Consignm	nent A/c	XXX			ļļ				
(Loading)		(Loading)	<u> </u>	XXX		į			***************************************		
To Bank A/c		By Consignee A/c	ļl	xxx							
Carriage	XXX	(Sales Proceeds)	<u> </u>				<u> </u>	<u> </u>			
Insurance	XXX	By Consignment Stock A/c						<u>i</u>			
Misc. Expenses	XXX	By Profit & Loss A/c						<u>i</u>			
To Consignee's A/c								<u>i</u>			
Octroi	XXX		<u> </u>								
Carriage	XXX										

			The second secon						
Insurance	XXX								
Godown Rent	xxx	<u>i</u>	<u></u>		<u>.</u>				. I
Misc. Expenses	XXX				<u>.</u>		<u></u>	<u> </u>	<u> </u>
Commission	XXX							<u>!</u>	<u>.i</u>
To Bills receivable A/c	XXX							<u> </u>	
To Stock Reserve A/c	xxx								
To Profit & Loss A/c	XXX							1	
	XXX							<u> </u>	
				.]				<u> </u>	
	OR								
Write Short note on (Any Four	r)								
1. Memorandum Trading A	ccount. (5 Marks)		······	i i			······		1
Memorandum Trading Account is		calculate stock	on the date of	fire	······································				1
with the help of collected figures		***************************************			<u>-</u>		······	<u></u>	· † · · · · · · · · · · · · · · · · · ·
								·····	·
In case record is destroyed by fire			Trom docume	ntary evidence.				ļ	
Balancing figure is estimated value	ue of stock on the date	of fire.						!	
Proforma/ Specimen									.ļ
In the books of				<u> </u>	<u> </u>	<u>ii</u>		<u>.</u>	<u>.</u>
Memorandum Trading Account.									<u> </u>
2. Account Sale.(5 Marks)					······				-
Account sale is a statement prepa	red by consignee and s	ent to consignor	stating a detail	s of goods sold	i.e.		••••••	[
quantity and types of goods, the r				***************************************			•••••••••••••••••••••••••••••••••••••••		•
value amount of commission, exp		•••••	1	1			••••••		1
	enses and advance if a	iy is deducted.		- 				!	· †
Proforma/ Specimen				.					
<u> </u>									
3. Normal Loss and Abnorn			<u>į</u>	<u>.l</u> l					
Normal loss: the loss which is exp	pected to incur. Such ty	pe of loss is cau	sed by loss of	weight leakage	etc.			Ī	
Treatment of normal loss									<u> </u>
Branch adjustment A/cDr									
To Branch Stock A/c		i i							Ī
Abnormal Loss: the loss which is	not expected caused by	destruction of s	stock by fire. f	lood, theft or lo	ss in transit.		······	<u> </u>	1
Treatment of Abnormal loss	1 1	1	1	1	1				
4									
Abnormal A/cDr								<u></u>	ļ
To Branch Stock A/c									.ļ
Branch Adjustment A/cDr				.ļļ					<u> </u>
To Branch Stock A/c				<u>.[</u>					<u> </u>

4. Stock and Debtors Method (Branch Accounts): (5 Marks)	
Story and September (Branch / Recounts). (S Walks)	
This method is applicable particularly where there are large numbers of transaction and they are numero	ous.
This method helps the Head Office to make efficient control on branches as there are a few more	
accounts are to be opened viz: (a) Branch Stock Account; b) Branch Debtors Account;	
(c) Branch Stock Adjustment Account; (d) Goods Sent to Branch Account; e) Branch Profit and loss Account.	
Sometimes in addition to above, Branch Cash Account, Branch Expenses; Branch Fixed Assets Account etc. may also	
be opened. It may be recalled that Branch Stock Account, Branch Debtors Account, Branch Cash Account, Branch	
Expenses Account, Goods Sent to Branch Account have been explained in detail, So, in order to avoid repetition	
we will only explain here in detail, the most significant and important account under Stock-Debtors System i.e.,	
Branch (Stock) Adjustment Account. Practically Branch (stock) Adjustment Account deals with the loading on	
the respective items of goods relating to Branch Stock Account. In short, loading is to be computed on Opening	
Stock at Branch, Closing Stock at Branch, Goods sent to Branch, Goods Returned by Branch, Shortage	of Stock,
Surplus of Stock, Lost-in-Transit, Pilferage of Stock, Wastage of Stock, or any Normal and Abnormal L	
Branch Stock Adjustment Account is prepared at Invoice Price. The difference between the two sides of	
account reveals either gross profits (if credit side to greater than the debit side) or gross loss (if debit side	le le
is greater than the credit side).	
5. Average Clause. (5 Marks)	
Answer: The purpose of insurance is to compensate loss and not to allow profit. Hence, a fire insurance policy	
usually includes an average clause in order to discourage under insurance of stock. As per this clause, the	
insurance company pays compensation to the insured proportionately if the value of stock or assets on the	
date of fire is more than the amount of policy. Following formula may be applied in the case of an average clause:	
Insurance Claim = Value of Policy/Value of Stock on the date of fire x Actual Loss	
6. Average Gross Profit Ratio (5 Marks)	
In case details are given for many years, we take the following steps:	
✓ Prepare the trading accounts for all the years	
✓ Ignore the abnormal items, as explained above, while preparing all the trading accounts, so that we ar	rrive at
the normal gross profits for all the years.	
✓ Calculate the Gross Profit Ratio (Gross profit/sales x 100) in each year	
✓ Take the simple average of the GPR (all GPRs/ no of years). In case of wide fluctuation from year to	year take
the weighted average (total gross profits for all year / total sales for all years x 100). This average G	
expected GPR in the period upto date of fire.	
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