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5658

Register Number:

Name of the Candidate:

B.Com. DEGREE EXAMINATION, May 2015
(FINANCE & INVESTMENT)
(SECOND YEAR)
620: ADVANCED FINANCIAL ACCOUNTING

Time: Three hours

Maximum: 100 marks

SECTION - A
Answer any FIVE questions

(5 × 8 = 40)

1. What is mean by admission of a partner? Explain its methods.
2. Give the explanation about:
 - a) Admission of partner
 - b) Retirement of partner
 - c) Death of a partner
 - d) Dissolution of partners
3. A, B and C were equal partners on 31st December 1990. Their position was as follows:

	₹		₹
A's Capital	2,000	Cash	1,500
B's Capital	600	C's Capital	200
	2,600	Loss on realization	900
	2,600		2,600

C is insolvent and can pay nothing close the books of the firm ignoring the decision in Gamer Vs Murray.

4. From the following particulars relating to Patna branch for the year ending 31st March 1990, prepare accounting in the head office books:

Stock at branch on 1 st April 1989	58,900
Branch debtors on 1 st April, 1989	14,700
Petty cash at branch on 1 st April 1989	720
Goods sent to branch during the year	3,29,400
Cash sales during the year	3,15,800
Credit sales during the year	1,40,400
Cash received from debtors	1,37,900

Cash sent to branch for expenses:	
Rent	12,000
Salaries	36,000
Petty cash	7,000
Stock at branch on 31 st march, 1990	55,400
Petty cash at branch 31 st march, 1990	730
Goods returned by the branch	1,800

5. What is the method of accounts of non trading concern and its features?
6. How to calculate the valuation of consignment stock?
7. Write about the trading account, profit and loss account and their items?
8. Explain the various classification of analysis.

SECTION - B

Answer any THREE questions

(3 × 20 = 60)

9. Briefly explain the Amalgamation and sale of firms?
10. What do you mean by stock and debtor system and explain their entries?
11. The following is the balance sheet of M/s P,Q and R as on March 31st 1989.

Liabilities	₹	Asset	₹
Sundry creditors	14,200	Cash in hand	400
Bills payable	12,800	Cash at bank	3,800
P's fixed capital	15,000	Sundry debtors	8,400
Q's fixed capital	10,000	Stock	16,700
R's fixed capital	5,000	Furniture and fitting	12,000
P's current capital	480	Machinery and plant	16,000
Q's current capital	340	R's current account	520
Total	57,820	Total	57,820

12. 1000 toys were consigned by Roy & co. of Calcutta to R.Nu of Rangoon at an invoice cost of ₹150 each. Roy & co. paid freight ₹10,000 and insurance ₹1,500. During the voyage 100 toys were totally damaged by fire and had to be thrown overboard T.Nu took delivery of the remaining toys and paid ₹14,400 as customs duty.
T.Nu had sent a bank draft to Roy & co for ₹50,000 as advance payment and later sent an account sales showing that 800 toys were sold at ₹220 each. Expenses incurred by T.Nu on godown rent and advertisement, etc., amounted to ₹ 2,000. T.Nu is entitled to commission of 5%. One of the credit customers could not pay for 5 toys. Prepare the consignment account, T.Nu's account and profit and loss account in the books of Roy & co., assuming that nothing has been recovered from the insurers due to a defect in the policy. T.Nu settled his account immediately.

13. The following is the trial balance of B.Govil on 31st March,1990.

Particulars	Dr.	Cr.
Cash in hand	540	
Cash at bank	12,630	
Purchases account	1,40,675	
Sales account		2,58,780
Returns inwards account	2,680	
Returns outwards account		1,500
Wages account	20,480	
Fuel and power account	4,730	
Carriage on sales account	3,200	
Carriage on purchases account	2,040	
Stock account(1 st April 1989)	25,760	
Building account	30,000	
Freehold land account	20,000	
Machinery account	20,000	
Patents account	7,500	
Salary account	15,000	
General expenses account	13,000	
Insurance account	600	
Drawings account	15,245	
Capital account		82,000
Sundry debtors	14,500	
Sundry creditors		6,300
	3,48,580	3,48,580

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