

Q.P. Code: 00005252

[Time:2.30 Hrs]

[Marks:75]

Please check whether you have got the right question paper.

- N.B:
1. All question are compulsory.
 2. Figures to the right indicate full marks.
 3. Working note should form part of main answer
 4. Use of simple calculators is allowed

Q. 1. A. Fill in the blanks choosing the correct alternatives: (Any 8)

08

1. The consignee is the _____.
a) Agent b) Principal c) Owner d) Transporter
2. If the consignee gets _____, the consignee will bear the bad debts.
a) Profit b) Del credere commission c) Commission d) Expenses
3. In case of _____ branch, its accounts are kept by the head office.
a) Independent b) Dependent c) both a & b d) None
4. If the credit total of Branch A/c is more than the debit total, it indicates the _____ made by the H.O. from the branch.
a) Loss b) Profit c) Break-even point d) Damage
5. Branch stock account under stock & debtor system is _____.
a) Real account b) Nominal account c) Personal Account d) None
6. _____ records are those records where complete and systematic records of transactions are not maintained.
a) Incomplete b) Complete c) Balance Sheet d) Bank
7. The excess of expenditure over income is termed as _____.
a) Profit b) Loss c) Revenue d) Expenditure
8. _____ is/are calculated by deducting liabilities from assets.
a) Profit b) Loss c) Capital d) Assets
9. Balance of Consignment account is known as _____.
a) Profit & Loss b) Goods sent to Consignor c) Cash d) None
10. Del. Credere commission is calculated on _____.
a) Total Sales b) Credit sales c) Cash Sales d) Net sales

Q.1. B. State whether True or False (7 out of 10)

07

1. In incomplete records, it is possible to prepare financial statements accurately without reconstructing the missing data.
2. Under the single entry system, only cash transactions are recorded, while non-cash transactions are ignored.
3. The single entry system is commonly used in large corporations to maintain accounting records.
4. The consignee is responsible for the ownership of the goods in consignment.
5. The consignor carries the risk of loss or damage to the goods until they are sold to the end customer.
6. The consignor has control over the pricing of goods while they are in consignment.
7. Branches keep separate accounting records from the head office in branch accounting.
8. The branch remits all revenues collected directly to the head office in branch accounting.
9. Fire insurance claims are always recorded as revenue when received.
10. Sales are ascertained from Creditors A/c .

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- Q. 2. A.** 1. Balance Sheet of Hemlata Enterprises on 1st January, 2023.
2. Cash Book for cash receipts & cash payments during the year.
3. Summary of other transaction of 2023.

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Balance Sheet as at Jan 1, 2023

Liabilities	₹	Assets	₹
Bills Payable	2,400	Cash at Bank	5,850
Creditors	5,400	Bills Receivable	2,250
Capital	30,300	Debtors	6,000
		Stock	9,000
		Plant & Machinery	6,000
		Land & Buildings	9,000
	38,100		38,100

Cash Book of the year 2023

Receipts	₹	Payments	₹
To Balance b/d	5,850	By Salaries	1,800
To Debtors	40,500	By Wages	2,220
To Bills Receivables	13,500	By Bills Payable	10,980
		By Creditors	22,050
		By Office Expenses	1,200
		By Hemlata's Drawings	4,500
		By Balance c/d	17,100
	59,850		59,850

Summary of other transactions during the year 2023

Purchases ₹45,000, Sales ₹57,000, Discount allowed to debtors ₹3,180, B/R received during the year ₹13,650, B/P given during the year ₹23,250, Stock on 31-12-2023 ₹10,500. Depreciate Plant & Machinery by ₹300 & Land & Building by ₹450. Prepare Trading & Profit & Loss Account & Balance Sheet for 2023.

OR

- Q. 2. B.** The fire occurred in the premises of Mr. Suraj on 15th October, 2023. From the following particulars ascertain the loss of stock & prepare a statement of claim to be lodged with insurance company.

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Particulars	₹
Stock (1-4-2022)	1,08,000
Stock (31-3-2023)	1,32,000
Purchase (F.Y. 2022-23)	3,00,000
Sales (F.Y. 2022-23)	4,00,000
Purchases (1-4-2023 to 18-10-2023)	2,50,000
Sales (1-4-2023 to 18-10-2023)	4,00,000

The stock on 1st April 2022 was valued at 90% of cost price & 31st March 2023 was valued at 10% above cost. Salvaged was ₹10,000 the amount of policy was ₹1,00,000. The claim was subject to average clause.

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- Q. 3. A.** Chandani Enterprises of Thane has two branches at Kalyan & Bhiwandi. The branches maintain an account with State Bank & are authorized to make purchases locally. **15**

Following information is obtained from Vasai branch by Thane Office.

Particulars	Kalyan	
	1-4-2023 (₹)	31-3-2024 (₹)
Balance as on		
Stocks	40,000	72,000
Debtors	96,000	32,000
Creditors	8,000	4,000
Transfer During years-		
Goods received from-		
- Thane	1,60,000	
- Bhiwandi	12,000	
Locally Bought Goods	26,400	
Payment to Creditors-		
- By Cash	2,400	
- By Bank	28,000	
Receipt from Debtors-		
- By Cash	48,000	
- By Cheque	72,000	
Sales on Credit	80,000	
Sales on Cash	2,00,000	
Goods Returned by Customers	20,000	
Goods returned to Thane	24,000	
Goods Sent to Bhiwandi Branch	16,000	

Prepare necessary accounts for branches under Stock & Debtors Method in Thane Office Books.

- Q. 3. B.** From the following details prepare Nandurbar Branch Account for the six months ended 31st December, 2023 after depreciating branch furniture at 20% per annum: **8**

Particulars	Amount	Particulars	Amount
Opening Branch Assets:		Branch expenses paid by the	
-Branch Stock	60,000	Head Office	1,02,000
-Branch Petty Cash	18,000	Remittances received from the	
-Branch Furniture	78,000	Branch	6,98,400
-Branch Debtors	90,000	Closing Branch Assets:	
Opening Branch		- Branch Stock	72,000
Liabilities:		- Branch Petty Cash	12,000
-Branch Outstanding		- Branch Debtors	1,02,000
Expenses	3,000	Closing Branch Liabilities	
Goods sent to the Branch	5,40,000	-Branch Outstanding Salaries	4,200
Petty Cash sent to the	48,000		
Branch			

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Q. 3. C. A fire occurred in the premises of Diya on 25th September, 2023 when a large part of the stock was destroyed. Salvage was ₹50,000. Diya gives you the following information for the period January 1, 2023 to 25th September, 2023: **7**

- a) Purchase ₹2,00,000
- b) Sales ₹2,50,000
- c) Goods costing ₹20,000 were taken by Diya for personal use.
- d) Cost price of stock on January 1, 2023 was ₹1,20,000.

Over the past few years, Diya has been selling goods at a consistent gross profit margin 25%.

The Insurance Policy was ₹1,20,000. It included an average clause.

Diya asks you to prepare a statement of claim to be made on the insurance company.

Q4. A. Payal & company of Mumbai consigned 200 set of Footwear of ₹300 each to Bhakti & Co. of Patna to be sold on commission basis. An advance of ₹15,000 was received from Bhakti & Co. Bhakti & Co. sent an account sale which states that total goods were sold for ₹90,000 and ₹6,000 were paid for carriage & rent. Their commission was ₹4,000. They sent a bank draft for the balance amount to Payal & Co. From the above particulars pass necessary journal entries in the books of Payal & Co. **15**

OR

Q4. B. Surjeet of Safale consigned on 1st January, 2023, 300 Shirts costing, ₹500 per piece to Pranay of Kelve, Freight charges incurred on the consignment were ₹3,000. On 1st January, 2023, Surjeet drew a bill on Pranay for ₹50,000 payables on 31st March, 2015 which was duly accepted by Pranay. The bill was discounted by Surjeet with his bankers on the same day at 10% p.a. discount to be treated as consignment expenses. Pranay rendered account to Surjeet on 31st March, 2023 showing cash sales of 100 Shirts at ₹800 per Shirts and credit sales of 200 Shirts at ₹1,000 per Shirts. He incurred selling expenses of ₹10,000. Pranay was entitled to a commission of 8% and additional 2% as Del Credere commission. On 31st March, 2023, Pranay remitted to Surjeet the amount due to him. You are required to pass journal entries. **15**

Q. 5. A. What are the features of Consignment Accounting? **8**

Q. 5. B. What are the features of Accounting from incomplete record? **7**

OR

Q. 5. C. Write a short note (Any 3) **15**

- a) Total Debtor A/c
- b) Write any 5 entries in the books of consignor in case of consignment.
- c) Objectives of branch accounting
- d) Distinguish between Invoice & Proforma Invoice
- e) Commission & Del credere commission
