# TILAK MAHARASTRA VIDYAPEETH, PUNE <br> BACHELOR OF COMMERCE (B.COM.) <br> EXAMINATION- MAY 2023 <br> FOURTH SEMESTER <br> Sub.: Advance Accounting (BCOM19-208) 

Date: 24/5/2023 Total Marks: $100 \quad$ Time: 2.00 pm to 5.00 pm

Instructions: 1) All questions are compulsory.
2) Figures to the right indicate full marks.

## Q. 1 (a) Fill in the blanks (Any 5)

1. Memorandum Trading Account is prepared to calculate------
a) Gross Profit
b) Net Profit
c) Stock
d) Sales
2. To ascertain shortage of stock--------A/c prepared.
a) Branch Stock
b) Branch Debtors
c) Branch Expenses
d) Branch Cash
3. In Single entry credit sales are missing when account is-------prepared
a) Debtors
b) Creditors
c) Bills Receivable
d) Bills Payable
4. Gross profit is calculated on $\qquad$
a) Sales
b) Purchases
c) Opening stock
d) Closing Stock
5. Interest and brokerage are calculated---------value of Investment.
a) Capital Value
b) Opening Balance
c) Face Value
d) Closing Balance
6. Accounting Standards 6 deals with-----
a) Depreciation
b) Revenue Recognition
c) Accounts for Investment
d) Valuation of stock
7. -----------Account is prepare to calculate the stock on the date fire.
a) Memorandum Trading
b) Trading Account
c) Balance-sheet
d) Non of the above

## Q. 1 (b) State whether the following statement are true or false (any 5)

1. Departments are located under one roof.
2. In single entry system all types of accounts are maintained.
3. G.P. Ratio $=\frac{\text { G.P }}{\text { Sales }} x 100$
4. A banking company cannot grant loan to any of its directors.
5. Ratio analysis is a technique of planning and Control.
6. Bills purchase and discounted is recorded in schedule No 9.
7. Memorandum Trading Account is prepare to calculate the stock on the date fire.
Q. 2 (a) A Fire broke out in the premises of Raj Co. Pune on $1^{\text {st }}$ July 2022and the stock of the value of Rs. 3,15,000 was salvaged and the books and records were saved.
The following information was obtained

| Particulars | Rs. |
| :--- | ---: |
| Stock on 31 st March 2021 | $8,40,000$ |
| Stock on $31^{\text {st }}$ March 2022 | $8,40,000$ |
| Sales from $1^{\text {st }}$ April to 30 $0^{\text {th }}$ June 2022 | $10,20,000$ |
| Purchases from $1^{\text {st }}$ April to 30 ${ }^{\text {th }}$ June 2022 | $6,30,000$ |
| Sales for the year ended 31 ${ }^{\text {st }}$ March 2022 | $30,00,000$ |
| Purchases for the year ended 31 ${ }^{\text {st }}$ March 2022 | $18,00,000$ |

Calculate the amount of claim to be submitted to the Insurance Company in Respect on the loss of stock.

## OR

Q. 2 (b) What is single entry system of book keeping? What are the main features and disadvantages of single entry system
Q. 3 (a) The following is the Trading and Profit and Loss A/c of Ajay Ltd. for the year ended $31^{\text {st }}$ March 2022

Trading and Profit and Loss Account
For the year ended $31^{\text {st }}$ March 2022

| Particulars | Rs. | Particulars | Rs. |
| :--- | ---: | :--- | ---: |
| To Stock | 76,250 | By Sales | $5,00,000$ |
| To Purchases | $3,15,250$ | By Closing Stock | 98,500 |
| To Wages | 7,000 |  |  |
| To Gross Profit | $2,00,000$ |  | $5,98,500$ |
| Total | $5,98,500$ | Total | $2,00,000$ |
| To Administrative <br> Expenses | $1,01,000$ | By Gross Profit |  |
| To <br> Expenses | 7,000 | By Non Operating <br> incomes <br> Interest <br> Securities | 1,500 |
| To Selling <br> Expenses | 12,000 | Dividend |  |
| To Non Operating <br> Expenses <br> Loss on sale of <br> securities | 84,000 | Shares | 2,750 |
| Total | $2,06,000$ | Total | 750 |

Calculate :

1) Gross Profit Ratio
2) Net Profit Ratio
3) Stock Turnover Ratio
Q. 3 b) Write short notes. (Any 4)
4) Objectives of Branch Accounting
5) Advantages of Departmental Accounts
6) Need of Investment Account
7) As- 9 (Revenue Recognition)
8) Short Sales
9) Gross Profit Ratio.
Q. $4 \quad$ Solve the following problem (Any 2)
1. Following are the particulars relating to a Sangli Branch of Sonal and Co. Mumbai for the year ended $31^{\text {st }}$ March2023. Prepare Branch Account

| Particulars | Rs |
| :--- | :--- |
| Stock of Branch on $1^{\text {st }}$ April 2022 | 15,000 |
| Goods supplied to the Branch | $2,40,000$ |
| Salaried | 12,000 |
| Rent | 3,600 |
| Telephone Expenses | 1,000 |
| Petty Cash (Remittance) | 1,500 |
| Remittances received from the Branch | $2,75,000$ |
| Stock on 31 ${ }^{\text {st }}$ March 2023 | 12,500 |
| Petty Cash Balance on 31 ${ }^{\text {st }}$ March 2023 | 100 |
| Petty Expenses | 1,400 |

2. M/s Smart Investment Trust Ltd., submitted the following details regarding their Investment in 6\% Government loan for the year 2022
1.1.2022 Opening Balance for value 160,000 cost Rs. 156800
1.5.2022 Purchases Rs. 120,000 cum interest $5 \%$ discount
1.7.2022 Sales Rs. 100,000 cum interest $2 \%$ premium
1.11.2022 Sales Rs. 80,000 Ex-interest at par
1.12.2022 Purchases Rs. 48,000 Ex-Interest $10 \%$ discount Interest on Investment is payable $31^{\text {st }}$ March- $30^{\text {th }}$ September.
Prepare Investment Account for the year 2023.
3. From the following Trial Balance, Prepare Departmental Trading, Profit and Loss A/c for the year ended on $31^{\text {st }}$ December 2022

Trial Balance

| Particulars | Debit Rs. | Credit Rs. |
| :--- | :--- | :---: |
| Capital |  | 30,000 |
| General Reserve |  | 20,000 |
| Stock on | 1.1.2022 | Dept Y |
|  | Dept Z | 29,500 |
| Purchases | Dept Y | 26,000 |
|  | Dept Z | 50,000 |
| Wages | Dept Y | 12,000 |


| Dept Z | 10,000 |  |
| :--- | :---: | :---: |
| Carriage and Freight | 800 |  |
| Salaries $\quad$ Dept Y | 20,000 |  |
| Travelling Expenses | 1,500 |  |
| Rates and Taxes | 6,000 |  |
| Insurance | 10,500 |  |
| Sales |  | $1,20,000$ |
|  | 12,500 | 80,000 |
| Sundry Debtors and Creditors | 2,500 | 7,500 |
| Bills Receivable and Bills Payable | 14,000 | 2,000 |
| Premises | 5,000 |  |
| Managers Salaries | 500 |  |
| Printing and Stationery | 1,000 |  |
| Discount | 15,500 |  |
| Advertisement | 500 |  |
| Plan and Machinery | 1,750 |  |
| Furniture | 450 |  |
| Fuel and Water | 1,200 |  |
| Incidental Expenses | $\mathbf{2 , 5 9 , 5 0 0}$ |  |
| Cash in Hand | $\mathbf{2 , 5 9 , 5 0 0}$ |  |
| Cash at Bank |  |  |
| Total |  |  |

Following additional information is also provided.

1. Stock on $31^{\text {st }}$ December 2022 Dept Y-20,000 and Dept Z -15,000
2. Provide R.D.D. at 5\% on Debtors.
3. Wages outstanding Dept. Y-600 and Dept Z-400
4. Salaries outstanding Rs. 4000
5. Rates and Taxes prepaid Rs. 1500.
6. Depreciation on Plant and Machinery at $10 \%$
7. Value of service Rs. 100 rendered by Dept. z to Dept Y.

All unallocated expenses are to be apportioned on the basis of Sales.
4. Difference between Single Entry and Double Entry.

