

TILAK MAHARASHTRA VIDYAPEETH, PUNE
BACHELOR OF BUSINESS ADMINISTRATION (B.B.A.)
EXAMINATION: DECEMBER - 2023
SEMESTER – II

Sub.: Fundamentals of Financial Accounting - II (BBA22-212)

Date : 20/12/2023

Total Marks : 60

Time: 2.00 pm To 4.30 pm

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

Q. 1. Choose the most appropriate option. (05)

- Which of the following statement is NOT true?
a) Joint venture is a going concern
b) Joint venture is terminable in nature
c) Joint venture does not follow accrual basis of accounting
d) The co-venturer shares the profit in agreed ratio
- Outstanding expenses are an/a for a business.
a) Asset
b) Liability
c) Income
d) Expenditure
- Outstanding Income is an/a for a business.
a) Asset
b) Liability
c) Income
d) Expenditure
- Goods sent on consignment are debited to
a) Consignment A/C
b) Consignor A/C
c) Consignee's A/C
d) None of the given
- Profit or Loss on joint venture account is shared by co venturer's in
a) Equal Ratio
b) Agreed Ratio
c) As per capital sharing ratio
d) As per age

Q. 2. State True / False (05)

- In departmental accounting rent is distributed on the basis of area occupied by each department.
a) True
b) False
- Trial Balance is prepared before preparation of Final Account.
a) True
b) False
- Consignee is a partner of consignor.
a) True
b) False
- Excess capital refunded in case of piecemeal distribution of cash on dissolution of partnership firm is a realization profit.
a) True
b) False
- Maximum loss and Surplus Capital are same methods of capital refund.
a) True
b) False

Q. 3. Write Short notes on (Any Three) (15)

- Surplus Capital Method in Piecemeal Distribution of Cash
- Parties involved in a consignment
- Valuation of Closing Stock at the end of a consignment

4. Benefits of Joint Venture
5. Parts of Final Account

Q. 4. Answer in detail (Any Two)

(20)

1. Vidya and Neha entered into a Joint Venture to sell a consignment of furniture Both agreed to share profits and losses equally. Vidya provided tables from her stock at mutually agreed value of Rs. 2,00,000. She paid expenses amounting to Rs. 10,000. Neha incurred further expenses on cartage and storage of Rs. 10,000 and received cash for sales Rs.3,00,000.Neha also took over goods of Rs.20,000 for her own use. At the end, Vidya took over the balance stock in hand which is valued at Rs.25,000.Pass Journal Entries to record the above transactions and prepare Joint Venture Account in the books of Vidya and Neha.
2. Abhiram departmental store is having three departments A, B and C. The information regarding these three departments for the year ended 31st March 2023 is given below:

| Particulars | A (Amt. inRs.) | B (Amt. inRs.) | C (Amt. inRs.). |
|--|-------------------|-------------------|--------------------|
| Opening Stock | 1,44,000 | 96,000 | 80,000 |
| Purchases | 2,64,000 | 1,76,000 | 88,000 |
| Debtors at end | 50,000 | 40,000 | 40,000 |
| Sales | 3,60,000 | 2,70,000 | 1,80,000 |
| Closing Stock | 90,000 | 35,000 | 42,000 |
| Other Information | | | |
| Electricity units consumed by each department | 600 | 400 | 200 |
| Floor space occupied by each department (in sq. ft.) | 6,000 | 5,000 | 4,000 |
| Number of employees in each department | 50 | 40 | 30 |
| Value of Furniture in each department | 40,000 | 40,000 | 20,000 |

Other than this, they have common expenses which are incurred not specifically to any department but for Omega Enterprises overall. The information of the common expenses and incomes are as follows:

| Particulars | Amount in Rs. |
|---------------------------|---------------|
| Advertisement | 5,400 |
| Carriage Inward | 6,000 |
| Carriage Outward | 5,400 |
| Depreciation on furniture | 2,000 |
| Discount Allowed | 4,500 |
| Discount Received | 3,600 |
| Electricity | 6,000 |
| Labour welfare expenses | 4,800 |
| Rent, Rates and Taxes | 15,000 |
| Salaries | 96,000 |

You are requested to prepare Departmental Trading and Profit and Loss Account for the year ended 31st March, 2023.

3. On 1st January 2023 Simon Ltd. of Pune sent 200 Machines to Nayka of Delhi. Cost of each machine was Rs. 20,000/- . Simon Ltd. paid Rs. 10,000 for Insurance Premium, Freight Rs. 40,000/- packing charges Rs. 200 for every unit. After a month Nayka forwarded an account sales to Simon Ltd. stating that 150 units were sold at Rs. 30,000 per unit, 50 units were sold at Rs. 32,000 per unit. Nayka paid following expenses cartage Rs. 10,000, Unloading Rs. 12,000 and godown rent Rs. 14,000. 10% commission on sales was decided for Nayka. You are require to prepare Consignment Account and Consignee's account in the books of Simon Ltd.

Q. 5.

(15)

M/S kesariTraders, Pune provided the following information for the year ended 31st March 2023. You are required to prepare final accounts for M/S kesariTraders

| Particulars | Debit Amt. Rs. | Particulars | Credit Amt. Rs. |
|---------------|----------------|-----------------|-----------------|
| Opening stock | 1,00,000 | Capital | 1,32,000 |
| Advertisement | 16,000 | Sales | 7,20,000 |
| Cash at Bank | 32,000 | Creditors | 1,00,000 |
| Cash in Hand | 3,600 | Reserve Fund | 8,000 |
| Debtors | 80,000 | Commission | 2,000 |
| Drawings | 6,400 | Purchase Return | 20,000 |
| Furniture | 44,000 | Bills Payable | 24,000 |
| Insurance | 2,000 | R.D.D. | 2,000 |
| Investments | 24,000 | | |
| Machinery | 1,20,000 | | |
| Postage | 4,000 | | |
| Purchases | 5,20,000 | | |
| Sales Return | 8,000 | | |
| Salaries | 32,000 | | |
| Wages | 16,000 | | |
| | 10,08,000 | | 10,08,000 |

Adjustments

1. Closing Stock was valued at cost price Rs. 25,000 and at market price Rs. 30,000
2. Depreciate Furniture by 10% and Machinery by 20%
3. Outstanding wages Rs. 4,000 and Insurance paid in advance Rs. 4,000
4. Goods withdrawn for personal use Rs. 8,000
5. Create provision for doubtful debt 5% on debtors.