

Note: All Questions are compulsory.

Figures to the right indicate full marks.

Q1. A. Multiple Choice Questions: (Any 8) (CO-1, 2, 3, 4, -R)

(8M)

1. The person who sends the goods to the agent for sale is called
 a) Consignor b) Consignee c) Agent d) Seller
2. The relationship between consignor and consignee is that of
 a) Principal and agent b) Debtors and creditor
 c) Buyer and seller d) Owner and servant
3. Salvage refers to
 a) Stock destroyed by fire b) Stock saved from fire
 c) Stock moving fast d) Stock slow moving
4. Opening capital is ascertained by preparation of:
 a) Total debtors A/c. b) Total creditors account
 c) Cash account d) Opening statement affairs
5. Incomplete records are generally maintained by
 a) Government b) Company
 c) Small business d) MNC's
6. Credit purchase can be ascertained by preparing ----- A/c.
 a) Customer b) Debtors
 c) Creditors d) Bills receivable
7. As per average clause insurance company pays compensation
 a) Proportionately b) More than the loss
 c) Less than the loss d) Equal to loss
8. Goods sent by HO to the branch but not received by the branch are termed as
 a) Branch account b) Goods in transit
 c) Loss in transit d) Purchase a/c
9. Balance on consignment account indicates
 a) Goods sent to consignee b) Stock with consignee
 c) Profit / loss on consignment d) Sales a/c.
10. Stock reserve in relation to closing stock is shown on
 a) Debit side of Branch A/c. b) Credit side of Branch A/c.
 c) Debit side of P&L A/c. d) Credit side of P&L A/c

Q.1.B. Match the following: (Any 7) (CO-1, 2, 3, 4, -R)

(7M)

Column A	Column B
1) Average Clause	a) Applies in case of over insurance
2) Credit Sale	b) Applies in case of under insurance
3) Opening Balance Sheet	c) Total Debtor account
4) Profit 20% on Sale	d) Total Creditors account
5) Profit 25% on Sale	e) Opening Capital
6) Relation between consignor and Consignee	f) Profit 25% on cost
7) Del-Credere Commission	g) Profit 33.33% on cost
8) Single Entry System	h) Principal and agent
9) Expenses on Consignment	i) Borne by the consignor
10) Dependent Branch	j) Stock and Debtors System
	k) Borne by Consignee
	l) No proper books of account
	m) Extra commission for recovery from customer

Q.2. On 1st January 2022, Ram started a business with goods of the value of Rs.30, 000 and cash Rs.15, 000. He does not maintain any books of account other than the Cash Book. During the year ended 31st December, 2022 the following information is available from the Cash Book. **(CO1-A, A, E, and C) (15M)**

Particular	Amount
Collection from Debtors	1,00,000
Cash Sales	60,000
Purchase of Motor car	40,000
Payment to Suppliers	55,000
Cash Purchases	25,000
Payments for Expenses	8,000
Drawings	9,000
His other assets and liabilities on 31.12.2022 were:	
Amount due to Customers	25,000
Amount due to suppliers	15,000
Stock of unsold goods	35,000
Cost of goods lying with customers on approval (Sales Price Rs.20,000)	15,000

You are asked to prepare a Trading and Profit and Loss Account and find out the profit or loss made by Ram during the year. Also draw up a balance sheet as on 31st December, 2022.

OR

Q.2. Delhi Head office supplies goods to its branch at Kanpur at invoice price which is cost plus 50%. All cash received by branch is remitted to Delhi and all branch expenses are paid by the head office. From the following particulars related to Kanpur branch for the year 2013, prepare Kanpur Branch account. **(15M)**

(CO3-A, A, E)

Particulars	Amount	Particulars	Amount
Stock with Branch 1.1.2013 (at invoice price)	60,000	Discount allowed to debtors	2,400
Branch debtors on 1.1.2013	12,000	Expenses (Cash paid by Head office):	
Petty cash balance on 1.1.2013	100	Rent	2,400
Goods received from head office at (invoice price)	1,86,000	Salaries	24,000
Goods returned to Head office	3,000	Petty Cash	<u>1,000</u>
Credit sales less returns	84,000	Cash sales	1,04,000
Cash received from Debtors	90,000	Stock with Branch on 31.12.2013 at invoice price	54,000
		Petty cash balance on 31-12-2013	100

Q.3.a). On 15th October, 2020 a fire occurred on the premises. Following information is extracted.

Particular	Amount
Sales from 1 st January to 15 th October 2020	6,00,000
Purchase from 1 st January to 15 th October 2020	5,00,000
Stock 1-1-2020	1,20,0000
Average Rate of Gross profit	30%
Salvage	25,000
Policy Subject to Average Clause	1,75,000

Calculate the amount of claim. **(CO4- A, A, E)**

(8M)

Q.3.b). A fire occurred in the godown of unfortunate on 15th April 2019. The stock saved amounted to Rs.21, 600. Rate of gross profit is 33 1/3% of sales. The stock on hand on 31st December, 2018 was valued at 10% above cost was Rs.1, 16,600. Purchase, wages and sales were Rs.90, 000, 36,000 and Rs.1, 90,800 respectively. **(CO4- A, A, E) (7M)**

OR

Q.3. A fire occurred in the premises of M/S Ronak on 15.10.2020. From the following particulars ascertain the loss of stock and prepare a statement of claim to be lodged with insurance company. **(CO4-A, A, E) (15M)**

Particular	Amount
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Stock on 31.3.2018	1,98,000
Stock on 31.3.2019	2,42,000
Purchase for 2018-2019	6,40,000
Sales for 2018-2019	8,00,000
Purchase from 1.4.2019 to 15.10.2020	6,00,000
Sales from 1.4.2019 to 15.10.2020	7,58,000

The stock on 31st March, 2018 was valued at 90% of cost price and 31st March, 2019 was valued at 10% above cost. Salvage was Rs.35, 000 the amount policy was Rs.2, 00,000. The claim was subject to average clause.

Q.4.Mithali Chemicals (P) Ltd. has a branch of Patna. Goods are invoiced to the Branch at cost plus 30%. From the following details prepare branch account.

Particulars	Amount	Particulars	Amount
Stock on 1-1-2019	26,000	Goods returned to HO	6,500
Debtors on 1-1-2019	50,000	Goods returned by Branch	
Cash in hand on 1-1-2019	250	Debtors to Branch	3,000
Goods sent to Patna Branch	1,30,000	Total sales of the Branch	2,23,000
Cheques sent to branch:		Cash sales	1,70,000
a. Salary	3,000	Expenses paid by Branch	23,000
b. Rent	2,000	Collection from debtors	84,000
Furniture purchased by H.O. for the branch	10,000	Closing stock on 31.12.2019	1,04,000
		Cash balance on 31.12.2019	130

Depreciation on furniture at 10%.

(CO3-A, A, E,) (15M)

OR

Q.4.Raj of Kolkata consigned 200 boxes of patent medicines of the value of Rs. 1,200 each to Ram of Goa. The consignor incurred by way of freight, insurance and sundry expenses a sum of Rs. 3,500 on the consignment. Raj sent an advance of Rs.1, 90,000 against the consignment. In due course, an Account sale was received from Goa. It disclosed that the consignee's expenses in various accounts amounted to Rs. 2,500. The goods were sold for Rs. 2,400 per box. The consignee charged ordinary commission at 2.5% and del-credere commission at 7.5% on gross sale proceeds. A bank draft for the balance due was received from the consignee along with the Account sales. You are required to prepare ledger accounts in the books of both the parties.

(CO2-A, A, E,) (15M)

Q.5.A. What do you mean by Single Entry System? Enumerate its drawbacks.

(CO1-U, A) (8M)

Q.5.B. Explain how to calculate claim when records are available.

(CO4-U, A) (7M)

OR

Q.5. Write short note (Any Three) (CO1,2,3,4- R, U, A)

(15M)

- Distinguish between Single Entry and Double Entry
- Memorandum Trading Account
- Types of Branches
- Explain how to calculate claim when records are not available.

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