

Program: F.Y.B.Com Semester: II Program Code: UGCOM01

Course: Financial Accounting - II Course Code: NUCM206

Duration: 1 Hour Examination Pattern: NEP - Autonomous/External Max. Marks: 30

Instructions:

1. Attempt any two out of three from the following questions.
2. Figures to the right indicate full marks.

Examination:
REGULAR

Q. 1	Objective Questions.	[15]	Course Outcome	Knowledge Level																																																																																																																			
(A)	Fill in the blanks with an appropriate answer from the alternatives given.	[08]																																																																																																																					
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%; text-align: center;">I</td> <td colspan="4">Fire insurance _____.</td> </tr> <tr> <td style="width: 5%; text-align: center;">a.</td> <td style="width: 35%;">covers risk of loss</td> <td style="width: 5%; text-align: center;">b.</td> <td colspan="2">prevents loss</td> </tr> <tr> <td style="width: 5%; text-align: center;">c.</td> <td>increases loss</td> <td style="width: 5%; text-align: center;">d.</td> <td colspan="2">increases risk</td> </tr> <tr> <td style="width: 5%; text-align: center;">II</td> <td colspan="4">In fire insurance, compensation is _____.</td> </tr> <tr> <td style="width: 5%; text-align: center;">a.</td> <td>equal to policy amount</td> <td style="width: 5%; text-align: center;">b.</td> <td colspan="2">actual loss incurred</td> </tr> <tr> <td style="width: 5%; text-align: center;">c.</td> <td>stock saved from fire</td> <td style="width: 5%; text-align: center;">d.</td> <td colspan="2">stock on date of fire</td> </tr> <tr> <td style="width: 5%; text-align: center;">III</td> <td colspan="4">Salvage refers to stock _____.</td> </tr> <tr> <td style="width: 5%; text-align: center;">a.</td> <td>saved from fire</td> <td style="width: 5%; text-align: center;">b.</td> <td colspan="2">moving fast</td> </tr> <tr> <td style="width: 5%; text-align: center;">c.</td> <td>destroyed by fire</td> <td style="width: 5%; text-align: center;">d.</td> <td colspan="2">moving slow</td> </tr> <tr> <td style="width: 5%; text-align: center;">IV</td> <td colspan="4">% of Gross profit should be _____.</td> </tr> <tr> <td style="width: 5%; text-align: center;">a.</td> <td>fluctuating</td> <td style="width: 5%; text-align: center;">b.</td> <td colspan="2">consistent</td> </tr> <tr> <td style="width: 5%; text-align: center;">c.</td> <td>increasing</td> <td style="width: 5%; text-align: center;">d.</td> <td colspan="2">decreasing</td> </tr> <tr> <td style="width: 5%; text-align: center;">V</td> <td colspan="4">When goods are sent at an invoice price higher than cost, the profit included in the invoice is called _____.</td> </tr> <tr> <td style="width: 5%; text-align: center;">a.</td> <td>loading</td> <td style="width: 5%; text-align: center;">b.</td> <td colspan="2">margin</td> </tr> <tr> <td style="width: 5%; text-align: center;">c.</td> <td>discount</td> <td style="width: 5%; text-align: center;">d.</td> <td colspan="2">markup</td> </tr> <tr> <td style="width: 5%; text-align: center;">VI</td> <td colspan="4">'Account Sales' is essentially a report from _____.</td> </tr> <tr> <td style="width: 5%; text-align: center;">a.</td> <td>Principal to Agent</td> <td style="width: 5%; text-align: center;">b.</td> <td colspan="2">Agent to Principal</td> </tr> <tr> <td style="width: 5%; text-align: center;">c.</td> <td>Customer to Agent</td> <td style="width: 5%; text-align: center;">d.</td> <td colspan="2">Supplier to Principal</td> </tr> <tr> <td style="width: 5%; text-align: center;">VII</td> <td colspan="4">Stock on Consignment is shown in the Balance Sheet of _____.</td> </tr> <tr> <td style="width: 5%; text-align: center;">a.</td> <td>consignor</td> <td style="width: 5%; text-align: center;">b.</td> <td colspan="2">consignee</td> </tr> <tr> <td style="width: 5%; text-align: center;">c.</td> <td>both</td> <td style="width: 5%; text-align: center;">d.</td> <td colspan="2">neither</td> </tr> <tr> <td style="width: 5%; text-align: center;">VIII</td> <td colspan="4">Del Credere commission is calculated on _____.</td> </tr> <tr> <td style="width: 5%; text-align: center;">a.</td> <td>cash Sales only</td> <td style="width: 5%; text-align: center;">b.</td> <td colspan="2">total sales (unless otherwise agreed)</td> </tr> </table>	I	Fire insurance _____.				a.	covers risk of loss	b.	prevents loss		c.	increases loss	d.	increases risk		II	In fire insurance, compensation is _____.				a.	equal to policy amount	b.	actual loss incurred		c.	stock saved from fire	d.	stock on date of fire		III	Salvage refers to stock _____.				a.	saved from fire	b.	moving fast		c.	destroyed by fire	d.	moving slow		IV	% of Gross profit should be _____.				a.	fluctuating	b.	consistent		c.	increasing	d.	decreasing		V	When goods are sent at an invoice price higher than cost, the profit included in the invoice is called _____.				a.	loading	b.	margin		c.	discount	d.	markup		VI	'Account Sales' is essentially a report from _____.				a.	Principal to Agent	b.	Agent to Principal		c.	Customer to Agent	d.	Supplier to Principal		VII	Stock on Consignment is shown in the Balance Sheet of _____.				a.	consignor	b.	consignee		c.	both	d.	neither		VIII	Del Credere commission is calculated on _____.				a.	cash Sales only	b.	total sales (unless otherwise agreed)			CO1, CO2, CO3, CO4	L1, L2, L3
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c. credit Sales only d. closing Stock

(B) State whether the following statements are true or false. [07]

I	Memorandum Trading account is always prepared for one-year period.	CO1, CO2, CO3, CO4	L1, L2, L3
II	Insured get compensation equal to the amount of policy.		
III	The consignee cannot return the unsold goods to the consignor.		
IV	Profit/Loss on consignment is retained by consignor.		
V	Commission will be earned by only consignee		
VI	Goods distributed as free samples should be credited to trading account.		
VII	Cash sales are ascertained from cash journals.		

Q. 2 Solve the following. [15] Course Outcome Knowledge Level

(a) Mukherjee & Co. of Kolkata consign goods costing ₹25,000 to their agent, Razak of Bangalore, on which they pay freight, insurance and charges ₹1,500, drawing on him a bill of exchange at 90 days for ₹20,000. They discount the bill at Mercantile Bank being charged ₹200 therefor. After two months they received from their agent an Account Sales informing that the entire consignment has been sold for ₹35,000, that expenses amounting to ₹700 have been incurred and showing as a deduction the agreed commission of 2 per cent on the amount realized. A draft on the Syndicate Bank was enclosed for the balance due. Show important ledger accounts in the books of both the parties.

CO1,
CO2,
CO5

L1,
L2,
L3,
L4

Q. 3 Solve the following. [15] Course Outcome Knowledge Level

(a) On 18th October 2014 the premises of Rajshree were destroyed by fire, but sufficient records were saved from which the following particulars were found:

Particulars	₹
Stock (1-4-2013)	67,200
Stock (31-3-2014)	99,000
Purchases (F.Y. 2013-14)	8,38,800
Sales (F.Y. 2013-14)	10,20,000
Purchases (1-4-2014 to 18-10-2014)	4,95,000
Sales (1-4-2014 to 18-10-2014)	5,19,000

CO3,
CO4,
CO5

L1,
L2,
L3,
L4

	Stock for the Balance Sheet at 31-3-2014 was valued at 10% above cost. During May 2014, Rajshree had withdrawn goods costing ₹25,000. The policy amount was ₹1,20,000. The stock salvaged was worth ₹29,000. Show the amount of claim to be lodged with the Insurance Company.			
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