

Q1. Fill in the blanks choosing the correct alternatives. (Any 10)

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1. The relationship between Consignor and Consignee is that of
a. Principal and Agent b. Debtor and Creditor c. Buyer and Seller d. Owner and Servant.
2. If the consignee gets, he will bear bad debts.
a. Commission b. Del Credere c. Discount d. None of these
3. Consignment Account is a Account.
a. Personal b. Real c. Nominal d. None of these
4. Goods sent by head office to the branch but not received by the branch are termed as
a. Branch Account b. Goods in Transit c. Neither (i) and (ii) d. Both (i) and (ii)
5. is prepared in single entry to find out credit purchases.
a. Debtors A/c b. Creditors A/c c. Cash and Bank A/c d. Expenses A/c
6. Cash remitted by Head office to branch is to Branch A/c in head office books under Branch Debtors Method.
a. Debited b. Credited c. Added d. Subtracted
7. Memorandum Trading Account is prepared to find
a. Closing stock on the date of fire b. Gross Profit on the date fire
c. Salvage on the date of fire d. None of these
8. Goods saved from fire are called as
a. Abnormal goods b. Salvage c. Claim d. Stock on the date of fire
9. Bills payable dishonored are debited to Account.
a. Bills Receivable b. Bills Payable c. Sundry Debtors d. Sundry Creditors
10. The branch is said to be when its accounts are maintained by Head Office.
a. Independent b. Dependent c. Foreign d. None of these
11. Capital in the beginning of the year is ascertained by preparing
a. Cash Account b. Opening statement of affairs
c. Total Debtors Account d. Total Debtors Account
12. The person who sends the goods to the agent for sale is called
a. Consignor b. Consignee c. Buyer d. Seller



Q1 B. State whether the following statements are True and False (Any 10)

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1. Bills receivable dishonored are credited to bills payable account.
2. Consignor is a person who consigns goods.
3. Invoice price is always higher than cost.
4. RBI governs insurance business in India.
5. Loading on opening stock is credited to Branch Account under Debtors Method.
6. Memorandum Trading Account is prepared to ascertain the amount of salvage.
7. Sales return is debited to debtors account.
8. Profits on consignment belongs to consignor
9. Insurer gets compensation equal to the amount of policy, in case of full insurance.
10. If gross profit is 20% of sales that means it is 25% of cost.



11. Purchases return is debited to creditors account.

12. Account sales is sent by the consignor to the consignee.

Q2. Mr. Omkar is retailer of Mumbai, submits the financial position as on 31st March, 2021 and 31st March, 2022 as under. 20

Particulars	31.03.2021	31.03.2022
Plant and machinery	1,00,000	
Stock (At cost)	76,500	80,000
Debtors	1,43,500	1,40,000
Cash at Bank	44,000	?
Creditors	60,000	70,000
Loan from Vijay	40,000	?

During the year ended 31st march, 2022; Mr. Omkar:

- Received from debtors ₹ 3,03,500
 - Paid ₹ 2,33,500 to creditors for goods.
 - Repaid ₹ 10,000 of Vijay Loan.
 - Purchased a computer for ₹ 14,000.
 - Withdrew ₹ 1,600 per month for domestic use.
 - Introduced additional capital of ₹ 6,000.
 - He sold goods only on credit.
 - He spent for business expenses ₹ 18,000.
 - Charge 20% depreciation on Plant and Machinery and Computers
- Prepare Mr. Omkar's Final Accounts by showings all your workings.

OR

Q2. Mr. Roy supplies you the following information. 20

Particulars	01.04.2021	31.03.2022
Sundry Debtors	90,000	1,05,000
Stock	75,000	85,000
Sundry Creditors	55,000	60,000
Furniture	20,000	?
Machinery	1,75,000	?

Summary of cash transactions for the year ended 31st March, 2022:

Receipts	₹	Payments	₹
Opening Balance	5,000	Creditors	1,75,000
Cash Sales	55,000	Wages	80,000
Received from Debtors	3,90,000	Salaries	75,000
Loan from Joy	50,000	Expenses	30,000
		Drawings	45,000
		Personal Income Tax	15,000
		Machinery Purchase (On 01.04.2021)	50,000
		Closing Balance	30,000
	5,00,000		5,00,000



Additional Information:

Discount allowed were ₹ 6,000 and Discount Received ₹ 5,000. Bad Debts written off were ₹ 4,000. Depreciation is to be provided on Furniture @5% p.a. and on Machinery @ 10% p.a. Expenses include payment of ₹ 1,000 which relates to April, 2022.

Prepare Trading and Profit and Loss Account of Mr. Roy for the year ended 31st March, 2022 and Balance Sheet as on that date.

Q3. Jai of Mumbai sent 400 cookers at ₹ 1,000 each to Disha of Nagpur and paid for carriage ₹ 2,000, packing ₹ 2,500 and Insurance ₹ 3,000. Disha accepted a 3months bill drawn upon by Jai for ₹ 80,000. The bill was discounted by jai with his bankers on the same day for ₹ 77,600, and discount was charged to consignment account.

Jai received an Account sale from Disha from which it appeared that:

- a) 340 Cooke[₹] were sold at ₹ 1,400 each for Cash.
- b) 40 Cooke[₹] were sold at ₹ 1,500 each for Credit.

Disha paid for Rent and Taxes ₹ 3,200 and Advertisement ₹ 1,800. Disha is entitled to a total commission of 10% on sales which includes a del-credere commission of 2%. The balance amount was remitted by bank draft.

Prepare Consignment Account and Consignee Account in the books of Jai.

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OR

Q3. M/s ABC & Co. of Mumbai consigned to Mr. D of Nashik 1,200 sewing machines costing ₹ 2,600 per sewing machine. They invoiced @ 20% above cost price.

M/s ABC & Co. paid ₹ 5,000 for Insurance, ₹ 8,000 for carriage and ₹ 7,000 for miscellaneous expenses.

On receiving the consignment Mr. D accepted a bill for half the amount of Invoice price.

M/s ABC & Co. discounted the bill @ 1% of its value. The discount was charged to consignment account. Mr. D sent an account sale which shows as follows:

- a) Cash sales of 600 sewing machines @ 4,500 each
- b) Credit sales of 500 sewing machines @ 4,500 each.
- c) Mr. D paid Godown rent of 10,000 and selling expenses 15,000.

Mr. D. remitted the balance due by bank draft after deducting his expenses and commission @ 10% on sales and del credere commission @ 2% on sales.

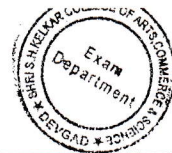
Prepare Consignment Account and Consignee's Account in the books of Consignor.

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Q4. M/s. Ramoji Rao, Hyderabad has a branch at Mumbai. All purchases are made by head office. Goods are sent to Branch at cost plus 50% the branch does not maintain double entry books of accounts, the books are kept at head office. Branch sells goods for cash as well as on credit. All cash expenses of branch are paid by Head Office. All cash collection is sent to head office every day. From the following information supplied to you prepare, Branch A/c in the books of head office for the year ended 31st March, 2022.

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Particulars	₹
Stock at Brach at Invoice price on 1st April, 2021	33,450
Debto [₹] at Branch on 1st April, 2021	65,150



Furniture at Branch on 1st April, 2021	16,000
Goods Sent to Branch at Invoice Price	3,60,000
Cash Sales	1,40,000
Credit Sales	2,81,000
Cash Received from Debtors	??
Bad Debts at Branch	16,130
Expenses of Branch Paid by Head Office	
Salaries	18,600
Rent	28,400
Printing and Stationery	14,400
Sundry Expenses	13,190
Goods Returned by Branch to Head Office at Invoice Price	15,000
Goods Returned by Branch Debtors	12,000
Stock at Branch at Invoice Price on 31st March, 2022	39,000
Debtors at Branch on 31st March, 2022	27,000
Furniture at Branch on 31st March, 2022	14,400

OR

Q4. On 16th June 2022 the premises of Balan were destroyed by fire sufficient records were saved from which the following particulars were found: 20

Particulars	₹
Stock (1-1-2021)	50,000
Stock (31-12-2021)	70,000
Purchases (2021)	4,74,000
Sales (2021)	6,00,000
Purchases (1-1-2022 to 16-6-2022)	1,50,000
Sales (1-1-2022 to 16-6-2022)	2,05,000

In valuing the stock for the Balance Sheet at 31-12-2021 ₹ 4,000 had been written off certain stock having cost ₹ 9,000. Half of this goods were sold in March, 2022 for ₹ 5,000. The balance is estimated to be worth the original cost. Subject to this exception, gross profit had remained at uniform rate. The stock salvaged was worth ₹ 9,500. Show the amount of claim to be lodged with the insurance Company.

Q5. A. What is a Branch? Describe various accounting methods of Branch Accounting? 10
B. Distinguish between Proforma Invoice and Invoice. 10

OR

Q5. Write Short Notes. (Any Four) 20

- Consignment Account
- Branch Accounting
- Single Entry System
- Account Sales
- Insurance Claim
- Proforma Invoice