

Total No. of Questions: 4]

SEAT No. :

PA-2708

[5952]-602 A

[Total No. of Pages : 5

T.Y.B. Com.

**362 : ADVANCED ACCOUNTING-II  
(2019 Pattern) (Semester-VI)**

*Time : 2½ Hours]*

*[Max. Marks : 70*

*Instructions to the candidates:*

- 1) Q1 is compulsory.
- 2) Solve any 2 Questions from remaining Q.No 2,3 and 4.

**Q1) a) Fill in the blanks (Any five out of 7) [5]**

- i) Co-operative Societies are not formed for earning \_\_\_\_\_
  - a) Profit
  - b) Assets
  - c) Liabilities
  - d) Cash flows
- ii) A \_\_\_\_\_ is a subordinate division of a central office.
  - a) Balance sheet
  - b) Fund flow statement
  - c) Co-operative Society
  - d) Branch
- iii) The \_\_\_\_\_ branches are not allowed to make their own purchases from open market.
  - a) Dependent
  - b) Sub
  - c) Tree
  - d) Variable
- iv) Forensic Accounting provides an accounting analysis suitable to be used in \_\_\_\_\_ Proceedings.
  - a) Foreign
  - b) national
  - c) international
  - d) legal
- v) Liquidity ratios measures the ability of a firm to meet its \_\_\_\_\_ obligations.
  - a) Short term
  - b) profit
  - c) loss
  - d) wealth
- vi) Balance sheet is a position statement that determines liquidity and \_\_\_\_\_ position.
  - a) Overall performance
  - b) solvency
  - c) long term
  - d) short term
- vii) Ratio analysis is the most useful technique for analyzing \_\_\_\_\_ statements scientifically.
  - a) Financial
  - b) scientific
  - c) statistical
  - d) organizational

**P.T.O.**

- b) True or False (Any five out of 7) [5]
- Ratio analysis ensures effective cost control.
  - The long term analysis of financial statements is mainly concerned with stability and revenue earning potential of the concern.
  - The price specified in the options contract is known as option price.
  - Derivatives markets help to increase savings and investments in the long run.
  - Commission payable to Branch Manager is always debited to Branch account.
  - The branch which keeps full system of accounting is said to be an independent one.
  - The final accounts of Co-operative Societies are required to be approved by the members in the Annual General Meeting.
- c) Match the following. [5]
- Home Branch                      Inflow and outflow of cash
  - Futures                                Logical Thinking Process
  - Artificial Intelligence            2:1
  - Cash Flows                          Inland Branch
  - Ideal Current Ratio                More Liquid
- d) Short Notes (Any three out of five) [15]
- Accounting for Corporate Social Responsibility.
  - Meaning of Ratio Analysis.
  - Explain the concept of Forensic Accounting.
  - Explain Profitability Ratios.
  - Use of Artificial Intelligence in Accounting.

**Q2)** From the following Trial Balance of Udyaya Co-operative Purchases and Sales Society Ltd as on 31/03/2021 prepare Trading Account, Profit and Loss Account for the year ended 31/03/2021 and Balance Sheet as on that data after consideration the adjustment given there after [20]

Trial Balance as on 31/03/2021

Particulars	Debit Rs.	Credit Rs.
Share Capital		1,68,000
Reserve Fund		3,000
Creditors for Purchases		20,000
Profit and Loss Account 01/04/2020		8,000
Profit for the year		80,000
Opening Stock	1,96,000	
Furniture and Equipments	62,000	

Container Deposit	16,000	
Sundry Debtors	30,000	
Salaries	1,50,000	
Commission	44,000	
Rent and Taxes	23,000	
Postages	4,000	
Travelling and Conveyance	9,000	
Printing and Stationery	7,000	
Dividend paid	7,900	
Admission fees		1,000
Purchases	31,70,000	
Coolie charges, freight, cartage	80,000	
Investments	1,20,000	
Sales		38,10,000
Cash in Hand	2,100	
Bank Balance	200,000	
Development Fund		4,000
	41,2,1000	41,21,000

Other Information

- i) Closing stock is valued at Rs. 2,20,000.
- ii) Outstanding Rent Rs. 2,000.
- iii) Commission payable Rs. 10,000.
- iv) Rs. 4,000 salary was paid as advance as on 31/03/2021.
- v) Provide for Audit fees Rs. 8,000.
- vi) The Society declared 5% Dividend on its paid up capital as on 31/03/2020 for the year. The Society transferred 25% of its profit for the year ended 31/03/2020 to Reserve fund and also transferred. Rs. 4,000 to Development fund approved in the general meeting held on 31/10/2020.
- vii) Accrued Income on Investment Rs. 10,000.
- viii) The Directors recommend 10% Dividend for the current year.
- ix) Provide 10% Depreciation on furniture and equipments.

Q3) The following is the Profit and Loss for the year ending 31<sup>st</sup> March 2021 and Balance sheet as on that data of C Ltd. [20]

Dr. Profit and Loss Account for the year ending 31<sup>st</sup> Marh 2022

Particulars	Amount	Particulars	Amount
To Opening Stock	10,000	By Sales	1,00,000
To Purchases	55,000	By Closing Stock	15,000
To Gross Profit c/d	50,000		
Total	1,15,000	Total	1,15,000
To Office Expense	15,000	By Gross Profit b/d	50,000
To Interest	3,000		
To Selling Expense	12,000		
To Net Profit c/d	20,000		
Total	50,000	Total	50,000

Balance Sheet as on 31<sup>st</sup> March 2022

Liabilities	Amount	Assets	Amount
Share Capital Shares at 10 each	1,00,000	Land and Building	50,000
Profit and Loss	20,000	Plant and Machinery	30,000
Creditors	25,000	Stock	15,000
Bills Payable	15,000	Debtors	15,000
		Bills Receivable	12,500
		Cash at Bank	17,500
		Furniture	20,000
Total	1,60,000	Total	1,60,000

Other Information

- a) Average Debtors Rs. 12,500  
 b) Credit Purchases Rs. 40,000  
 c) Credit Sales Rs. 80,000

Calculate –

- i) Stock Turnover Ratio  
 ii) Debtors Turnover Ratio  
 iii) Creditors Turnover Ratio  
 iv) Gross Profit Ratio  
 v) Net Profit Ratio

**Q4)** Bharat Traders has a branch at Surat to which goods are supplied by Head office at 25% on cost price. Branch remits all cash received by the Head Office and all expenses except petty cash expenses of the branch are paid by the Head Office by cheques.

Prepare Surat Branch Account, Branch Debtors Account and Branch Petty Cash Account in the books of Bharat Traders, Baroda taking into consideration in the following information for the year 2021-2022 [20]

Particulars	Balances as on 1 <sup>st</sup> April 2021	Balances as on 31 <sup>st</sup> March 2022
Stock in Trade	1,00,000	57,600
Debtors	10,000	54,000
Cash in hand	100	-

Goods sent to branch	2,00,000
Total Sales	3,00,000
Cash received from Debtors	1,90,000
Goods returned by Debtors	2,000
Discount allowed to customers	4,000
Allowances to Customers	2,000
Bad Debts written off	4,000
Bills receivable from debtors	4000
Cheques sent to branch offices for expenses	
i) Salaries	9,530
ii) Rent	2400
iii) Advertisement	1,200
Petty Expenses at Branch	950
Petty Cash remittances to branch	1,000

The branch manager is entitled to a commission of 10% on Branch Profits before charging such commission.

