



23125871

QP CODE: 23125871

Reg No :

Name :

**B.A DEGREE (CBCS) REGULAR / IMPROVEMENT / REAPPEARANCE
EXAMINATIONS, MAY 2023**

Second Semester

B.A Corporate Economics Model III

Core Course - EC2CRT07 - FINANCIAL ACCOUNTING - II

2017 ADMISSION ONWARDS

8E94E07F

Time: 3 Hours

Max. Marks : 80

Part A

*Answer any **ten** questions.*

*Each question carries **2** marks.*

1. What do you mean by Dependent branches?
2. What is inter department transfer?
3. What do you mean by 'Sharing of profit' in the case of Partnership business?
4. When the partners' capitals are fixed, where the drawings made by a partner will be recorded? Why?
5. Define partners' capital account.
6. Rs.2,000 is withdrawn by a partner on September 30 and the accounts are closed on December 31. What is the interest on drawings, if the rate of interest is 6%?
7. What is Reconstitution of Partnership Firm?
8. What do you mean by Change in profit sharing ratio?
9. Explain the term 'Incoming Partner'.
10. What do you mean by Retirement of a partner?
11. What is Dissolution of Partnership?
12. What is Invoice price?

(10×2=20)





Part B

Answer any **six** questions.

Each question carries **5** marks.

13. What are the objectives of keeping Branch Accounts?
14. What are the objectives of Departmental accounts?
15. What are the various items of Departmental Trading account?
16. Explain Profit and Loss Appropriation account with format.
17. The average profit of a firm for the last five years is Rs.20,000 and the capital invested is Rs.1,30,000. The normal profit of the similar line of a business is 10%. Calculate the amount of goodwill if it is 2 years purchase of super profit.
18. Explain the different methods of valuation of Goodwill.
19. 'L' and 'M' are partners sharing profits in the ratio of 3:2.'N' is admitted into the partnership to 1/3rd share. Calculate sacrificing ratio.
20. What are the adjustments taken of when a partner is retired from the firm?
21. Shemin, Rose and Cheriyan are partners in the ratio of 1:2:3.Rose retires and it was decided to adjust the capitals of Shemin and Cheriyan in their profit sharing ratio.The capital account of Shemin and Cheriyan showed a balance of Rs.40000 and Rs.80000 respectively after making all adjustments relating to revaluation ,goodwill, accumulated profit etc.You are required to calculate the new capital of the partners and record necessary entry.

(6×5=30)

Part C

Answer any **two** questions.

Each question carries **15** marks.

22. From the following particulars relating to Thane Branch of Narasimham & Sons, Prepare Branch Account in the books of Head Office.

Stock at branch on 1/4/2016 (Opening) - 50000

Petty cash at branch on 1/4/2016 (Opening) - 1000

Furniture on 1/4/2016 (Opening) - 20000

Goods sent to branch during the year - 500000

Cheque sent to Branch for:





Salary - 18000

Rent - 3000

Petty cash - 2000

Goods returned by branch - 25000

Cash sales - 400000

Stock 31/03/2017 (Closing) - 120000

Furniture purchased on 1/10/2016 - 25000

Depreciate furniture @10%. Petty cash is maintained under imprest system.

23. Explain about
- Partnership business with features.
 - Partnership Agreement and contents.
24. Meenu and Reenu are partners in the ratio of 2:3. They admit Raj as a partner for 1/3rd share in profit who brings Rs.40,000 as his share of goodwill. The new ratio will be 3:3:2. Meenu and Reenu withdraws the premium paid by Raj. Record necessary journal entries in the books of the firm.
25. Explain the Modes of Dissolution.

(2×15=30)

