

TILAK MAHARASHTRA VIDYAPEETH, PUNE
BACHELOR OF BUSINESS ADMINISTRATION (B.B.A.)₍₀₇₁₎/
B.Sc IN BUSINESS ADMINISTRATION (B.Sc.BA)₍₇₅₅₎/
BBA SPORTS MANAGEMENT (472)/
BSC SPORTS MANAGEMENT ₍₇₇₀₎
EXAMINATION: MAY - 2025

SEMESTER - II

**Sub.: Fundamentals of Financial Accounting-II / Financial Accounting
(BBA22-212/BBA23-212/BBA24-212/BSBA24-212/BSC24-212)**

Date : 21/05/2025

Total Marks : 60

Time: 10.00 am To 12.30 pm

Instructions: 1) All questions are compulsory.
2) Figures to the right indicate full marks.

Q. 1. Choose the most appropriate option. (05)

1. The Net Profit is transferred to which account?
 - a) Capital Account
 - b) Drawings Account
 - c) Profit and Loss Account
 - d) Trading Account

The net profit or loss for each department is calculated by.....

 - a) Subtracting departmental expenses from departmental income
 - b) Subtracting common expenses from the total income
 - c) Adding the department's income to the total income
 - d) Deducting both fixed and variable costs

Which of the following is the correct treatment for the consignee's commission?

 - a) Charged to Consignment Account
 - b) Added to the value of goods sold
 - c) Paid directly to the consignor
 - d) Debited to the Profit and Loss Account of the consignee

In a joint venture, if goods are supplied by one co-venturer to another, the transaction is recorded in

 - a) The Joint Venture Account
 - b) The Co-venturer's Account
 - c) The Trading Account
 - d) The Purchase Account

In the surplus capital method, if there is not enough cash to return all partners' capital, the cash is distributed.....

 - a) Based on the partners' profit-sharing ratio
 - b) According to their capital balance, proportionately
 - c) On the basis of the work done by the partners
 - d) Equally among all partners

Q. 2. State True / False (05)

- [illegible]

Q. 3. Write Short notes on (Any Three) (15)

1. Trading Account
2. Objective of departmental accounting?
3. Parties involved in consignment
4. How are profits shared in a joint venture?
5. Methods used for piecemeal distribution

Q. 4. Answer in detail (Any Two) (20)

1. Examine the profit-sharing mechanism in joint venture and Consignment.
2. What are the advantages of departmental accounting?
3. X,Y,and Z are partners and decided to dissolve their firm as on 31st December 2024. The Balance Sheet is given below:

Liabilities	₹	Assets	₹
Capital:		Cash at Bank	60,000
X	60,000	Land and Building	1,40,000
Y	45,000	Furniture	40,000
Z	25,000	Motor Car	60,000
		Plant and Machinery	80,000
Bank Loan	1,50,000	Stock	10,000
Sundry Creditors	1,50,000	Debtors	40,000
Total	4,30,000	Total	4,30,000

Assets Realised:

1. First Realisation: ₹ 2,00,000
2. Second Realisation: ₹ 1,20,000
3. Third Realisation: ₹ 1,10,000

Prepare a Piecemeal Distribution Statement of cash under Surplus Capital Method.

On 5th April 2024, Kavya Appliances of Chennai sent 300 refrigerators to Mehta

4. Distributors of Hyderabad on consignment. The cost of each refrigerator was ₹ 30,000.

Kavya Appliances incurred the following expenses:

- Insurance Premium: ₹ 15,000
- Freight Charges: ₹ 60,000
- Packing Charges: ₹ 350 per unit

After a month, Mehta Distributors sent an Account Sales Statement to Kavya Appliances, stating that all units were sold at ₹ 55,000 per unit.

The consignee (Mehta Distributors) paid the following expenses:

- Cartage: ₹ 18,000
- Unloading Charges: ₹ 22,000
- Warehouse Rent: ₹ 25,000

The agreed commission for Mehta Distributors was 10% on sales.

Required:

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

Q. 5. Aarav Enterprises provided the Trial Balance as on 31st March 2024:

(15)

Particulars	₹	Particulars	₹
Advertisement	35,000	Bank Loan	2,50,000
Carriage Inwards	45,000	Bank Overdraft	90,000
Cash in Hand	1,50,000	Capital	9,00,000
Debtors	3,00,000	Creditors	2,80,000
Drawings	70,000	Discount Received	25,000
Furniture	2,50,000	Dividend Earned	20,000
Goodwill	1,20,000	Interest Earned	15,000
Opening Stock	1,80,000	Sales	13,50,000
Purchases	8,00,000		
Rent	40,000		
Salaries	3,50,000		
Taxes	75,000		
Wages	90,000		
Machinery	5,00,000		
	29,30,000		29,30,000

Adjustments:

1. Closing stock as on 31st March 2024 is valued at ₹ 60,000.
2. Salaries outstanding amount to ₹ 50,000.
3. Depreciate Furniture by 7% and Machinery by 12%.
4. Rent paid in advance is ₹ 10,000.
5. Create a provision for doubtful debts at 6% of Debtors

Prepare:

1. Trading Account
2. Profit and Loss Account
3. Balance Sheet as on 31st March 2024.