

**INDIAN MARITIME UNIVERSITY**  
(A Central University, Govt. of India)

**End Semester Examinations – December 2023**

**B.B.A (LRE)**

**Subject Code: UG31T2203**

**Subject Name: FINANCIAL ACCOUNTING II**

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**Date: 23.11.2023**

**Time: 3 Hrs**

**Max Marks :70**

**Pass Marks: 35**

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**PART – A**

**Answer all the questions**

**(10 x 1 = 10Marks)**

1. Following one is not a method of depreciation?
  - a) Straight line method
  - b) Written down value method
  - c) Annuity method
  - d) Factor Reversal method
  
2. Under which method of depreciation, the asset amount will be reduced to zero
  - a) Straight line method
  - b) Written down value method
  - c) Both (a) & (b)
  - d) None of the above
  
3. Under which system the hire vendor can repossess the goods if an instalment is not paid
  - a) Instalment system
  - b) Hire purchase system
  - c) Both (a)&(b)
  - d) None of the above
  
4. The amount paid at the time of hire purchase agreement is known as
  - a) Instalment
  - b) Down payment
  - c) Hire purchase price
  - d) Cash price
  
5. What are the types of branches?
  - a) Dependent branch
  - b) Independent branch
  - c) Foreign branch
  - d) All the above

6. Branch keeping the full system of accounting is also known as
  - a) Independent Branch
  - b) Dependent Branch
  - c) Foreign Branch
  - d) None of the above
  
7. Allocation of common wealth refers to which accounts
  - a) Branch accounts
  - b) Departmental accounts
  - c) Both (a)&(b)
  - d) None of the above
  
8. Bad debts are apportioned among departments in the departmental accounts in the proportion of
  - a) Sale of each department
  - b) Number of units sold in each department
  - c) Cost of sales of each department
  - d) None of above
  
9. The written form of partnership agreement is called as
  - a) Partnership deed
  - b) Partnership bond
  - c) Partnership certificate
  - d) None of the above
  
10. Change in constitution of the firm may be due to
  - a) Admission of a new partner
  - b) Retirement of a partner
  - c) Death of the partner
  - d) All of the above

### **Part-B**

**Answer all the Five Questions (05 X 02=10 Marks)**

11. Write short notes on "Stock Debtors System" in Branch accounts
12. What is Straight Line method of depreciation?
13. Explain the term "leasing"
14. What do you mean by "Departmental Accounting"?
15. Why is it important to have a partnership deed in writing?

### Part C

Answer any five Questions from the following

(05 X 10=50 Marks)

16. A partnership firm purchased a Machinery for Rs. 1,50,000. The useful life of the plant is 10 years and the residual value is Rs 15,000. find out the rate of depreciation under the straight-line method.

17. The following information relates to Pune branch

	Rs.	Rs.
Stock 1.1.94		11,200
Branch debtors on 1.1.94		6,300
Goods sent to branch		51,000
Cash sent to branch for :		
Rent	1500	
Salaries	3,000	
Petty cash	<u>500</u>	5,000
Sales at branch:		
Cash	25,000	
Credit	<u>39,000</u>	64,000
Cash received from debtors		41,200
Stock on 31.12.94		13,600

Prepare branch account for the year 1994

18. Calculate insurance claim from the following facts assuming that the insurers met their liability under the policy on average basis

A trader's stock valued at Rs .40,000 was totally destroyed. The stock in the godown was insured for Rs 30,000 subject to average clause. The balance of stock, left after fire, appeared in the books at Rs. 24000

19. Explain the features of Instalment purchase system.

20. Explain the objectives of Departmental Accounting?

21. Explain the rights of partners?

22. Explain any three methods of calculating depreciation

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