

Commission	200		
Building	30000		
drawings	5000		
	285000		285000

Additional information:

- a. Wages include Rs.1,000 paid for machinery installation.
 - b. Purchases include scooter worth Rs.5000
 - c. Proprietor took goods worth Rs.1000
 - d. Rs.500 turned bad. Also provide 10% provision
 - e. Electricity charges outstanding Rs.50
 - f. Goods worth Rs.5000 damaged by fire. Claims admitted Rs.4000
25. Reo Ltd. leased a property from A on a royalty of Rs. 10 per tonne with a minimum rent of Rs. 20,000 per annum. Each year's excess of minimum rent over royalties is recoverable out of the royalties of the next five years. In the event of a strike if the minimum rental is not being reached, the lease provided that minimum rent would stand reduced proportionate to the till actually worked. Accounts are closed on 31st March every year but payments to a is made on next 30th May. The results. Of the working were as follow:

Year	Actual Royalties in Rs.
2000-01	Nil
2001-02	6,000
2002-03	18,500
2003-04	22,500
2004-05	35,000
2005-06	12,000 (strike for 4 months)
2006-07	30,000

Write up minimum rent, royalties and Shortworkings account.

(10 x 3 = 30)

B. COM DEGREE END SEMESTER EXAMINATION : NOVEMBER 2023**SEMESTER 1 : COMMERCE****COURSE : 19U1RCOM2 : FINANCIAL ACCOUNTING***(For Regular 2023 Admission and Improvement / Supplementary 2022/2021/2020/2019 Admissions)*

Time : Three Hours

Max. Marks: 75

PART A**Answer any 10 (2 marks each)**

1. Define Branch, What are the features of branches?
2. What is receipts and payments account?
3. What do you mean by 'Dead Rent'?
4. What are adjusting entries? Give an example.
5. What is the difference in accounting treatment of mining royalty and copyright royalty?
6. What are the different types of Branches from the accounting point of view?
7. Explain the valuation of stock in consignment.
8. What is consolidated Balance Sheet?
9. What are capital receipts?
10. Distinguish between normal loss and abnormal loss in consignment.
11. Pass necessary adjusting entries;
 - a. Rs.25,000 were received in advance for commission.
 - b. Rs.1,000 were bad debts during the year.
12. What do you mean by account sales?

(2 x 10 = 20)**PART B****Answer any 5 (5 marks each)**

13. What do you mean by a branch? What are the difference between branches and departments?
14. On 1st January 1996. Amin of Ahmedabad consigned to Cowasji of Calcutta goods for sale at invoice price. Cowsji is entitled to a commission of 3% on invoice price Goods costing Rs 1,20,000 were consigned to Calcutta at the invoice price of Rs 1,44,000. The expenses of consignment amounted to Rs 10,000. On 31st March 1996 an Account sales was received from Cowasji showing that he had effected sales of Rs 1,20,000 in respect of $\frac{3}{4}$ of the quantity of goods consigned to him. His out –of pocket expenses were Rs 6,000. Cowasji accepted a bill drawn by Amin for Rs 50,000 and remitted the balance due from him in cash.
Prepare ledger accounts in the books of Amin.
15. What is accounting standards? What are its objectives?
16. Anjali Beauty Products, Maduari , consigned 500 bottles of quality nail polish to Beauty Palace, Anchal at Rs30. They spent Rs.200 for packing and Rs.300 for freight and insurance and drew against the consignment, a bill for the amount of 80% of the cost goods sent. On getting the acceptance , Anjali Beauty products discounted the bill at a cost of Rs.600.Beauty Palace, Anchal sold 400 bottles of nail polish at Rs.40of which 50 bottles were on credit. Their sales expenses amounted to Rs.150. they are to get a commission of 4% plus 2% del-credere commission.A customer who bought 10 bottle of nail polish on credit became insolvent and only Rs200 is realised from him in full settlement.

Prepare consignment account and consignees account in the book of consignor.

17. Pass necessary adjustment entries.
- Rs.10,000 for wages and Rs.2,500 for printing charges were outstanding.
 - Rs.1,000 for insurance were paid in advance.
 - Write off depreciation on machinery Rs.2,500 and on furniture Rs.10,000.
 - Rs.7500 were received in advance for commission.
 - Interest on investment RS.2,000 were yet to be recieved.
18. What do you mean by short workings and recoupment of short working. What are the entries in the books of lessee or recoupment of short working?
19. From the following particulars of Sagara club , prepare Receipts and payments account for the year ended 31st December 2012.

Opening balance	2000
Opening bank balance	4300
Subscription for Rs.	
2011 - 1500	
2012 - 800	
2013 - 2000	4300

Sale of old news paper	400
Purchase of refreshment	600
Sports material purchased	5200
Furniture purchased	1700
Grants received	1500
Rent paid	4000
Salary paid	2200
Office expenses	750
Donations received	3750
Tournament expenses	2500
Sale of refreshment	850
Entrance fee received	1500
Hall rent received	1000
Admission fee received	1200
Closing balance of cash	500

20. On last January 2002 Minerva Ltd. took on lease, a field from Earth Ltd. on a royalty of Rs. 12 per tonne of coal raised, payable on 31st December every year. The following are the results of working for the first four years

YEAR	PRODUCTION IN TONNES
2002	4500
2003	5200
2004	6000
2005	6300

Give journal entries and ledger accounts in the books of Minerva Ltd for the four years

(5 x 5 = 25)

PART C

Answer any 3 (10 marks each)

21. Double Horse Rise Ltd. has a branch at Trivandrum to which goods are supplied at cost plus 20% which is the selling price at branch. The following relate to the branch for the year 2005. Prepare accounts under Stock and Debtors System.

Stock at branch 1.1.05	30,000
Debtors at branch on 1.1.05	21,000

Goods sent to branch during 05	63,000
Return by branch to head office	3,000
Cash sales	37,000
Credit sales	32,000
Receipt from debtors	37,000
Discount allowed	1,200
Bad debts written off	1,300
Remittance to branch for expenses	7,000
Stock at branch on 31.12.05	18,000
Expenses outstanding on 31.12.05	1,200

22. Nanak Minerals Ltd. took a mine on lease for a period of 99 years from 1st January 2000 on the following terms:

- i. Dead Rent per year Rs. 12,000.
- ii. Short workings can be recouped with in the next two years.
- iii. If there in an accident or strike, minimum rent is to be reduced by 25% for that year.
- iv. Royalty is to be calculated at 50 paise per tonne.
- v. Payment for an year is to be made on 31st March next year. Production from 2000 to 2004 were as follows:

2002 – 14,000 tonnes, 2001 – 18,000 tonnes, 2002-30,000 tonnes, 2003- 22,000 tonnes, 2004-30,000 tonnes. There was a strike during 2003.

Give journal entries and important ledger accounts in the books of Nanak Minerals Ltd.

23. Sanjay Industries of Ludhiana consigned 1000 Fast Rider bicycles to their agent, Riders Agency at Madras at a cost of Rs. 2,200each. The expenses at Ludhiana were carriage and loading Rs 30,000 and insurance Rs 20,000.

Riders Agency took delivery of the bicycles after accepting a bill of Rs 7,00,000 drawn against the consignment, which the consignor discounted for Rs 6,70,000. They paid Rs 20,000 for freight, loading and unloading and sold 800 bicycles @ Rs 2,600 for cash and 50 bicycles @ Rs 2,800 on credit for which they were entitled to a commission of 6%.

A customer who bought 5 cycles became insolvent and nothing could he recovered from him. All other debts were fully collected. The sales expense of Riders Agency was Rs 14,500.

Give ledger accounts in this books of Sanjay Industries and journal entries in the book of Riders Agency.

24. The following is the trial balance of Mr.Devendra as on 31st march 2013. Prepare trading ,profit and loss account and balance sheet from the following particulars:

Particulars	Debit	Particulars	Credit
Purchases	180000	Sales	205000
Stock	10000	Loan(10%)	10000
Salaries	5400	Creditors	15000
General charges	1200	Capital	55000
Rent at Rs.250	2750		
Machinery	29000		
Wages	3000		
Furniture	5000		
Electricity	550		
Trade expenses	1500		
Debtors	10500		
Interest on loan	900		