

B. COM. DEGREE END SEMESTER EXAMINATION - OCTOBER 2019**SEMESTER – 3: COMMERCE (CORE COURSE)****COURSE: U3CRCOM8, FINANCIAL ACCOUNTING***(For Supplementary - 2014 Admission)*

Time: Three Hours

Max. Marks : 75

PART – AAnswer **all** Questions, Each question carries one mark.

1. What is in 'AS 3'?
2. What do you mean by Surface Rent?
3. Name the account opened on disagreement of trial balance
4. What is 'VAT'?
5. Cost of goods sold =
6. How 'consumable stores' are treated on finalisation?
7. Who is a consignor?
8. What is Fixed Rent Payable?
9. Excess of minimum rent over actual royalty is called.....
10. Actual royalty payable Rs. 150000, Short workings Rs. 50000, Calculate Minimum Rent?

(1 x 10 = 10 Marks)

PART – BAnswer **any eight** questions. Each question carries two marks

11. Define single entry system
12. What is statement of affairs?
13. What do you mean by consignment?
14. What do you mean by 'Over-Riding Commission'?
15. Name any two expenses which are not shown in P&L A/c.
16. What are closing entries?
17. Give the journal entry for goods in transit in the books of head office.
18. Why Profit and Loss Account is called an 'Absorbent Account'?
19. What is meant by 'Del Credere Commission'?
20. How closing stock is valued on finalisation of accounts?

(2 x 8 = 16 Marks)

PART – C

Answer **any five** questions. Each question carries five marks

21. Name any five defect of single entry system of accounting
22. Mention any five distinctions between consignment and sale
23. Mention any five characteristics of Balance Sheet
24. Enumerate any five distinctions between Normal loss and abnormal loss
25. A consigned to B 1000 Kgs of certain goods at Rs. 200 per Kg. Incurring Rs. 5000 as expenses. 100 Kgs were lost in transit. B spent Rs. 1000 as non-recurring expenses and Rs. 3000 as recurring expenses. B sold 600 Kgs of the goods, 5 Kgs goods were lost due to breakage at B's godown which was considered to be normal. Calculate the amount of abnormal loss and the value of stock on consignment.
26. One machine whose value in books as on 1st April 2014 stood at Rs. 12000 was disposed off on 31st December 2014 for Rs. 8750 in part exchange of a machine costing Rs. 19000 and an invoice for the amount Rs. 10250 was entered in the purchases book. Give adjusting entry. Ignore depreciation.
27. Mr. Ajith of Alleppey consigned goods of the cost of Rs. 20,000 to his agent Mr. Karan of Cochin and incurred Rs. 4,000 for packing, forwarding and Freight. Karan took delivery of the goods after spending Rs. 6,000 for duty and clearing charges. He sold 3/4th of the goods for Rs. 30,000 for which he is entitled to a commission of 5%. His sales expenses amounted to Rs. 600. Prepare consignment account after showing the valuation of unsold stock (5 x 5 = 25 Marks)

PART – D

Answer **any two** questions. Each question carries twelve marks

28. What constitutes the Financial Statements of a Sole Trader? Explain its Nature, importance and limitations?
29. Following is the Trial Balance of M/s. Kasturi Agencies as on 31st March 2018. Prepare Trading, Profit and Loss Account and Balance Sheet on that date.

Particulars	Dr.	Cr.
Capital		100000
Building	15000	
Drawings	18000	
Furniture and Fittings	7500	
Motor Van	25000	
Loan from Hari @ 12% interest		15000
Interest paid on above	900	
Sales		100000
Purchases	75000	

Opening Stock	25000	
Establishment Expenses	15000	
Wages	2000	
Insurance	1000	
Commission received		7500
Sundry debtors	28100	
Bank Balance	20000	
Sundry Creditors		10000
Total	232500	232500

Adjustments:

- The value of stock on 31.03.2018 was Rs. 32,000.
- Outstanding wages Rs. 500.
- Prepaid insurance Rs. 300.
- Commission received in advance Rs. 800.
- Allow Interest on Capital @ 10%
- Depreciation on Building 2.5%, Furniture and fittings 10%, Motor Van 10%.
- Charge Interest on Drawing Rs. 500.

30. Atlas cycles Ltd. of Ranchi sent on consignment 100 cycles costing Rs. 5,000 each invoiced at Rs. 6,000 each to Venus cycles Cochin. Atlas cycles Ltd. paid Rs. 10,000 toward packing, forwarding and insurance. 5 cycles were totally damaged in transit and Insurance Company paid Rs. 25,000 in full settlement of the claim.

Venus cycles took delivery of the rest paying customs duty etc. Rs. 12,500. They sold 80 cycles at Rs. 6,200 each. Their expenses for godown rent etc. amounted to Rs. 4,500. Prepare the consignment account and the Abnormal Loss Account assuming that the Consignee is entitled to a selling commission at 15% on gross sales.

31. A company with its head office at Kolkata has branches at Mumbai and Delhi. Goods are invoiced to the branch at cost plus 33.3333% which is the selling price. Following information is given in respect of Delhi branch for the year ended 31st March 2018:

Goods sent to branch (invoice price)	480000	Branch debtors balance (1.4.2017)	30000
Stock at branch (01.04.2017) at invoice price	24000	Branch debtors cheque dishonoured	5000
Cash sales	176000	Discount allowed	1000
Returns from customers	6000	Bad debts	1500
Branch adjustment a/c (Cr.)	6000	Collection from debtors	266000

Branch Expenses (of which non recurring Rs. 1000) paid by the HO	54500	Branch debtors balance (31.3.2018)	36500
Normal Loss at I.P.	700	Allowances to customers off selling price (already adjusted while invoicing)	300
Goods lost in transit at I.P.	10000		
Claim recoverable from the Insurance Co. for loss in transit	9000	Stock at branch (31.03.2018) at invoice price	48000
Goods returned by branch debtors direct to HO.	4000	Transfer from Delhi branch to Mumbai Branch	4000

You are required to prepare the necessary accounts under stock and debtors system to reveal the profit of the branch for the year 2017-18

(12 x 2 = 24 Marks)
