



M 7814

Reg. No. : .....

Name : .....

I Semester B.Com. Degree (CCSS-Regular) Examination, November 2014  
(2014 Admn.)  
Core Course  
1B02 COM : FINANCIAL ACCOUNTING

Time : 3 Hours

Max. Marks : 40

PART – A

Answer **all**. Each carries  $1/2$  mark.

1. Closing stock is valued at \_\_\_\_\_
2. Income and expenditure account records transactions of \_\_\_\_\_
3. \_\_\_\_\_ is the statement sent by the consignor to consignee along with goods.
4. Joiventure account is a \_\_\_\_\_ account. (4x $1/2$ =2)

PART – B

Answer **any four**. Each carries **one** mark.

5. What is accounting entity concept ?
6. What is computerised accounting ?
7. What is joint venture ?
8. What is delcredere commission ?
9. What is non-profit organisation ?
10. What are closing entries ? (4x1=4)

P.T.O.



## PART – C

Answer **any six**. Each carries **three** marks.

11. Explain accounting standard 2 to 10.
12. What are the differences between receipts and payments account and income and expenditure account ?
13. Explain the accounting concepts.
14. Name the errors which do not affect the trial balance.
15. The following bills are due for payment on different dates, and it is desired to make a single payment for the total amount. Find the average due date.  
Dated 7<sup>th</sup> April due 17<sup>th</sup> May for Rs. 3,000  
Dated 14<sup>th</sup> May due 22<sup>nd</sup> July for Rs. 6,000  
Dated 5<sup>th</sup> June due 2<sup>nd</sup> August for Rs. 5,000  
Dated 15<sup>th</sup> June due 30<sup>th</sup> August for Rs. 7,000
16. X of TVM consigned goods of the cost of Rs. 20,000 to his agent Y at Calicut and incurred Rs. 4,000 for packing and freight. Y took delivery of the goods after spending Rs. 6,000 for duty and clearing changes. He sold 3/4 of the goods for Rs. 30,000. His sales expenses amounted to Rs. 600. Show the valuation of unsold stock.
17. P paid to balance his Trial Balance, the credit side being more by Rs. 420. The difference is placed in a suspense A/c. Later the following are discovered. Give rectifying entries.
  - 1) Sales book was under cast by Rs. 100
  - 2) Goods for Rs. 300 purchased on credit from 'R' was wrongly entered in the sales book. The account of 'R' was correctly credited
  - 3) Sales returns book was under cast by Rs. 30
  - 4) A credit item of Rs. 10 was wrongly debited to 'S' account as Rs. 100.
18. J and M entered into a joint venture in which 'J' would manage the business. They brought Rs. 20,000 each in cash for the venture. 'J' bought goods for Rs. 38,000 and sold it for Rs. 50,000. Expenses on the venture paid by him amounted to Rs. 2,000. 'J' would get a commission of 4% on sales. They share profit and losses equally.

Prepare ledger accounts in the books of 'J'.

(6×3=18)





PART – D

Answer **any two**. Each carries **eight** marks.

19. The following is the Trial Balance of Mr. 'P' on 30<sup>th</sup> June 2013.

**Trial Balance**

	<b>Dr.</b>	<b>Cr.</b>
Cash in hand	540	–
Cash at bank	2,630	–
Purchases	40,675	–
Sales	–	98,780
Returns	680	500
Wages	10,480	–
Fuel and power	4,730	–
Carriage on sales	3,200	–
Carriage on purchases	2,040	–
Stock 1 <sup>st</sup> July 2012	5,760	–
Buildings	30,000	–
Freehold land	10,000	–
Machinery	20,000	–
Patents	7,500	–
Salaries	15,000	–
General expenses	3,000	–
Insurance	600	–
Drawings	5,245	–
Capital	–	71,000
Sundry debtors	14,500	–
Sundry creditors	–	6,300
	<b>1,76,580</b>	<b>1,76,580</b>

Taking into the following adjustments, prepare Trading and Profit and Loss Account and the Balance Sheet.

- a) Stock on 30<sup>th</sup> June 2013 Rs. 6,800
- b) Machinery is to be depreciated at the rate 10% and patents @ 20%
- c) Salaries outstanding Rs. 1,500
- d) Insurance includes a premium of Rs. 170 on a policy expiry on 31<sup>st</sup> December, 2013
- e) Wage include a sum of Rs. 2,000 spent on the erection of a cycle shed for employees
- f) A provision for bad debts is to be created to the extent of 5% on sundry debtors.



20. 1000 bicycles were consigned by R and Co. of Ernakulam to S and Co. of TVM at Rs. 150 each. R and Co. paid freight Rs. 10,000 and insurance Rs. 1,500. During transit 100 bicycles were totally damaged by fire. S and Co. took delivery of the remaining bicycles and paid Rs. 14,400 as duty.

S and Co. sent a bank draft for Rs. 50,000 as advance and later sent an account sales showing that 800 bicycles were sold at Rs. 220 each. Expenses incurred by S and Co. on godown and advertisement etc. amounted to Rs. 2,000, S and Co. entitled to a commission of 5%. One of the customers could not pay the cost of 5 bicycles. Prepare consignment a/c, S and Co. a/c and profit and loss a/c in the books of R and Co. assuming that nothing has been recovered from the insurance company. S and Co. settled his account immediately.

21. The following is the Receipts and Payments Account of Diners Club for the year ended 31<sup>st</sup> December 2012.

#### Receipts and Payments A/c

Receipts	Amount Rs.	Payment	Amount Rs.
To Balance b/d		By Sports expenses	3,200
Cash in hand	1,600	" Entertainment exp.	2,200
" Extrace fees	2,000	" Furniture (1-7-2012)	3,000
" Donation	3,000	" Office expenses	4,000
" Endowment fund receipts	4,000	" Literary books	3,200
" Subscription		" Printing and stationery	600
2011	300	" Maintenance of ground	700
2012	9,100	" Subscription to newspaper	600
2013	<u>400</u>	" Balance c/d	
	9,800	Cash in hand	1,800
		Cash at bank	1,100
	<b>20,400</b>		<b>20,400</b>

The club has 100 members each paying an annual subscription of Rs. 100. On 1<sup>st</sup> January 2012, stock of stationery was for Rs. 75 and on 31<sup>st</sup> December 2012 stock is valued at Rs. 125. On 1<sup>st</sup> January 2012 furniture was valued at Rs. 5,000. Provide depreciation on furniture @ 20% per annum. Prepare Income and Expenditure A/c for the year ended 31 Dec. 2012.

(2×8=16)