QP CODE: 24046382

24046382

Reg No : .....

Name : .....

B.COM DEGREE (CBCS) IMPROVEMENT/REAPPEARANCE/MERCY CHANCE EXAMINATIONS, DECEMBER 2024

First Semester

Core Course - CO1CRT02 - FINANCIAL ACCOUNTING I

Common for all B.Com Degree Programmes

2022 Admission Onwards

2322F34E

Time: 3 Hours

Max. Marks : 80

Part A

Answer any ten questions.

Each question carries 2 marks.

1. The value of unsold goods as on the closing date is as follows- Cost price- Rs.50,000, Market Price- - Rs.51,000. State at which price stock will be shown in the books of accounts and why?
2. What do you mean by outstanding expenses?Give adjusting entry.
3. Commission received during the current accounting year amounted to Rs.3000. 1/3 of the amount is in respect of services to be rendered in the next year. Give adjusting entry.
4. Prepare a balance sheet from the following;

Particulars	Amount	Particulars	Amount
Opening Stock	2,25,000	Furniture & Fittings	1,36,000
Building	6,36,000	Creditors	55,000
Cash in Hand	46,000	Cash at bank	95,000
Capital	10,75,000	Loose Tools	65,000
Debtors	85,000	Closing Stock	67,000

5. What you meant by statement of affairs and how it differ from a balance sheet?
6. What you meant by total creditors account and mention the items in total creditors account?
7. From the following particulars, find out the amount of Opening Stock. Purchases Rs.20,000 Rates of Gross Profit on Sales 25% Sales Rs.30,000 Closing Stock Rs.10,000

8. Explain recoupment of short workings.

9. Explain different types of books of accounts to be maintained by the consignor.

10. A consigned goods costing Rs. 50,000 to B whose recurring and non recurring expenses on the same amounted to Rs. 5,000 and Rs. 2,000 respectively.B sold 3/4th of the goods for Rs.35,000. Ascertain the value of unsold stock.

11. A consigned 200 tonnes of coal to B at Rs.300 per tonne. Freight and insurance paid by consignor amounted to Rs. 4,000. Loss due to loading and unloading of coal is estimated at 5 tonnes. 76 tonnes coal is sold at Rs. 800. Ascertain the value of unsold stock.

12. Define farm accounting.

(10×2=20)

Part B

*Answer any **six** questions.*

*Each question carries **5** marks.*

13. Compare the accounting treatment of capital loss and revenue loss while preparing the books of accounts.

14. Draw up the manufacturing account showing cost of production and the trading account from the following.

Particulars	Amount
Purchase of raw materials	3,000
Electric power consumed	750
Opening stock of finished goods	5,000
Carriage on raw materials	100
Opening stock of partly finished goods	1,000
Returns- raw materials	200
Sales	10,000
Repairs- Plant and machinery	200
Wages- manufacturing	2,500
Factory rent and taxes	400
Sales returns	500
Depreciation- Factory building	300
Depreciation- Plant	150
Factory -Insurance	100
Opening raw materials	2,500

The closing stock was: raw materials-Rs.2,000, partly finished goods- Rs. 1,600 and finished goods- Rs.8,000

15. Elabourate the difference between single entry and double entry system of accounting.

16. Ascertain the amount of Debtors as on 1.1.2010 Sales during 2010 (including cash sales of Rs.10,000)- Rs.40,000, Bad Debts- Rs.3,000 Returns Inward-Rs. 5,000 Bills of Exchange received from the customers during 2010- Rs. 10,000 Bad Debts previously written off now recovered Rs.2,000, Cash received from debtors- Rs.30,000 Bills Receivable dishonoured – Rs.5,000 Discount allowed to debtors- Rs. 5,000 Balance of Debtors on 31.12.2010- Rs. 15,000.

17. Explain the terms: a) Royalty b) Minimum rent c)Short working.

18. Vikas Publishers published a book written by Swamy on the terms that he will get a royalty of Rs 3 per copy sold , subject to a minimum of Rs 5,000 p. a. and the short workings of each year could be recovered in next three years . The copies sold were;2011 – 800; 2012 – 1,500 ; 2013 – 2,200 ; 2014 – 2,000 ; 2015 – 3,000. Show the irrecoverable short workings if any.

19. Aroma Beauty products consigned 500 packets of lips-sticks to Lovely Beauty Parlour @ Rs 30 per packet. They sent Rs 200 for packing and Rs 300 for freight and insurance in transit. They drew against the consignment a bill for the amount of 80% of the goods consigned. Aroma Beauty products discounted the bill for Rs 11,000.Lovely beauty parlour sold 400 packets of lips-sticks @ Rs 40, of which 100 packets were sold on credit. Their selling expenses amounted to Rs 450. They are to get a commission of 4% plus 2% del-credere.A customer who bought 10 packets of lips-stick on credit became insolvent and only Rs 200 is realized from him.Prepare consignment account and consignee's account in the books of the consignor.

20. On 1st January 2017, Madhurai and Sons consigned to Venu goods costing Rs20,000. They paid freight and insurance amounting to Rs 1,500 and drew on Venu a bill for Rs 10,000 payable after 3 months. The bill was discounted with the bank for Rs 9,950. On 1st July 2017, an account sale was received from Venu showing that ¾ of the consignment was sold for Rs 30,000. The expenses of the consignee amounted to Rs 750 and he was to be paid commission at 7%.A customer who had purchased goods on credit for Rs 1,500 could not pay the amount. You are required to prepare the important ledger accounts in the books the consignor and consignee.

21. From the following information, prepare crop account.

Opening stock:	₹
Fertiliser	25,000
Seeds	10,000
Wheat	40,000
Purchases:	
Fertiliser	9,000

Seeds	6,000
Wages:	
Paid in cash	58,000
Paid in kind by giving wheat	36,000
Sale of wheat	3,56,000
Wheat consumed by the proprietor	16,000
Depreciation on machinery	20,000
Closing stock:	
Fertiliser	7,000
Seeds	6,000
Wheat	50,000

(6×5=30)

Part C

Answer any two questions.

Each question carries 15 marks.

22. From the following Trial Balance of Siva prepare trading and profit and loss account and Balance Sheet for the year ended 303.2018

Trial Balance as at 31.03.2018

Particulars	Debit	Credit
Capital		35,000
Drawings	5000	
Purchases	26,000	
Purchase Return		2000
Opening Stock	8000	
Salary	4000	
Wages	1500	
Rent	500	
Bad debts	500	
Discount allowed	600	
Sundry debtors	18,000	
Cash in Hand	500	
Cash at Bank	6000	
Insurance	600	
Trade expenses	450	

Printing	200	
Furniture	6500	
Building	6000	
Sales		34,350
Discounts		2000
Sundry creditors		10,000
Bills Payable		1000
Total	84,350	84,350

Additional Informations:

1. Closing stock was valued at 6000
2. Insurance was prepaid to the extent of 100
3. Outstanding expenses are Salary Rs.300 and wages Rs.350
4. Make a provision for doubtful debts at 5% on sundry debtors.
5. Calculate interest on capital at 5% p.a
6. Depreciate building at 5% and furniture at 10%
7. Discount on creditors at 1%

23. A trader who has not kept a complete set of books, asks you to prepare final accounts for the year ended 31st December 2018. You are able to obtain the following information. Summary of cash book: Balance of his cash on 1st January 2018 s. 5170, Receipt from debtors Rs.42,050, Personal drawings Rs.3,500 Payment to creditors 32,400, Salaries 3,000 Rent 1,200 Electricity charges 350 Printing stationary 250advertising 450

His other Assets and liabilities were

Particulars	31st December 2017	31stDecember 2018
Debtors	3,350	5,100
Creditors	1,400	3,500
Rent outstanding	100	100
Electricity charges outstanding	2,00	150
Advertising outstanding		250

The stock on 31st December 2018 was valued at Rs.4,500 but the trader has no record of the stock on 31st December 2017. He informs you however that he invariably sells his goods at cost plus 331/2 per cent.

Prepare his profit and loss account for the year ended 31st December 2018and his balance sheet as on that date. Give detailed working notes of arriving at the unknown figures.

24. Mineral Ltd. took from Nanak Collieries lease of property on a royalty of Rs. 1.50 per tone with a minimum rent of Rs.4000 per annum . Each year's excess of minimum rent over royalty is recoverable out of the royalties of next five years subject to a maximum of

Rs. 2000 pa.. In he event of strike and the minimum rent not being reached , the lease provided that the minimum rent was to be regarded as having been reduce proportionately ,having regard to length of stoppage. The result of the working were as follows :

Year	1999	2000	2001	2002	2003	2004	2005
Actual royalty (Rs.)	Nil	1300	3700	4500	7000	2400	60

In 2004 Strike for 3 months

Write up the important account in the books of Mineral Ltd.

25. On 1st April, 2017, PQR Traders consigned to Life Style Super market, Selam 500 chests of tea invoiced at Rs 100 each, which was 25% above its cost price. PQR paid Rs 450 for packing, Rs 150 for insurance and Rs 200 for carriage.

On Ist July, 2017, Life Style Super Market sent on account sale showing that 450 chests of tea were sold at Rs 120 per chest; the expenses thereon being Rs 800. Their commission was 10% on sales including a Del-credere commission of 2%. They remitted Rs 25,000 on account.

Prepare consignment account and Consignee's account in the book of PQR Traders.

(2×15=30)