QP CODE: 19101759

19101759

Reg No : .....

Name : .....

B. COM DEGREE (CBCS) EXAMINATION, MAY 2019

Second Semester

Core Course - **CO2CRT04 - FINANCIAL ACCOUNTING II**

(Common for B.Com Model II Computer Applications,B.Com Model II Finance & Taxation,B.Com Model II Marketing ,B.Com Model II Travel & Tourism,B.Com Model III Office Management & Secretarial Practice ,B.Com Model III Taxation,B.Com Model III Computer Applications,B.Com Model III Travel & Tourism,B.Com Model I Computer Applications,B.Com Model I Co-operation,B.Com Model I Marketing,B.Com Model I Finance & Taxation,B.Com Model I Travel & Tourism ,B.Com Model II Logistics Management)

2017 ADMISSION ONWARDS

9EB3BFC2

Maximum Marks: 80 **Time: 3 Hours**

Part A

Answer any **ten** questions.

Each question carries **2** marks.

1. What are Net Hire Purchase charges?
2. Mention any four features of Hire purchase system.
3. Mohan purchased a machine on hire purchase system paying Rs. 20,000 annually for 10 years. The rate of interest charged by the vendor is 5% p.a. Given the present value of an annuity of Rs. 1 for 10years at 5% is 7.7217. Determine the cash price?
4. Explain goods in transit and cash in transit
5. What is stock and debtors system?
6. What is allocation of income under departmental accounting?
7. What journal entry to be passed for transfering loading on closing stock of departmental accounts?
8. What do you mean by dissolution of a firm?
9. Bring out two important decisions of Garner Vs Murray
10. Explain proportionate capital method
11. When all the partners are insolvent, how the deficiency is treated?
12. Define Accounting standards.

(10×2=20)

Part B

Answer any **six** questions.

Each question carries **5** marks.

13. Explain the accounting records in the books of hirer under Credit Purchase Method?

14. Explain the methods of recording hire purchase transactions in the books of hirer when the goods are of high value?

15. Mention objectives of branch accounting

16. How will you incorporate branch trial balance in the head office books in case of an independent branch

17. Explain the preparation of final accounts under Departmental Accounting.

18. Differentiate between branch account and departmental accounts.

19. Distinguish between dissolution of a partnership and dissolution of a firm

20. The following was the Balance Sheet of X and Y sharing profits and losses in the ratio of 3:2 as on 31st December 2018.

Liabilities	Amount	Assets		Amount
Creditors	38,000	Bank		11,500
Mrs. X's Loan	10,000	Stock		6,000
Y's Loan	15,000	Debtors	20,000	
Reserve Fund	2,500	Less: Provision	1,000	19,000
X Capital	10,000	Furniture		4,000
Y Capital	8,000	Plant		28,000
		Investment		10,000
		P&L A/C		5,000
	83,500			83,500

The firm was dissolved on 31st December,2018 and the following was the result:

a. X took over investment at Rs 8,000 and agreed to pay off the loan of his wife.
b. The assets realized as follows: Stock: 1,000 less; Debtors Rs 18,500; Furniture Rs 500 more; Plant Rs 3,000 less.
c. Expenses of realization were Rs 600
d. Creditors were paid off less 2.5% discount. Prepare Realisation Account.

21. Explain the applicability of AS 10?

(6×5=30)

Part C

Answer any **two** questions.

Each question carries **15** marks.

22. On 1st January 2013 Jasmine Traders purchased two Photocopying Machine from Rolta India Ltd. under Hire Purchase System. The cash price of one Machine was Rs. 1,00,000. Jasmine Traders paid Rs. 80,000 on signing the agreement and the balance was agreed to be paid in 3 equal yearly instalments of Rs. 40,000 together with interest at 30% per annum. Jasmine Traders could not pay the last instalment and as a result, one machine was repossessed for Rs. 28,000 by adjusting its value against the amount due. The hire purchaser depreciated the machine @ 20% on Fixed Instalment System.Prepare important ledger accounts in the books of Jasmine Traders.

23. Mahi and Bros. of Kondotty has a branch at Thirur the following are the transactions between the branch and the Head office for the year ended 31st March 2015.

Stock at branch on 1.4.2014			18,000
Petty cash balances on 1.4.2014			30
Goods sent to branch during the year 2014-15			80,000
Remittance to branch for –			
Salaries	3,000		
Rent	4,000		
Petty cash	170	7,170	
Cash remittance by branch (cash sales)			1,30,000
Stock at branch on 31.03.2015			21,000
Petty cash balance on 31.03.2015			40

Give journal entries and important ledger accounts in the books of the head office

24. From the following particulars prepare a Departmental Profit and loss Account for the year ended 2018.

Opening Stock:		Sales :	
Dept X	40,000	Dept X	2,40,000
Dept Y	30,000	Dept Y	1,85,000
Purchases:		Discount received	3600
Dept X	1,50,000		
Dept Y	1,38,000		
Carriage Inwards	5000		
Salaries:			
Dept X	19,000		
Dept Y	16,500		
Salaries	24,000		
Rent and rates	13,000		
Advertising	17,400		
Insurance	1500		
General expenses	11,500		
Discount allowed	3000		
Directors fees	1500		

Additional information:

a. Goods transferred from Dept X to Y at a cost of RS 15,000.This has not yet been recorded.
b. General salaries are to be allocated equally.
c. The area occupied by X and Y is in the ratio 3:2.
d. The closing stock of the departments were X Rs.38,500 and Y Rs.32,300

25. Pankaj, kiran and Mathew were partners sharing profits and losses in the ratio of 2:2:1. The partnership was dissolved on December 31, 2018, and their Balance Sheet on that date was as follows.

Liabilities	Amount	Assets	Amount
Sundry Creditors	6,000	Cash in hand	2,000
Capital Accounts:		Other Assets	38,000
Pankaj	16,000		
Kiran	10,000		
Mathew	3,000		
Profit and Loss Account	5,000		
	40,000		40,000

The assets were realized gradually: Rs 10,000 was received in first installment, Rs. 10,000 the second time and Rs 13,000 finally. Show how cash was distributed

a. Under proportionate capital method
b. Under maximum possible loss method

(2×15=30)