

QP CODE: 18103666 38



Reg No : 41  
Name : .....

**B.Com. DEGREEE(CBCS)EXAMINATION, DECEMBER 2018**  
**First Semester**

**Core Course - CO1CRT02 - FINANCIAL ACCOUNTING I**  
(Common to all B. Com Degree Programmes)

2018 Admission only  
OFA058AD

Maximum Marks: 80

Time: 3 Hours

**Part A**

Answer any **ten** questions.  
Each question carries **2** mark.

1. What do you mean by fictitious asset? Give an example.
2. Quote four examples of revenue expenditure.
3. Give adjusting entry for interest on capital?

4. Using the following data prepare balance sheet

Particulars	Amount	Particulars	Amount
Debtors	2,80,000	Creditors	4,86,000
Building	13,50,000	Bills payable	1,25,000
Cash in Hand	55,000	Cash at bank	2,05,000
Capital	28,25,000	Bills Receivable	41,000
Machinery	12,50,000	Closing Stock	2,55,000

5. State four features of preparation of accounts from incomplete records.
6. What is total debtors account and mention major items in total debtors account?
7. Find Credit purchases ; creditors at the beginning - Rs. 40,000, Closing creditors - Rs. 45,000, Cash paid to creditors - Rs. 1,50,000, discount allowed by creditors - Rs. 5,000, Return outwards - Rs. 6,000 acceptance given to creditors during the year - Rs. 50,000
8. What is the entry for irrecoverable short working in the books of lessor.
9. What is consignees account?
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 send goods on consignment to B. The terms are that B will receive 10% commission on the invoice price ( which is cost plus 25% ) and 20% of any price realized above the invoice price. A sends goods whose cost is Rs. 40,000. B sold 3/4th of the goods for Rs. 60,000. Ascertain the commission payable to B.
12. Define farm accounting.

(10×2=20)

## Part B

Answer any six questions.

Each question carries 5 marks.

13. Define accounting standard. What is the need for accounting standard?

14. Prepare a specimen format of manufacturing account imaginary figures.

15. Mr. Din Dayal did not believe in spending too much time on maintaining the accounts of his business on strictly double entry system, but relied on his Auditors to prepare his Statement at the end of the year in the best manner possible. The following Statement of Affairs had been prepared as on 31st March, 2010.

Particulars	Amount	Particulars	Amount
Capital Account	28,000	Lease Hold Land	2,075
Sundry creditors	3,170	Plant and machinery	4,940
Bills payable	2,150	Stock in trade	9,673
		Book debts	15,550
		Cash in hand	1,082
	33,320		33,320

On 31st March, 2011, it was learnt that he had introduced further capital of Rs.1,000 on 1.7.2010 and he had drawn Rs. 1,580 on various dates during the year. It was also ascertained that the proprietor had taken Rs.75 worth of goods for his own use. Statements prepared on the same date disclosed that book debts were Rs.14,610. Creditors were Rs.2,039 and Bills Payable were Rs.1,775. The stock was valued at Rs.11,417 and the cash in hand amounted to Rs.917 on the same date.

You are required to prepare (a) Statement of Profit for the year 2010-2011, and (b) a Statement of Affairs of Din Dayal as on 31.3.2011 taking into consideration the following: 5% reserve to be created on Book Debts. 7½% Depreciation to be written off on Plant & Machinery. Rs.125 to be written off the lease Interest at 5% on the Capital to be provided.

16. Calculate total sales from the following information: ( in Rs.) Bills receivable on 1st January, 2011 7,800 Debtors on 1st January, 2011 30,800 Cash received on maturity of bills receivable during the month 20,900 Cash received from debtors 70,000 Bad debts written off 4,800 Returns inwards 8,700 Bills receivable dishonoured 1,800 Bills receivable on 31st January, 2011 6,000 Debtors on 31st January, 2011 25,500 Cash sales during the month 15,900

17. What do you mean by recoupment of short working ? What are the different types of recoupment?

18. Prepare analysis table from the following details

Royalty payable Rs.50ps. per tones of output

Minimum rent 7,500 pa.

Right of recoupment of short working- up to three years.

Output during first three years -10000,14000,18000 tones respectively.

19. On 1/1/2017 A consigns 300 bales of cotton to B costing Rs. 400 each. A paid Rs. 4,000 on freight and other charges. B spends Rs. 1,200 on it and sells each bale at Rs. 520 each. He charges 5% commission. Show the Consignment in the books of A.

20. The AB Motors Ltd consigned to their agent BC two motor cars (costing Rs 80,000 ) for sale on the basis of 10% commission. BC is to bear all landing charges which amounted to Rs 1,000. BC sold one car for Rs 50,000 and remitted Rs 40,000 on account. The second car was sold for Rs 48,000 but out of this sum Rs 2,500 became bad debt. Pass journal entries for bad

debts only and prepare necessary ledger accounts in the books of both the parties  
 i) If no del-credere commission is given to the agent BC  
 ii) If BC is to get 3% del-credere commission in addition to ordinary commission



21. Prepare a Crop Account with imaginary figures.

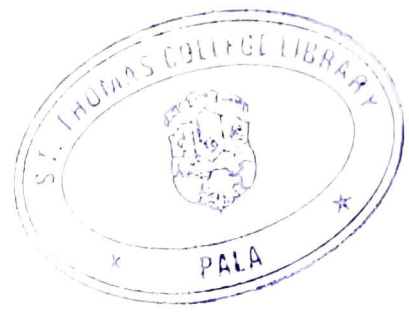
**Part C**

(6×5=30)

Answer any **two** questions.  
 Each question carries **15** marks.

22. From the following Trial Balance, prepare Trading and Profit and Loss account and Balance Sheet for the year ended 31st March 2018.

Particulars	Debit	Credit
Cash in Hand	24,000	
Capital		90,000
Drawings	6000	
Machinery	30,000	
Stock on 01.04.2017	21,000	
Purchases	81,000	
Sales return	2500	
Debtors	21,000	
Furniture	12,200	
Insurance	3000	
Carriage outwards	600	
Rent and taxes	4500	
Printing and stationery	900	
Trade expenses	300	
Creditors		15000
Sales		123000
Purchase returns		3000
Postage	1000	
Provision for bad debts		600
Discount		900
Rent received		1500
Salaries and wages	20,000	
Cash at bank	6000	
<b>Total</b>	<b>234000</b>	<b>234000</b>



Adjustments:

Closing stock is valued at Rs.34,000. Write off bad debt Rs 800. Create a provision of 5% on debtors for bad and doubtful debts. Also create a provision for 2% discount on debtors and creditors. Depreciate machinery and furniture at 5% and 20 % respectively. Prepaid insurance Rs.200. A fire occurred on 15th February 2018 and goods costing Rs.6000 were destroyed. It was fully insured and the insurance company admitted the claim in full.

23. A trader who has not kept a complete set of books, asks you to prepare final accounts for the year ended 31<sup>st</sup> December 2018. You are able to obtain the following information.  
 Summary of cash book: Balance of his cash on 1<sup>st</sup> 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 250 advertising 450

His other Assets and liabilities were

Particulars	31 <sup>st</sup> December 2017	31 <sup>st</sup> December 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 31<sup>st</sup> December 2018 was valued at Rs.4,500 but the trader has no record of the stock on 31<sup>st</sup> December 2017. He informs you however that he invariably sells his goods at cost plus 33 1/2 per cent. Prepare his profit and loss account for the year ended 31<sup>st</sup> December 2018 and his balance sheet as on that date. Give detailed working notes of arriving at the unknown figures.

24. Satheesh Mine company obtained a mine on lease for a period of 30 years from 1st Jan 2010 on the following terms

- To pay a minimum rent of Rs. 24,000 per year
- Short working can be recovered during the subsequent two years.
- Royalty @ 50 paise per ton. Production was as follows

Year	2010	2011	2012	2013
Production	28,000	36,000	60,000	64,000

Prepare ledger accounts.

25. Compute commission and abnormal loss from the following:

- Cost of goods sent on consignment Rs 60,000
- Loading on goods at 25% on invoice price
- Commission at 10% on sales plus 20% on excess amount realised over invoice price of goods sold
- Expenses paid by the consignor are freight and insurance Rs 4,000
- Expenses paid by the consignee are octroi and duty Rs 1,000 advertisement and rent Rs 1,300
- Goods sold are 80% of the consignment for Rs 70,000
- Half of the remaining goods are destroyed by fire at consignee's warehouse