



K20U 3218

Reg. No.:

Name :



I Semester B.Com. Degree (CBCSS – Supplementary)
Examination, November 2020
(2014-2018 Admissions)
Core Course
1B02 COM : FINANCIAL ACCOUNTING

Time : 3 Hours

Max. Marks : 40

PART – A

Answer **all** questions. **Each** carries ½ marks.

1. _____ is the record making phase of accounting.
2. All the revenue items in the trial balance are taken to the _____
3. The extra amount of commission available to consignee, due on collection of debt is called _____
4. A receipts and payments account is a _____ account.

PART – B

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

5. What is going concern concept ?
6. Define capital expenditure.
7. What do you mean by errors of omission ?
8. What is account current ?
9. Define joint venture.
10. What are non-trading concerns ?

P.T.O.



PART – C

Answer **any six** questions (**not** exceeding **one** page). **Each** carries **three** marks.

11. Define financial accounting. Explain its objectives.
12. Write a note on :
 - a) Forensic accounting
 - b) Environmental accounting.
13. What is grouping of assets and liabilities in Balance Sheet ? Discuss the arrangements in the order of liquidity ?
14. Discuss the utilities of average due date.
15. Give suitable adjusting entries to finalise books for the following transactions.
 - a) Invested Rs. 2,50,000 in 5% Government securities on 1st April 2017. Received only Rs. 7,000 as interest for the financial year 2019-2020.
 - b) Office building has been protected by a fire insurance policy, taken on 1st August 2019 with an annual premium of Rs. 45,000.
16. Suhas and Vibhas were partners in a joint venture sharing profits and losses in the ratio of 3:2. Suhas supplied goods worth Rs. 10,00,000 and incurs a freight of Rs. 50,000. Vibhas also supplied goods to the value of Rs. 8,00,000 and incurs Rs. 40,000 as incidental expenses. Vibhas sells the full stock of goods on behalf of the joint venture for Rs. 25,00,000 and he is also entitled to a commission of 5% on sales. Vibhas settled his account by remitting a bank draft. Pass necessary journal entries in the books of Suhas.
17. On 1st April 2019 Balu of Chennai sent 100 cases of hand sanitizers at Rs. 4,000/ case to Shiva of Mumbai. Balu spent Rs. 7,000 for packaging to protect the product from evaporation, Rs. 17,500 for transportation and Rs. 5,000 on transit insurance. On the same date Balu drew on Shiva a bill at two months for Rs. 2,00,000 Shiva paid a cartage of Rs. 7,000 to bring the packets to his godown. Shiva spent another Rs. 20,000 as godown rent and Rs. 19,000 as salesmen's salaries. Shiva sent a statement of sales on 1st July 2019 stating that he had sold 80 cases of hand sanitizers at Rs. 6,000/ case. Shiva is also entitled a commission of 5% on gross sales. On 10th July 2019 Shiva remitted the balance by bank transfer. Show the Consignment account in Balu's ledger and also indicate the valuation of unsold stock.



18. Following are the details of kitchen utensils owned by Trivandrum Shooters Club. Calculate depreciation and closing stock of kitchen utensils for the year 2019-2020.

Current year purchase Rs. 50,000

Stock as on 1st April 2019 Rs. 1,00,000

1/5th of the cost is to be written off in the year of purchase and 2/5th in each of the next two years. One half of the opening stock is one year old and other half is two years old.

PART – D

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

19. Give the meaning of accounting. Explain how it is useful for different groups interested in the accounting information.
20. Following are the balances in the ledger of M/s Zeenath for the year ended 31st March 2020.

Particulars	Amount	Particulars	Amount
Discount (Dr.)	12,500	Factory power	1,14,500
Rent and taxes	62,000	Staff salaries	63,500
Raw material purchase	17,19,000	Bad debt	30,400
Factory wages	2,98,500	Carriage inwards	51,000
Opening stock of raw materials	6,20,000	Printing charges	10,000
Advertisement	60,000	Sales	27,60,000
Interest paid	53,960	Opening finished goods stock	3,31,000
Carriage outward	62,000	Miscellaneous expenses	16,500
Factory fuel and coal	56,000	Fire insurance premium	8,800
Electricity	11,500	Stationary	3,000
Factory supervision charge	21,000	Engine oil	7,000

Additional information :

- a) Stock as on 31-3-2020 : Raw materials Rs. 2,54,500, Finished goods Rs. 7,61,500.
- b) Outstanding expenses : Salaries Rs. 5,500, Rent Rs. 4,500, Electricity Rs. 1,000, Factory power Rs. 10,500.
- c) Depreciation on Furniture Rs. 14,300, Plant and Machinery Rs. 58,450.
- Prepare manufacturing, trading and profit and loss account for the year ended 31st March 2020.



21. Below given is the receipts and payments account of Race Lovers Club Cochin for the year ended 31st December 2019. Prepare an income and expenditure account for the period.

Receipts	Amount	Payments	Amount
Balance b/d	3,00,000	General expenses	20,000
Sales of race show tickets	2,10,000	Salaries	1,20,000
Donation	10,000	Race show expenses	1,00,000
Sale of old magazines	10,000	News paper	24,000
Entrance fees	60,000	Municipal taxes	12,000
Subscriptions received for :		Investments	4,00,000
2018	10,000	Charity	80,000
2019	4,00,000	Electricity	40,000
2020	16,000	Furniture bought	2,00,000
Sponsorship fee for race show	1,00,000	Balance c/d	1,20,000
Total	11,16,000	Total	11,16,000

Other information :

- Interest on investment has accrued for 5 months @ 6%.
- The book value of building on 1-1-2019 Rs. 1,00,000.
- Subscription still outstanding for the year 2018 Rs. 12,000.
- There are members each paying Rs. 1,000 as annual subscription.
- Municipal taxes paid up to 31st March 2020.