



K16U 2531

Reg. No. :

Name :

I Semester B.Com. Degree (CCSS-Reg./Supple./Improv.)
Examination, November 2016
Core Course
1B02 COM : FINANCIAL ACCOUNTING
(2014 Admn. Onwards)

Time : 3 Hours

Total Marks : 40

PART – A

Answer **all** questions. **Each** carries $\frac{1}{2}$ mark.

1. Goodwill is an _____ asset.
2. _____ represents the excess of assets over liabilities.
3. Periodical statements sent by consignee to consignor is known as _____
4. Trial balance is a _____ (4× $\frac{1}{2}$ =2)

PART – B

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

5. What is GAAP ?
6. What is revenue expenditure ?
7. What is consignment ?
8. What is average due date ?
9. What are adjusting entries ?
10. How closing stock is valued ? (4×1=4)

P.T.O.



PART – C

Answer **any six** questions. **Each** carries **3** marks.

11. Explain any five accounting standards.
12. Name the errors which do not affect the Trial Balance.
13. Explain the main points of difference between consignment and sale.
14. Briefly explain the various users of accounting information.
15. X and Y entered into joint venture in which X would manage the business. They brought Rs. 20,000 each in cash for venture. X bought goods for Rs. 38,000 and sold it for Rs. 50,000. Expenses as venture paid by him amounted to Rs. 2,000. X would get a commission of 4% on sales. They share profits and losses equally. Give Journal entries in the book of X.
16. Calculate the amount of stationery to be debited to Income and Expenditure Account.

	Rs.
Paid for stationery during the year	1,300
Stock of stationery on opening date	250
Stock of stationery on closing date	180
Due for stationery on closing date	160

17. Prepare Account Sales rendered by X and Co. with imaginary figures.
18. Rectify the following errors :
 - 1) Rent paid Rs. 600 omitted to post to Rent Account.
 - 2) Salary paid Rs. 350 is posted twice to Salary Account.
 - 3) Sales Day Book is less by Rs. 110.
 - 4) Wages paid for the erection of machinery is posted to Wages A/c Rs. 500.

(6×3=18)



PART – D

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

19. The following is the Trial Balance of 'Y' as on 31st Dec. 2014.

Particulars	Dr. (Rs.)	Cr. (Rs.)
Capital		16,000
Plant and machinery (1-4-2014)	20,000	
Addition to plant (1-7-2014)	10,000	
Debtors and Creditors	30,400	24,900
Purchases and Sales	62,500	98,500
Opening stock	11,500	
Salaries	3,500	
General expenses	6,200	
Bad debts	800	
Provision for bad debts		1,000
Discount allowed	700	
Taxes and Insurance	1,800	
Loan		15,000
Motor vehicle	8,000	
	1,55,400	1,55,400

The following are the adjustments to be made :

- 1) Closing stock Rs. 9,500.
- 2) Write off further bad debts Rs. 400 and provision for bad debts is to be made equal to 5% on debtors.
- 3) Provide 2% on debtors for discount.
- 4) Depreciate plant and machinery at 10% per annum.
- 5) Interest on loan at 12% is due for the whole year.

Prepare Trading and Profit and Loss Account for the year and a Balance Sheet as on 31st Dec. 2014.



20. P Ltd. consigned 1000 table fans to Q Ltd. for sale on commission of 5% including 1% del credere commission. The cost price of a fan was Rs. 1,200. But the invoice was made at Rs. 1,500. The expenses of P Ltd. amounted to Rs. 27,000 and that of Q Ltd. before reaching the goods at godown was Rs. 23,000. Q Ltd. sold 800 fans @ Rs. 1,600. The sales expenses being Rs. 14,000. Prepare important Ledger accounts in the book of P Ltd.

21.

Receipts and Payments Account

To Balance b/d		By Honorarium to Secretary	2,500
Cash 1-1-14	3,500	" Printing and Stationery	500
" Subscription		" Musical evening exp.	5,000
2013	300	" X'mas party exp.	1,500
2014	9,000	" Furniture	3,000
2015	200	" Rent	2,500
" Entertainment receipts	2,000	" Balance c/d	3,000
" Musical evening receipt	3,000		
	18,000		18,000

The club has 101 members, each paying a subscription of Rs. 100 per annum. The club had furniture of Rs. 5,000 on 1st January 2014. Stock of printing and stationery on 1st January 2014 and 31st Dec. 2014 were valued at Rs. 150 and Rs. 120 respectively.

Prepare Income and Expenditure Account for the year ended 31st Dec. 2014 and a Balance Sheet as on that date.

(2×8=16)