



M 8694

Reg. No. : .....

Name : .....

**II Semester B.Com. Degree (CCSS – Supple./Improv.) Examination, May 2015**  
**Core Course in Commerce (2012/'13 Admn.)**  
**2 B02 : COM : FINANCIAL ACCOUNTING**

Time : 3 Hours

Max. Weightage : 30

**PART – A**

This Part consists of **two** bunches carrying **equal** weightage of **one**. Answer **all** questions.

I. 1) AS – 9 deals with

- |                 |                          |
|-----------------|--------------------------|
| a) Revenue      | b) Construction contract |
| c) Depreciation | d) Inventory valuation   |

2) Balance Sheet is prepared to show

- |                       |                  |
|-----------------------|------------------|
| a) Capital            | b) Net profit    |
| c) Financial position | d) Net liability |

3) The statement sent by the consignee to the consignor is known as

- |                          |                     |
|--------------------------|---------------------|
| a) Account sales         | b) Invoice          |
| c) Statement of Accounts | d) Proforma Invoice |

4) It is a system of finding out profit by preparing branch a/c

- |                                |
|--------------------------------|
| a) Stock and Debtors system    |
| b) Debtors system              |
| c) Double entry system         |
| d) Financial accounting system |

(W = 1)

II. 5) A agreement under which goods are let on hire is \_\_\_\_\_

6) Personal account prepared as on a particular date and rendered by one party to another is \_\_\_\_\_

7) Business venture jointly undertaken by two or more persons is \_\_\_\_\_

8) Accounting policies have to be followed in preparing and presenting \_\_\_\_\_

(W = 1)

P.T.O.



## PART – B

Answer **any 8** questions. **Each** carries a weightage of **one**.

9. Define Accounting Standards.
10. What do you mean by consignment ?
11. Write two differences between joint venture and partnership.
12. Define average due date.
13. Why goods are sent by the H.O. at inflated price ?
14. Who is a consignor ?
15. Explain the term revenue receipts.
16. What is revenue recognition principle ?
17. What is objective of preparing a Trial Balance ?
18. What are errors of omission ?

(W = 8×1=8)

## PART – C

Answer **any six**. **Each** carries a weightage of **two**.

19. Explain the method of calculating average due date.
20. What are the functions of accounting standards ?
21. Following relate to the books of a trader as on 31<sup>st</sup> Dec. 2006.

	Rs.		Rs.
Opening Stock	14,000	Wages	4,000
Purchases	36,000	Carriage	2,500
Sales	92,000	Power and fuel	1,400
Sales returns	2,000	Manufacturing Exp.	1,600
Purchase returns	3,000	Closing stock	15,000

Prepare Trading A/c.

22. X of Trivendrum consigned goods of the cost Rs. 20,000 to his agent Y at Kannur and incurred Rs. 4,000 for packing and freight. Y took delivery of the goods after spending Rs. 6,000 for duty and clearing charges. He sold 3/4 of the goods for Rs. 30,000 for which he is entitled to a commission of 5%. His sales expenses amounted to Rs. 600. Prepare consignment account after showing the valuation of unsold stock.

23. Rectify the following errors :

- 1) A purchase of goods from R. Shetty for Rs. 3,000 had been credited to the account of B. Shetty.
- 2) The purchase day book was overcast by Rs. 100.



24. X accepted the following bills drawn by Y:

Date of bill	Amount	Term
14 <sup>th</sup> April	3,000	One month
19 <sup>th</sup> May	6,000	Two months
28 <sup>th</sup> June	7,000	Two months
2 <sup>nd</sup> July	9,000	Three months

Mr. X want to cancel all the bills and accept a new bill for the total amount payable on the average due date. Calculate this date.

25. From the following determine cash price Mr. M bought a machinery on hire purchase system. He pays Rs. 10,000 down and Rs. 8,150, Rs. 7,100 and Rs. 6,050 in three installments respectively at the interval of two years. Rate of interest is 10% per annum at yearly rest.

26. Describe the treatment of normal loss in consignment.

(W = 6x2=12)

PART - D

Answer any two. Each carries a weightage of four.

27. Mr. X consigned 200 electric stoves of the cost Rs. 400 each to Mr. Y at 25% above cost. The expenses of X were Rs. 4,000 for packing. During transit 20 stoves were damaged by accident for which insurance company admitted a claim of Rs. 5,000.

Y to delivery of the whole consignment after accepting a bill for Rs. 40,000 drawn against it. The damaged stoves are immediately sold for Rs. 2,000. Of the balance Y sold 150 stoves @ Rs. 600. Their expenses amounted to Rs. 1,200. The consignee is entitled to a commission 6% on gross sales.

Prepare consignment A/c.

28. From the following Trial Balance of Mr. A on 31<sup>st</sup> Dec. 2011, prepare Trading and Profit and Loss A/c for the year ended and Balance Sheet as on that date.

Dr. Balances	Rs.	Cr. Balances	Rs.
Opening Stock	85,600	Capital	87,940
Advertising	4,700	Discounts	350
Goodwill	9,500	Bad debts provision	1,800
Wages	7,500	Bills payable	1,200
Duty	1,200	Interest	400
Factory Rent	1,600	Sales	3,60,000
Carriage	3,300	Returns	1,900
Return inwards	4,500		
Salaries	15,000		
Plant and Machinery	20,000		



Gas and water	700	Sundry creditors	8,450
Office rent	1,500		
Purchases	2,62,700		
Bills receivable	2,000		
Cash at Bank	6,600		
Cash in hand	85		
Office Furniture	2,500		
Rent and Taxes	300		
Printing and Stationery	475		
Sundry Debtors	18,000		
Drawings Account	12,500		
General Expenses	1,780		
	<b>4,62,040</b>		<b>4,62,040</b>

The closing stock was valued at Rs. 40,000, salaries due Rs. 400 and rent due Rs. 100 on buildings. Increase Bad debts provision to Rs. 2,800, Rs. 280 owing for premises sublet but not received. Depreciate plant and furniture at 6% per annum. Rs. 100 rates and taxes unexpired.

29. XY and sons opened a branch at Ernakulam to which goods are sent at selling price which is cost plus  $33\frac{1}{3}\%$ . The following relate to branch for the year 2010 from which you are asked to give ledger accounts under stock and debtors system.

	Rs.
Goods sent to Branch (selling price)	2,00,000
Cash sales during the year	90,000
Credit sales during the year	70,000
Cash received from debtors	55,000
Discount allowed to debtors	2,000
Bad debts written off	500
Remittances to branch for	
Rent	4,000
Salary	5,000
Others Exp.	1,000

(W= 2×4=8)