



K15U 0255

Reg. No. :

Name :

III Semester B.Com. Degree (CCSS – 2014 Admn. – Regular)
Examination, November 2015
CORE COURSE IN COMMERCE
3B05 COM : Advanced Accounting .

Time : 3 Hours

Max. Marks : 40

PART – A

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

1. Branch account under debtors system is a _____ account.
2. In case of hire purchase, asset account is debited with _____
3. _____ is the excess of the book value of assets of an enterprise over its liabilities.
4. The sales ledger adjustments account in the general ledger is the just reverse of the _____ in the sales ledger. **(4× $\frac{1}{2}$ =2)**

PART – B

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

5. What do you mean by sub-lease ?
6. Explain goods-in- transit.
7. Distinguish between cash price and hire purchase charges.
8. What is memorandum trading account ?
9. What is the journal entries with minimum rent account on minimum rent becoming due ?
10. Define finance lease. **(4×1=4)**

P.T.O.



PART – C

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

11. What is self-balancing system ? What are its advantages ?
12. Briefly explain the salient features of the single entry system.
13. What do you mean by hire purchase sales register ? What are the informations collected from the register ?
14. Write short notes on :
 - a) Accounting procedure of foreign branch.
 - b) Detailed incorporation method
 - c) Royalty
 - d) Net worth method.
15. Coal Ltd. leased land from Sunilkumar at a royalty of 25 paise per tonne of coal raised. Minimum rent was Rs. 24,000. Short working was to be recouped during the first 4 years. The coal raised in the first 4 years was as follows :

Year	Tonnes
2006	80,000
2007	90,000
2008	60,000 (strike for 3 months)
2009	1,20,000

There was a provision for proportionate reduction in minimum rent in case of stoppage of work by strike, lock out, accident etc.

Show the relevant ledger account in the books of Coal Ltd.

16. On 1st Jan. 2005 a Head Office opened a Branch at Madurai to which goods are sent at cost where sales are made both for cash and credit. The following relate to the branch for the year 2005.

	Rs.
Goods sent to branch	80,000
Cheque sent to branch for	
Rent	3,000
Salary	4,000
Office expenses	<u>1,100</u>
	8,100
Cash sales	62,000
Credit sales	40,000
Cash received from debtors	32,000
Stock at branch on closing	6,000
Debtors at branch on closing	8,000

Prepare Maduari Branch Account for the year 2005.



17. A purchases a bus on hire purchase from B for Rs. 2,00,000. He pays Rs. 50,000 down and three instalments of Rs. 50,000 each a two-yearly interval. But, B charges interest at 10% p.a. at yearly rests. Calculate the amount of cash price and interest included in each instalment.
18. The under mentioned particulars have been obtained from the books of a trader who keeps his books under self balancing system. Prepare the Sales Ledger Adjustment Account and General Ledger Adjustment Account as on 31st December 2012.

	Rs.	
Debtors balance on 30-6-2012	28,400	
Sales to debtors	58,400	
Returns from debtors	700	
Cash received from debtors	41,300	
Discount allowed to debtors	1,500	
Acceptance received from debtors	4,200	
Acceptance returned dishonoured	600	
Bad debts written off	900	
Sundry charges debited to debtors	29	(6×3=18)

PART – D

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

19. On 1st January 2012, Newman started business with Rs. 5,000. The following were his cash transactions during the year 2012.

Dr.	Cash Book	Cr.	
To Capital	5,000	By Wages	2,000
" Sales	20,000	" Purchases	14,000
" Debtors	18,000	" Creditors	12,000
" Commission	200	" Rent and Rates	1,800
		" Insurance	200
		" Furniture	8,000
		" Balance c/d	5,200
	43,200		43,200

On 31st December 2012 the trader had stock-in-trade Rs. 3,200, Debtors Rs. 2,800 and creditors Rs. 2,700, wages outstanding on 31st December 2012 amounted to Rs. 200. Depreciation @ 10% is required on furniture.

Prepare Trading and Profit and Loss A/c for the year ended 31st December 2012 and also his Balance Sheet as on that date.



20. The following information and particulars relate to New Delhi for the year 2006-07.

	31-3-2006 Rs.	31-3-2007 Rs.
Stock	50,000	75,000
Debtors	70,000	95,000
Petty cash	250	120

Goods costing Rs. 5,50,000 were sold by the Branch @ 25% on cost.

Cash sales amounted to Rs. 1,50,000 and the rest were credit sales. Branch spent Rs. 30,000 for salaries, Rs. 12,000 for rent and Rs. 8,000 for petty expenses. All expenses were remitted by H.O. Branch receives all goods from H.O. Show the New Delhi Branch Account.

21. Dobson's Ltd. took a licence for production of a foreign medicine from Johnson Ltd. at royalty of Re. 1 per bottle produced.

Dobson's Ltd. issued a sub-lease to Medico Ltd. on the basis of a royalty payment of Rs. 1.25 per bottle sold. Minimum royalty payable by Medico Ltd. was fixed at Rs. 15,000 per annum with a right to recoup short workings in the following year. From the following details show Royalty Receivable Account, Royalty Payable Account and Short Workings Accounts in the books of Dobson's Ltd.

Year	Dobson's Ltd.		Medico Ltd.	
	Sales	Closing stock	Production	Closing Stock
1 st Year	50,000	5,000	10,000	2,000
2 nd year	70,000	8,000	18,000	4,000
3 rd year	1,00,000	10,000	25,000	5,000

(2×8=16)