



K17U 2029

Reg. No. :

Name :

III Semester B.Com. Degree (CBCSS – Reg./Sup./Imp.)
Examination, November 2017
(2014 Admn. Onwards)
(Core Course)

3B05COM : ADVANCED ACCOUNTING

Time : 3 Hours

Max. Marks : 40

PART – A

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

1. Capital Comparison method is also known as _____
2. Irrecoverable short working is a _____ to the lessee.
3. _____ is a ledger contains the accounts of all the creditors in respect of goods purchased.
4. The process of transferring the branch trial balance items to the H.O. book is known as _____ (4 \times $\frac{1}{2}$ =2)

PART – B

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

5. What is debtors system ?
6. What do you mean by self balancing ?
7. What is minimum rent ?
8. What is statement of affairs ?
9. What is down payment ?
10. What do you mean by incorporation of branch trial balance ? (4 \times 1=4)

P.T.O.



PART – C

Answer **any six** questions (**not** exceeding **one** page). **Each** carries **3** marks.

11. Explain the difference between sectional balancing and self balancing system.
12. Explain the limitations of single entry system.
13. What do you mean by Royalty ? How does it differ from rent ?
14. Distinguish between Hire Purchase and Installment System.
15. Give adjusting entries in the books of head office for the following. The head office closes its books on 31st December.
 - i) Goods sent by head office to Chennai branch on 26th December, but reached Chennai on 20th January Rs. 6,000.
 - ii) Cheque sent by Chennai branch to head office for Rs. 12,000 on 28th December, but the same is received by head office only 15 days later.
 - iii) Chennai Branch paid Rs. 2,000 to H.O. official as part of salary.
 - iv) Goods purchased by Chennai branch but payment to the same made by Head office Rs. 9,000.

16. Find out total sale from the following.

Debtors on 1-1-2015	–	50,000
Bills receivable on 1-1-2015	–	25,000
Debtors at 31-3-2015	–	75,000
Bills receivable at 31-3-2015	–	20,000
Discount allowed	–	3,000
Bad debt written off	–	500
Cash sales	–	30,000
Cash received on Bill receivable	–	15,000
Sales returns	–	2,000
Cash received from debtors	–	40,000
Bills receivable dishonoured	–	1,000



17. On 1st January 2005 'Fresh Fish India Ltd'. bought an Electric freezer under Hire purchase system from 'Forest India Ltd'. Rs. 2,00,000 is paid on signing the agreement and the balance in 3 equal annual installments of Rs. 2,00,000 each. Interest is charged at 25% per annum. Calculate the cash price at the Electric Freezer.
18. On 1-1-2013 Rama Collieries Ltd. leased a piece of Land agreeing to pay a minimum rent of Rs. 20,000 in the first year, Rs. 40,000 in the second year and thereafter Rs. 60,000 per annum, merging in to a royalty of Rs. 4 per tone with power to recoup short workings over the first 3 year only.

The annual output for the four years were,

Year	2013	2014	2015	2016
Output (tonnes)	1,000	10,000	18,000	20,000

Prepare Short working Account and Land Lord Account.

(6×3=18)

PART – D

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

19. S.B. Pharmacy sends goods to its branches at cost plus 25%. From the following particulars relating to Kottayam branch; prepare Branch Account and Branch Debtors Accounts in the books of the Head office.

Stock at branch on 1-1-2015	–	40,000
Debtors at branch on 1-1-2015	–	24,000
Goods sent to branch during the year	–	1,20,000
Cheque sent for Expense at branch	–	20,000
Cash sales	–	85,000
Credit sales	–	60,000
Discount allowed to debtors	–	2,000
Bad debt written off	–	500
Goods transferred from Cochin Branch	–	20,000
Goods transferred to Thiruvalla Branch	–	10,000
Return by customers	–	1,500
Stock at branch on 31-12-2015	–	50,000
Debtors at branch on 31-12-2015	–	28,000
Expense outstanding on 31-12-2015	–	2,000



20. Mr. Jerry, who keeps his books under incomplete records, gives you the following information.

		1-1-2015 (Rs.)	31-12-2015 (Rs.)
Stock in trade	—	18,700	23,400
Debtors	—	12,000	14,000
Creditors	—	9,000	1,500
Bills receivable	—	4,000	5,000
Furniture	—	600	600
Buildings	—	12,000	12,000
Bank Balance	—	4,350	3,350 (O.D.)
Bills Payable	—	1,000	200

You are also given the following information :

- i) Rs. 1,450 is required for provision for Bad debt.
- ii) Depreciation of 5% is required for building and furniture.
- iii) Salary outstanding amounts to Rs. 4,900.
- iv) Insurance has been prepaid to the extent of Rs. 250.
- v) Drawing of Jerry during the year were Rs. 7,520.

Find out profit or loss of Jerry and also prepare his Final Statement of Affairs.

21. Delhi Co. Purchased from Bombay Co. Three Machines costing Rs. 40,000 each on the hire purchase system. Payment was to be made Rs. 30,000 down and the remainder in three equal installments together with interest at 5%. Delhi Co. writes off depreciation @ 20% on the diminishing balance. It paid the installments due at the end of the first year but could not pay the next.

Give necessary ledger accounts in the books of both the parties for two years if the hire vender took possession of all the three machines. The hire vendor spend Rs. 5,800 on getting the machines thoroughly overhauled and sold them for Rs. 70,000.

(2×8=16)