

15U238

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Name.....

Reg. No.....

SECOND SEMESTER B.Com. DEGREE EXAMINATION, JUNE 2016

(CUCBCSS-UG)

Core Course B com

CC15UBC2B02-FINANCIAL ACCOUNTING

(2015 Admission)

Time: Three Hours

Maximum: 80 marks

Part A

Answer all questions. Each question carries 1 mark

I. Choose the correct answer

1. Which one is the revenue earning department in a hotel?
 - (a) Sales and marketing
 - (b) Front Office
 - (c) Accommodation
 - (d) Maintenance
2. The balance of Branch Stock Account is transferred to
 - (a) Trading a/c
 - (b) Goods sent to branch a/c
 - (c) Branch P/L a/c
 - (d) Branch Adjustment a/c
3. Building expenses should be apportioned on the basis of
 - (a) Rent
 - (b) Value of Building
 - (c) Area occupied
 - (d) None of these
4. Under Instalment System total interest receivable by seller is credited to
 - (a) Interest Suspense a/c
 - (b) Interest a/c
 - (c) Sales a/c
 - (d) Seller a/c
5. Which of the following items of Bills payable a/c is transferred to total creditor's a/c?
 - (a) Opening balance of Bills payable
 - (b) Closing balance of Bills payable
 - (c) Bills payable issued during the year
 - (d) Bills payable dishonoured

II. Fill in the Blanks

6. Income and Expenditure a/c is a ----- account
7. Carriage Inward is debited to ----- account
8. Legal fees to acquire the property is a ----- expenditure
9. The source document of Purchase return is -----
10. Accounting Standard 10 deals with accounting for -----

(10*1=10 marks)

Part B

Answer any eight questions. Each question carries 2 marks

11. What is Goods in Transit?
12. What is accounting from Incomplete Records?
13. What is Instalment System?
14. What is Bed Occupancy Rate?
15. Briefly explain the treatment of managers commission while preparing final a/c's
16. What is Capital Fund?
17. Explain how provision for unrealised profit in respect of inter departmental stock is ascertained?
18. What are independent branches?
19. What is Accounting Entity Concept?
20. Explain 2 situations in which revenue expenditure becomes capital expenditure?

(8*2=16 marks)

Part C

Answer any six questions. Each question carries 4 marks

21. What are the functions of Accounting Standards Board of India?

22. What is Imprest system of Petty cash?
23. What are the differences between capital expenditure and revenue expenditure?
24. A Head Office in Chennai has a branch in Delhi to which goods are invoiced by Head Office at cost plus 25%. All cash received by branch is daily remitted to Head Office. Prepare Branch A/c

Stock on January 1 2015(Invoice Price)	62500
Debtors on January 1 2015	60000
Goods supplied by H.O (Invoice Price)	200000
Cash Sales	80000
Cash received from customers	147500
Goods returned to Head Office (Invoice Price)	12000
Cheques received from Head Office:	
Wages and Salaries	55000
Rent, rates and taxes	15000
Sundry Expenses	2550
Stock on December 31 2015(Invoice Price)	75000
Debtors on December 31 2015	112500
Liability for Petty Expenses	550

25. The Check Out time of a hotel is 11 a.m. In that hotel, a guest checks in at 2 p.m. on 23rd November 2015 hiring a room on European plans @ Rs.2000 per day plus service Charge @ 10%. Calculate the amount payable by him in each of the following cases:
- The guest checks out at 8 a.m. on 24th November 2015
 - The guest checks out at 11 a.m. on 24th November 2015
 - The guest checks out at 2 p.m. on 24th November 2015
 - The guest checks out at 10 a.m. on 25th November 2015

26. Anil purchases a motor cycle on Instalment system. The total price of motor cycle payable is Rs.4000 as down payment and thereafter instalment of Rs.6000, Rs.5000 and Rs.2000 payable at the end of first, second and third year respectively. Interest is charged @ 5% p.a. Calculate the Cash Price.

27. Calculate Total Purchases

Bills Payable on 1-1-2015	15000
Bills Payable on 31-12-2015	21000
Creditors on 1-1-2015	18000
Creditors on 31-12-2015	12000
Cash paid to Creditors	90600
Bills Payable discharged during the year	26700
Return Outwards	3600
Cash Purchase	77400

28. Ascertain Gross Profit and Net Profit

Opening Stock	4800	Salary paid	200
Purchases	30410	Purchase Return	370
Carriage Inwards	1048	Return Inwards	1720
Sales	41720	Wages not paid	192
Closing stock	7680	Loss due to fire	2000
Wages paid	5600		

(6*4=24 marks)

Part D

Answer any 2 questions. Each question carries 15 marks

29. Arunodaya Agencies opened a branch in Bangalore on 1st January 2015. Goods were invoiced at selling price which was cost plus 25%. Prepare different accounts under

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Stock and Debtors System

Goods sent to branch	300000
Cash Sales	100000
Credit Sales	140000
Goods returned by customer	3000
Cash received from customer	80000
Discount allowed	1000
Cash remitted to branch for :	
Rent	1500
Branch Salaries	6000
Sundry expenses	1000
Defective goods written off	1000
Goods returned by branch	12000
Stock at end	50000

30. Department stores ltd wishes to ascertain profit or loss made by its departments

A,B and C.As the stock cannot be taken, it is informed that rate of gross profit on

Sales are 40%, 30% and 20% respectively. All the expenses are charged on the basis of turnover of each department. The following are the information

Particulars	A	B	C
Opening Stock	6000	7000	3000
Purchases	7000	6500	4700
Sales	12000	10000	6000
Advertisement	1000	1000	500
Rent	1020	450	210

Other Indirect expenses relating to all departments Rs.4200. The sales of other Departments amounted to Rs.84000. Stock reserve 10% on closing stock.

There are in all six departments

- 31. A machinery is sold on hire purchase, the terms of payment is 4 annual Instalments of Rs.6000 at the end of each year commencing from date of agreement. Interest is charged at 20% and is included in the annual payment of Rs.6000. Show Machinery a/c and Hire Vendor a/c in the books of purchaser who defaulted in the payment of third yearly instalment whereupon the vendor repossessed the machinery. The purchaser provides depreciation @ 10% p.a. on straight line method.

(2*15=30 marks)
