

31. From the following particulars, prepare Departmental Trading and Profit and Loss Account in columnar form for the two departments and thereafter the combined Income Account of Sonu Traders Ltd for the year ended 31st March, 2006:

	Department A Rs	Department B Rs
Stock on 1 st April 2005	30,000	5,000
Purchases from outside	2,05,000	20,000
Wages	10,000	1,000
Salaries	3,600	2,400
Transfer from Department A	_____	50,000
Stock on 31 st March 2006	35,000	12,000
Sales to outsiders	2,00,000	70,000

The entire closing stock of Department B represents goods transferred from Department A at cost plus 20%. Administrative and selling expenses amount to Rs. 14,000 which is to be allocated between the two departments in the ratio of 6: 1. An amount of Rs. 3,000 is due for interest on debentures of the company.

(2 × 15 = 30 Marks)

(4)

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(Pages: 4)

Name:

Reg. No:

FIRST SEMESTER B.Com. PROFESSIONAL DEGREE EXAMINATION, NOV. 2021

(CUCBCSS-UG)

(Regular/Supplementary/Improvement)

CC17U BCP1 B01 - PRINCIPLES AND PRACTICE OF ACCOUNTING

(Core Course)

(2017 Admission onwards)

Time: Three Hours

Maximum: 80 Marks

Part A

Answer *all* questions. Each question carries 1 mark.

- A partner may retire with the consent of:
 - Two partners
 - Majority of the partners
 - Ten partners
 - None of these
- A proforma invoice is sent by:
 - Debtors to consignee
 - Consignor to consignee
 - Debtors to consignor
 - Consignee to consignor
- A bill of exchange is drawn on 1st January 2016 payable after 3 month. The due date of the bill is
 - 4 April 2016
 - 3 April 2016
 - 1 April 2016
 - 31 March 2016
- The excess of income and gain over expenses and losses represent:
 - Net profit
 - Gross profit
 - Net loss
 - Gross loss
- The hire purchaser provides depreciation on the fixed asset purchased under hire purchase agreement on the basis of:
 - Cash price
 - Hire purchase price
 - Total installments having due
 - Total installments have been paid

Fill in the blanks:

- The parties to joint ventures called _____
- The profit / loss revealed by the branch account are transferred to _____ a/c.
- Income of a business is measured on the basis of _____ concept.
- Consignment account is a _____ a/c.
- _____ are paid at the time of dishonour of bill.

(10 × 1 = 10 Marks)

(1)

Turn Over

Part B

Answer any *eight* questions. Each question carries 2 marks.

11. Explain about IFRS.
12. What do you mean by net realisable value?
13. What is meant by Garner Vs Murray Rule?
14. What is dependent branch?
15. What is partner's current account?
16. What is meant by revaluation account?
17. What is sacrificing ratio?
18. What do you mean by trade bill?
19. What is delcredere commission?
20. What is interest suspense account?

(8 × 2 = 16 Marks)

Part C

Answer any *six* questions. Each question carries 4 marks.

21. Differentiate between installment and hire purchase system.
22. Explain the following:
 - a. Adjustment entry
 - b. Fixed liabilities
 - c. Liquid assets
 - d. Manufacturing account
23. Mention the rules to be followed in the absence of partnership deed.
24. What are the shortcomings of financial statements?
25. Shivani Ltd opened a branch at Trivandrum on 1 April 2015. Prepare the affected accounts for the year ended 31 March 2016 after considering the following information:

Goods sent to Trivandrum branch	3,25,000
Cash sent to Trivandrum branch for salaries	35,000
Rent	32,000
Sundry expenses	10,000
Cash remitted by branch	4,32,000
Closing stock at branch	60,500
Petty cash in Branch on 31 st March 2016	1,400

26. Meera purchased machinery from Rachel on 1st January 2015 on installment system. The total cash price of the machinery was Rs. 15,980 payable Rs. 4,000 down payment and 3 installments of Rs. 6,000 and Rs. 5,000 and Rs. 2,000 at the end of every year respectively. Interest is charged @ 5 % p.a. calculate interest payable at each year.

(2)

27. In order to accommodate Tushara, Nikita agrees to accept a bill of exchange for Rs. 2,000. Tushara discounts the bill with her bank for Rs. 1,960. Before the due date, Nikita sends a sum of Rs. 2,000 to Tushara. Tushara meets the bill on maturity. Make necessary journal entries in the books of both parties.

28. Rectify the following errors:

- (a) A credit purchase of Rs. 20,000 from Nithin omitted to be recorded in the books.
- (b) A credit sale of Rs. 4,000 to Deepak was recorded by mistake in purchase day books.
- (c) A credit sale of Rs. 380 to Randeep was recorded as Rs. 830.
- (d) A cash sale of Rs. 700 to Albin was posted to the credit of Albin.

(6 × 4 = 24 Marks)

Part D

Answer any *two* questions. Each question carries 15 marks.

29. The following is the Balance sheet of X, Y and Z who share profits and losses in the ratio of 2 : 2: 1.

Liabilities	Rs	Assets	Rs
Creditors	7,500	Cash	3,500
Y's loan	5,000	Current assets	16,500
Capitals		Fixed assets	9,000
X	8,000		
Y	6,000		
Z	2,500		
	<u>29,000</u>		<u>29,000</u>

The firm was dissolved and the assets were realised gradually and distributed the cash in installments. Rs. 7,500 was received once, Rs. 4,500 was received another time, Rs. 6,000 received third time and the balance assets realised Rs. 5,500 finally from which Rs. 500 paid for expenses. Show how each installment is distributed.

30. Define Accounting. Discuss the concepts and conventions of accounting in detail.

(3)

Turn Over