

(FOR THE CANDIDATES ADMITTED

24UBP101

DURING THE ACADEMIC YEAR 2024 ONLY)

REG.NO. :

N.G.M.COLLEGE (AUTONOMOUS) : POLLACHI

END-OF-SEMESTER EXAMINATIONS: NOVEMBER-2024

B.COM (BPS)

MAXIMUM MARKS: 75

SEMESTER I

TIME: 3 HOURS

PART - III

24UBP101 – FINANCIAL ACCOUNTING

SECTION – A

(10 X 1 = 10 MARKS)

ANSWER THE FOLLOWING QUESTIONS.

(K1)

1. Amount invested by the proprietor in the business should be credited to _____.
 - a) Accounts Payable
 - b) Cash
 - c) Capital
 - d) Drawing
2. Prepaid expense is _____.
 - a) An Asset
 - b) Included in Capital
 - c) A liability
 - d) Included in drawings
3. The amount of depreciation remains constant every year in _____ method.
 - a) Sinking
 - b) Written down value
 - c) Straight line
 - d) Annuity
4. The person sending or forwarding goods for sale is known as _____.
 - a) Consignee
 - b) Consignor
 - c) Principal
 - d) Debtor
5. Minimum rent a/c is also known as _____ rent.
 - a) Surplus
 - b) Real
 - c) Personal
 - d) Dead

ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES

(K2)

6. Define Journal.
7. What is Net profit?
8. Write the formula for calculating depreciation under Straight line method?
9. Indicate the relationship between consignor and consignee.
10. Infer Minimum Rent.

(CONTD 2)

SECTION – B**(5 X 5 = 25 MARKS)****ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS. (K3)**

11. a) Show the Journal from the following transactions of M/S Shyam:

| Date | Particulars | Amount |
|-------------|---------------------------------|--------|
| 2020 June 1 | Commenced business with capital | 50000 |
| June 2 | Purchased furniture for cash | 20000 |
| June 3 | Cash purchases | 29000 |
| June 4 | Deposited cash into bank | 30000 |
| June 5 | Paid salaries | 28000 |

(OR)

- b) Interpret and Prepare the Trial balance with the following information:

| Sl. No. | Name of Account | Balance (Amount) |
|---------|-----------------|---------------------|
| I | Capital | 3,50,000 |
| Ii | Cash | 2,00,000 |
| Iii | Creditor | 1,00,000 |
| Iv | Sales | 2,00,000 |
| V | Stock | 1,50,000 |
| Vi | Debtors | 1,50,000 |
| Vii | Purchase | 1,00,000 |
| viii | Salary | 50,000 |

12. a) Find out the Net profit by preparing the Profit & Loss account of Mr. Raj

| | | | |
|-----------------------|-----------|-------------------------|----------|
| Gross profit | Rs. 75000 | Repairs | Rs. 1500 |
| Office rent | Rs. 2000 | Telephone expenses | Rs. 2000 |
| General expenses | Rs. 1900 | Bad debts | Rs. 3500 |
| Discount to customers | Rs. 1360 | Apprentice premium (Cr) | Rs. 4500 |
| Interest from bank | Rs. 1200 | Printing & Stationery | Rs. 2000 |

(OR)

- b) Find out the Gross profit by preparing Trading account of Arjun for the year 31-12-17:

| | | | |
|----------------|-----------|------------------|----------|
| Opening Stock | 60,000 | Purchases | 9,60,000 |
| Freight inward | 50,000 | Wages | 20,000 |
| Sales | 15,40,000 | Purchase returns | 20,000 |
| Sales returns | 1,20,000 | Closing stock | 1,00,000 |

(CONTD 3)

13. a) Show Bank Reconciliation Statement from the following

| | | |
|------|--|----------|
| i. | Overdraft as per cash book | Rs. 1000 |
| ii. | Cheques issued but not presented for payment | Rs. 2000 |
| iii. | Cheques deposited but not collected | Rs. 5000 |
| iv. | Dividends collected and credited in the pass book only | Rs. 1200 |

(OR)

b) Describe the methods of providing depreciation.

14. a) Karthik sold goods on behalf of Vinayak sales corporation on consignment basis. On 1-1-2009, he had with him a stock Rs. 40,000 on consignment.

Karthik had instruction to sell goods at cost plus 25% and was entitled to a commission of 4% on sales, in addition to 1% del-credere commission on total sales, for guaranteeing collection of all the sale proceeds.

During the year ended 31-12-2009 cash sales were Rs. 2,40,000, credit sales Rs. 2,10,000 and Karthik's expenses in relation to consignment Rs. 6,000 being salaries and insurance. Bad debts were Rs. 6,000 and goods sent on consignment Rs. 4,00,000.

Show consignment account in the books of Vinayak sales corporation.

(OR)

b) Describe the main features of consignment transactions.

15. a) A Company leased a colliery on 1-1-2014 at a minimum rent of Rs. 20,000 merging into a royalty of Rs. 1.50 per tonne with power to recoup Shortworkings over the first four years of the lease. The output of the colliery for the first four years was 9000 tonnes, 12000 tonnes, 16000 tonnes and 20000 tonnes respectively. Show necessary journal entries for 4 years in the books of lessee.

(OR)

b) Sketch and Prepare a Statement of claim from the following information. A fire occurred at the premises of a trader on 31.05.2016 destroying a great part of his goods. His stock on 1.1.2016 was Rs.50,000. The value of stock salvaged was Rs. 3,500. The gross profit on sales was 30% and sales amounted to Rs. 2,00,000 from January to date of fire, while for the same period the purchases amounted to Rs.1,00,000.

(CONTD 4)

SECTION – C**(5 X 8 = 40 MARKS)****ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS.****(K4 (Or) K5)**

16. a) Discuss the Accounting concept and conventions. Explain in detail.

(OR)

- b) Prepare Journal and ledger from the following transactions of M/S Rao & sons

| Date | Particulars | Amount |
|------------|------------------------------|----------|
| 2020 Jan 1 | Started business with cash | 2,00,000 |
| Jan 14 | Purchased goods from Mr. B | 20,000 |
| Jan 17 | Sold goods to Mr. Y for cash | 45,000 |
| Jan 22 | Paid salaries | 15,000 |
| Jan 28 | Deposited cash into bank | 20,000 |
| Jan 29 | Received cash from Mr. X | 12,000 |

17. a) Prepare the final accounts for 2015 from the following details:

| | | | |
|---|--------|------------------|--------|
| Land | 4,000 | Bills payable | 700 |
| Opening stock (1.1.2015) | 4,000 | Capital | 15,000 |
| Machinery | 6,600 | Bills receivable | 1,500 |
| Purchases | 13,000 | Sales | 22,000 |
| Wages | 3,500 | Rent | 1,270 |
| Interest paid | 1,300 | Furniture | 300 |
| Cash | 230 | Creditors | 6,000 |
| Debtors | 8,000 | Drawings | 500 |
| Purchase returns | 1,500 | Sales return | 1,000 |
| Adjustment: Closing stock (31.12.2015) Rs. 4,500. | | | |

(OR)

- b) Prepare final accounts of Mr. Prasad on 31st March 2019 from the following:

| | | | |
|------------------|-----------|-----------|------------|
| Capital | Rs. 60000 | Creditors | Rs. 5000 |
| Drawings | Rs. 14000 | Bad debts | Rs. 1100 |
| General expenses | Rs. 5000 | Loan | Rs. 15760 |
| Buildings | Rs. 20000 | Sales | Rs. 130720 |
| Machinery | Rs. 20680 | Purchases | Rs. 94000 |
| Stock | Rs. 32400 | Motor car | Rs. 4000 |

(CONTD 5

| /5/ | | (24UBP101) | |
|---|-----------|-------------------|----------|
| Power | Rs. 6480 | Reserve fund (Cr) | Rs. 2800 |
| Insurance | Rs. 2630 | Commission (Cr) | Rs. 2640 |
| Wages | Rs. 12400 | Car expenses | Rs. 3600 |
| Debtors | Rs. 12560 | Bills payable | Rs. 6700 |
| Bank Overdraft | Rs. 5600 | Cash | Rs. 160 |
| Telephone expenses | Rs. 210 | | |
| Stock on 31 st March 2019 was valued at Rs. 47000. | | | |

18. a) A machine purchased on 1st July 2013 at a cost of Rs. 14,000 and Rs. 1,000 was spent on its installation. The depreciation is written off at 10% on the original cost every year. The books are closed on 31st December each year. The machine was sold for Rs. 9,500 on 31st March 2016. Prepare and show the machinery account for all the years.

(OR)

- b) From the following, Prepare Bank Reconciliation Statement and ascertain the balance as per Pass book

| | |
|---|-----------|
| i. Balance as per Cash book | Rs. 13500 |
| ii. Cheques issued but not yet presented for payment | Rs. 1900 |
| iii. Cheques deposited into bank but not yet collected | Rs. 2200 |
| iv. Bank paid insurance premium | Rs. 1500 |
| v. Direct deposit by a customer not recorded in the cash book | Rs. 1800 |

19. a) K of Trippur sends 40 cases of Hosiery goods worth Rs. 20000 to G of Mumbai to be sold on consignment basis on 1st April 2014. K pays Rs. 500 towards freight charges. The goods are received by G and he accepts a bill drawn on him by K at 3 months, for Rs. 10000 on 5th April 2014. The bill was discounted on the next day by K at 6% p.a. On 5th July 2014, G sends an Account sales to K showing that sales of the entire stock have been effected totalling Rs. 24800. His expenses are: Godown rent Rs. 500 and Insurance Rs. 250. G is entitled to a commission of 6% on sale proceeds. G sent a bank draft for the balance due to K and settled his account.

Prepare and show ledger accounts in the books of K.

(OR)

- b) Point out and give journal entries in respect of consignment transactions in the books of consignor.

(CONTD 6)

20. a) Ram took a colliery on lease. The Dead rent was Rs. 750 a year, merging into a royalty of 35 paise per tonne of coal raised, with the right to recover Shortworkings out of royalties of 2 subsequent years from the period in which the Shortworkings arose. The output raised were:

I Year – 1000 tonnes

II Year – 1500 tonnes

III Year – 2500 tonnes

IV Year – 1500 tonnes

V Year – 1000 tonnes

Prepare necessary ledger accounts for each of the five years in the books of Ram.

(OR)

- b) A fire occurred at the premises of a trader on 31.05.2014 destroying a great part of his goods. His stock at 1.1.2014 was Rs. 60,000. The value of stock salvaged was Rs. 13,500. The gross profit on sales was 30% and sales amounted to Rs. 1, 53,000 from January to date of fire, while for the same period the purchases amounted to Rs. 1, 03,500. Prepare and show a Statement of claim.

Ethical paper