



QP CODE: 23145907

23145907

Reg No :

Name :

**B.COM DEGREE (CBCS) REGULAR/IMPROVEMENT/REAPPEARANCE EXAMINATIONS,
DECEMBER 2023**

First Semester

Core Course - CO1CRT02 - FINANCIAL ACCOUNTING I

Common for all B.Com Degree Programmes

2017 Admission Onwards

68077EB2

Time: 3 Hours

Max. Marks : 80

Part A

*Answer any **ten** questions.*

*Each question carries **2** marks.*

1. Expenditure incurred by the business are classified as capital and revenue expenditures. Justify
2. What do you mean by Deferred Revenue Expenditure? Give eg.
3. What are financial statements?
4. Prepare a balance sheet from the following

Particulars	Amount	Particulars	Amount
Accounts receivable	2,25,000	Accounts Payable	2,36,000
Building	7,50,000	Drawings	55,000
Cash in Hand	66,000	Cash at bank	5,95,000
Capital	16,75,000	Net Profit	1,65,000
Machinery	1,85,000	Closing Stock	2,00,000

5. State four features of preparation of accounts from incomplete records.
6. What you meant by total creditors account and mention the items in total creditors account?
7. From the following calculate closing stock ; Opening stock - Rs. 10,000 Sales - Rs.60,000 Purchases-Rs, 40,000 Gross Profit- 1/3 on cost.
8. Who is lessee?
9. What are the objectives behind invoicing goods at higher price?
10. What is the treatment of bad debt when there is del credere commission?
11. A consigned goods costing Rs. 50,000 to B whose recurring and non recurring expenses on the same amounted to Rs. 5,000 and Rs. 2,000 respectively. B sold $\frac{3}{4}$ th of the goods for Rs.35,000. Ascertain the value of unsold stock.
12. How will you treat wages paid in kind to the workers under farm accounting?

(10×2=20)





Part B

Answer any **six** questions.

Each question carries **5** marks.

13. A fire occurred in the premises of Kamal on 20th March, 2017 and goods of the cost of Rs. 3,00,000 were lost for which Insurance Company admitted a claim of Rs. 2,20,000 on 28th March, 2018. Give journal entries and goods lost by fire account in the book of Kamal. Accounts are closed on 31st March.

14. Prepare trading account of a trader for the year ending 31st March 2018 from the following data:

Particulars	Amount
Stock as on 01/04/2017	2,40,000
Cash Purchase for the year.	2,09,000
Credit Purchase for the year	3,99,000
Cash sales for the year	3,37,000
Credit sales for the year	6,13,000
Purchase returns	8,000
Sale returns	10,000
Freight	10,000
Carriage	2,000
Import duty	8,000
Clearing charges	9,000
Cost of goods distributed as free samples during the year	5,000
Goods withdrawn by trader for personal use	3,000
Stock damaged by fire during the year	14,500

The cost of unsold stock on 31 st March 2018 was Rs.1,60,000

15. Write down the procedure for the calculation of profit or loss under capital comparison method?
16. Prepare Total debtors account and Bills receivable account with imaginary figures.
17. Show how shortworkings are recouped with suitable examples?
18. From the following particulars prepare a table showing royalties , short workings, short workings recouped and written off and amount paid to land lord :

Minimum rent Rs. 5,000, Rate of royalty Re. 0.50 per tonne , Period of recoupment is first four years . The output was as follows : first Year 2,200 tonnes, second year 5,800 tonnes, third year 11,000 tonnes, fourth year 14,000 tonnes and fifth year 15,000 tonnes .

19. A consigned to C for sale at invoice price. C is entitled to commission of 3% on the invoice price and 20% of any surplus price realized. Goods costing Rs. 1,20,000 were consigned at invoice price of Rs.1,44,000. The expenses of the consignor amounted to Rs.10,000. An account sale received from C showed that he had effected sales of Rs.1,20,000 in respect of 3/4th of the goods consigned to him. His expenses were Rs. 6000. C accepted a bill drawn by A for Rs. 50,000 and remitted the balance due from him in cash. Show the ledger accounts in the books of A.





20. Lulu India Ltd consigned 100 packets of cosmetics, each costing Rs 300, to his agent Beauty Spot, Kozhikode. They paid Rs 500 towards freight and insurance. 15 packets were destroyed in transit. Consignee took delivery of the remaining packets and spent Rs 1,700 as clearing charges Rs 700 as godown rent and Rs 1,300 as selling expenses. 70 packets were sold @ Rs 500 per packet. They are entitled to a commission of 5% on sales. You are required to determine the cost of damage and cost of stock at the end of the year. Also prepare consignment account.
21. From the following information, prepare crop account.
- | | |
|---------------------------------|----------|
| Opening stock: | ₹ |
| Fertiliser | 5,000 |
| Seeds | 12,000 |
| Rice | 30,000 |
| Purchases: | |
| Fertiliser | 8,000 |
| Seeds | 5,000 |
| Wages: | |
| Paid in cash | 50,000 |
| Paid in kind by giving rice | 12,000 |
| Sale of rice | 3,16,000 |
| Rice consumed by the proprietor | 16,000 |
| Repairs on machinery | 8,000 |
| Depreciation on machinery | 10,000 |
| Closing stock: | |
| Fertiliser | 7,000 |
| Seeds | 6,000 |
| Rice | 50,000 |

(6×5=30)

Part C

Answer any **two** questions.

Each question carries **15** marks.

22. From the following Trial Balance of Siva prepare trading and profit and loss account and Balance Sheet for the year ended 30.3.2018

Trial Balance as at 31.03.2018

Particulars	Debit	Credit
Capital		35,000
Drawings	5000	
Purchases	26,000	
Purchase Return		2000
Opening Stock	8000	
Salary	4000	
Wages	1500	
Rent	500	





Bad debts	500	
Discount allowed	600	
Sundry debtors	18,000	
Cash in Hand	500	
Cash at Bank	6000	
Insurance	600	
Trade expenses	450	
Printing	200	
Furniture	6500	
Building	6000	
Sales		34,350
Discounts		2000
Sundry creditors		10,000
Bills Payable		1000
Total	84,350	84,350

Additional Informations:

1. Closing stock was valued at 6000
2. Insurance was prepaid to the extent of 100
3. Outstanding expenses are Salary Rs.300 and wages Rs.350
4. Make a provision for doubtful debts at 5% on sundry debtors.
5. Calculate interest on capital at 5% p.a
6. Depreciate building at 5% and furniture at 10%
7. Discount on creditors at 1%

23. T and T keeps the books of accounts under single entry system. From the following information prepare trading and profit and loss account for the year ended 31/12/2017 and Balance Sheet as on that date.

Assets and Liabilities	1/1/2017	31.12.2017
Capital	75,000	-
Sundry Debtors	34,400	45,000
Stock	17,500	20,000
Sundry creditors	11,120	8,500
Machinery	15,500	15,600

Cash book for the year ended 31/12/2017 as follows:

Receipts	Amount (in Rs.)	Payment	Amount (in Rs.)
Balance b/d	18,750	Creditors	15,000
Debtors	60,000	Wages	3,000
Cash sales	13,500	General expenses	2,000
Commission	900	Salaries	28,000
		Drawings	16,000
		Balance c/d	29,150





	93,150		93,150
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Depreciate machinery by 10% allow interest on capital at 5% provide 5% for doubtful debts.

24. Mr. Ramanujan patented an automatic door closer and granted to MrRaju the licence to manufacture and sell the closers for 10 years on the following terms .
- Raju to pay a royalty of Rs 5 for every closer sold with a minimum rent of Rs 2,500 p.a.
 - Raju could set off the short workings arising in any year against surplus royalties payable in the next 2 years .
 - From the second year onwards , the dead rent is agreed upon at Rs 2,000 instead of Rs 2,500 and all the other terms being unchanged. The other details are:

Year	production (units)	closing stock (units)
1	125	25
2	225	50
3	285	35
4	515	50

Show the ledger accounts in the books of Raju & Co.

25. On 1st April, 2017, PQR Traders consigned to Life Style Super market, Selam 500 chests of tea invoiced at Rs 100 each, which was 25% above its cost price. PQR paid Rs 450 for packing, Rs 150 for insurance and Rs 200 for carriage.

On 1st July, 2017, Life Style Super Market sent on account sale showing that 450 chests of tea were sold at Rs 120 per chest; the expenses thereon being Rs 800. Their commission was 10% on sales including a Del-credere commission of 2%. They remitted Rs 25,000 on account.

Prepare consignment account and Consignee's account in the book of PQR Traders.

(2×15=30)

