

B.Com. I - Semester Degree Examinations Nov./Dec. - 2018

COMMERCE

Financial Accounting - I

Paper : 1.3

(Old)

Time : 3 Hours

Maximum Marks : 80

Instructions to Candidates:

- 1) Attempt all Sections according to internal choice.
- 2) Give working notes wherever necessary.

SECTION-A

Answer any TEN of the following.

(10×2=20)

1. Define a Accounting?
2. Expand AICPA.
3. Give the meaning of Journal.
4. What is Balance Sheet?
5. Why total creditors account is prepared?
6. What is single entry system?
7. Write two differences between sale and consignment.
8. Write a journal entry for 'goods are sent out to consignee'.
9. What is Joint Venture?
10. Mention two methods under which joint venture account are prepared.
11. What do you mean by del, under commission.

12. What do you mean by normal Loss?

SECTION-B

Answer any **THREE** of the following questions.

(3×5=15)

13. Briefly explain any two accounting concepts.

14. Briefly explain the features of joint venture.

15. From the following transactions prepare the personal account of Mr. Basavanagouda.

2017 Feb

01	Sold goods to mallikarjun	Rs. 2,000
08	He paid us cash	Rs. 1,500
12	He returned goods to us	Rs. 200
14	Purchased from him goods	Rs. 800
16	Returned goods to him	Rs. 500
20	Sent him cash	Rs. 300
28	Sold him goods	Rs. 1200

16. Prepare a manufacturing account for the period ending 31 March 2017 from the following particulars.

Opening stock of Raw material	Rs. 10,000
Purchase of Raw material	Rs. 60,000
Opening stock of work in progress	Rs. 7,000
Closing stock of work in progress	Rs. 8,000
Wages	Rs. 4,500

[P.T.O.]



Gas and water	Rs. 1,000
Factory rent	Rs. 500
Power	Rs. 600
Consumable stores	Rs. 700
Closing stock of Raw material	Rs. 4,000

17. From the following particulars prepare total creditors account.

Credit purchases	Rs. 2,40,000
Cash purchases	Rs. 50,000
Payment to creditors	Rs. 2,10,000
Discount allowed by them	Rs. 5,000
Bills payable accepted	Rs. 30,000
Creditors at the beginning	Rs. 90,000

SECTION-C

Answer any **THREE** of the following questions.

(3×15=45)

18. Journalize the following transaction of m/s Spoorti Fashion's and Post them into Ledger.

Date 2017

Jan 05	Business started with cash	Rs. 2,00,000
Jan 06	Open bank account with SBI	Rs. 80,000
Jan 10	Goods purchased on credit from m/s Sirisha fashions	Rs. 30,000
Jan 12	Purchase office furniture paid by cheque	Rs. 20,000

[P.T.O



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Jan 19	Rent paid by cheque	Rs. 5,000
Jan 21	Sold goods on credit to m/s Niranjana Bro's	Rs. 10,000
Jan 23	Cash sales	Rs. 15,000
Jan 25	Cash paid to m/s Sirisha Fashions	Rs. 30,000
Jan 27	Received a cheque from m/s Niranjana Bro's	Rs. 9,500 for full settlement.
Jan 30	Salary paid in cash	Rs. 6,000

19. Sharan sends consignment of the value of Rs. 5,000 to Basava drawing on the later for Rs. 4,000 as an advance against the goods consigned. Sharan also pay's Rs. 450 for freight. Basava clears the goods paying Rs. 250 for duty, dock dues etc.,. He sells on credit basis half the lot for Rs. 4,000 and half of the remaining is sold for cash at Rs. 2,200. Basava's remuneration is 2.5% on gross proceeds.

Basava sends out an account sales and draft to Sharan for there in open the necessary accounts in Sharan's books to record the above transactions.

20. Following is the trial balance of Mr. Rama krishna on 31st dec 2017, prepare a Trading and Profit & Loss account and balance sheet after taking into account the adjustments given below.

Trial Balance		
Particulars	Debit	Credit
Capital		30,000
Drawings	5,000	
Purchases	40,000	
Carriage Outward	500	
Purchase return		1000

[P.T.O]

(5)

Sundry Exp.	800	
Bad debts	300	
Sales		60,000
Postage	200	
Wages	1,000	
Bills Payable		3,000
Discount paid	500	
Land & Building	18,000	
Plant & Machinery	7,500	
Creditors		8,500
Debtors	10,500	
Salary	1,500	
Investments	3,000	
Opening Stock	13,200	
Cash	500	
Total	<u>1,02,500</u>	<u>1,02,500</u>

Adjustments:

- Closing stock is Rs. 10,300
- Create reserve for debtor @ 5%
- Depreciate plant & machinery @ 6% p.a.



- d) Salary outstanding Rs. 400
- e) Interest on Investments Rs. 90
- f) Wages paid in advance Rs. 50.

21. Mr. Narayanappa did not maintain his books of accounts property, from the following data supplied to you, prepare Final accounts for the year ended 31/12/2017.

	Rs.
Opening Stock	10,000
Creditors 01/01/17	4,000
Cash on hand 01/01/17	6,000
Furniture 01/01/17	2,000
Salaries	6,800
Rent	2,400
Other Expenses	4,800
Cash sales	8,000
Credit sales	80,000
Cash received from debtors	64,000
Cash paid to creditors	36,000
Cash purchases	4,000
Credit Purchases	60,000
Closing Stock	8000
Debtors on 31/12/2017	24,000



Debtors on 01/01/2017	10,000
Drawings	10,000
Discount allowed to debtors	2,000

22. Navya and Sana entered in to a joint venture agreeing to divide the profits or losses in the ratio of 2:1 Navya contributed Rs. 20,000 and Sana contributed Rs. 10,000 and deposited the same in joint bank account. They purchased goods worth Rs. 40,000 from Basavaraj paying Rs. 25,000 and accepting a bill drawn by him for the balance. They paid to carriage Rs. 2,500, Godown rent Rs. 500, and sales expenses Rs. 1,000, all the goods were sold for Rs. 56,000. They also met their Bills Payable on due date.

Prepare the necessary ledger accounts in the common book maintained assuming that the final settlement between the ventures was made.
