



**I Semester B.Com. Degree Examination,
November/December 2019**

COMMERCE

**Paper 1.3 — Financial Accounting — I
(Old Syllabus)**

Time : 3 Hours

Max. Marks : 80

Instructions :

- 1) Answer **all** Sections according to internal choice.
- 2) Give working note wherever necessary.

SECTION - A

Answer **any ten** of the following questions :

(10 × 2 = 20)

1. What is journal?
2. What is ledger?
3. What is Trial Balance?
4. Give the meaning of Single entry into Double entry system.
5. What is Abnormal loss?
6. What is Inland Branch?
7. What is Manufacturing Account?
8. Why Total Debtors Account is prepared?
9. Why Bills Payable Account is prepared?
10. What is goods in transit?
11. What is cash system of accounting?
12. What is Proforma Invoice?

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SECTION - B

Answer any three of the following questions :

(3 × 5 = 15)

13. Distinguish between Journal and Ledger.
14. Give the objectives of preparing Balance Sheet.
15. Find out cash received from debtors from the following particulars:

	Rs.
Total sales	1,75,000
Cash sales	25,000
Opening debtors	25,000
Closing debtors	20,000
B/R received	50,000
B/R dishonoured	10,000
Bad debts	2,500

16. Mr. Ganesh forwarded 1,500 kg of oil at invoice price of Rs. 3,00,000 to Mr. Ramesh sold 1,200 kg @ Rs. 250 each. Ramesh's entitled to 5% commission on sales and 10% on a price realized over and above the invoice price. Ascertain the total commission payable to Ramesh.
17. From the following particulars prepare Personal Account of Suresh.

	Rs.
Suresh account debt balance	20,000
Sold goods to Suresh	50,000
Suresh returned goods	4,000
Discount allowed	1,000
Bad debt	600
Cash received from Suresh	30,000
Bills receivable received from Suresh	4,000



SECTION - C

Answer **any three** of the following questions :

(3 × 15 = 45)

18. Journalise the following transactions post them to the ledger and balance the same.

1.1.2016	Prabhu commenced business with the following assets: Cash Rs. 5,000, Goods Rs. 10,000, Furniture Rs. 5,000, Building Rs. 30,000
	His transactions for the month were as follows:
2.1.2016	Sold goods to Mahesh Rs. 5,000
3.1.2016	Bought goods from Vishnu Rs. 10,000
5.1.2016	Mahesh paid the amount due
8.1.2016	Returned goods to Vishnu Rs. 500
15.1.2016	Bought goods from Dril for cash Rs. 1,000
17.1.2016	Paid to Vishnu Rs. 2,000
18.1.2016	Sold goods for cash Rs. 10,000
28.1.2016	Paid salaries Rs. 2,000
28.1.2016	Paid rent Rs. 1,000

19. From the following Trial Balance of Rajesh prepare final accounts as on 31.3.2017.

Trial Balance

Particulars	Dr.	Cr.
	Rs.	Rs.
Building	80,000	-
Machinery	40,000	-
Furniture	20,000	-
Opening stock	24,000	-
Wages	16,000	-
Salary	12,000	-
Printing	8,000	-
Insurance	6,000	-
Rent	10,000	-

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Particulars	Dr.	Cr.
	Rs.	Rs.
Drawings	18,000	-
Capital	-	2,00,000
Purchases	1,20,000	-
Sales	-	2,00,000
Creditors	-	40,000
Debtors	1,20,000	-
Interest received	-	6,000
Commission received	-	8,000
Bank overdraft	-	24,000
Cash in hand	4,000	-
	4,78,000	4,78,000

Adjustments :

- (a) Closing stock Rs. 60,000
- (b) Salary outstanding Rs. 1,000.
- (c) Interest still receivable Rs. 800.
- (d) Insurance prepaid Rs. 400.
- (e) Commission received in advance Rs. 1,000.

20. Mr. Amar keeps his books on Single entry system. He gives you the following information:

Assets and liabilities	1.4.2016	31.3.2016
	Rs.	Rs.
Cash in hand	1,000	3,000
B/R	25,000	35,000
Debtors	40,000	50,000
Stock	70,000	75,000
Plant and Machinery	46,000	46,000
Land and Buildings	60,000	60,000
Trade creditors	36,000	40,000
B/R	20,000	25,000
Capital	1,80,000	-



Cash transactions during the year:

Receipts	Rs.	Payments	Rs.
From debtors	2,00,000	Salary	10,000
From B/R	1,80,000	Wages	15,000
		B/P	1,20,000
		Trade creditors	1,40,000
		General expenses	8,000
		Drawings	5,000

Other information:

- (a) Discount allowed Rs. 2,000.
- (b) Discount received Rs. 1,000.
- (c) Provide depreciation on P and M at 10%.
- (d) Provide doubtful debts on debtors at 2%.

Prepare Trading and P and L A/c for the year ending 31.3.2016 and Balance Sheet as on that date.

21. Arun consigned 100 cycles to Bharath of Bombay at an invoice price of Rs. 750 per cycle which is 50% above cost. He incurred the following expenses. Packing and forwarding Rs. 1,000, Insurance Rs. 600, Loading and freight Rs. 1,400.

Ten cycles were totally destroyed in transit for which the consignor received Rs. 4,000 from the Insurance company.

Bharath took delivery of 90 cycles and paid Rs. 900 for unloading carriage inwards. He sold 80 cycles at Rs. 800 each incurring selling expenses of Rs. 2,400. He was to get commission at 8% and 2% del creder commission on sales.

Show the necessary accounts in the books of Arun only.

22. A Head Office in Bangalore invoice to its branch at Hubli at cost +25%. Cash received from customer is daily remitted to Head office and expenses are paid by Head office.

From the following particulars prepare Branch A/c, Goods sent to Branch A/c, Br. Debtors A/c.

	Rs.
Stock on 1.1.2016 (at I.P.)	25,200
Debtors on 1.1.2016	24,000
Goods invoice from Head Office (I.P.)	84,000

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		Rs.
Remittances to Head Office:		
Cash sales	22,000	
Cash from debtors	<u>60,000</u>	82,000
Goods returned to Head Office (I.P.)		4,800
Cheques received from Head Office:		
For Salaries	22,000	
Rent	6,000	
Sundry expenses	<u>1,000</u>	29,000
Stock on 31.12.2016 (I.P.)		30,000
Debtors on 31.12.2016		45,000
Discount allowed to debtors		1,000
