



SN – 575

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I Semester B.Com. Examination, Nov./Dec. 2014
(CBCS) (2014-15 and Onwards) (Fresh)
COMMERCE

1.3 : Financial Accounting

Time : 3 Hours

Max. Marks : 70

Instruction : Answer should be written **completely** either in **English** or in **Kannada**.

SECTION – A

1. Answer **any five** sub-questions. **Each** sub-question carries **2** marks. (5×2=10)
- What do you mean by accounting standard ?
 - Write any two differences between single entry system and double entry system.
 - What is recoupment of shortworking ?
 - Give the meaning of hire purchase system.
 - How do you close Realisation Account ?
 - Give any two reasons for conversion of a firm into a limited company.
 - Calculate the missing figure

	₹
Capital at the beginning	70,800
Further capital introduced	18,800
Drawings	11,200
Net Loss	5,600
Closing capital	?

SECTION – B

Answer **any three** questions. **Each** question carries **6** marks. (3×6=18)

- What are the functions of accounting ?
- From the following information calculate total purchases and total sales :

	₹
Opening Debtors	28,000
Closing Debtors	20,000
Opening Creditors	16,000
Closing Creditors	19,000
Cash received from debtors	12,800
Cash paid to creditors	4,000

P.T.O.



Discount earned	400
Discount allowed	800
B/R received from debtors	5,000
B/P issued to creditors	11,600
Bad debts written off	600

4. Mr. Shreekanth purchased a motor bike on hire purchase system on 1-04-2010. Total cash price of motor bike was ₹ 63,920, payable ₹ 15,920 down payment and 3 installments of ₹ 16,000 each year plus interest at 5% payable at the end of the year. Depreciation is to be charged at 10% p.a. on straight line method. Prepare Motor Bike Account and Hire Vender Account in the books of Shreekanth.
5. Prepare Royalty analysis table from the following details :

- ₹
- i) Minimum Rent 75,000 p.a.
 ii) Royalty payable ₹ 5 per ton of output
 iii) Shortworking of the year can be recouped on the next 2 years out of excess royalty.
 iv) Output for the first five years were

Years	1	2	3	4	5
Output in tons	10000	12200	20800	25500	35500

6. From the following details calculate purchase consideration and show the journal entries in the books of purchasing company.

The purchasing company has agreed to issue 8000 Equity shares of ₹ 10 each at par. 500 8% Preference shares of ₹ 100 each at 10% premium, 1000 debentures of ₹ 50 each at 10% discount and pay cash equal to 10% of total purchase consideration.

SECTION – C

Answer **any three** questions. **Each** question carries **14** marks.

(3×14=42)

7. Mr. Mohan Das keeps his books by single entry system. From the following data, prepare Trading and P/L A/c for the year ending 31-3-2014 together with B/S as on that date :

Cash Book Analysis shows the follows :

	₹
Interest charges	200
Personal withdrawals	4,000
Salaries	17,000
Business expenses	15,800

