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II Semester B.Com. Examination, May/June 2014
(Repeaters) (Prior to 2011-12)
Commerce
FINANCIAL ACCOUNTING – II

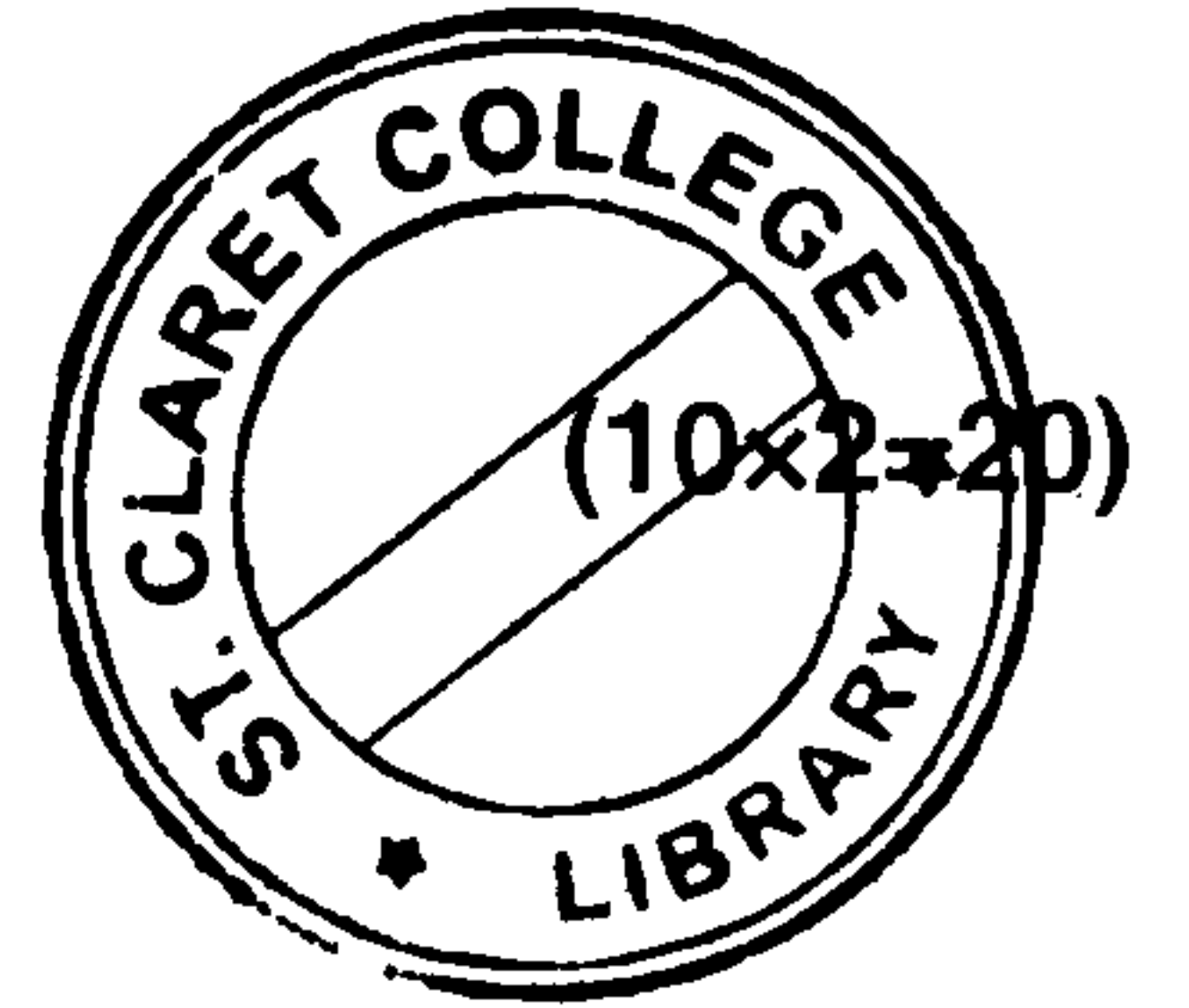
Time : 3 Hours

Max. Marks : 90

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

SECTION – A

Answer **any 10** of the following. **Each** question carries **two** marks.



1. a) What is single entry system of book keeping ?
b) What is meant by fire claims ?
c) What is meant by loaded price ?
d) Mention any two advantages of maintaining departmental accounts.
e) Calculate the amount of fire claim by applying average clause from the following

Loss of stock by fire	3,00,000
Amount of Policy	2,60,000
Total value of stock	3,42,000

f) How do you allocate the following expenses in Departmental Accounting
a) Discount Received b) Bad Debts.
g) Ascertain profit from the following information :
Sales 3,00,000
Percentage of gross profit on cost is 25%
h) What do you mean by goods-in-transit ?
i) State any four accounting standards.
j) How do you calculate gross profit ratio ?
k) What do you mean by Inter branch transactions ?
l) Which is the authority issuing accounting standards ?

P.T.O.



SECTION – B

Answer **any five** of the following. **Each** question carries **five** marks. (5×5=25)

2. Give any 5 differences between Single Entry System and Double Entry System.
3. State the scope and functions of Accounting Standards Board.
4. From the following particulars. Prepare Branch A/c showing the profit or loss from the branch

Opening stock at branch	30,000
Goods sent to branch	90,000
Cash sales	1,20,000
Expenses :	
Salaries	2,000
Other expenses	4,000

Closing stock could not be ascertained but it is known that the branch usually sells at cost plus 20%. The branch manager is entitled to a commission of 5% on the profit of the branch.

5. Calculate the total purchases from the following information related to sundry creditors account.

Particulars	Rs.
Opening balance	3,000
Cash paid to creditors	90,000
Goods returned to creditors	15,000
Bills accepted	90,000
Discount allowed by creditors	2,000
Closing balance	6,000

Cash purchases during the period amounted to Rs. 50,000/-



6. Fire occurred in the premises of Mrs. Manjula on September 30, 2013. All stocks were destroyed except to the extent of Rs. 5,600. From the following details ascertain the claim to be lodged by Mrs. Manjula.

Stock on 1 st January 2013	10,600
Purchases upto 30 th September 2013	60,800
Wages upto 30 th September 2013	3,000
Freight upto 30 th September 2013	1,000
Sales upto the date of fire	80,000

The rate of gross profit is 25% on cost.

7. From the following figures drawn from the books of Kavitha, you are required to calculate credit sales and total sales.

Debtors in beginning of the year	1,30,000
Cash received from Debtors	1,90,000
Discount allowed	4,000
B/R received	16,000
B/R dishonoured	2,000
Bad debts	1,000
Cash sales	13,000
Returns Inward	5,200
Closing balance of debtors	65,000

8. Give the Journal Entry for the following in the books of H.O. the books are closed on 31-12-2013.
- Goods sent by H.O. on 28-12-2013 worth Rs. 15,000 to its Gowribidanur branch not received by the branch upto 31-12-13.
 - Goods sent by Sidlaghatta branch to Gowribidanur branch for Rs. 3,000 are yet to be received.
 - Gowribidanur branch paid Rs. 30,000 for a machine purchased by the H.O. for the use of H.O.



9. From the following particulars of Rama Enterprises prepare departmental trading and profit and loss A/c.

Particulars	Dept. - A Rs.	Dept. - B Rs.
Opening stock	5,000	8,000
Purchases	20,000	16,000
Sales	45,000	30,000
Wages	3,000	2,000
Closing stock	12,000	10,000

Other expenses :

Office salaries	Rs. 24,000
Rent	Rs. 16,000
Discount allowed	Rs. 4,500
Discount earned	Rs. 1,440

Office staff appointed : 10 persons in Dept-A and 5 persons in Dept-B. Area occupied : Dept - A 100 sq.ft and Dept - B 60 sq.ft.

SECTION – C

Answer **any three** of the following. **Each** question carries **15** marks. **(3×15=45)**

10. Determine the amount of claim for the loss of stock from the following details.

Date of Fire 15-8-2013

	Rs.
Stock on 1-4-2012	25,740
Stock on 31-3-2013	37,800
Stock salvaged	1,931
Amount of policy	24,000



Particulars	2012-13	1-4-2013 – 15-08-2013
	Rs.	Rs.
Purchases	1,57,900	78,800
Sales	2,28,600	1,33,900
Wages	27,480	13,780
Carriage-in-wards	10,900	3,160
Carriage-out-wards	5,580	1,920

Stocks have been always valued at 10% below cost.

11. From the following figures relating to Kolar branch prepare branch A/c for 2012 and 2013.

Particulars	2012	2013
	Rs.	Rs.
Goods sent to branch	6,000	8,400
Cash sales	2,400	3,840
Credit sales	4,320	6,000
Cash received from bebtors	3,840	4,800
Discount allowed	60	180
Bad debts	60	120
Cash sent to branch for expenses	840	1,200
Stock on 31. Dec.	960	1,680
Petty cash on 31. Dec.	20	24



12. Mrs. Jyothi does not keep her books of a/cs properly. From the information extracted from such books and other records given below, prepare her trading and Profit and Loss A/c for the year ending 31-12-2013 and the Balance Sheet as on that date.

Receipts for the year 2013	Rs.
Cash received from Debtors	17,625
Cash sales	4,125
Cash received from Mrs. Jyothi proprietor	2,500
Total	24,250

Payments for the year 2013	Rs.
Plant purchased	625
Drawings	1,500
Wages	6,725
Salaries	1,125
Interest paid	75
Telephone expenses	125
Rent paid	1,200
Power and water	475
Sundry expenses	2,125
Paid to creditors	7,625
Total	21,600

Assets and Liabilities as on	31-12-2012	31-12-2013
	Rs.	Rs.
Creditors	2,525	2,400
Debtors	3,750	6,125
Cash	625	?
Stock	6,250	3,125
Plant	7,500	7,315



13. The following trail balance was sent by Tumukur branch to its Head Office Bangalore.

Particulars	Dr. ₹	Cr. ₹
Debtors and Creditors	70,000	10,000
Purchases and sales	1,10,000	4,40,000
Goods from Head Office	45,000	—
Carriage inwards	5,000	—
Discounts	10,000	20,000
Stock on 1 st Jan. 2012	30,000	—
Vehicles	28,000	—
Commission	—	6,000
Salaries (11 months)	1,10,000	—
Rent (13 months)	13,000	—
Insurance	2,400	—
Sundry expenses	16,600	—
Due to Head Office	50,000	14,000
	4,90,000	4,90,000

Adjustments :

- 1) Stock on 31st Dec. 2012 ₹ 60,000.
- 2) Insurance was paid for the year ending 31st March 2013.
- 3) Reserve on Debtors @ 5%.
- 4) The H.O. lent to branch the use of plant valued ₹ 3,000 and Depreciation was to be charged @ 10%.

Incorporate the branch a/cs in the books of H.O. by means of Journal entries. Prepare Tumukur Branch Account in H.O. books.



14. Mr. Balaji who is running a departmental stores, has supplied you with the following ledger balances.

Particulars	Dept-A	Dept-B
	₹	₹
Stock on 01-01-2012	4,000	8,000
Purchases – A - 1200 kgs	20,000	–
B - 36000 kgs	–	32,000
Wages	2,400	3,200
Sales	40,000	60,000
	Rs.	
Rent of Taxes	2,400	
Salaries	2,880	
Carriage-in-wards	960	
Advertisement expenses	3,120	
Discount (Credit)	720	
Furniture	16,000	
Debtors	3,200	
Investments	20,000	
Creditors	1,600	
Capital	32,000	
Drawings	800	
Bank	12,000	
Cash	3,360	

Prepare departmental trading and Profit and Loss Account for the year ended 31-12-2012 and the Balance Sheet after taking into consideration, the following adjustments.

- Closing stock on 31-12-2012, Dept. - A-4000
Dept. - B-800
- Internal transfer of goods from Dept.-A to Dept.-B Rs. 400 at cost
- Space occupied : Dept.-A 200 sq.ft
Dept.-B 400 sq.ft.
- Other Income and Expenses should be apportioned on the basis which you think most appropriate.