

Reg. No. :

**Code No. : SS 20381 E Sub. Code : JMCO 21/
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**B.Com. (CBCS) DEGREE (Special Supplementary)
EXAMINATION, APRIL 2020.**

Second Semester

Commerce — Main

FINANCIAL ACCOUNTING – II

(For those who joined in July 2017 onwards)

Time : Three hours Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. The person who receives the goods on consignment is called _____
- (a) Consignee (b) Consigner
- (c) Agent (d) None of these

2. Del-Credre commission is calculated on _____
sales
- (a) Cash (b) Credit
(c) Purchase (d) Total
3. Receipt and payment account is a _____
account.
- (a) Personal (b) Nominal
(c) Real (d) Asset
4. Subscription received in advance is _____
- (a) An income (b) An asset
(c) An liability (d) An expense
5. Profit or loss on joint venture is shared by the
co-ventures.
- (a) Equally
(b) In the capital ratio
(c) As per the agreement
(d) Rs 10,000 per month
6. The owners of Joint venture are known as

- (a) Co-ventures (b) Partners
(c) Share holders (d) None of these

7. Average Due date is also called as _____
- (a) Base date (b) Interest date
- (c) Equated date (d) Expired date
8. Red ink interest is associated with _____
- (a) Total sales (b) Average due date
- (c) Nominal a/c (d) Account current
9. The average clause in a loss of profits policy protects the interest of the _____
- (a) Insured (b) Insurer
- (c) Workers (d) Both (a) and (b)
10. In self balancing, general ledger adjustment account is opened _____ in _____ ledger
- (a) Debtors
- (b) Creditors
- (c) Both Debtors and Creditors
- (d) None of these

PART B — (5 × 5 = 25 marks)

Answer ALL questions choosing either (a) or (b) in about 250 words.

11. (a) What do you mean by 'Normal loss' and 'Abnormal loss'? How they are treated in consignment Accounts.

Or

- (b) Raman sends 400 kilo edible oil at Rs40 per kilo to Krishnan. Freight and insurance amounted to Rs500. On the way 20 Kg oil were spoiled. Krishnan took delivery of the consignment and spent Rs 1900 for octroi and carriage inwards. In addition he also spent Rs 2000 as recurring expenses

You are required to calculate stock at the end if Krishnan sells 300 kilos of oil.

12. (a) From the following details relating to subscriptions of coimbatore sports club, calculate the subscriptions income for the year ending 31st March 1990

Subscriptions received as per Receipts and payments a/c for the year ending 31st March 1990 Rs 10,000

Subscription outstanding as on 31.3.1989 Rs.2,000

Subscription outstanding as on 31.3.1990
Rs 4000

Subscription received in advance as on
31.3.1989 Rs 3000

Subscription received in advance as on
31.3.1990 Rs 2000

Or

- (b) Write short notes on legacy and entrance fees.

- 13. (a) State the features of joint venture.

Or

- (b) Distinguish between consignment and joint venture.

- 14. (a) How will you calculate average due date when amount paid in different installments?

Or

- (b) Mr. Babu had the following transactions with John Bull 1992

		Rs
Jan 1	Sold goods to John Bull	1,500
Feb 15	Received cash from John Bull	600
Mar 5	Bought goods from John Bull	4,000
Mar 8	Accepted John Bull's draft dated march 5 th payable one month after date	1,500
April 15	Cash paid to John Bull	1,200
April 30	Sold goods to John Bull on one month's credit	1,400
May 15	Bought goods for John Bull on one month's credit	600
June 15	Received cash from John Bull	500

Make out an account current to be rendered by Babu to John Bull for the period to 30th June, charging interest at 6% p.a.

15. (a) Anbu and Co. keep bought and sold ledges on self balancing principles from the following particulars prepare necessary adjustment accounts in these two ledgers for the year 1999

	Rs
Sundry Debtors as on 1.1.99	6,200
Sundry creditor as on 1.1.99	2,500
Acceptance given	4000
Return outwards	250
Credit purchase	10,300
Cash received from Debtors	7,800
Debtors acceptance dishonoured	500
Discount alllowed	100
Credit sales	13,400
Bad debts	200
Return inwards	300
Creditors on 31.12.99	1,050

Or

- (b) On 15th February 1982 a fire occured in the premises of a company. From the following particulars ascertain the amount of claim to be lodged in case of loss of stock

	Rs.
Stock on 1.1.1982	1,00,000
Purchases from 1.1.1982 till the date of fire	1,50,000
Wages	50,000
Manufacturing expenses	30,000
Sales from 1.1.1982 till the date of fire	2,40,000

The gross profit ratio is 25%. the stock salvaged was valued at Rs.19,500.

PART C — ($5 \times 8 = 40$ marks)

Answer ALL questions choosing either (a) or (b)
in about 600 words.

16. (a) David of Coonor consigns 2000 cases of good costing Rs. 100 each to Sundar of chennai. David pays the following expenses freight Rs 6,000, carriage Rs 2,000, Loading charges Rs 2,000. Sundar sells 1400 cases at Rs 140 per case and incurs the following expenses clearing charges Rs 1,700, ware housing and storage Rs. 3,400, packing and selling expenses Rs 1,200. It is found that 100 cases have been lost in transit and 200 cases are still in transit. Sundar is entitled to a commission of 10% on gross sales. Prepare consignment a/c and Sundar a/c in the books of David.

Or

- (b) Differentiate Consignment and a sale.

17. (a) What are the different ways of preparing accounts under joint venture system?

Or

- (b) 'A' in Bangalore enters into a Joint venture with B in Mumbai to ship cotton bales to c in Japan. 'A' sends cotton to the value of Rs 30,000 pays railway freight etc Rs. 1,500 and sundry expenses Rs 1575. B sends good valued are Rs 20,750 and pays freight and insurance Rs 1,200 dock dues Rs. 200, customs charges Rs. 500 and other sundry expenses Rs. 500. A advances to B Rs 6,000. On account of the venture, B receives account sale and remittance of the net proceeds from C in Japan for the whole of the goods amounting to Rs.80,000

Show how joint venture transactions will be recorded in the book of A.

18. (a) Differentiate between income and expenditure account and receipts and payments account.

Or

- (b) From the following Receipts and payments a/c of city club for the year ended 31.12.2005. Prepare Income and Expenditure a/c for the year ending and a balance sheet as ion that date.

Receipts and Payments a/c

Receipts	Rs	Payment	Rs
To Balance b/d		By loan repaid	13,000
Cash	1,950	By Newspaper	5,200
Bank	2,600	By Books	6,500
To		By Salaries	18,200
subscription			
2004	3250	By General	
2005	13,000	expense	6,500
2006	<u>2,600</u>	By balance c/d	
		18850 Cash	1950
To locker Rent	9,100	Bank	650
To Receipts			
from			
Entertainment	18,200		
To sale of old			
Newspaper	1,300		
	<u>52,000</u>		<u>52,000</u>

Additional Information:

- (i) The club has 50 members each paying Rs 325 per year each as subscription
- (ii) The outstanding subscription on 31.12.2005 is Rs 3,900

- (iii) Salary outstanding is Rs 1,300, Salaries paid include Rs 3,900 for 2004
- (iv) The club had building Rs 1,30,000, furniture Rs 13,000 and Books Rs 13,000 on 1.1.2005. Depreciation has to be provided 10% on Building and furniture.
19. (a) A partner has withdrawn the following sums of money during the half year ending 30.6.2010

	Rs.
Jan 15	3,000
Feb 18	2,500
Mar 10	1,500
Mar 26	2,000
April 20	4,000
May 16	3,000
June 18	5,000

Interest is to be charged at 8% p.a. Find out the Average due date and calculate the amount of interest to be debited to the partner.

Or

- (b) What are the different methods of calculating interest in account current?

20. (a) A Fire occurred on 30th September 2008 in the godown of Shri. Anand. From the following particulars, ascertain the claim to be lodged

Rs.

Stock on Jan 1, 2008	17,000
Purchases from 1.1.2008 to the date of fire	1,70,000
Wages and other manufacturing expenses	17,000
Sales from 1.1.200 to the date of fire	2,00,000

The rate of gross profit is 25% on cost. The stock salvaged was valued at Rs. 4,000

Or

- (b) What is self balancing ledger? What are its advantages .
