

**LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034****B.Com.DEGREE EXAMINATION –CORPORATE SECRETARYSHIP**FIRST SEMESTER – **APRIL 2018****BC 1502– FINANCIAL ACCOUNTING**Date: 27-04-2018  
Time: 01:00-04:00Dept. No. 

Max. : 100 Marks

**PART -A****ANSWER ALL THE QUESTIONS:-****(10 x 2=20)**

1. Define Depreciation?
2. What do you meant by single entry system?
3. What do you mean by Average Clause?
4. Give any three objectives of branch Accounting?
5. Write down contents of Hire Purchase Agreement?
6. Calculate gross profit from the following data:

Data	Rs.
Opening Stock	80,000
Purchases	3,00,000
Sales	4,10,000
Purchase returns	6,000
Sales returns	10,000
Carriage inwards	12,000
Closing Stock	60,000

7. “A” Ltd purchases machinery for Rs.1,00,000 on 01/04/2009. The useful life of the machinery is 10 years. Its residual value is Rs.10,000. Fine out the rate of deprecivation under straight line method.
8. From the following data calculate capital at the beginning of the year:-  
Capital at the end of the year - Rs.70,000  
Drawings during the year - Rs.10,000  
Capital introduced during the year - Rs.5,000  
Profit made during the year - Rs.20,000
9. Calculate cost of Goods sold?  
Sales - Rs.8,40,000  
Rate of gross profit on cost – 20%
10. How will you apportion the following expenses among various departments?  
1. Rent      2. Lighting      3. Selling expenses

**PART - B**

**ANSWER ANY FOUR QUESTIONS:-**

**(10 x 4=40)**

11. What are the features of single entry system?
12. Elaborate the steps in ascertaining amount of claim? State its type of claims?
13. Prepare trading and profit and loss account?

	Rs.		Rs.
Opening Stock	10,000	Office Rent	1,500
Purchases	60,000	Sales Returns	2,000
Wages	11,500	Purchase Returns	3,000
Closing Stock	13,000	General Expenses	3,000
Sales	1,00,000	Discount	900
Carriage inwards	1,500	Interest received from bank	500
Carriage outwards	1,200		
Factory Rent	1,200		

14. A firm purchased Rs.1,20,000 worth of machinery on 01/01/1996 and on 30/06/1997 again purchased another machinery for Rs.20,000 on 31.03.1998. One of the machinery purchased first for Rs.5,000/- became absolute and sold for Rs.500. On the same date another machinery for Rs.8,000 was purchased. Prepare machinery account for 3 years after writing off depreciation at 15% P.A. under diminishing balance method.

15. From the following particulars calculate the purchases?

	Rs.
Opening balance of bills payable	5,000
Opening balance of creditors	6,000
Closing balance of bills payable	7,000
Closing balance of bills receivable	5,000
Closing balance of creditors	4,000
Cash paid to creditors during the year	30,200
Bills payable discharged	8,900
Returns inwards	1,200
Returns outwards	1,200
Cash purchases	25,800

16. Indian traders, Bombay open a branch at baroda on 01.01.1988. The following information is available in respect of the branch for the year 1988.

	Rs.
Goods sent to branch	75,000
Cash sales at branch	50,000
Credit sales at the branch	60,000
Salaries of the branch staff paid by the Head Office	15,000
Office expenses of the branch paid by the Head Office	12,000
Cash remittance to branch towards petty cash	6,000
Petty cash on 31.12.1988	500
Debtor on 31.12.1988	5,000
Stock on 31.12.1988	27,000

Prepare branch account to show the profit or loss from the branch for the year 1988.

17. Ram Departmental stores has two departments A and B. From the following departmental trading account:-

Purchases:

Department : A : 1,000 units

Department : B : 2,000 units at a total cost of Rs.1,10,000

Opening Stock:

Department : A : 400 units

Department : B : 600 units

Sales:

Department : A : 900 units (a) Rs.75 per unit

Department : B : 2,100 units (a) Rs.45 per unit

Assume that gross profit rate is uniform for both the departments.

**PART - C**

**ANSWER ANY TWO QUESTIONS:-**

**(2 x 20=40)**

18. Distinguish between Hire Purchase Agreement and installment purchase agreement? State the contents of Hire Purchase Agreement?

19. Ms. Jaya keeps his records under single entry system. From the following prepare trading profit and loss A/c and balance sheet as on 31/03/1991

	Rs.		Rs.
Interest charges	200	Cash sales	30,000
Drawings	4,000	Receipts for debtor	50,000
Staff salaries	17,000	Cash at bank as on 31.03.91	4,850
Other business expenses	15,800	Cash in hand as on 31.03.91	150
Payment to creditors	30,000		

Further details available are:

	01.04.90	31.03.91
	Rs.	Rs.
Stock in hand	18,000	20,440
Creditors	16,000	11,000
Debtor	44,000	60,000
Furniture	2,000	2,000
Office promises	30,000	30,000

Provide 5% interest on capital balance as on 01.04.1990 provide Rs.3,000, for doubtful debts,

5% depreciation on all Fixed Assets.

20. Mr. Balu purchased a machinery from Kumar & Co on Hire Purchase system on 01.01.1995. The cash price of the machine was Rs.1,00,000, Rs.20,000 to be paid at the time by taking delivery and balance by four installments of Rs.20,000 plus interest at 5% on yearly balance.

Balu failed to pay the installment due on 31.12.1996. Kumar & Co took possession of the machinery and valued the same in their books after charging depreciation at 10% P.A on reducing balance method. In 1997 Kumar & Co incurred Rs.1,000 for reconditioning and re-sold the machinery for Rs.90,000.

Show the ledger accounts in the books of Mr. Balu and Kumar & Co.

21. From the following information prepare departmental trading and profit and loss A/c in a columnar form of the three departments of Sharma Dry Cleaners Ltd.

Particles	Dry Cleaning	Darning	Dyeing
Stock 1 <sup>st</sup> January 1996	4,00,000	3,40,000	9,40,000
Stock 31 <sup>st</sup> December 1996	3,30,000	4,38,000	8,17,000
Purchases	19,59,000	6,97,000	13,73,000
Sales	40,00,000	20,00,000	40,00,000
Wages	7,28,000	3,00,000	2,46,000

Goods were transferred from one department to another at cost price as follows.

- (i) Darning to dry cleaning Rs.2,400 and to dyeing Rs.40,200
- (ii) Dyeing to dry cleaning Rs.25,800 and to darning Rs.18,000
- (iii) Dry cleaning to darning Rs.3,000 and to dyeing Rs.24,000

Apportion equally:-

Stationery Rs.5,418, postage Rs.4,050, general expenses Rs.2,37,618. Insurance Rs.10,080, depreciations Rs.32,598. Rent and taxes Rs.1,80,000 is to split in proportion to space occupied ie:- Dry cleaning 4, darning 2, Dyeing 2, and other space 2.

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