

257

END OF SEMESTER EXAMINATIONS, NOVEMBER 2018
FUNDAMENTALS OF ACCOUNTING - II
SUBJECT CODE: 17UAPA05

MAJOR: B.Com. (PA)
TIME : 3 HOURS

SEMESTER : II
MAX. MARKS: 75

SECTION - A (10 X 1 = 10)

Answer ALL the Questions:

1. What is a Bill of exchange?
2. What is Red Ink Interest?
3. Who is a Consignor?
4. What is Delcredere Commission?
5. State the features of Partnership.
6. What is Joint Venture?
7. What is Income and Expenditure account?
8. Explain the meaning of non-trading concern.
9. What is self-balancing ledger?
10. Explain how Sales ledger adjustment is prepared?

SECTION - B (5 X 4 = 20)

Answer Any FIVE Questions:

11. On 1.1.99, "J" sold goods to D on credit for Rs.2,000 and drew a bill on "D" for Rs.2,000 for 3 months after date. "D" accepted it on 3.1.99 and returned it to "J". On Maturity, the bill was duly honoured by Devi. Pass Journal entries on the books of both the parties.

12. Find out the Average Due Date for the following bills:

Date of bill	Amount (Rs.)	Period
15.1.09	250	3 months
4.3.09	400	5 months
10.4.09	500	1 month
22.4.09	200	2 months

13. What are the differences between Consignment and Joint Venture?
14. Distinguish between Receipts and Payment Account and Income and Expenditure Account.
15. Calculate the amount to be shown in the Income and Expenditure Account for the year 2009 in the books of Trichy Cricket Club.

Stock of Stationery on 1.1.09 -	4,400
Paid for Stationery during 2009 -	22,800
Prepaid Stationery during 2008 -	4,200
Prepaid Stationery during 2009 -	6,800
Unpaid Stationery during 2008 -	3,200
Unpaid Stationery during 2009 -	9,800

16. Prepare Debtors Ledger Adjustment account as on 31.12.09.

	Rs.		Rs.
Credit Sales	50,000	Bills accepted by customers	5,000
Discount allowed	2,000	Bad debts written off	1,500
Cash received	35,000	Bills dishonoured	500
Sales returns	1,500	Allowances to customers	1,200
Bad debts previously written off now recovered	600	Transfer from Debtors ledger to Creditors ledger	1,500
Balance as on 1.1.09 (Dr)	10,000.		

17. What are the advantages of self-balancing ledger system?
18. On 1st January, 2008, the amount due from Gopal to Kirtiman was Rs. 1,000. During the six month ended June, the transactions were as follows:

2008		Rs.
Feb 10.	Sold goods to Gopal	2,000
Mar 15.	Purchased goods from Gopal	600
Apr 20.	Cash received from Gopal	800
May 15.	Cash paid to Gopal	600

Prepare an account current to be rendered by Kirtiman to Gopal on 30th June 2008 calculating interest @ 12% p.a.

SECTION - C (3 X 15 = 45)

Answer Any THREE Questions:

19. Amar sold goods to Babu for Rs. 1,000. Babu accepted a bill for Rs. 1,000 drawn by Amar. On the Due Date Babu approached Amar and requested him to cancel the original bill and they draw a new bill for Rs. 1,025 (including interest) which is agreed by Amar. On the due date, the second bill was honoured. Show the journal entries in the books of Amar.
20. Geetha Oil Ltd consigned 2000 kg of oil to Suresh & Co to be sold on consignment basis. The cost of one kg of oil was Rs 45. Geetha Oil Ltd spent Rs 5,000 on freight, packing etc. After sometime, Suresh & Co sent the following report:
- Normal (leakage) loss - 100 kg
 - Abnormal loss due to mis-handling - 100 kg
 - Sale - 1500 kg @ Rs.60 each
 - Commission - 5% on sale proceeds.
- Prepare necessary ledger accounts in the books of Geetha Oil Ltd.
21. Describe the different methods of recording transactions relating to Joint Venture.
22. Following is the receipts and payments account of a club for the year 2007. Prepare Income and Expenditure Account.

<u>Receipts and Payments Account</u>			<u>Rs.</u>
To Balance b/d	1,200	By Sports equipment	3,500
To Subscription	15,300	By Rent	1,000
To Sale of news papers	300	By Cost of entertainment	10,100
To Donation for buildings	10,100	By Miscellaneous expenses	800
To Sale of furniture	600	By Investments	10,000
		By Balance c/d	2,100
	<u>27,500</u>		<u>27,500</u>

Investments consisted of 4% Govt. loan and were purchased on 1.1.07. Subscriptions included Rs.700 for 2006 and Rs.200 for 2008. Subscription for 2007 still receivable were Rs.1,500 but of these Rs.200 were considered doubtful.

23. Give the journal entries needed to make the Debtors ledger and the Creditors ledger into self balancing ledgers.
