

S. NO.: 456

BATCH: 87-2015

Reg. No.:

END OF SEMESTER EXAMINATIONS, APRIL / MAY - 2017

BUSINESS ACCOUNTS

SUBJECT CODE : 12UACO09

MAJOR : B.COM  
TIME : 3 HOURS

SEMESTER : III  
MAX. MARKS: 75

Section- A (10X1=10marks)

Answer all the Questions.

1. What is single entry?
2. What is a "statement of affairs"?
3. What is Dead Rent?
4. What is short workings?.
5. What is repossessed stock?
6. What is cash price?
7. What is indirect expense?
8. What is Branch Adjustment Account?
9. What is purpose of fire insurance?
10. What is average clause?

Section-B (5X4=20marks)

Answer ANY FIVE Questions

11. Describe the Limitations of Single Entry System.
12. From the following particulars find out net credit purchase. RS.

Opening balance of sundry creditors	40,000
Payment by Cheque	2,35,000
Payment by Bills Payable	25,000
Payment in Cash	5,000
Discount received	2,500
Purchase return	5,000
Closing balance of Sundry creditors	47,500

.. 2 ..

121

13. From the following information compute Short workings, short workings recouped and Short workings lapsed:

Royalty - 50 paise per tonne of coal

Minimum Rent - Rs.30000 p.a

Output: 1<sup>st</sup> year – 10000 tonnes

2<sup>nd</sup> year – 48000 tonnes

3<sup>rd</sup> year – 80000 tonnes

Short workings are recoverable during the first three years of lease.

14. Raman purchases a motor car from Bharathan whose cash price is Rs.56000 on 1.1.93. Rs.15000 is paid on signing the contract and the balance is to be paid in three equal annual installment of Rs.15000 each. The rate of interest is 5% p.a. Calculate the amount of interest included in each installment.

15. A fire occurred at the premises of a trader on 31.05.2008 destroying a great part of his goods. His stock on 1.1.2008 was Rs.60000. The value of stock salvaged was Rs.13500. The gross profit on sales was 30%. Sales amounted to Rs.153000 from January to the date of fire, while for the same period the purchases amounted to Rs.103500. Prepare a statement of claim.

16. From the following particulars prepare the departmental trading and profit and loss account for the year ended 31-12-97.

	Dept. X	Dept. Y
Stock 1-1-97	9,000	8,400
Sales	42,000	36,000
Purchases	27,000	21,600
Direct expenses	5,490	8,520
Postage	3,600	3,600
Stock 31-12-97	10,800	4,800

Indirect expenses for the entire business were rs.3900 which is to be divided in the proportion of sales of the two departments.

17. What are the characteristics of Hire Purchase System?

18. What are the different kinds of branches?

Section-C

(3X15=45marks)

Answer ANY THREE Questions

19. Ram commenced business on 01.01.1989 with a capital of Rs. 25, 000/-. He immediately bought furniture for Rs. 4, 000/-. During the year, he borrowed Rs. 5, 000/- from his wife and introduced a further capital of Rs. 3, 000/-. He has withdrawn Rs. 600 at the end of each month for family expenses. From the following particulars obtained from his books, you are required to prepare trading and profit and loss account and balance sheet as on 31.12.1989.

Particulars	Amount
Sales (including cash sales of Rs. 30000)	1,00,000
Purchase (including cash purchase of Rs. 10000)	75,000
Carriage	700
Wages	300
Discount allowed to debtors	800
Salaries	6,200
Bad debts written off	1,500
Trade expense	1,200
Advertisement	2,200

Ram has used goods worth Rs. 1, 300/- for private purpose and paid Rs. 500/- to his son which is not recorded anywhere. On 31.12.1989, his debtors, were worth Rs. 21, 000/- creditors Rs. 15,000/- and stock in trade Rs. 10, 000/-. Furniture to be depreciated at 10 % per annum.

20. On 1.1.90 Balu obtained a mining lease and on 1.1.91 he sub leased a part of the mine to Charu. Show ledger accounts in Balu books based on the following particulars:

Year	Lease(tonnes)	Sub lease(tonnes)
1990	12000	Nil
1991	56,000	10,000
1992	66,000	14,000
1993	58,000	18,000
Royalty per tonne	Re.1	Re.1.50
Minimum rent per annum	51000	22000
Short workings recoverable in following	3years	2years

21. Distinguish between Hire purchase and Installment purchase systems.

22. The following purchases were made by the business house having three departments

Dept A – 1000 units	}	-----At a total cost of Rs.100000
Dept B- 2000 units		
Dept C-2400 units		

**Stock on 1 st January**

Dept A – 120 units  
Dept B- 80 units  
Dept c-152 units

**Sales were:**

Dept A – 1020 units at Rs.20 each  
Dept B- 1920 units at Rs.22.50 each  
Dept c- 2496 units at Rs.25 each

The rate of gross profit is the same in each case. Prepare departmental trading A/c.

23. Write short notes on a) Gross profit ratio b) Average clause c) Claim for Loss of Profits.

\*\*\*\*\*