

They sold all the machines for Rs.1,25,000. A spent Rs.2,450 and B and C spent Rs.1,250 each in connection with the Joint Venture. Show the Joint Venture Account and other ledger accounts.

12. (a) Explain the differences between:
- Single Entry System and Double Entry System
  - Statement of Affairs and Balance Sheet

(OR)

(b) A trader keeps his books under Single Entry System. You are required to ascertain profit or loss made by him in 2015 and Prepare Adjusted Final Statement of Affairs as on 31-12-2015 from the following.

Particulars	1-1-2015(Rs.)	31-12-2015(Rs.)
Stock in Trade	8,500	6,700
Sundry Creditors	4,000	5,400
Sundry Debtors	4,500	4,200
Cash in hand	150	200
Bank Overdraft	5,000	3,200
Bills Receivable	2,000	1,050
Fixtures and Fittings	1,500	1,500
Motor Van	4,000	4,000
Plant	10,000	10,000

Total Drawings during the year amounted to Rs.3,600. During the year he introduced further capital of Rs.3,000. Depreciate Fixtures at 10%, Plant at 20% and Motor Van Rs.500. As regards to Sundry Debtors Rs.500 was irrecoverable and 5% were doubtful. There was a need to reserve Rs.500 in respect of Bills Receivable.

- 13.(a) Explain the differences between Receipts & Payments Account and Income & Expenditure Account.

(OR)

(b) The following is the summary of receipts and payments of a Sports Club for the year ended 31-03-2015

Receipts	Amount(Rs.)	Payments	Amount(Rs.)
To Balance b/d	14,100	By General expenses	6,200
To Subscriptions	38,500	By Rent and rates	6,700
To Donations	9,200	By Travelling expenses	5,900
To Sale of refreshments	12,400	By Postage	1,280
To Interest on fixed deposits	7,800	By Equipment	8,400
To Locker rent	2,400	By Books	7,800
		By Furniture	9,400
		By Newspapers	1,960
		By Refreshments	10,200
		By balance c/d	26,560
	<b>84,400</b>		<b>84,400</b>

Other Information:

- Subscriptions include Rs.700 of previous year and Rs.1200 for next year.
- Subscriptions outstanding for current year Rs.1000.
- Donations are to be capitalized.

Prepare Income and Expenditure Account for the year ended 31-03-2015.

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**Faculty of Business Management****BBA I-Year, CBCS-II Semester Backlog Examinations –Jan, 2023****PAPER: Financial Accounting**

Time: 3 Hours

Max Marks: 80

**Section-A**I. Answer any *five* of the following questions (5x4=20 Marks)

1. Importance of Financial Accounting
2. Journal Entry
3. Trading Account
4. Sources of information
5. Accounting Conventions
6. Benefits of Indian Accounting Standards
7. Vertical Analysis
8. Balance sheet

**Section-B**

II. Answer the following questions (5x12=60 Marks)

9. (a) i. Discuss the importance of Accounting.  
ii. Write a note on users of accounting information.

(OR)

- (b) What are Accounting Principles? Explain any four accounting concepts.

10. (a) What is Trial Balance? Write the proforma of a Trial Balance.

(OR)

- (b) Journalise the following transactions:

2021	Rs.
1- Started business with Jun cash	45000
1 Paid into bank	25000
2 Goods purchased for cash	15000
3 Purchase of furniture and paid by cheque	5000
8 Sold goods for cash	5800
10 Purchased furniture from M/S Sujal & Co.	90000
15 Paid wages	10000
25 Paid Rent	2000
30 Paid Salaries	25000

- 11.(a) Explain with proforma the preparation of final accounts by a Joint Stock Company.

(OR)

- (b) Prepare final Accounts of Mr.Sudharma from the following trial balance:

Dr Rs.		Cr Rs.	
Purchases	200000	Sales	4,71,004
Machinery	90000	Capital	45000
Returns	5000	Returns	2503
Debtors	92000	Creditors	51000
		Bills	
Cash at Bank	28000	Payable	1000
Stock	50205		
Taxes	4800		
Wages	40000		
Furniture	8000		
Salaries	47000		
Freight	5502		
	5,70,507		5,70,507

Make the following adjustments:

1. Closing stock Rs.5000
2. Out standing Salaries Rs.6000
3. Maintain bad debts reserve at 3%
4. Provide 5% depreciation on Machinery

12.(a) Explain the meaning and uses of Financial Ratios.

(OR)

(b)

Following is the Profit and Loss Account of the year ended 31st December ,2021

Dr			Cr
To Opening stock	1,00,000	By Sells	5,60,000
To Purchases	3,50,000	By closing Stock	1,00,000
To Wages	9,000		
To Gross Profit c/d	2,01,000		
	6,60,000		6,60,000
To Administrative Expenses	20,000	By Gross Profit b/d	2,01,000
To Selling and distribution expenses	89,000	By Interest on investments	10,000
To Non-operating Expenses	30,000	By Profit on sale of building	8,000
To Net Profit	80,000		
	2,19,000		2,19,000

You are required to calculate

- (1) Gross Profit Ratio
- (2) Net Profit Ratio
- (3) Operating Ratio
- (4) Operating Profit Ratio

13.(a) Discuss the International Financial Reporting Standards issued by IASB.

(OR)

(b) What are Ind- AS? Explain the procedure for issuing Ind- AS in India.

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**Faculty of Commerce****B.Com. I-Year, CBCS - II Semester Regular Examinations -June, 2023****(For All Streams of B.Com)****PAPER: Financial Accounting-II**

Time: 3 Hours

Max Marks: 80

**Section-A**I. Answer any *five* of the following questions

(5x4=20 Marks)

1. What is Accommodation bill?
2. What is consignment?
3. Define Joint venture
4. Write Limitations of single entry?
5. What is non-profit organization?
6. What are noting charges?
7. How is subscription income calculated?
8. Ascertain the opening stock?

Sales Rs.1,20,000, Rate of profit 25% on sale, Purchase Rs.80,000 Closing stock Rs.10,000.

**Section-B**

II. Answer the following questions

(5x12=60 Marks)

9. (a) What is bills of exchange? Explain the features and parties of bills of exchange.

(OR)

(b) Swetha owes a sum of Rs. 1,000 to Saritha. On 1<sup>st</sup> April she gives a promissory note for the amount for 3 months to Saritha. Saritha gets it discounted with his bank on 4<sup>th</sup> April for Rs.770. On the due date the bill is dishonoured, the bank paying Rs.40 as noting charges. Swetha then pays Rs.400 in cash and accepts a bill of exchange drawn on him for the balance together with Rs.30 as interest, this bill of exchange is for 2 months and on the due date bill is honoured. Draw the journal entries in the books of Swetha and Saritha.

- 10.(a) What is Consignment? Explain the features of consignment business.

(OR)

(b) Shanu of Hyderabad sent 50 cases of goods to Aashu of Warangal at Rs.200 per case. Expenses on consignment incurred by the consignor amounted to Rs.300. Aashu worked as Del Credere Agent. His ordinary Commission was 5% and Del Credere Commission 7.5%. In due course Aashu sent Account sales giving the following information.

- (a) Sale proceeds of 40 cases Rs.11,000
  - (b) Stock of unsold goods on hand 10 cases.
  - (c) Consignee's expenses amounted to Rs.180
  - (d) Consignee charged commission at agreed rates.
  - (e) Shanu bank draft for Rs.8,000 was sent by Aashu along with the account sales.
- Show the necessary accounts in the books of Shanu,

11. (a) What are the differences between consignment and joint venture?

(OR)

(b) A and B enter into a joint venture to sell a consignment of timber sharing profits and losses equally. A provides timber from his stock at a mutually agreed value of Rs.5,000. He pays expenses amounting to Rs.250. B incurs further expenses on cartage, storage etc, amounting to Rs.650 and receives cash for sales Rs.3,000. He also takes over goods of the value of Rs.1,000 for his use in his own business. At the date of close A takes over the balance of stock in hand which is valued at Rs.1,100. Prepare joint venture account and co-venture's account in the books of A.

12.(a) Explain differences between double entry system and single entry system?

(OR)

(b) Sanjay started his business with a capital of Rs.1,00,000 and he keeps his books under the single entry system. On April 1, 2009 his position was as under.

Machinery	Rs.40,000
Furniture	Rs.15,000
Debtors	Rs.27,000
Stock	Rs.34,000
Bills receivable	Rs.15,000
Creditors	Rs.17,000
Bills payable	Rs. 8,000

During the year, he withdrew Rs.18,000 from business for personal use and used business stocks for private purpose amounting to Rs.500. The following adjustments are to be made:

1. Depreciate Machinery and Furniture by 10%
2. Rent outstanding Rs.1,300
3. Interest on Capital at 5%

You are requested to calculate profit for the year and prepare statement of affairs at the end.

13.(a) Explain differential between Receipts and Payments account and income and expenditure account?

(OR)

(b) Ascertain the amount of stationery debited to Income and Expenditure Account for the year ended 31<sup>st</sup> December 2020.

Stock of stationery on 1-1-2020	Rs.500
Creditors for stationery on 1-1-2020	Rs.300
Advance paid for stationery carried forward from 2019	Rs.100
Amount paid for stationery during the year 2020	Rs.2,200
Stock of stationery on 31 <sup>st</sup> December 2020	Rs.350
Creditors for stationery on 31 <sup>st</sup> December 2020	Rs.750
Advance paid for stationery on 31 <sup>st</sup> December 2020	Rs.250

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