

SECOND SEMESTER B.B.A. DEGREE EXAMINATION, MAY 2015

(CUCBCSS—UG)

Core Course

BB IIB 02—FINANCIAL ACCOUNTING

Time : Three Hours

Maximum : 80 Marks

Part AI, Objective type Questions. Answer all *ten* questions :

(A) Fill in the Blanks :-

- 1 Withdrawal of money by the owner is not an expense, but a reduction of _____
- 2 Receipts and payment account is _____ Account.
- 3 According to _____ Concepts revenues considered as being raised on the date at which it is raised.
- 4 Unearned income account is _____
- 5 **IFRS** stands for _____

(B) Find out the statements are True or False :

- 6 Branch account is credited with amount of cash as well as credit sales under debtors system.
- 7 **KOT** is prepared by kitchen.
- 8 Sale—Gross profit = Cost of Goods sold.
- 9 Depreciation of fixed asset is an example of revenue expenditure.
- 10 Hire purchase stock and instalment not yet due are synonymous terms.

(10 x 1 = 10 marks)

Part B**II.** Short answer type questions. Answer any *eight* Questions from Ten, answer in two or three sentences each.

- 11 What is Interdepartmental Transfers ?
- 12 What is Hire Purchase System ?
- 13 What is Capital receipts ?
- 14 What is deferred income ?
- 15 What is dual concepts.

Turn over

16 What is departmental accounting ?

17 What do you mean journal ?

18 What is statement of affairs ?

19 What is dependent branch ?

20 Define the term accounting ?

(8 x 2 = 16 marks)

Part C

III. Short Essay or Paragraph questions. Answer any six questions from Eight, answer in 150 to 200 words :

21 Differentiate between Hire Purchase and Instalment ?

22 Differentiate between Single Entry System and Double Entry System.

23 From the following, prepare an Income and Expenditure account for the year ended 31 March 2012.

2011 <i>April</i> 1	Rs.	2012, <i>March</i> 31	Rs.
To balance :		By salaries	3,60,000
Cash at bank 45,500			
Cash in office 5,500	51,000		
2012 March 31 :		By rent	60,000
To subscription (including Rs. 20,000 for 2012-2013)	3,00,000		
To interest on investments	1,50,000	By printing and stationery	14,500
To bank interest	1,000	By postage and telegrams	2,500
To sale proceeds of car	25,000	By purchase of bicycle	9,500
		By purchase of government bonds	68,000
		By balance:	
		Cash in office	1,200
		Cash in bank	11,300
	5,27,000		5,27,000

24 Star Ltd. Invoices good to its branch at cost. From the following particulars, prepare branch account for the year ended 31st March 2012 in the books of the company :

	Rs.
Branch stock on 1 st April, 2011	3,05,260
Branch debtors on 1st April, 2011	74,200
Transaction at the Branch during the year :	
Goods received from Head office	... 24,60,000
Goods returned to Head office	... 23,500
Cash sales	... 21,45,000
Credit sales	8,40,600
Cash collected from debtors	8,10,000
Discount allowed to debtors	16,000
Sales returns by debtors	8,500
Expenses paid by Head office	1,41,800

On 31st March 2012 stock at branch was valued at Rs. 3,27,110.

25 Mr. Ravi occupies a room in a five star hotel at 9 p.m on 11th October 2014 on European Plan @ Rs. 180 for every night spent plus 10 % service charge. Calculate the amount payable by Mr. Ravi in the following circumstances :

- If Mr. Ravi checks out at 10 a.m on 12 October 2014.
- If Mr. Ravi checks out at 6 p.m on 12 October 2014.
- If Mr. Ravi checks out at 6 a.m on 13 October 2014.

26 The following are the extracts from the trial balance of a firm :

Trial Balance as on 31st December 2014

<i>Particulars</i>	Dr.	Cr.
Sundry debtors	50,000	
Provision for doubtful debts		5,000
Bad debts	3,000	

Additional Information :

- Additional bad debts Rs. 3,000.
- Keep the provision for bad debts @ 10% on debtors.

You are required to pass the necessary journal entries and prepare provision for doubtful debts account.

Turn over

27 Give journal entries to rectify or adjust the following in the books of the Head Office :—

- (a) Goods costing Rs. 8,000 purchased by Branch, but payment made by Head Office. The Head Office has debited the amount to its own Purchases account.
- (b) Branch paid Rs. 15,000 as salary to a visiting Head Office official. The Branch has debited the amount to salaries account.
- (c) Depreciation Rs. 25,000 in respect of Branch assets whose accounts are kept in Head Office books.
- (d) Expenses, Rs. 35,000 to be charged to the Branch for work done on its behalf by the Head Office.
- (e) Goods sent by the Head Office to the Branch, Rs. 20,000 not yet received by the Branch.

28 Explain Accounting Concepts.

(6 x 4 = 24 marks)

Part D

Essay questions. Answer any *two* questions, answer in 600 to 800 words each.

29 On 1st April, 2009, Mr. Alex purchased from Mr. Boney a machine on hire purchase system. The cash price of the machine was Rs. 80,000. Mr. Alex paid Rs. 20,000 on signing the agreement and balance in three annual instalments of Rs. 20,000 each together with interest @ 12 % p.a on balances of cash price remaining outstanding, the first instalment falling due on 31. March 2010. He charged depreciation on machine @ 15 % p.a. on reducing balances of the machine, He closed his books of account every year on 31st March.

You are required to prepare in Mr. Alex's ledger the following accounts:

- (a) The account of Mr. Boney, the hire vendor.
- (b) Machinery account.
- (c) Interest account.
- (d) Depreciation account.

30 On 31st March 2012, the following Trial Balance was extracted from the books of Mr. Sam :

	Dr. (Rs.)	Cr. (Rs.)
Capital account		90,000
Plant and machinery	80,000	
Sales		4,07,000
Purchases	2,60,000	
Returns	6,000	5,750
<u>Opening stock</u>	30,000	
Discount	350	800
Bank charges	75	

	<i>Dr. (Rs.)</i>	<i>Cr. (Rs.)</i>
Sundry debtors	45,000	
Sundry creditors		25,000
Salaries	26,800	
Manufacturing wages	40,000	
Carriage inwards	750	
Carriage outwards	1,200	
Bad debts provision		525
Rent and rates	10,000	
Advertisements	2,000	
Cash in hand	900	
Cash at bank	6,000	
Furniture	20,000	
	5,29,075	5,29,075

You are asked to prepare the final accounts for the year ended 31st March, 2012 and the Balance Sheet as on that date. The following adjustments are required:

- Closing stock Rs. 35,000.
- Depreciation on plant and machinery % 15% p.a and on furniture @ 10% p.a to be provided.
- Bad debts provision to be adjusted to Rs. 500.
- Interest on capital to be allowed at 10% p.a.
- 155 of the profits remaining after providing interest on capital is to be carried to general reserve.

31 A Branch establishment sent the following trial balance to its Head Office:

	Rs.		Rs.
Balance at bank	30,000	Sundry Creditors	1,40,000
Cash in hand	1,400	Sales	21,00,000
Sundry Debtors	5,40,000	Head Office a/c	5,18,400
Purchases	16,00,000		
Rent and rates	40,000		
General expenses	70,000		
Salaries	1,20,000		

Turn over

	Rs.		Rs.
Bad debts	7,000		
Fixtures	24,000		
Machinery	46,000		
Stock, 1st April 2011	2,80,000		
	27,58,400		27,58,400

The proportion of Head Office expenses to be charged to the Branch is Rs. 45,000. The salaries include a sum of Rs. 26,000 paid to the Branch Manager who is further entitled to 15 % on the net profits of the Branch before charging commission. The Branch stock on 31st March 2012 was Rs. 2,20,000. Prepare Branch Trading and Profit and Loss a/c and Balance Sheet, allowing depreciation on fixed assets @ 10 % p.a.

(2 x 15 = 30 marks)

FOURTH SEMESTER B.Com/B.B.A. DEGREE EXAMINATION, APRIL 2016

(CUCBCSS—UG)

Common Course

A13—ENTREPRENEURSHIP DEVELOPMENT

Time : Three Hours

Maximum : 80 Marks

Part*Answer all questions.*

1. Which among these is not a trait of entrepreneur ?
 - (a) Commitment to work.
 - (b) Persistence.
 - (c) Communication skill.
 - (d) Initiation.
- A Problems specific to women entrepreneurs include :
 - (a) **Infrastructural** problem..
 - (b) Raw material problem.
 - (c) Problem of finance
 - (d) Heavily involved in family problems.
3. Project feasibility analysis does not include :
 - (a) Export analysis.
 - (b) Market analysis.
 - (c) Technical analysis.
 - (d) Financial analysis.
4. Methods of entrepreneurial training include :
 - (a) Individual instruction.
 - (b) Demonstration method.
 - (c) Lecture Method.
 - (d) All of these.
5. Registration of a small scale industry is :
 - (a) Not compulsory.
 - (b) Compulsory.
 - (c) Depends on product.
 - (d) Depends on the entrepreneur.
6. Expand **KITCO**
7. The first Small Scale Industrial Policy was announced in
8. According to Section _____ of the Income Tax Act, 1961, a new industrial unit, set up in a backward district is entitled to get a concession of deduction of 30% of its profits.
9. VAT means
10. **TRYSEM** means

(10 x 1 = 10 marks)

Turn over