



K20U 1927

Reg. No. :

Name :

**III Semester B.Com. Degree CBCSS (OBE) – Regular
Examination, November 2020
(2019 Admission Only)
Core Course
3B03 COM : ADVANCED ACCOUNTING**

Time : 3 Hours

Max. Marks : 40

PART – A

Answer **any six** questions from the following. **Each** question carries **1** mark :

1. Define "Hire Purchase System".
2. Explain "Goods in Transit" and "Cash in Transit".
3. What do you mean by 'Minimum Rent' ?
4. Explain the uses of Incomplete Records.
5. What do you mean by "loaded price" ?
6. What is meant by "Debtors System" ?
7. What do you mean by "Del credere Commission" ?
8. Define "Single entry system".

(6×1=6)

PART – B

Answer **any six** questions from the following. **Each** question carries **3** Marks :

9. A company took on lease a coal field at a minimum rent Rs. 25,000/- p.a. merging a royalty of Rs. 10/- per ton of coal raised. The results of the working of the company for the first three years are : First Year – 1,500 ton, Second Year – 1,700 ton and in the Third Year – 2,800 ton. Pass necessary journal entries to record the transactions in the books of Lessee with assumptions that there is no provision for recoupment of short working.

P.T.O.



10. On 1st April 2019, a Head office opened a Branch at Mumbai to which goods are sent at cost where sales are made both for cash and credit. The facts relate to the branch for the year 2019. Goods sent to branch Rs. 1,00,000/-, Cheque sent to branch for – Rent Rs. 5,000/-, Salary Rs. 3,500/-, Office expenses Rs. 1,500/-, Cash Sales Rs. 72,000/-, Credit sales Rs. 46,000/-, Cash received from debtors Rs. 35,000/-, Stock at branch on closing Rs. 7,000/-, Debtors at branch on closing Rs. 8,500/-. Prepare Mumbai Branch account for the year 2019.

11. Jons Umbralia, Ernakulam opened a branch at Kannur at which goods are sent at selling price which is cost plus 33.33%. The following relate to branch for the year 2019 from which you are asked to give journal entries under Stock and Debtors System :

	Rs.
Goods sent to branch (selling price)	1,85,000
Cash sales during the year	80,000
Cash received from debtors	50,000
Credit sales during the year	65,000
Discount allowed to debtors	1,500
Remittance to branch for Rent	3,500
Salary	5,300

12. A trader sells goods on hire purchase adding 70% to cost. From the following particulars, prepare Hire Purchase Trading Account and ascertain profit or loss made by him. 2019 January, Stock with customers at selling price Rs. 42,500/-, on 31st December 2019, Goods sold on hire purchase during the year at selling price Rs. 92,300/-, Cash received during the year Rs. 80,000/-, Stock with customers at selling price Rs. 31,200/-, Installment due but not received Rs. 3,750/-.

13. Make a note on "Short working" and "Floating Right of Recoupment".

14. Mr. Jai Products of Kannur consigned on 1st January 2019, 250 Jai products at Rs. 90/- each to Naam Traders Kasargod for sale on commission at 10% on gross sales. Jai products paid Rs. 1,500/- for packing, freight and insurance. Naam Traders took delivery of the goods on 4th January after accepting a 25 days bills for Rs. 15,000/- and paid Rs. 500/- for carriage. They sold 150 Jai products @ Rs. 120/- and balance for Rs. 130/- each. Their sales expenses amounted to Rs. 600/-. On 31st January 2019 Naam traders forwarded account sales together with a draft for the balance due. Prepare Consignment Account in the books of Jai products.



15. Explain the difference between Branches and Departments.
16. On first January 2015, a mining company acquired a coal mine for 8 years. The lease contract contained a clause to the effect that the deficiency of the one year is to be set off against the royalty payable within the next two years. The details of the minimum rent and royalty for the first five years are given. Prepare the Short Working Account in the books of the Lessee.

Year	2015	2016	2017	2018	2019
Minimum Rent (Rs.)	15,000	20,000	25,000	30,000	30,000
Royalty (Rs.)	10,000	16,000	18,000	35,000	32,000

(6×3=18)

PART - C

Answer any two questions from the following. Each question carries 8 marks :

17. From the following information given by Mr. Jim who keeps his books under single entry system, you are required to calculate the profit or loss of the firm and also prepare the statement of affairs on the date.

Assets and Liabilities	1-1-2019	31-12-2019
Building	12,000	12,000
Furniture	600	600
Bill Payable*	1,000	200
Creditors	9,000	1,500
Bills Receivables	4,000	5,000
Stocks	18,700	23,400
Debtors	12,000	14,000
Bank	4,350	(Dr.) 3,350

Additional Information :

- Depreciate Building and Furniture by 10%.
- Wages outstanding Rs. 2,500/- and Salary outstanding Rs. 1,000/-
- Legal expenses outstanding Rs. 500/-
- Insurance prepaid Rs. 480/-
- Provision for bad debt Rs. 1,800/-
- Drawings Rs. 7,500/-



18. Prepare Trading P and L A/c for the year ending 31st March 2019 and Balance Sheet as on the date from the following information available from the books of a trader :

Particulars	1-4-2018 (Rs.)	31-03-2019 (Rs.)
Cash	30	50
Bank	1,000	1,500
Debtors	1,750	2,500
Creditors	3,410	3,750
Investment	6,250	6,250
Stock	2,500	1,870

Transactions during the year 2019 were as follows :

Rs.		Rs.	
Salaries	1,500	Payment in to bank	18,750
General expenses	3,500	Additional Capital	250
Stationery	870	Payment from Bank to personal	3,250
Rent and rates	700	Cash Payment – Personal	910
Receipt from Debtors	31,250	Stock Taken for personal use	140
Lighting charge	250		
Payment to Crs.	20,000		

19. Give brief explanation on the following terms :
- Overriding Commission
 - Account Sales
 - Treatment of bad debt when there is delcredere commission
 - Complete Repossession
 - Installment System
 - Hire purchase price.

(2x8=16)