

Reg. No. :

Name :

Third Semester B.Com. Degree Examination, January 2023

First Degree Programme Under CBCSS

Core Course :

**(Commerce/Commerce and Tax Procedure and Practice/Commerce and
Hotel Management and Catering/Commerce and Computer
Application/Commerce and Tourism and Travel Management)**

**CO 1342/CX 1342/TT 1342/HM 1342/CC 1343 : ADVANCED FINANCIAL
ACCOUNTING**

(2019 Admission Onwards)

Time : 3 Hours

Max. Marks : 80

SECTION – A

Answer **all** questions in **one** or **two** sentences each. Each carries **1** mark.

1. What is consignment?
2. Who are the parties in consignment accounting?
3. Why joint ventures are needed?
4. What are the disadvantages of joint ventures?
5. In dissolution of firm, what is the journal entry to be passed for recording transfer of profit on realisation?
6. When a firm is compulsorily dissolved?

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7. What are the objectives of Branch Accounting?
8. In Branch accounting, what are dependent Branches?
9. Why apportionment of expenses needed in departmental accounts?
10. In department accounts, how expenses incurred specifically for a particular department are treated?

(10 × 1 = 10 Marks)

SECTION – B

Answer any **eight** questions in not exceeding one paragraph. Each question carries **2** marks.

11. How Credit Sales Accounting takes place in books of Consignor? When Del Credere Commission is given?
12. How stock is valued in consignment accounting?
13. Usha sent goods costing Rs. 75,50,000 on consignment basis to Gayathri on 1.2.2015 @ 8.5% commission, Rs. 8,25,000 was spent on transportation by Usha. Gayathri spent Rs. 5,25,000 on unloading. 80% of the goods received were sold for Rs. 90,00,000, 10% of the goods for Rs. 10,00,000 and the balance was taken over by Gayathri @ 10% below the cost price. She has sent a demand draft to Usha for the amount due show in Usha's Books. Prepare Gayathri's Account.
14. A and B enter into joint venture sharing profit $3/5^{\text{ths}}$ and $2/5^{\text{ths}}$. A is to purchase timber in Madhya Pradesh and forward it to B in Delhi. A purchases timber worth Rs. 10,000 and pays Rs. 1,000 as expenses. B received the consignment and immediately accepted A's draft for Rs. 8,000. A gets the bill discounted for Rs. 7,850. B sold the timber for Rs.16,000. He had to spend Rs.350 for fire insurance and Rs.300 for other expenses. Under the agreement he is entitled to a commission of 5% sales. Give joint venture account in the books of A.
15. What is the nature of Co-venturer's Account?
16. What are the differences between Joint Venture and Consignment?
17. What was the decision in Garner vs. Murray Case?

18. At the time of Dissolution, what is the liability of a retiring partner and the estate of a deceased partner in relation to debts contracted by the partnership firm?
19. Which are the two methods of preparing capital account in a partnership firm?
20. What are the objectives of departmental accounts?
21. What is the nature of a branch account?
22. How petty cash is treated in Branch account?
23. What is the nature of Branch stock Account?
24. What is the nature of Goods sent to Branch Account?
25. Journalise the following transactions in the books of the Head office.
 - (a) Goods returned by Thane Branch on 28th March, worth Rs. 10,000 to its Head Office not received by the head office upto 31st March.
 - (b) Goods worth Rs. 20,000 sent by the Head Office to its Coimbatore Branch on 29th March, were received on 3rd April following.
 - (c) Rs. 50,000 remitted by Coimbatore Branch to Head Office on 28th March was received on 4th April.
26. Which are the methods of preparing departmental accounts?

(8 × 2 = 16 Marks)

SECTION – C

Answer any **six** questions. Each question carries **4** marks.

27. The Bombay Mills Ltd. of Bombay consign goods to their Calcutta agent goods worth Rs. 10,000. They pay charges freight and insurance on the consignment amounting to Rs. 650. The goods were received in Calcutta and in due course the account sales was received as showing sales Rs. 14,000/-. Prepare consignment account in the books of Bombay Mills Ltd. The following expenses are incurred. Godown rent Rs. 70, insurance Rs. 80, Sundry charges Rs. 18; Commission amounts Rs. 700.

28. Sree Traders of Gujrat purchased 10,000 sarees @ Rs. 100 per saree. Out of these 6,000 sarees were sent on consignment to Nirmala Traders of Kolkata at the selling price of Rs. 120 per saree. The consignor paid Rs. 3000 for packing and freight. Nirmala Traders sold 5000 sarees @ Rs. 125 per saree and incurred Rs. 1,000 for selling expenses and remitted Rs. 5,00,000 to Gujrat on account. They are entitled to a commission of 5% on total sales plus a further of 25% commission on any surplus price realized over Rs. 120 per saree. 3,000 sarees were sold at Gujrat @ Rs. 110 per saree. Owing to fall in market price, the value of stock of saree in hand is to be reduced by 5%. You are required to prepare Nirmala Traders Account.
29. What are the advantages and disadvantages of consignment business?
30. John and Smith entered into a joint venture business to buy and sale garments to share profits or losses in the ratio of 5 : 3. John supplied 400 bales of shirting at Rs. 500 each and also paid Rs. 18,000 as carriage & insurance. Smith supplied 500 bales of suiting at Rs. 480 each and paid Rs. 22,000 as advertisement and carriage. John paid Rs.50,000 as advance to Smith. John sold 500 bales of suiting at Rs. 600 each for cash and also all 400 bales of shirting at Rs.650 each for cash. John is entitles for commission of 2.5% on total sales plus an allowance of Rs.2,000 for looking after business. The joint venture was closed and the claims were settled. Prepare Joint Venture Account.
31. X and Y entered into Joint Venture to sell a consignment of timber sharing profits and losses equally. X provides timber from stock at mutually agreed value of Rs. 50,000. He pays expenses amounting to Rs. 2,500. Y incurs further expenses on cartage, storage and colleeage of Rs. 6,500 and receives cash for sales Rs. 30,000. He also takes over goods to the value of Rs. 10,000 for his own use. At the close, X takes over the balance stock in hand which is valued at Rs. 11,000. Pass Journal Entries to record the above transactions in the books of X.
32. Which are the different ways in which dissolution of firm may take place?
33. On Dissolution of firm, what is the journal entry payment of realisation expenses in the following cases (a) When some expenses are incurred and paid by the firm in the process of realisation of assets and payment of liabilities (b) When realisation expenses are paid by a partner on behalf of the firm (c) When a partner has agreed to bear the realisation expenses?

34. Sita, Rita and Meeta are partners sharing profit and losses in the ratio of 2 : 2 : 1. Their balance sheet as on March 31, 2017 is as follows :

Balance Sheet of Sita, Rita and Meeta as on March 31, 2017

| Liabilities | | Amount | Assets | | Amount |
|-----------------|--------------|---------------|---------------------|--|---------------|
| | | (Rs.) | | | (Rs.) |
| General reserve | | 2,500 | Cash at bank | | 2,500 |
| Creditors | | 2,000 | Stock | | 2,500 |
| Capitals : | | | Furniture | | 1,000 |
| Sita | 5,000 | | Debtors | | 2,000 |
| Rita | 2,000 | | Plant and Machinery | | 4,500 |
| Meeta | <u>1,000</u> | 8,000 | | | |
| | | <u>12,500</u> | | | <u>12,500</u> |

They decided to dissolve the business. The following amounts were realised : Plant and Machinery Rs. 4,250, Stock Rs. 3,500, Debtors Rs. 1,850, Furniture 750. For the service Sita is paid Rs. 60. Creditors paid 2% less. There was an unrecorded assets of Rs. 250, which was taken over by Rita at Rs. 200. Prepare Realisation account.

35. Salt Lake Ltd. Kolkata invoice goods to its branch at Delhi at a profit of 25% on cost. Prepare Branch Stock Account under Double Column from the following particulars :

| Particulars | Amount | Particulars | Amount |
|-------------------------------|----------|-----------------------------|--------|
| | Rs. | | Rs. |
| Opening stock (invoice price) | 20,000 | Normal loss (invoice price) | 1,000 |
| Goods sent to branch (...) | 1,20,000 | Pilferage of stock (...) | 2,000 |
| Goods return to H.O. (...) | 5,000 | Cash sales | 97,000 |
| Goods lost in transit (...) | 5,000 | Closing stock (...) | 30,000 |

36. Which are the different journal entries to be passed in the book of Head office, in the case of independent branches?
37. How the following expenses apportioned in departmental accounts (a) Expenses on purchase (b) Expenses on sales (c) Expenses on building (d) Expenses on machines?
38. How inter-departmental transfers are dealt with in department accounting?

(6 × 4 = 24 Marks)

SECTION – D

Answer any **two** questions. **Each** question carries **15** marks.

39. Ram of Patna consigns to Shyam of Delhi for sale at invoice price or over. Shyam is entitled to a commission @ 5% on invoice price and 25% of any surplus price realized. Ram draws on Shyam at 90 days sight for 80% of the invoice price as security money. Shyam remits the balance of proceeds after sales, deducting his commission by sight draft. Goods consigned by Ram to Shyam costing Rs. 20,900 including freight and were invoiced at Rs. 28,400. Sales made by Shyam were Rs. 26,760 and goods in his hand unsold at 31st Dec represented an invoice price of Rs. 6,920. (Original cost including freight Rs. 5,220). Sight draft received by Ram from Shyam upto 31st Dec was Rs. 6,280. Others were in- transit. Prepare necessary any Ledger Accounts.
40. Bharat and Sujit joined together as co-ventures for equal share in profits through sale of television cabinets. On March 31, 2015. Bharat purchased 2,000 cabinets at Rs. 1,250 each for cash and sent 1,500 of these to sujit for sale, the selling price of each being Rs.1,300. All the cabinets were sold by April 30, 2015 by both and the proceeds collected. Each venturer recorded in his books only those transactions conducted by him, final profit and loss being ascertained through a Memorandum joint venture Account. The expenses met by the venturer were : Bharat : Freight and insurance Rs. 12,000. Selling expenses Rs. 5,000. Sujit : Clearing charges Rs. 1000. Selling expenses Rs. 12,000. Final settlement between the venturers took place on May 31, 2015. You are required to show : (a) joint venture with sujit A/c in the books of Bharat (b) Joint venture with Bharat A/c in the books of sujit; and (c) Memorandum joint venture Account.
41. Explain how the accounts are settled on dissolution of a firm.

42. Supriya and Monika are partners, who share profit in the ratio of 3:2. Following is the balance sheet as on March 31, 2020.

Balance sheet of Supriya and Monika as on March 31, 2020

| Liabilities | Amount (Rs.) | Assets | Amount (Rs.) |
|-------------------|-----------------|-------------------------------------|-----------------|
| Supriya's capital | 32,500 | Cash at bank | 40,500 |
| Monika's capital | 11,500 | Stock | 7,500 |
| Sundry creditors | 48,000 | Sundry debtors | 21,500 |
| General reserve | 13,500 | Less : Provision for doubtful debts | 500 |
| | | Fixed assets | 36,500 |
| | <u>1,05,500</u> | | <u>1,05,500</u> |

The firm was dissolved on March 31, 2020. Close the books of the firm with the following information : (a) Debtors realised at a discount of 5%, (b) Stock realised at Rs.7000, (c) Fixed assets realised at Rs.42,000, (d) Realisation expenses of Rs. 1,500, (e) Creditors are paid in full. Record necessary journal entries at the time of dissolution of a firm.

43. Which are the different methods of branch accounting?
44. Salt Lake Corporation presented the following trial balance on 31.03.2013 to the H.O. at New Delhi.

| Particulars | Debit amount Rs. | Particulars | Credit amount Rs. |
|------------------------|---------------------|------------------------|----------------------|
| Delhi H.O. | 6,480 | Sales | 76,000 |
| Stock 1.4.2012 | 12,000 | Goods supplied to H.O. | 12,000 |
| Purchase | 35,600 | Creditors | 3,700 |
| Goods return from H.O. | 18,000 | | |
| Salaries | 3,000 | | |
| Debtors | 7,400 | | |
| Rent | 1,920 | | |
| Misc. Expense | 940 | | |
| Furniture | 2,800 | | |
| Cash at Bank | 3,560 | | |
| | <u>91,700</u> | | <u>91,700</u> |

Additional information :

The branch account on H.O. books on 31.03.2013 stood at Rs. 920 (Debit). On 31.03.2013 the, H.O. forwarded goods to the value of Rs. 5,000 to the branch which are received on 3rd July. A cash remittance of Rs. 2,400 by branch on 29th March 2013, was received by the H.O. on 2nd April 2013. Closing Stock was valued at Rs. 5,400. Show the incorporation entries in the books of H.O. showing separate Branch Trading and Branch Profit and Loss Account, and Prepare Branch Account and Branch Balance Sheet also in H.O. books.

(2 × 15 = 30 Marks)

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First Degree Programme Under CBCSS

Core Course

(Commerce/Commerce and Tax Procedure and Practice/Commerce and Hotel Management and Catering/Commerce and Computer Application, Commerce and Tourism and Travel Management)

**CO 1343/CC 1344/CO 1342/CX 1342/TT 1342/HM 1342/CC 1343 –
ADVANCED FINANCIAL ACCOUNTING**

**[CO 1343/CC 1344 (2014 – 17 Admission)/CO 1342/CX 1342/TT 1342/HM
1342/CC 1343 (2018 Admission)]**

Time : 3 Hours

Max. Marks : 80

SECTION – A

Answer **all** questions in **one** or **two** sentences each. **Each** question carries **1** mark.

1. Who is an active partner?
2. What do you mean by dissolution of firm?
3. What is Partnership Deed?
4. What is meant piecemeal distribution?
5. Who is a consignor?
6. What is proforma invoice?

P.T.O.

7. What is joint venture?
8. What do you understand by branches?
9. What do you mean by goods-in-transit?
10. What are inter-departmental transfers?

(10 × 1 = 10 Marks)

SECTION – B

Answer **any eight** questions in not exceeding **one** paragraph each. **Each** question carries **2** marks.

11. What are the different kinds of partners?
12. What is fluctuating capital?
13. What do you understand by dissolution by agreement?
14. Name the two methods of pricing of goods sent on consignment.
15. What is over-riding commission?
16. What are the different methods of keeping Joint Venture accounts?
17. What is a Memorandum Joint Venture Account?
18. What is a Joint Bank Account?
19. Give any two points of difference between joint venture and partnership.
20. Give the accounting entries for the unrecorded assets and liabilities at the time of dissolution.

21. Mr. Madhu consigned 100 packets of medicine each costing Rs. 500, to his agent Mr. Nayan. He paid Rs. 1,000 towards freight and insurance. 10 packets were destroyed in transit. The consignee took delivery of the remaining packets and spent Rs. 500 as godown rent, Rs. 2,000 as clearing charges and Rs. 500 as selling expenses. The consignee sold 80 packets @ Rs. 600 each. Calculate the value of abnormal loss.
22. Department X transferred to Department Y 4,000 units of material P at Rs. 10 per unit. The actual cost of materials of Department X is Rs. 8 per unit. Find out the stock reserve on 1,000 units of material P which could not be consumed by Department Y during the year.

(8 × 2 = 16 Marks)

SECTION – C

Answer **any six** questions in not exceeding **120** words each. **Each** question carries **4** marks.

23. What is Current Account? How does it differ from Drawings Account?
24. What are the conditions for compulsory dissolution of a partnership firm?
25. Give points of difference between consignment and sale.
26. How would you allocate the following indirect expenses among different departments of departmental organization?
- (a) Sales Manager's salary
 - (b) Bad Debts
 - (c) Rent, Rates and Taxes
 - (d) Lighting

27. The partnership firm of P, Q and R was dissolved. Their balance Sheet as at 31st December, 2021 was as under:

| | Rs. | | Rs. |
|----------------------|--------|---------------------|--------|
| P's Capital | 18,000 | Plant and Machinery | 20,000 |
| Q's Capital | 15,000 | Stock | 17,000 |
| R's Capital | 10,000 | Debtors | 15,000 |
| Sundry Creditors | 8,000 | Cash at Bank | 2,000 |
| Outstanding expenses | 1,000 | | |
| Reserve | 2,000 | | |
| | 54,000 | | 54,000 |

P, Q and R were sharing profits and losses as 5 : 3 : 2. Plant is sold for Rs. 15,000 and Stock for Rs. 18,000. In addition, stock worth Rs. 2,000 was taken over by P. Debtors realized Rs. 11,000. Creditors were paid Rs. 7,000 in full settlement. Rs. 1,000 was spent for realization expenses.

Prepare Realisation Account.

28. On 20th January 2021, Saneesh and Co. of Mangaluru consigns 100 fiber chairs to Lakshman Pvt. Ltd, Mysuru. On 30th June 2021, Lakshman Pvt. Ltd. forwarded an Account Sales, with a bank draft for the balance, showing the following transactions:

- (a) 100 fiber chairs sold @ Rs. 300 each.
- (b) Freight and carriage Rs. 300
- (c) Insurance Rs. 150.
- (d) Warehouse charges Rs. 300
- (e) Commission @ 5%.
- (f) Advance given to Saneesh and Co. Rs. 11,000.

You are required to prepare Account Sales.

29. A consigned 100 packets of tooth powder each costing Rs. 300 to his agent at Kollam. He paid Rs. 500 towards freight and insurance. 15 packets were destroyed on the way. Consignee took delivery of the remaining packets and spent Rs. 700 a godown rent, Rs. 1,000 as clearing charges and Rs. 300 as carriage outwards. You are required to calculate the cost of damage and cost of stock at the end if the agent sells away 70 packets.

30. Calculate the value of abnormal loss and closing stock from the following details:

- (a) 10,000 kg. of oil was consigned at Rs. 32 per kg.
- (b) Freight Rs. 8,000, packing Rs. 10,000 and insurance Rs. 2,000 were paid pay by the consignor.
- (c) Consignee's expenses were : Advertisement Rs. 2,800, Godown rent Rs. 800.
- (d) 1,500 kg. of oil was lost in transit and the insurance company paid Rs. 40,000 as compensation.
- (e) 6,000 kg. of oil was sold at Rs. 38 per kg.
- (f) Stock with consignee was 2,000 kg; there being a normal loss of 500 kg.

31. From the following particulars, prepare Branch Account showing the profit or loss of the Brand :

Rs.

| | |
|-----------------------------|----------|
| Opening stock at the Branch | 30,000 |
| Goods sent to Branch | 90,000 |
| Sales (Cash) | 1,20,000 |
| Expenses: | |
| Salaries | 10,000 |
| Other Expenses | 4,000 |

Closing stock could not be ascertained, but it is known that the brand, usually sells at cost plus 20 per cent. The branch manager is entitled to a commission of 5 per cent on the profit of the branch before charging such commission.

(6 × 4 = 24 Marks)

SECTION – D

Answer **any two** questions in not exceeding four pages each. **Each** question carries **15** marks.

32. Discuss the different types of branches from accounting point of view.
33. X, Y and Z are equal partners. They decided to dissolve the firm on 31-12-2021. On that date their balance sheet was as under:

| Balance Sheet | | | | |
|-------------------|--------|--------|--------------|--------|
| Liabilities | Rs. | Rs. | Assets | Rs. |
| Creditors | | 14,000 | Cash at Bank | 4,000 |
| X's Loan Account | | 6,000 | Investments | 5,000 |
| Capital Accounts: | | | Other Assets | 66,000 |
| X | 30,000 | | | |
| Y | 20,000 | | | |
| Z | 5,000 | 55,000 | | |
| | | 75,000 | | 75,000 |

Additional information:

Investments were taken over by X against his loan in full settlement.

The other assets realized 50% of their book value. The liquidation expenses amounted to Rs. 3,600.

A dispute with a creditor was settled reducing his claims by Rs. 600.

Z became insolvent and contributes 25 paise in the rupee towards the debts of the firm. Show the necessary accounts as Gamer vs. Murray principle.

34. Ramu, Mahesh and Roni were partners in a joint venture, each contributing Rs. 5,000. Ramu purchased goods for Rs. 13,000 and also supplied goods worth Rs. 1,000 from his stock. Roni also supplied goods to the value of Rs. 1,500 from stock and his expenses in connection with the supplying of goods on account of joint venture amounted to Rs. 50. Ramu paid Rs. 250 for expenses in connection with the joint venture. Ramu sold goods on behalf of the joint venture and realized Rs. 20,800. Ramu was entitled to a commission of 5 per cent on sales. Unsold goods amounting to Rs. 500 were taken over by Mahesh. Ramu settled accounts of Mahesh and Roni by bank draft.

You are required to prepare joint Venture Account and Mahesh and Roni Accounts in Ramu's books.

35. The Ahmedabad Head Office sent goods to Bangaluru branch at 25% profit over costs. From the following details, prepare the Branch Account in the Head Office books and ascertain the net profit at the brand:

| | Rs. |
|---|----------|
| Opening stock of goods at branch at invoice price | 20,000 |
| Goods sent to branch at invoice price | 90,000 |
| Loss of goods in transit at invoice price | 6,000 |
| Pilferage at brand, at cost to branch | 1,200 |
| Closing stock at branch, at its cost | 16,000 |
| Sales at branch | 1,05,000 |
| Salaries and wages at branch | 6,000 |
| Other expenses at branch | 3,000 |
| Branch received Rs. 4,000 from the Insurance Company in settlement of the claim for the loss of goods in transit. | |

(2 × 15 = 30 Marks)

Reg. No. :

Name :

Third Semester B.Com. Degree Examination, January 2023

First Degree Programme under CBCSS

Complementary Course

CO 1331/CC 1331/HM 1331/CX 1331 : E-BUSINESS

(2019 Admission Onwards)

Time : 3 Hours

Max. Marks : 80

SECTION – A

Answer **all** questions. Each question carries **1** mark.

1. What is meant by online media?
2. What is C2C model?
3. Which are the different online auction sites on the Internet? Give any two names.
4. In a E-Commerce project, what is the use of ERP software packages?
5. What are the benefits of E- business, to society at large?
6. Give two examples for ERP products.
7. What is Net banking?
8. What is meant by crowdfunding?

P.T.O.

9. Write the name of any two online publishers in India.
10. What is meant by online education?

(10 × 1 = 10 Marks)

SECTION – B

Answer any **eight** questions in not exceeding **one** paragraph. Each question carries **2** marks.

11. What are the disadvantages of B2C model?
12. Which are the different online entertainment providers in India?
13. What is the nature of Government-to Consumer (G2C) model?
14. What are the advantages of online auctions?
15. Distinguish between English auctions and Dutch auctions.
16. What are the limitations of e-societies?
17. What are the advantages of internet marketing?
18. How E-Procurement helps to reduce cost?
19. Which are the tools of e-SCM?
20. What is meant by electronic fund transfer?
21. What are the criticisms against e-governance?
22. Which are the different services offered by e-District in Kerala?
23. What are the services offered by e-filing website?

24. What are the unique benefits of e-book?
25. Write a nature of e-shopping.
26. What are the objectives of online education?

(8 × 2 = 16 Marks)

SECTION – C

Answer any **six** questions in about **120** words each. Each question carries **4** marks.

27. What are the benefits of e-business to commercial enterprises?
28. What are the differences between traditional commerce and e-commerce?
29. What are the advantages of B2B Model?
30. Evaluate the advantages and disadvantages of C2C Model.
31. Which are the different types of e-societies?
32. Which are different phases in e-payment?
33. Which are the techniques of internet marketing?
34. Which are the different e-learning platforms in India?
35. Which are the steps towards building and running an online business?
36. What are the advantages of e-Governance?
37. Why e-learning assumes significance?
38. Which are the steps in e-filing of return?

(6 × 4 = 24 Marks)

SECTION – D

Answer any **two** questions in not exceeding **four** pages each. **Each** question carries **15** marks.

39. Bring out the scope of e-tourism Applications.
40. Explain the Importance of e-commerce.
41. Explain the technological requirements for launching online business.
42. Evaluate the nature and features of e-tailing.
43. Write a detailed note on e-SCM.
44. Which are the different e-governance initiatives in Kerala?

(2 × 15 = 30 Marks)