

Total No. of Pages: 4

5684

Register Number:

Name of the Candidate:

B.Com DEGREE EXAMINATION, December 2014

(COMPUTER APPLICATIONS)

(FIRST YEAR)

(PART – III)

530: ELEMENTS OF ACCOUNTANCY

(Old Regulations)

Time: Three hours

Maximum: 100 marks

SECTION - A

Answer any FIVE questions.

(5 × 8 = 40)

1. What are subsidiary books? Bring out the format for purchase, sales and cash book.
2. Discuss the types of assets and liabilities appearing in a balance sheet.
3. What do you mean by adjusting entries and in what way they are helpful in finalising accounts?
4. Distinguish consignment from joint venture.
5. Sachin Tendulkar cricket club had ₹ 1,56,000 in their tournament Fund. In the year 2013-2014 the club received subscriptions for tournament amounting to ₹2,50,000. Expenditure incurred for conducting tournaments amounted to ₹1,27,850. A special donation of ₹20,000 was also received for the purpose of construction of sport pavilion towards which the entire tournament fund is to be utilised. Show the tournament fund account for the year 2013-14
6. Jagan owes Mohan ₹24,000. The debt is discharged by Jagan on 1st February 2013 accepting three bills of exchange drawn on him by Mohan one for ₹6,000 at 2 months. Another for ₹8,000 at 3months and the third for ₹10000 at 4 months. The first bill is endorsed by Mohan in favour of Shogan, his creditor. The second bill is discounted at 12% p.a. All the bills were honoured on the due date. Pass journal entries in the books of Jagan and Mohan.
7. On 1st January 1991 a merchant purchased some furniture costing ₹55000. It is estimated that the working life of furniture is 10 years at the end of which it will fetch ₹5000. Additions are made on 1st January 1992 and 1st July 1994 to the tune of ₹9500 and ₹8400 (residual value ₹500 and ₹400 respectively). Show the furniture account for first four years, if depreciation is written off according to straight line method.
8. A trader took out a fire policy containing the average clause covering his stock for ₹15,000. His practice was to fix his selling price at cost plus $33\frac{1}{3}\%$

He closes his books on 30th June every year. On 31st March 2014 a fire occurred at his premises and destroyed his stock. The salvaged stock was ₹6000. During the period of 9 months preceding the fire his purchases

amounted to ₹61,000 and sales to ₹84,000. His stock at 1st July 2013 was valued at ₹20,000.

You are requested to prepare a statement showing the amount of claim.

SECTION - B
Answer any THREE questions. (3 × 20 = 60)

9. On 31st December 2013 the following trial balance was prepared from the books of Brown.

	Debit ₹	Credit ₹
Sundry debtors	50,600	
Sundry creditors		10,000
Bills receivable	5,000	
Plant & machinery	75,000	
Purchases	1,20,000	
Capital		70,000
Freehold premises	50,000	
Salaries	11,000	
Wage	14,400	
Postage & Stationary	750	
Carriage in	750	
Carriage out	1,000	
Bad debts	750	
Bad debts provision		350
Office general charges	1,500	
Cash at Bank	5,300	
Cash in hand	800	
Bills payable		5,000
Reserve		20,000
Sales		2,31,700
	3,37,050	3,37,050

The following adjustments are required.

- Closing stock ₹30,000
- Brown gets a salary of ₹9,000 per annum
- Allow 5% interest on capital.
- Bad debts provision to be adjusted to 2½% on debtors.

You are asked to prepare the trading and Profit and Loss Account for the year ended December 31, 2013 and a balance sheet on that date.

10. The following is the receipts and payments accounts of Delhi football association for the first year enrolling 31st December 2012.

Receipts and payments Accounts

Receipts	₹	Payments	₹
To Donations	50,000	By Pavilion office (Constructed)	40,000
To Reserve fund (Life member fee and entrance fee)	4,000	By Match expenses	900
To Receipts from matches	8,000	By Furniture	2,100
To Revenue Receipts		By Investment at cost	16,000
Subscriptions	5200		
Locker rents	50		
Interest on securities	240		
Sundries	350		
		By Reserve Payments:	
		Salaries	1,800
		Wages	600
		Insurance	350
		Telephone	250
		Electricity	110
		Sundry expenses	210
		By Balance on hand	5520
	67,840		67840

1. Subscriptions outstanding for 2012 are ₹250
2. Salaries unpaid for 2012 are ₹170
3. Wages outstanding for 2012 ₹90
4. Outstanding bills for sundry expenses are ₹40
5. Donations are to be capitalised.
6. Surplus from matches are to be kept as a separate "Match Fund"

Prepare Income and Expenditure Account for the year ended 31.12.2012 and a Balance Sheet as on that date.

11. From the following particulars prepare total debtors and total creditors accounts, as they could appear in the General ledger.

Date	Particulars	₹
January 1, 2013	Balance of sundry Debtors	16,000
	Balance of sundry Creditors	18,500
January 31, 2013	Credit purchases	4,500
	Credit sales	9,800
	Cash sales	1,500
	Paid to creditors	9,875
	Discount allowed by them	325
	Cash received from debtors	7,800
	Allowed them discount	200
	Bills payables accepted	1,500
	Bills receivable received	3,000
	Return inwards	875
	Return outwards	600
	Rebates allowed to Debtors	275
	Rebates allowed by Creditors	150
	Provision for doubtful debts	320
	Bad debts	450
	Bills receivable dishonoured	375

12. Somesh of kolcutta consigned 100 cases of candles to Shankar of Chennai which costs him ₹300 per case. He incurred the following costs. Packing ₹400 carriage ₹200 Railway freight at ₹400 some of the cases were damaged in transit and Shankar took delivery of 90 cases only. Shankar spent ₹100 for cartage and ₹400 for gudown rent and sold the consignment at the rate of ₹350 per case. He sent the net amount to Somesh after deducting his expenses and 5% commission on the sale proceeds together with his account sales. Prepare ledger accounts in the books of Somesh and Shankar
13. Fire occurred in the premise of A&Co. On 1st September 2013 and stock of the value of ₹1,01,000 was salvaged and the business books and records were saved. The following information is obtained.

	₹
Purchases for the year ended 31.03.2013	6,80,000
Sales for the year ended 31.03.2013	11,00,000
Purchases from 1 st April -1 st September 2013	2,50,000
Sales from 1 st April -1 st September 2013	3,60,000
Stoke on 31 st March 2012	3,00,000
Stock on 31 st March 2013	3,40,000

Further information is that the stock on 31.03.2013 was overvalued by ₹ 20,000. In April 2013 the selling price was reduced by 10%. Calculate the amount of the claim to be lodged with the insurance company.

\$\$\$\$\$\$