



K21U 1928

Reg. No. : .....

Name : .....

**III Semester B.Com. Degree CBCSS (OBE) Reg./Sup./Imp.  
Examination, November 2021  
(2019 – 2020 Admission)  
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. What do you mean by Recoupment of Shortworking ?
2. What do you mean by “Incorporation of Branch Trial Balance” ?
3. What do you mean by Statement of Affairs ?
4. Describe “Capital Expenditure”.
5. Explain “Recurring Expenses” in Consignment account.
6. What do you mean by “Down Payment” ?
7. What is Ground Rent ?
8. What is Nominal Account ?

**(6×1=6)**

**PART – B**

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

9. Opening balance of creditors Rs. 6,500/-, opening balance of Bills payable Rs. 4,500/-, closing balance of creditors Rs. 5,000/-, closing balance of Bills payable Rs. 7,000/-, Cash paid to creditors during the year Rs. 22,800/-, Bills payable dishonored Rs. 2,100/-, return outwards Rs. 600/-, Discount received Rs. 1,300/-, Cash purchases Rs. 29,100/- and Bills payable discharged during the year Rs. 7,200/-. Calculate total purchases.

**P.T.O.**



10. Calculate Closing stock and Cost of Goods Sold from the following information.  
Opening Stock Rs. 20,000/-, Purchases Rs. 45,000/-, Purchases Returns Rs. 2,500/-, Sales Rs. 60,000/-, Sales Returns Rs. 4,000/-, Carriage Inwards Rs. 2,000/-, Carriage Outwards Rs. 5,000/-, Rate of Gross Profit on Cost – 33.33%.
11. Pia Traders Chennai consigned goods of the cost of Rs. 60,000/- to Mr. Reme Traders at Trivandrum. The consignor paid insurance Rs. 600/- and freight Rs. 2,800/-. The consignee took delivery of the consignment and sold some of the goods for Rs. 75,000/-. They spent Rs. 1,500 for sales expenses. The agency has to get commission of 6% on sales. The unsold goods with the consignee is valued at Rs. 8,000/-. Prepare Consignment Account in the books of Pia Traders Chennai.
12. Explain how to calculate profit or loss of any firm using single entry system, under statement of Affairs method.
13. Pass necessary adjusting journal entries in the books of head office for the following. The head office closes its books on 31<sup>st</sup> December.
- Goods sent by head office to Delhi Branch on 27<sup>th</sup> December, but reached Delhi only on 5<sup>th</sup> January of Rs. 55,000/-.
  - Goods purchased by Delhi Branch but payment for the same made by the head office Rs. 7,500/-.
  - Machinery for Branch bought by Head Office but payments for same made by the Delhi Branch Rs. 43,200/-, assets kept by Head Office.
14. Accounting is based on double entry system – Explain with the help of rules of Accounting.
15. From the information given, ascertain the amount of profit by the Mr. XYZ during the year 2019. Capital on 1-1-2019 Rs. 1,25,000/-, Capital on 31-12-2019 Rs. 2,15,000/-, Drawings during the year Rs. 15,000/-, Additional Capital introduced during the year Rs. 35,000/-, Interest on drawings Rs. 200/- and interest on capital Rs. 450/-.
16. On 1<sup>st</sup> January 2016 Mr. Bia bought a machinery of Rs. 4,00,000/- from Akai Traders under hire purchase system. Bia paid Rs. 1,25,000/- on signing the agreement and balance is agree to be paid in four equal installment at the end of each year together with interest @ 25% p.a. The machinery is depreciated @20% p.a. under fixed installment. Prepare Akai Traders Account in the books of Mr. Bia.



PART – C

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

17. The following is the Trial Balance sent by Thana Branch to Kannur Head Office as on 31<sup>st</sup> December 2019.

Stock at branch on 1 <sup>st</sup> January 2019	12,000	Sales	1,10,000
Goods received from HO	24,000	Commission Received	2,000
Purchases	60,000	Interest from Bank	200
Cash in hand	3,000	HO Account	22,800
Bank	4,000	Creditors	15,000
Wages	4,000		
Salaries	6,000		
Rent	2,000		
Furniture	6,000		
Debtors	20,000		
Sales Return	3,000		
Bills Receivable	6,000		
	<b>1,50,000</b>		<b>1,50,000</b>

The branch account in the HO books shows a debit balance of Rs. 22,800/-. The stock at branch on 31<sup>st</sup> December is valued at Rs. 21,000/-, Wages outstanding Rs. 750/-, Salary outstanding Rs. 350/- and furniture requires depreciation @ 10%. Prepare Branch Trading and Profit and Loss A/c in the HO books.

18. What is Hire Purchase ? What are the features of Hire Purchase System ? Explain the differences of Hire Purchase System from 'Installment System' and 'Sales'.

19. Lal Colliery Ltd. took from Mr. Anuraj on lease a coalfield for a period of 30 years from 1<sup>st</sup> January 2016 on a royalty of Rs. 5/- tone of coal raised with a dead rent of Rs. 20,000/- p.a. and proved to recoup shortworkings during any year of the lease when there is excess of royalty over minimum rent. The annual output during the first 5 years are as

Year	2016	2017	2018	2019	2020
Output in tonnes	2000	3000	4000	4500	5000

Pass necessary journal entries in the books of Lal Colliery Ltd. and prepare Royalty Account, Shortworking Account and Minimum Rent Accounts. (2×8=16)