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**II Semester B.Com.(Reg.)/A&F/LSCM/DA/T&T/IAS**

**Degree Examination, July/August - 2024**

**COMMERCE**

**Advanced Financial Accounting**

**(NEP Scheme F&R)**

**Paper : 2.1**

**Time : 2½ Hours**

**Maximum Marks : 60**



**Instructions to Candidates:**

**Answers should be written Completely in English only.**

**SECTION - A**

**Answer any Five of the following sub-questions. Each sub-question carries 2 marks.**

**(5×2=10)**

1. a) What is Hire Purchase system?
- b) Mention any two advantages of Departmental Accounts.
- c) What is salvage?
- d) State any two objectives of conversion of single Entry system into Double Entry system.
- e) What is Average clause? Why is it included in fire claims?
- f) What is Big Data Analytics in Accounting?

**(OR)**

**Mention any two features of Dependent Branch.**

- g) Ascertain Gross Profit , when sales is Rs 5,00,000 and Gross Profit Ratio is 25% on cost.

**[P.T.O.]**



## SECTION- B

Answer any Four of the following questions. Each question carries 5 marks.

(4×5=20)

2. Calculate the amount of Interest included in each instalment.

Given : Cash price - Rs 50,000, Down Payment Rs 10,000 Three instalments of Rs. 20,000 each payable at the end of each year.

3. A fire broke out in the warehouse of 'X' traders on 31.10.2022. The company desires to file a claim with the insurance company for the loss of stock.

The following information is furnished from which you are asked to calculate the amount of claim.

Particulars	Rs.
Stock on 1.4.2022	2,00,000
Sundry Debtors on 1.4.2022	4,00,000
Sundry Debtors on 31.10.2022	3,00,000
Cash received from Debtors	12,50,000
Purchases from 1.4.2022 to 31.10.2022	15,00,000
Salvage	80,000
Rate of gross profit on sales	20%

4. State the Basis of Apportionment of the following expenses.

- Depreciation on Plant and Machinery.
- Discount Allowed.
- Canteen Expenses
- Insurance Premium
- Air Conditioning expenses.



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5. From the following information, calculate the total purchases.

Particulars	Rs.
Bills Payable on 1.4.2022	75,000
Creditors on 1.4.2022.	90,000
Bills payable on 31.3.2023	1,05,000
Creditors on 31.3.2023	60,000
Cash paid to creditors during the year	4,50,000
Bills payable discharged during the year	1,20,000
Return outwards	18,000
Cash Purchases	3,60,000

6. Briefly explain the recent trends in the field of Accounting.

(OR)

Mysore H.O has a branch in Mangalore to which goods are invoiced by the H.O at cost plus 25%. Cash received by the branch is daily remitted to H.O. All expenses of Branch are paid from Mysore H.O. from the following information, prepare Managalore Branch Account in H.O Books.

Particulars	Rs.	Rs.
Stock on 1.4.2023 at Invoice Price		1,25,000
Debtors on 1.4.2023.		1,20,000
Goods invoiced from Mysore H.O. at I.P.		4,00,000
Remittances to Mysore H.O: Cash sales	1,60,000	

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Cash from Debtors	2,95,000	4,55,000
Goods returned to H.O at I.P.		24,000
Cash received from Mysore H.O:		
Wages and Salaries	1,10,000	
Rent	30,000	
Sundry expenses.	5,100	1,45,100
Stock on 30.9.2023 at Invoice Price		1,50,000
Debtors on 30.9.2023		2,25,000

### SECTION - C

Answer any Two of the following questions. Each question carries 12 marks.

(2×12=24)

7. On 1.09.2022, the godown of 'x' ltd. was destroyed by fire. From the books saved, the following information was extracted:

Particulars	Rs.
Stock on 1.4.2021.	2,75,700
Stock on 31.3.2022.	5,11,200
Purchases from 1.4.21 to 31.3.22.	27,13,500
Purchases from 1.4.22 to 1.9.22	9,00,000
Sales from 1.4.21 to 31.3.22	35,10,000
Sales from 1.4.22 to 1.9.22	9,15,000
Stock salvaged	63,000





Goods costing Rs. 36,000 had been valued at Rs. 15,000 on 31.3.22. These were sold in August 2022 for Rs. 27,000. Except this transaction, the rate of Gross profit has remained constant.

From the above information, you are required to ascertain the amount of claim.

8. On 1.4.2021, Lal Industries bought a machine from XYZ ltd. on Hire purchase system. The cash price of the machine was Rs. 37,250 and the payment was to be made as follows:

Rs. 10,000 on signing of the agreement and the balance in three yearly instalment of Rs. 10,000 each payable on 31<sup>st</sup> March every year. XYZ ltd. charges interest at 5% p.a and Lal Industries writes off 10% as Depreciation on the machine every year under Diminishing balance method.

Prepare necessary Ledger Accounts in the books of Lal Industries under Asset Accrual method.

9. The following information belongs to a Departmental stores, from which you are asked to prepare Departmental Trading and Profit and Loss a/c for the year ended 31.12.2021.

Particulars	Dept X	Dept Y	Total
	(Rs.)	(Rs.)	(Rs.)
Opening stock	6,000	5,000	11,000
Purchases	62,000	31,000	93,000
Sales	1,01,000	76,000	1,77,500
Return outwards	2,000	1,000	3,000

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Wages	4,000	7,500	11,500
Return Inwards	1,500	1,000	2,500
Salary to office staff	-	-	25,000
Rent and Taxes	-	-	4,500
Discount Allowed	-	-	3,500
Discount earned	-	-	2,500
Carriage outwards	-	-	1,400
General expenses.	-	-	4,200

**Additional information:**

- i) Office staff : Department X - 8 persons , Y -12 persons
- ii) Area Occupied : Department X - 400 sq feet, Y - 800 sq feet.
- iii) Provide Depreciation on machinery worth Rs. 50,000 at 10% and on Furniture worth Rs. 15,000 at 20%, to be apportioned equally to Department X and Y.
- iv) Inter-departmental Transfer : Department x to y - Rs. 10,000.
- v) Closing stock : Department x-Rs. 8,000, y - Rs. 4,000.



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**SECTION - D**

**Answer any One of the following question. This question carries 6 marks.**

**(1×6=6)**

- 10. Prepare a Hire purchase Table using imaginary figures when cash price has to be calculated.**
  - 11. Prepare a Memorandum Trading Account with imaginary figures.**
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