F 6881 (Pages : 2) Reg. No.................................

Name...................................

FIVE YEAR B.Com., LL.B. (HONOURS) / B.B.A., LL.B. (HONOURS) DEGREE EXAMINATION, JANUARY 2022

Second Semester

FC 4/FB 4—FINANCIAL ACCOUNTING

(2019 Admissions—Regular/2018 Admissions—Supplementary)

hree Hours Maximum : 75 Marks

Part A

Answer any **five** *questions.*

Each question carries 3 *marks.*

1. What is Consignment? Who are the parties involved?
2. Explain the process of 'Recouping' in Royalty accounts.
3. Explain Prudence principle.
4. What is Single Entry System of accounting?
5. How are Cash in transit and Goods in transit treated in Branch accounts?
6. What is Matching Principle?

(5 × 3 = 15 marks)

Part B

Answer any **three** *questions.*

Each question carries 10 *marks.*

7. State some of the important rectification entries.
8. On January 1st 2018, Provision for bad debts had a balance of Rs. 5,000. Debtors were Rs. 50,000. During the year bad debts written off were Rs. 2,000. New provision created was 3%. Give necessary journal entries and show appropriate accounts to give a clear picture of how things would turn out in the books of accounts.
9. Explain Statement of Affairs. How is it different from Balance Sheet?
10. List out the journal entries as it would appear in the books of Lessor?

(3 × 10 = 30 marks)

Turn over

Part C

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

11. Maruthi send goods for sale on consignment to Balla. The consignee is to receive 10% as commission and 20% on anything earned above that. Goods worth Rs. 40000 were sent to Balla by Maruthi at a profit of 25% and Rs. 1,000 was spent on loading - unloading charges. The consignee paid Rs. 500 as duties. 75% of the goods were sold at Rs. 50,500. The remaining was sold on credit and one customer named Rana failed to pay Rs. 1,000 which turned out to be bad debt. Show the required accounts in the books of both parties.

12. What is the procedure followed to convert single entry to double entry?

13. Give the necessary journal entries as per Stock and Debtors system in Branch accounts.

(2 × 15 = 30 marks)