Final Year B.Com., Degree Examinations

August / September 2014

(Directorate of Distance Education)

COMMERCE

DCC 210: FINANCIAL ACCOUNTING – III

Time: 3hrs.] *[Max. Marks: 70/80*

Instructions to candidates:
«zÁ¸ÀªÀðUÀ½UÉ ¸ÀÆZÀ£ÀUÀ¼À:

1. *Students who have attended 30 Marks Internal Assessment scheme will have to answer for total of 70 Marks.*
   30 CAPUÀ¼ ÀÄAvÀjPÀ ¥ÀæzÀ¸ÀwAiÀÄ rAiÀÄ°è §gÀªÀ «zÁ¸ÀªÀðUÀ¼À 70 CAPUÀ¼ ¥ÀæªÀÄUÀ½UÉ Gvj¸É¨ÃÃPÀÄ.
2. *Students who have attended 20 Marks Internal Assessment scheme will have to answer for total of 80 Marks.*
   20 CAPUÀ¼ ÀÄAvÀjPÀ ¥ÀæzÀ¸ÀwAiÀÄ rAiÀÄ°è §gÀªÀ «zÁ¸ÀªÀðUÀ¼À 80 CAPUÀ¼ ¥ÀæªÀÄUÀ½UÉ Gvj¸É¨ÃÃPÀÄ.
3. ***Note: Q.No. 14OR 15 in Section – D is compulsory for 80 marks Scheme only.***
   ¸ÀÆZÀ£É: «¨ÁÚ – rAiÀÄ°£À ¥À. ¸ÀASÉå (14 CxªÁ 15) 80 CAPUÀ¼À ¥ÀæªÀÄUÀ½UÉ Gvj¸ÀªªjUÉ PqÁAiÀÄ.

SECTION – A

I. Answer any Two of the following questions. 2 marks each : 5 x 2 = 10 Marks

1. Write a note on average clause in Fire Insurance policy.
2. What is rebate on bills discounted? How is it treated in Banking company Accounts?
3. Explain Re-insurance ceded and Re-insurance accepted.
4. State the objective of departmental accounts.

SECTION – B

II. Answer any THREE of the following questions. 10 marks each: 3 x 10 = 30 Marks

5. Sandesh company took a lease of mine on a royalty of Rs 10 per tonne of coal raised with minimum rent of Rs 40000 for the 1st year, Rs 60,000 for 2nd year and Rs 80,000 per year therafter. Shortworking in any year would be recouped out of royalty of next two years only. The production during the first four years were:
   1st year 2000 tonnes, 2nd year 4500 tonnes, 3rd year 6000 tonnes and 4th year 9000 tonnes.

   Pass the journal entries in the books of sandesh company.

Contd……2

6. The life fund of a life insurance company was Rs. 86,48,000 as on 31-3-2013. The interim bonus paid during the year was Rs. 1,48,000. The periodical actuarial valuatioin determined the net liability at Rs. 74,25,000. The surplus brought forward from previous valuation was Rs 8,50,000. The directors of the company proposed to carry forward Rs 9,31,000 and to divide the balance between the shareholders and policyholders.

   You are required to show the valuation Balance Sheet, the net profit for the valuation period and the distribution of surplus.

7. From the following particulars relating to Shimoga branch prepare branch account in the bokks of head office:

	Rs
Stock on 1-1-2013	5,050
Debtors on 1-1-2013	6,000
Goods sent to branch	15,000
Cash sent to branch for expenses	4,450
Goods returned by branch	900
Remittances from branch during 2013:	
For cash sales	8,000
From debtors	14,000
Credit sales to branch debtors	16,000
Bad debts	650
Goods returned by branch debtors	350
Stock on 31-12-2013	4,600

8. Distinguish between Hire purchase system and Installment Purchase system.

9. Write a note on:
   i) Dead rent
   ii) Short workings
   iii) Sub-lease

SECTION – C

III. Answer any TWO of the following questions. 15 marks each: 2 x 15 = 30 Marks

10. Following is the trial balance of city bank limited as on 31-3-2013.
    Trial Balance as on 31st March 2010.

Contd……3

	Debtor	Creditor
Subscribed capital 50000 equity shares	-	5,00,000
Reserve fund	-	2,50,000
Loans. Cash credit and overdrafts	2,85,000	-
Premises	50,000	-
Indian government securities	4,00,000	-
Current deposits	-	1,00,000
Fixed deposits	-	1,25,000
Saving bank deposits	-	50,000
Salary	28,000	-
General expenses	27,400	-
Rent, rates and taxes	2,300	-
Directors fees	1,800	-
Profit and loss a/c (1-4-2012)	-	16,000
Interest and discount	-	1,28,000
Stationery on hand	8,500	-
Bills purchased and discounted	46,000	-
Interim dividend paid	17,000	-
Recurring deposits	-	20,000
Shares	50,000	-
Cash in hand with RBI	1,93,000	-
Money at call & short notice	80,000	-
	11,89,000	11,89,000

Adjustments:

1. Provision for bad and doubtful debts required is Rs 5000
2. Interest accrued on investments Rs 8000
3. Unexpired discount amounts to Rs 380
4. Interim dividend declared was 4% actual.
5. Endorsements made on behalf of customers totaled Rs 1,15,000

Prepare profit and loss a/c for the year ended 31-3-2013 and balance sheet as on that date.

11. Following are the balances from the books of Hindustan Insurance company Ltd. As on 31-3-2013.

Claims paid :	Fire	1,31,000
	Marine	1,07,400
Bad debts:	Fire	10,000
	Marine	16,000
Management expenses:	Fire	49,900
	Marine	62,200
Reserve for unexpired risks on 31-3-2012:		
	Fire	1,42,900
	Marine	2,39,800

Claims recovered under re-insurance: Fire	10,400
Marine	15,620
Commission on re-insurance ceded: Fire	11,200
Marine	6,400
Commission on re-insurance accepted: Fire	3,100
Marine	3,600
Additional reserve for unexpired risk on 31-3-2012: Fire	80,000
Marine	15,000
Commission : Fire	44,600
Marine	36,200
Claims intimated on 31-3-2012 : Fire	3,800
Marine	4,200
Rent	24,000
Directors fees	17,000
Auditors fees	6,000
Contribution to provident fund	5,000
Profit on sale of investment	6,220
Interest and dividends	1,13,540
Fire premium	2,61,000
Marine premium	2,37,200
Income tax on interest	24,000
Share transfer fees	1,200

Additional information:

1. Claims intimated on 31-3-2013: Fire □ 6,300 and Marine □ 5,400.
2. Provide □ 20,000 for survey expenses for marine insurance claims.
3. Interest accrued on investments □ 19,200
4. Increase additional reserve by 5% of premium in case of fire insurance.

Prepare revenue account and profit & loss account.

12. On 1.1.2010, Ganesh purchased a machinery from Tata company on Hire purchase system, over a period of 3 years, □ 5000 was payable on delivery on 1-1-2010 and the balance in installments at the end of each year as under:
On 31-12-2010 □ 10,000, on 31-12-2011 □ 10,000 and on 31-12-2012 balance amount.
Tata company charged interest at 10% on yearly balance. The cash value of the machinery on delivery was □ 30000. Depreciation at the rate of 20% p.a. on written down value was written off in each year. Ganesh paid all the instalments on due date. Show machinery account and Tata company account in the books of Ganesh for the 3 years.

Contd……5

13. Write in detail, all the schedules that are prepared in Life insurance company accounts.

SECTION – D

Note: Compulsory for 80 marks scheme only

IV. Answer any ONE of the following questions: 1 x 10 = 10 Marks

14. Suresh purchased a machine from Hindustan machine tools on 1-1-2011 on the hire purchase system. The payment is to be made as follows:
□ 4,000 on delivery, □ 7600 at the end of 1st year, □6000 at the end of 2nd year, and □ 5500 at the end of 3rd year. Interest at 10% p.a. is included in these installments. Suresh charged depreciation on the machine at 20% p.a. on the diminishing balance. Calculate cash price of the machinery and interest and depreciation for each year from the above details.

15. What do you mean by Hire purchase system? Explain its features.

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P£ßq Dªẽw

«¨ÁU - J

I. *AiiÁªÁzÁzgÆ Jgq¥ ¥±ÁU½U Gvj¹j. v¯Á 5 CAPU¼Ä:* 2 x 5 = 10 Marks

1. CVß «ªÄ ¥Á°¹AiÄ°gÄª ¸gÁ¸j G¥ªÁPÁz §UÌ n¥t §g¬Äj.
2. ªmÁ¬Ä¹z ºÄArU¼ jÃ¨mï JAzgÄ£Ä? CªÁU¼£Äß ¨ÁÄAPï ¯PÁU¼° ºÃU ¥jUt ¸ÄvÁg.
3. ¤Ãq¯Áz ªÄgÄ«ªÄ ºÁUÆ M¦PÆArgÄª ªÄgÄ«ªÄ EªÁU¼£Äß «ªj¹.
4. E¯ÁSÁ ¯P±Á¸z GzÁÃ±U¼£Äß w½¹.

«¨ÁU - ©

II. *AiiÁªÁzÁzgÆ ªÄÆgÁ ¥±ÁU½U Gvj¹j. v¯Á 10 CAPU¼Ä:* 3 x 10 = 30 Marks

5. ¸AzÃ±ï PA¥¤ MªÄzÄ P°z®Ä UtAiÄ£Äß ¥w l£ïU □ 10 gAv UÄwU ¥q¬ÄvÄ. P¤µ ¨ÁrU ªÆz® ªµðP □ 60,000 ºÁUÆ £Avgz ªµðU½U v¯Á □ 80,000 JAzÄ ¤U¢UÆ½¸¯Á¬ÄvÄ. AiiÁªÁzÃ ªµðz PÆgvAiÄ£Äß ªÄÄA¢£ 2 ªµðz gÁAiÄz£z° vÄA©¹PÆ¼®Ä C£ÄªÄwAiÄ£Äß ¤Ãq¯Á¬ÄvÄ.
ªÆz® 4 ªµðU¼ GvÁz£ F P¼PAqAwz.
ªÆz® ªµð 2000 l£ï, Jgq£Ã ªµð 4500 l£ï, ªÄÆg£Ã ªµð 6000 l£ï ºÁUÆ £Á®£Ã ªµð 9000 l£ïU¼Ä.
¸AzÃ±ï PA¥¤AiÄÄ gÆÃdÄ ¥Ä¸Pz° zÁR°¹.

6. ¢£ÁAP 31-3-2013 gAzÄ fÃª «ªiÁ PªÄ¥¤AiÆAzg fÃª «ªiÁ ¤¢AiÄÄ □ 86,48,000 EzÄ, D ªµðz° ªÄzÁAvg ¯Á¨ÁA±ªÁV «ªiÁ vd£ ªiË°ÃPgtªÁ 1,48,000 gÆ¥Á¬ÄU¼£Äß ¤Ãq¯ÁVvÄ. Czg PÁ®PÁ°P ¤ª¼ dªÁ¨ÁjAiÄ£Äß □ 74,25,000U¼AzÄ ¤zðj¹vÄ. F ªµðP ªÄÄAzÄªgEPAiiÁz »A¢£ ªiË®ªiÁ¥£z ºZÄªj ªÆvªÁ □ 8,50,000 ªÁVz. PA¥¤AiÄ ¤zðÃ±PgÄ □9,31,000 ª£Äß ªÄÄA¢£ ªµðP MAiÄ®Ä ¤zðj¹zÁg ºÁUÆ G½z ªÆvª£Äß ±ÃgÄzÁggÄ ªÄvÄ ¥Á°¹zÁgjU «¨f ¸ÄªAv ¸Æa¹zÁg. ¤ÃªÁ vÆÃj ¸¨ÃPÁVgÄªÁzÄ ªiË°ÃPgt CqÁª ¥wP, ¤ª¼ ¯Á¨ ºÁUÆ Czg ºAaP.

7. ²ªªÆUÌ ±ÁSU ¸A§Az¥l F P¼V£ «ªgU½Az ªÄÄRÁ PbÃjAiÄ ¥Ä¸Pz° ±ÁSÁ SÁvAiÄ£Äß §g¬Äj.

	gÆ. U¼A
¸gQ£ ²®Ä (1.1.2013)	5050
lÄtU¼Ä (1.1.2013)	6000
±ASU P¼A»¹z ¸gPA	15000
RZAðU¼ ¸®AªAV ±ASU P¼A»¹z £UzA ºt	4450
±AS¬AAz ªA¥A¸A §Az ¸gPA	900

±ÁS¬ÄAz 2013 g° §Az º t:

£UzÀ ªiÁgÁl ¢Az	8000
±ÁSÁ lÁtU½Az	14000
±ÁSÁ lÁtU½Az G¢ ªiÁgÁl	16000
PgqÀ ¸À®	650
±ÁSÁ lÁtU½Az ªÀ¥¸Az ¸gPÀ	350
¸gQ£ ²®Ä 31.12.2013	4600

8. ¨ÁrU ªiÁgÁl ªÄvÄ PAvÄ ªiÁgÁl ¥zÀwU¼ £qÄ«£ ªÀvÁ¸U¼£Ä wÃ½¹.

9. P¼V£ªÀU¼ §UÀ n¥t §g¬Äj:

1) P¤µ ¨ÁrU
2) PÆgv
3) G¥ UÄwU

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III. *AiiÁªÀzÁzgÆ JgqÄ ¥±ÀU½U Gvj¹. v¯Á* ***15*** *CAPU¼Ä:* 2 x 15 = 30 Marks

10. ¹n ¨ÁÀAPï °«Ämqï£ vÁ¼ ¥n ¢£ÁAP 31.3.2013 gAzÄ F Pg¼V£Awz.

	Dr (□)	Cr (□)
ªAwU ±AgÁ §AqªÁ¼ (50000 FQn ±AgÁU¼Á)	-	5,00,000
«Á¸®Á ¤¢	-	2,50,000
¸À®U¼Á, £UzÀ ¸À® ºÁUÆ NªÁgï qÁ¥ïU¼Á	2,85,000	-
¤ÁªÁ±£	50,000	-
¨Ágv ¸PÁðgz ¸PÀjnU¼Á	4,00,000	-
ZÁ° SÁv	-	1,00,000
SÁAiÁA oÁª t U¼Á	-	1,25,000
G½vÁAiÁ SÁv	-	50,000
¸À§¼	28,000	-
¸ÁªiÁ£À RZÁðU¼Á	27,400	-
¨ÁrU ªÁvÁ vjUU¼Á	2,300	-
¤zðÁ±P ¸À¨ÁªÁ£	1,800	-
À¨ £µ SÁv (1.4.2012)	-	16,000
§r ªÁvÁ ¸ÆÁrU¼Á	-	1,28,000
¸À¢ ÁgÁ zÁ¸Á£Á	8,500	-
RjÁ¢¹z ºÁUÆ ¸ÆÁr ªiÁq Az ºÁÁrU¼Á	46,000	-
ªÁzÀAvg À¨ÁÁ± ¤ÁrzÁ	17,000	-
jPjÁUï oÁª t	-	20,000
±ÁgÁU¼Á	50,000	-
£UzÀ ªÁvÁ Dgï. ©. L.£ÆÁ¢U EzÀAvº ²®Á	1,93,000	-
C®PÁ°P Pg ¸À®ÁU¼Á	80,000	-
MlÁ	11,89,000	11,89,000

Contd……8

ºÆAzÁ t PU¼Ä:

1. C£Äªi Á£Á¸Áz ¸Á®U½U □ 5000 «Ä¸®Ä Er.
2. ºÆr PU¼ ªÄÃ¯ ¸Aavª Áz §r □ 8000
3. Cª¢ ªÄÄVAiÄz ¸ÆÃr □ 380
4. ªÄz¦Avg ¯Á¨ÁA± WÆÃ¶¹gÄª¦zÄ 4%
5. UÁºPg ¥gªÁV ªiÁr z »A§gºU¼Ä □ 1,15,000

ªÄÃ¯ w½¹z ¢£ÁAPzAzÄ ¯Á¨ ªÄvÄ £µSÁv ªÄvÄ CqÁª ¥v vAiiÁj¹.

11. 31.3.2012g° »AzÆ¸Á¦£ï «ªiÁ PA¥¤AiÄ ¥Ä¸PU¼° ²®ÄU¼Ä F P¼V£Awz¦ª¦.

		□
¥AªwAiiAz PöÉªiïU¼A :	CV	1,31,000
	Pq®	1,07,400
PgqA ¸A®:	CV	10,000
	Pq®	16,000
Dq½v ªZ:	CV	49,900
	Pq®	62,200
31.3.2012 gAzA ªAAVAiAz C¥AAiAz «AA¸® ¤¢:	CV	1.42.900
	Pq®	2.39.800
ªAgA«ªA¬AAz PöÉªAAU¼£A ªAg½ ¥qzzA	CV	10.800
	Pq®	15.620
¤Arg Aª ªAgA «ªAAiA ªAA ¥q¢gAª z A½:	CV	11,200
	Pq®	6,400
M¦gAª ªAgA«ªAAiA ªAA ¤Arg Aª z A½:	CV	3,100
	Pq®	3,600
ªAAVAiAz C¥AAiAP ºZAª j «AA¸® ¤¢ (31.3.2012):	CV	80,000
	Pq®	15,000
z A½:	CV	44,600
	Pq®	36,200
w½¸®ngAª PöÉªiïU¼A (31.3.2012):	CV	3,800
	Pq®	4,200
¨ArU		24,000
¤zðA±Pg ¸A¨Aª£		17,000
P¥j±ÆAzPg ¸A¨Aª£		6,000
¥A«qAmï ¥ArU ªAwU		5,000
ºÆr PU¼ ªiAgA l ¢Az A¨		6,220
§r ªAvA A¨AA±		1,13,540
CVAiA ¦A«AAiAªiï		2,61,000
Pq®A ¦A«AAiAªiï		2,37,200

§rAiA ªAA DzAAiA vjU	24,000
±AgA ªUAðªu ¦A	1,200

ºa£ ªiÁ»w:

1) w½¸®ngÄª PöÉªiïU¼Ä (31.3.2013): CV® □6,300, Pq®Ä □ 5,400.
2) Pq®Ä «ªÄAiÄ ¸ªðUÁV □ 20000 «Ä¸°r
3) ºÆrPAiÄ ªÄÄ¯ §r ¥°¹zÄ □ 19200
4) CV® «ªÄAiÄ° ºZÄªj «ÄÃ¸®Ä ¤¢AiÄ£Ä® ¦Ã«ÄAiÄªiï£ ±ÃPq 5 gµÄ ºa¹j.

gª£Æ¦ SÁv ªÄvÄ ¯Á¨ £µ SÁvU¼£Ä® vAiiÁj¹j.

12. ¨ÁrU RjÃ¢ ¥zÀwAiÄ° mÁl PA¥¤¬ÄAz UuÃ±ï JA§Äªªg Ä MAzÄ AiÄAvª£Ä® ¢£ÁAP 1.1.2010 gAzÄ RjÃ¢¹zÁg. F M¥Azª¦ ªÄÆgÄ ªµðU½U EzÄ, ¢£ÁAP 1.1.2010 gAzÄ AiÄAvU¼£Ä® ¥qAiÄÄªÁU ªÄÄAUqªÁV □ 5000 PÆngÄvÁg ªÄvÄ G½z ºtª£Ä® F P¼V£ PªÄvÄU¼Av ¥w ªµðz r¸A§gï 31 P¦ PÆq¨ÃPÁVz.

31.12.2010 □ 10000, 31-12-2011 □ 10000, ªÄvÄ 31.12.2012 P¦ ¨ÁQ G½¢gÄª ºt PÆq®Ä M¦gÄvÁg. mÁl PA¥¤AiÄªgÄ ªÁ¶ðPªÁV G½z ºtz ªÄÄ¯ ¥wªµð ±ÃPq 10 gAv §r «¢¸ÄvÁg. AiÄAv «vj¸ÄªÁU EgÄª £UzÄ ªiË®¦ª¦ □ 30000 EgÄvz. ¥w ªµð ¸ªP½AiÄ£Ä® ±ÃPq 20 gAv ªÁ¶ðPªÁV E½P ¥zÀwAiÄ° P¼AiÄ¯ÁUÄwz. UuÃ±ïgªgÄ J¯Á PAvÄU¼£Ä® ¤U¢v ¢£ÁAPU¼AzÄ PÆngÄvÁg. UuÃ±ïgªg ¥Ä¸Pz° AiÄAvz SÁv ªÄvÄ mÁl PA¥¤AiÄ SÁvAiÄ£Ä® 3 ªµðU½U ¹zÀ¥r¹.

13. fÃª «ªiÁ PA¥¤AiÄ ¯Pz° ¹zÀ¥r¸Äª J¯Á µqÆ¦¯ïU¼£Ä® «ªgªÁV §g¬Äj.

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*¸ÆZ£U¼Ä: **80** CAPU¼ ¥±Ä ¥wPU EgÄª PqÁAiÄ ¥±ÄU¼Ä*

IV. *AiiÁªÁzÁzgÆ MAzÄ ¥±ÄU Gvj¹:* 1 x 10 = 10 Marks

14. ¨ÁrU RjÃ¢ ¥zÀwAiÄ° ¸ÄgÃ±ïgªgÄ »AzÆ¸ÁÄ£ï ªÄ¶£ï lÆ¯ï¤Az ¢£ÁAP 1.1.2011 gAzÄ MAzÄ AiÄAvª£Ä® RjÃ¢¹zÁg. ºtª£Ä® F P¼PAqAv ¥ÁªÄw¸¨ÃPÄ.

RjÃ¢AiÄ j£zAzÄ □ 4000, ªÆz®£ ªµðz CAvÀz° □ 7600, Jgq£Ã ªµðz CAvÀz° □ 6000 ºÁUÆ ªÄÆg£Ã ªµðz CAvÀz° □5500.

F PAvÄU¼° ªÁ¶ðP §r ±ÃPq 10 gAv ¸Ãjz. ¸ÄgÃ±ïJªgÄ AiÄAvz ªÄÄ¯ ¸ªP½AiÄ£Ä® ªÁ¶ðP ±ÃPq 20 gAv E½P PªÄz° «¢¹zÁg. F ªÄÄ°£ «ªgU½Az AiÄAvz £UzÄ ¨¯ ºÁUÆ ¥w ªµðz §r ªÄvÄ ¸ªP½AiÄ£Ä® PAqÄ»r¬Äj.

15. ¨ÁrU RjÃ¢ ¥zÀw JAzgÃ£Ä? Czg UÄt ®PtU¼£Ä® «ªj¹.

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