

Roll No.

(12/18-I)

4472

B. Com. (Gen/Voc.) EXAMINATION

(For Batch 2017 & Onwards)

(First Semester)

FINANCIAL ACCOUNTING

BC-1.2

Time : Three Hours

Maximum Marks : 80

Note : Attempt *Five* questions in all, selecting at least *one* question but not more than *two* from each Unit. Q. No. 10 is compulsory.

Unit I

1. What is Accounting ? What are its main objectives ? Also explain the different types of Accounting. 15

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P.T.O.

2. On 1st April, 2009, Raj Ltd. purchased 5 machines for ₹ 60,000 each. The accounting year of the company ends on 31st March. Depreciation at the rate of 10% p.a. on initial cost is charged to P&L Account and credited to 'Provision for Depreciation Account'. On 1st April, 2011, one machine was sold for ₹ 40,000 and on 1st July, 2012 a second machine was sold for ₹ 28,000. Another machine with a higher capacity costing ₹ 1,00,000 was purchased on 1st October, 2012. You are required to prepare Machinery A/c, Depreciation A/c and provision for Depreciation A/c.

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3. The following is the Trial Balance of Hitesh as on 31st March, 2009 :

	₹	₹
Capital	—	2,50,000
Building	3,00,000	—
Furniture	26,400	—
Scooter	40,000	—

Returns inwards and outwards	23,000	16,000
Stock (on 1st April, 2017)	80,000	—
Purchase & Sale	3,38,000	5,60,400
Bad Debts	3,000	—
Carriage Inwards	7,000	—
General Expenses	12,000	—
Bad debts provisions	—	7,000
Bank Load	—	50,000
Interest on Bank Loan	3,000	—
Commission	—	9,000
Insurance & Taxes	20,000	—
Scooter Expenses	26,000	—
Salaries	44,000	—
Cash in hand	20,000	—
Debtors & Creditors	30,000	80,000
	<u>9,72,400</u>	<u>9,72,400</u>

You are required to prepare final accounts for the year ending 31st March, 2009 taking into account the following adjustments :

- (a) Closing Stock on 31.03.2009 was valued at ₹ 43,400.
- ~~(b)~~ Commission included ₹ 3,000 being commission received in advance.
- ~~(c)~~ Salaries have been paid for 11 months.
- (d) Bank loan has been taken at 10% p.a. interest.
- ~~(e)~~ Depreciate Building by 5% and Scooter by 15%.
- (f) Write off 2,000 as further bad debts and create bad debts.

Unit II

4. Oswal Mills Hisar consigned 5,000 kg. of Ghee to Hari Dealers of Panipat. Each kg. Ghee costs ₹ 8. Oswal Mills paid ₹ 50 for carriage ₹ 250 for freight and ₹ 200 for insurance.

transit. During transit 500 kg. Ghee were accidentally destroyed for which insurance company paid directly to the consignor ₹ 2,500 in full settlement of the claim.

After three months from the date of the consignment of goods to Panipat, Hari Dealers reported that 1,500 kg of Ghee was sold at ₹ 9.50 per kg.; Expenses being : On godown rent ₹ 500 and on salesman salary ₹ 750. Hari Dealers are entitled to a commission of 5% on sale. They also reported a loss of 20 kg. of Ghee due to leakage.

Prepare the Consignment Account and Abnormal Loss Account in the books of Oswal Mills.

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5. On 1st April, 2010 Gopal purchased 4 cars from Telco Co. on hire purchase system. The cash price of each car was ₹ 2,00,000. He was to pay 25% immediately and the balance in five yearly instalments together with interest @ 10% p.a. Gopal depreciate the cars @ 20% p.a. on diminishing balance method.

After paying the two instalments Gopal could not pay the third instalment and seller took possession of 3 cars at an agreed value to be calculated after deducting 25% from the amount paid by Gopal against these three cars.

Seller after spending ₹ 12,500 on repairing, sold away all the three cars for ₹ 2,80,000.

Prepare necessary ledger accounts in the books of both the parties. Books are closed on 31st March every year. 15

6. ✓ What are the various types of errors that arise in the preparation of Financial Accounts ? How are they rectified ? Explain with examples. 15

Unit III

7. Explain Piecemeal Distribution Scheme. Give a comparative study of 'Surplus Capital Method' and 'Maximum Loss Method' with the help of examples. 15

8. A company has its branch at Kanpur. All expenses are paid by Head Office and goods are invoiced to branch at cost plus $33\frac{1}{3}\%$. From the following particulars for the year ended 31st March, 2013 ascertain the profit by Stock and Debtors system :

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	₹
Stock of Commencement at cost price	21,000
Goods sent to branch at invoice price	80,000
Goods return to Head Office at invoice price	2,000
Shortage of goods at branch	1,200
Sundry Debtors on 1st April, 2012	7,500
Sundry Debtors on 31st March, 2013	10,000
Bad debts	600
Sales return	3,300
Cash received from Debtors	52,000
Cash sale	32,700
Salaries. Wages etc.	5,000
Goods in Transit	3,600
Furniture purchased by Head Office for the Branch	8,000
Write off 10% depreciation on furniture.	

9. A, B and C are partners sharing P&L in the ratio of 2 : 2 : 1. They agreed to dissolve the firm. The Balance Sheet of the firm as at that date was as follows :

Liabilities	₹	Assets	₹
Bank overdraft	4,000	Debtors	40,000
Creditors	30,000	Stock	50,000
Bills payable	6,000	Furniture	2,000
B's wife Loan	10,000	Fixed Assets	49,000
Capital :		Prepaid Exp.	1,000
A	70,000	Profit & Loss A/c	40,000
B	70,000	C's Capital A/c	8,000
	1,90,000		1,90,000

- (a) Assets realised as follows : Stock ₹ 32,000; Fixed Assets ₹ 45,000 and Full amount was received from Debtors.
- (b) A agreed to take over furniture at ₹ 1,600 and also agrees to make the payment of Bills payable.

- (c) B agrees to discharge his wife's loan.
- (d) There was an unrecorded assets of ₹ 10,000 which was taken over by C at ₹ 7,000.
- (e) A B/R of ₹ 5,000 received from a customer Mohan and the bill was discounted from the bank. Mohan became insolvent and 60 paise per rupee has been received from his estate.
- (f) Creditors were paid at a discount of ₹ 1,500.

Prepare necessary accounts. 15

10. **Compulsory Question :** 5 × 4 = 20

- (a) Explain the characteristics of Accounting Principles.
- (b) On dissolution of a firm, its Balance Sheet revealed capital ₹ 5,00,000; General Reserve ₹ 2,00,000; Creditors ₹ 1,00,000 and Cash Balance ₹ 20,000. Assets were realised at 60%. What will be the loss on realisation ?

- (c) At the time of sale of Partnership firm to the company, how the realisation Account is prepared ?
- (d) Explain difference between Capital Expenditure and Revenue Expenditure.
- (e) Write the difference between Performance Invoice and Account Sale.

(Hindi Version)

नोट : प्रत्येक इकाई में से कम से कम एक प्रश्न परन्तु दो प्रश्न से अधिक नहीं, चुनते हुए, कुल पाँच प्रश्नों के उत्तर दीजिए। सभी प्रश्नों के अंक समान हैं। प्रश्न क्रमांक 10 अनिवार्य है।

इकाई I

1. लेखांकन क्या है ? इसके मुख्य उद्देश्य क्या हैं ? लेखांकन के विभिन्न प्रकारों को भी समझाइए। 15
2. 1 अप्रैल, 2009 को राज लि. ने पाँच मशीनें, प्रत्येक ₹ 60,000 मूल्य पर खरीदीं। कम्पनी का लेखांकन वर्ष 31 मार्च को समाप्त होता है। प्रारम्भिक लागत पर 10% वार्षिक दर से हास लाभ-हानि खाते से