

Roll No.

Total No. of Pages : 03

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B.Comm. (Honours) (Sem.-1)

FINANCIAL ACCOUNTING

Subject Code : BCOM 102-18

M.Code : 75091

Date of Examination : 07-07-21

Time : 2 Hrs.

Max. Marks : 60

INSTRUCTIONS TO CANDIDATES :

1. Attempt any FIVE question(s), each question carries 12 marks.

1. Define Accounting. Explain the objectives of accounting.
2. The following is the Trial Balance of Shri Ram as at 31st March, 2015. Prepare the final accounts from the same.

Dr. Balances	Rs.	Cr. Balances	Rs.
Material purchased	1,15,725	Sales	2,10,000
Administration Expenses	16,725	Outstanding wages	800
Wages	42,775	Creditors	13,235
Freight	5,100	Capital	81,800
Rent	1,800	Bank	12,220
Petty cash	175	Loan on mortgage	16,000
Debtors	36,400	Income From Investment	925
Gift to wife	2,500	Reserve Fund	25,000
Prize Distributed	200		
Commission paid	1,000		
Commission paid in advance	400		
Mortgage interest	1,600		
Loose tools	5,000		
Investment	8,500		
Plant	60,000		
Furniture	7,200		
Leasehold Property	50,000		
Patents	2,000		
Depreciation on Furniture	800		
Suspense Account	2,080		
	3,59,980		3,59,980

Adjustments :

- a. Closing stock amounted to Rs. 20,000.
 - b. Goods costing Rs. 5,000 were sent to customer on sales on approval basis for Rs. 6,400 on 29th March 2015 and had been recorded in the books as actual sales.
 - c. Make a provision for doubtful debts at 5% on debtors.
 - d. 1/5th of Loose Tools are to be written off this year.
 - e. A commission of 2% on the gross profit is to be provided to Works Manager.
 - f. General Manager is to be allowed a commission of 5% on net profit after charging Works Managers and before charging General Manager's Commission.
 - g. Increase the Reserve Fund by Rs. 3,000.
3. What do you understand by consignment business? What entries are passed in the books of the consignor in this connection and what necessary accounts are opened?
4. X and y entered into a joint venture to construct a building for a contract price of Rs. 4,00,000 payable as to Rs. 3,00,000 by installments in cash and Rs. 1,00,000 in fully paid shares of the company. A bank account was opened in their joint names. X paying Rs. 1,20,000 and Y Rs. 80,000. They agreed to share profits or losses in proportion to their cash contributions.

They purchased materials for Rs.1,25,000 in cash and for Rs. 60,000 from Z on Credit. Total wages amount to Rs. 96,000 out of which Rs. 20,000 were paid by Y. Architect's fees amounted to Rs. 15,000. Some materials amounting to Rs. 20,000 were destroyed by fire and insurance company admitted a claim of 80%.

The contract was completed and price duly received. Account of Z was settled at a discount of 3,000. Half the number of shares received from the company were sold for cash at a premium of 5% and the other half were taken over by X and Y at a discount of 10%. Show the necessary accounts.

5. A steam ship Jala Queen commenced its voyage on 1st October, 2009 from Mumbai to Chennai and Back. The voyage was completed on 30th November, 2009. She was loaded with cotton bales at Mumbai to Chennai and on her return journey loaded with jute for Mumbai. Following are the particulars provided in respect of this voyage :

	Rs.
Harbour wages	3,86,000
Port charges	47,400
Coal and Fuel	2,20,000
Stores purchased	1,05,000
Loading Charges	50,000
Interest on Advance	7,600
Discharging Expenses	40,000
Freight on Outward Journey	8,00,000
Freight on Return Journey	6,00,000
Passage Money	80,000

The ship was insured for an annual premium of Rs. 1,80,000. The value of the ship was Rs. 1,20,00,000 on which depreciation was charged at 5% p.a. The address commission was 5% on outward journey and 4% on return journey. Manager is entitled to a commission of 5% on the profit after charging such commission. Stores on hand at the end of the voyage were valued at Rs. 32,000. Prepare Voyage Account.

6. Explain the Departmental Accounting with accounting treatment of Inter Departmental Transfer.
7. What do you mean by Dependent Branch? What are the rules for making accounting records of dependent branches?
8. Goods are sent by the H.O. to the Branch at selling price which is cost plus 25%. All expenses of the branch are paid by H.O. all cash collected by the branch (from customers and from cash sales) is deposited to the credit of H.O. From the following particulars prepare Branch Stock A/c, Branch Debtors A/c, Branch Adjustment A/c and Branch P&L A/ c in the books of H.O.

	Rs.
Debtors on 1.1.2012	12,000
Debtors on 31.12.2012	14,000
Stock on 1.1.2012 (invoice Price)	16,000
Stock on 31.12.2012 (invoice Price)	17,000
Cash Sales during the year	60,000
Credit sales (20% more than the cash sales)	
Total amount deposited in the H.O. Account during the year	1,27,000
Goods returned by branch to H.O. (invoice Price)	5,000
Expenses Paid	10,000
Discount allowed to customers	2,000
Bad debts written off	1,000
(Abnormal) spoilage	2,000

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