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Total No. of Pages : 04

Total No. of Questions : 09

**B.Com (Hons) (2018 Batch) (Sem.-1)**

**FINANCIAL ACCOUNTING**

**Subject Code : BCOM-102-18**

**M.Code : 75091**

**Time : 3 Hrs.**

**Max. Marks : 60**

**INSTRUCTIONS TO CANDIDATES :**

1. **SECTION-A is COMPULSORY** consisting of TEN questions carrying TWO marks each.
2. **SECTION-B** consists of FOUR Sub-sections : Units-I, II, III & IV.
3. Each Sub-section contains TWO questions each, carrying TEN marks each.
4. Student has to attempt any ONE question from each Sub-section.

**SECTION-A**

**1. Answer briefly :**

- a) Explain the Book Keeping in brief.
- b) Accounting Period Concepts
- c) Accounting Cycle.
- d) Del -Credere Commission
- e) Difference between consignment and Joint venture
- f) Cash in transit
- g) Normal Loss.
- h) Unrealized profits
- i) Dependent Branch
- j) Passage money

## SECTION-B

### UNIT-I

2. Prepare the final accounts from the following trial Balance as at 31<sup>st</sup> March, 2015.

Dr. Balances	Rs.	Cr. Balances	Rs.
Drawings	8,5000	Capital	1,50,000
Purchases	2,80,000	Creditors	45,9000
Carriage inward	4,000	Outstanding expenses	9,000
Wages	30,000	Rent received	2,000
Power	11,000	Purchase return	15,000
Depreciation on Machinery	2,000	Sales	4,40,000
Advertising Development	15,000	Provision for bad debts	2,000
Plant and Machinery	70,000	Discount received	3,500
Goodwill	18,000		
Agent's samples	6,000		
Opening stock	35,000		
Debtors	26,200		
Cash at bank	16,000		
Cash in hand	19,800		
Salaries	50,000		
General expenses	17,000		
Prepaid expenses	900		
Salary to Agents	21,000		
Rent and Insurance	23,000		
Discount Allowed	7,000		
Sales Return	2,900		
Commission to Agents	3,200		
	<b>6,66,500</b>		<b>6,66,500</b>

Adjustments :

- Closing Stock was valued at Rs. 50,000. Goods costing Rs.5,000 was destroyed by fire. The insurance company admitted a claim of Rs.3,000 only.
- Depreciate agents samples by 25%.
- Write off Advertisement development by 30%.
- Write off Rs.2,200 as bad debts and create a provision for doubtful debts on debtors at 5%.
- Proprietor withdrew Rs.1,000 for his private use. This amount was included in general expenses.
- Charge 5% manager's commission on net profit after charging his commission.
- There is a contingent liability of Rs.20.000 in respect of a court case.

3. Discuss the advantages of Accounting; also explain the limitation of accounting.

## UNIT-II

4. Explain the method of recording joint venture transactions when separate set of books is maintained.
5. Sachin of Delhi consigned 1,000Kgs. of Ghee to Amrit of Karnal. The cost of each Kg of ghee was Rs.55. Sachin paid Rs.500 as carriage, Rs.700 as freight and Rs.800 as insurance in transit. During transit, 100Kgs of ghee was destroyed due to accident, for which the Insurance Company paid directly to consignor Rs.3.200 in full settlement of the claim.

After three months from the date of consignment of goods. Amrit reported that 750 Kgs of ghee were sold @Rs.70 per Kg and the expenses incurred on godown rent Rs.1,000 and on marketing Rs.1,800. Amrit is entitled to a commission of 6% on sales. Amrit also reported a loss of 20Kgs of ghee due to leakage. Prepare Consignment Account and Abnormal Loss Account.

## UNIT-III

6. Discuss the necessity and method of preparing Voyage Account. What will be the position of voyage is in progress?
7. A ltd. has three departments and submits the following information for the year ending on 31<sup>st</sup> March 2016.

	A	B	C	Total
<b>Purchases (Units)</b>	6,000	12,000	14,400	
<b>Purchases (Amount)</b>				6,00,000
<b>Sales (Units)</b>	6,120	11,520	14,976	
<b>Selling Price (Per Unit) (Rs.)</b>	40	45	50	
<b>Closing stock (Units)</b>	600	960	36	

You are required to prepare departmental trading account of a Ltd., assuming that the rate of profit on sales is uniform in each case.

**UNIT-IV**

8. What journal entries are made in the books of the Head Office to incorporate the trial balance of an independent branch?
9. K Textiles Ltd. with its Head Office at Delhi, invoiced goods to its branch at Amritsar, at 20% less than the list price which is cost plus 100% with instructions that cash sales were to be made at invoice price and credit sales as catalogue price(i.e. list price).

	<b>Rs.</b>
Stock at invoice price on 1.4.2013	6,000
Debtors On 1.4.2013	5,000
Goods Received from Head Office (Invoice Price)	66,000
Sales :- Cash    23,000 Credit <u>50,000</u>	73,000
Cash received from Debtors	46,000
Expenses at Branch	8,500
Remittance to Head office	60,000
Stock at invoice price on 31 <sup>st</sup> March, 2014	8,800

From the above particulars available from prepare Branch Stock Account, Branch Adjustment Account, Branch Profit & Loss Account and Branch Debtors Account for the year ending 31<sup>st</sup> March, 2014.

**NOTE : Disclosure of identity by writing mobile number or making passing request on any page of Answer sheet will lead to UMC against the Student.**