

Exam. Code : 108501

Subject Code : 2780

B.Com. Ist Semester

FINANCIAL ACCOUNTING

Paper—BCG—103

Time Allowed—3 Hours] [Maximum Marks—50

Note :—(1) Attempt any **TEN** parts of Question No. 1.
Each answer should be upto **5** lines.

(2) Attempt any **TWO** questions each from Sections B and C. Answer to each theory question should be upto **5** pages.

SECTION—A

1. Write short notes on any **TEN** of the following :

- (a) Revenue expenditure
- (b) Provision for doubtful debts
- (c) Dual aspect of accounting
- (d) Invoice and Proforma Invoice
- (e) Normal loss
- (f) Primage
- (g) Inter-departmental transfers

- (h) Independent Branches
 (i) Cash in transit
 (j) Convention of conservatism
 (k) Difference between ledger and trial-balance.

10×1=10

SECTION—B

2. Explain in detail the scope and limitations of Financial Accounting. 10
3. Explain different methods of recording transactions relating to Joint-Venture. 10
4. On 30th September, 2016 the following Trial-Balance was extracted from the books of Mr. Raj :

Dr. Balance	Rs.	Cr. Balance	Rs.
Plant and Machinery	78,000	Capital	50,000
Furniture	2,000	Sales	1,77,000
Purchases	60,000	Return Outward	750
Return Inward	1,000	Discount	800
Opening Stock	30,000	Sundry Creditors	25,000

Dr. Balance	Rs.	Cr. Balance	Rs.
Discount	425	Provision for bad	
Sundry Debtors	45,000	debts	525
Salaries	7,550		
Manufacturing			
Wages	10,000		
Carriage Outward	1,200		
Rent and Taxes	10,000		
Advertisement	2,000		
Cash at bank	6,900		
	2,54,075		2,54,075

Prepare Trading and P & L a/c and Balance Sheet as on 30th September, 2016 after taking into consideration the following adjustments :

- Closing Stock was valued at Rs. 34,220
- Provision for bad-debts to be kept at Rs. 500
- Allow interest on capital @ 5% p.a.

(d) Furniture was sold for Rs. 760 in exchange of new furniture costing Rs. 1,680. The net invoice of 920 was passed through the purchase book

(e) Depreciate P & M at 10% p.a.

(f) Proprietor uses goods worth Rs. 5,000 for personal use and distributed goods worth Rs. 2,000 as free sample. 10

5. X of Jalandhar consigned to Y of Delhi goods to be sold at invoice price which represents 125% of cost. Y is entitled to a commission of 10% on sales at invoice-price and 25% of any excess realised over invoice-price. Expenses on freight and insurance incurred by X were Rs. 10,000. Account sales received shows that Y effected sales aggregating to Rs. 1,00,000 in respect of 75% of the consignment. His selling expenses to be reimbursed were Rs. 8,000. 10% of the consigned goods of the value of Rs. 12,500 were destroyed by fire at Delhi, godown and insurance claim received was Rs. 12,000 net of salvage. Y remitted the balance due in favour of X.

Prepare consignment a/c and Y's a/c in the books of X making calculations to the nearest rupee. 10

SECTION—C

6. XYZ Ltd. has its branches at Agra and Moga to whom goods are invoiced at cost plus 25%. Following information is available of the transactions at Agra Branch for the year ending 31st March, 2016 :

	1-4-2015 (Rs.)	31-3-2016 (Rs.)
Balance :		
Stock at invoice-price	40,000	?
Debtors	12,000	11,000
Petty Cash	150	250

Transactions during 2015-16 :

Particulars	Rupees
Goods sent to Branch at Invoice Sales	4,20,000
Goods returned to H.O. at I.P.	15,000
Normal Loss at I.P.	350
Goods pilfered at I.P.	3,000
Credit Sales	1,80,000
Cash sent for petty expenses	32,000
Bad debts	400
Goods transferred to Moga Branch at I.P.	12,000
Goods lost by fire (at I.P.)	4,000

Particulars	Rupees
Insurance co-paid to H.O. for loss by fire at Agra	3,000
Cash sales	1,05,000
Goods returned by debtors	500
Insurance charges paid by H.O.	200

Prepare :

- (a) Branch Stock a/c
- (b) Branch Adjustment a/c
- (c) Branch P&L a/c
- (d) Stock Reserve a/c. 10
7. Royal Ships Ltd., Kolkata, acquired a ship, m.v. Mumbai, costing Rs. 25,00,000 on 1st September, 2015 and got her insured at 6% p.a. The freight was also insured at the same rate, the amount of the policy being Rs. 16,00,000. During the 4 months to December 31, 2016, the ship made one round trip to Osaka and was half through the second trip (single way) to Osaka. It carried the following cargo :
- To Osaka : 10,000 tonnes @ Rs. 20 per tonne
- From Osaka : 8,000 tonnes @ Rs. 30 per tonne
- To Osaka : 10,000 tonnes @ Rs. 19 per tonne.

Primage was 5% and Address commission was 10%.
The expenses incurred were :

Particulars	Amount
Port Dues	Rs. 15,000
Wages and Salaries	Rs. 50,000
Fuel and Power	Rs. 60,000
Stevedoring	Rs. 56,000 (Rs. 2 per tonne)
Store purchases	Rs. 15,000
Stock of stores on 31-12-2016	Rs. 3,000

The ship is subject to depreciation @ 6% p.a. on the original cost.

Prepare Voyage Account to ascertain profit or loss for the period, 1st September, 2015 to 31st December, 2016.

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8. Give the meaning of Departmental accounts. Explain the objectives and advantages of Departmental accounts.

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9. What is Voyage accounting ? Give the accounting treatment in case of incomplete voyage (voyage-in-progress).

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