

Exam. Code : 108501

Subject Code : 2094

**B.Com. 1<sup>st</sup> Semester**

**FINANCIAL ACCOUNTING**

**Paper : BCG-103**

Time Allowed—3 Hours] [Maximum Marks—50

**Note :—**(1) The candidates are allowed to use non scientific calculator.

(2) Attempt **five** questions, selecting at least **one** question each from Section. The **fifth** question may be attempted from any Section. All questions carry equal marks.

**SECTION—A**

1. What do you mean by accounting concepts ? How are accounting concepts different from accounting conventions ?
2. What do you understand by Financial Accounting ? Explain its nature and scope.

**SECTION—B**

3. Explain the specimen Proforma of Trading and Profit and Loss Account and Balance Sheet under concept of sole proprietorship.

4. XYZ Ltd. commenced a voyage on 1<sup>st</sup> October, 2018 from Mumbai to Chennai. The details of complete voyage i.e. Mumbai to Chennai and back to Mumbai were as follows :

Coal consumption	70,000
Port charges	14,000
Depreciation	40,000
Sundry expenses	4,000
Wages	8,000
Freight	4,00,000
Stock consumed	30,000
Salaries	48,000
Insurance-Ship	40,000
Insurance-Freight	16,000

Primage and address commission are 10% and 5% respectively. Freight relating to the return journey amounted to Rs. 1,20,000 only. The accounts are closed on 31<sup>st</sup> December. The ship was on her half way back to Mumbai on the date of closing the accounts; prepare voyage account up to 31<sup>st</sup> December, 2018.

## SECTION—C

5. Arjun and Sham entered into a joint venture sharing profits and losses in the ratio of 3:2. They opened a joint bank account by depositing Rs. 40,000 each. Arjun purchased 800 kgs of A grade tea at Rs. 60 per kg and his expenses were Rs. 13,000. Sham purchased 400 kgs of B grade tea at Rs. 55 per kg and his expenses were Rs. 11,000. Expenses were met from private sources; purchases were met from Joint Bank Account.

Sham sold 600 kgs of A grade tea at Rs. 100 per kg and his selling expenses were Rs. 5,500. Ram sold 300 kgs of B grade tea at Rs. 110 per kg and his selling expenses were Rs. 6,000. All the proceeds were deposited in the Joint Bank Account and expenses were met by private sources.

Write up Joint Venture Account and Joint Bank Account assuming that, the stock with the respective ventures was purchased by them at cost plus expenses thereon.

6. What do you mean by consignment account ? Briefly explain the treatment of commission, normal loss and abnormal loss under consignment account.

## SECTION—D

7. What do you mean by departmental accounts ? Explain its objectives.
8. Ram and Rahim have a branch at Chennai. Goods are invoiced at 25% above cost to branch. From the following transactions prepare branch account in the head office books :

Stock at branch at invoice price	
as on 1-1-2014	7,600
Debtors at branch on 31-12-2014	4,800
Goods sent to branch at invoice price	58,000
Cash sales (cash remitted to head office)	24,000
Credit sales	46,000
Cash received from branch debtor	
remitted to head office	43,000
Discount to debtors	2,600
Bad debts at branch	1,800
Branch expenses remitted by head office :	
Salaries	2,000
Rent	5,000
Trade expenses	2,500
Goods returned at head office	4,500
Stock at branch at invoice	
price on 31-12-2014	3,600