

Exam. Code : 121101
Subject Code: 3914

**B.Com. 1st Semester (Batch 2023-26) (CBGS)
BCG-103 : FINANCIAL ACCOUNTING**

Time Allowed—3 Hours] [Maximum Marks—100

Note :— Attempt **FIVE** questions in all, selecting at least **ONE** question from each section. The fifth question may be attempted from any section. All questions carry equal marks.

SECTION—A

1. Explain various concepts of accounting along with their implications.
2. What is capital expenditure, revenue expenditure and deferred revenue expenditure ? Give characteristics of each. When are revenue expenses treated as capital expenses.

SECTION—B

3. What is Voyage Account ? Explain the procedure of preparing voyage accounts.
4. Sen submits to you the following trial balance. Prepare final accounts for the year ending March 31, 2019 and a Balance Sheet as on that date after correcting the Trial Balance and giving effect to the under mentioned

adjustments :

| Dr. | Rs. |
|------------------------------|---------------|
| Drawings | 3,250 |
| Stock (1-4-2018) | 17,445 |
| Carriage Inwards | 1,240 |
| Rent | 820 |
| Returns Outwards | 840 |
| Rent Outstanding | 130 |
| Purchases | 12,970 |
| Debtors | 4,000 |
| Advertisement | 954 |
| Bad Debts | 400 |
| Patents and Patterns | 500 |
| Wages | 754 |
| Cash | 62 |
| Goodwill | 1,730 |
| | 45,095 |
| Cr. | Rs. |
| Capital | 15,000 |
| Returns Inwards | 554 |
| Deposit with Das Gupta | 1,375 |
| Carriage Outwards | 725 |
| Loan to Chatterjee @ 5% p.a. | 1,000 |
| Interest on above | 25 |
| Stock (31-3-2019) | 18,792 |
| Creditors | 3,000 |
| Provision for Doubtful Debts | 1,200 |
| Sales | 27,914 |
| Discount Allowed | 330 |
| | 69,915 |

- (i) Manager is entitled to a commission of 10% of net profits after charging such commission.
- (ii) Increase bad debts by Rs. 600. Provision for doubtful debts is to be 10% and provision for discount on debtors at 5%.
- (iii) Stock valued at Rs. 1,500 destroyed by fire. Insurance Co. admitted claim for Rs. 950 only. Payment is yet to be received.
- (iv) Carry forward Rs. 200 of advertisement to next year.
- (v) Amount was loaned to Chatterjee on April 1, 2018.

SECTION—C

- 5. What is consignment ? Give its characteristics. How is it different from joint venture and sale ?
- 6. Das and Roy entered into a Joint Venture involving the buying and selling of old railway material. The profit or loss was to be shared equally. The cost of the material purchased was Rs. 42,500 which was paid by Das who drew a bill on Roy at a 2 month's demand for Rs. 30,000. The bill was discounted by Das at a cost of Rs. 240. The transactions relating to venture were (a) Das paid Rs. 300 for carriage, Rs. 500 for commission and

Rs. 200 for travelling expenses, (b) Roy paid Rs. 100 travelling expenses and Rs. 150 sundry expense; (c) Sale made by Das amounted to Rs. 20,000, and (d) Sales made by Roy were Rs. 30,000.

Goods costing Rs. 1,000 and Rs. 1,500 (being unsold stock) were retained by Das and Roy and these were charged to them at a price to show the same rate of gross profit as that made on the total sales (excluding these sales). Das was credited with a sum of Rs. 400 to cover the cost of warehousing and insurance. The expenses in connection with the bill were to be treated as a charge against the venture.

You are required (a) to show the account in the books of both parties to record his own transactions, and (b) to prepare a Memorandum joint venture Account.

SECTION—D

7. What are departmental accounts? What are its objectives? Discuss the methods of departmental accounts.
8. Messrs Eastern Traders, Guwahati have opened a branch at Bongaigaon on 1-7-2022. The goods were sent by the head office to the branch and invoiced at selling price of the branch which was 125% of the cost price of the head office.

The following are the particulars relating to transactions of Bongaigoan.

| | | Rs. |
|--|--------|----------|
| Goods sent to branch (at cost by head office) | | 2,80,800 |
| Sales : Cash | | 1,25,000 |
| Credit | | 1,75,000 |
| Cash collected from debtors | | 1,56,000 |
| Discount allowed | | 4,000 |
| Cash sent to branch for expenses | | |
| Wages | 3,000 | |
| Freight | 11,000 | |
| Other expenses including godown rent | 6,000 | 20,000 |
| Spoiled cloth in bales written off at invoice price | | 500 |
| Stock on June 30, 2023 at invoice price | | 55,500 |
| Branch debtors on 30 th June, 2023 | | 10,000 |

Ascertain the gross profit and net profit for the Bongaigaon branch for the year ended 30.6.2023 after preparing branch stock account and branch debtors account.