

**I Semester B.Com. Examination, April/May -2022****(Scheme : NEP CBCS)****FINANCIAL ACCOUNTING - I****Time : 2½ Hours****Max. Marks : 60****PART - A****Answer any Five of the following questions. Each question carries two marks.****[5 × 2 = 10]**

- 1) Define accounting.
- 2) What is Cash price?
- 3) What is Minimum rent?
- 4) State any Five Indian Accounting standards.
- 5) What is Instalment System?
- 6) Name the Branches of accounting.
- 7) What do you mean by Repossession?

**PART - B****Answer any Two of the following questions. Each question carries 10 marks :****[2 × 10 = 20]**

- 8) What do you mean by Accounting standards? Distinguish between INDAS & IFRS.
- 9) Aksha Travels purchased 2 cars from Light motors Ltd. on Hire purchase system on 1-4-2015, payable ₹ 50,000 on delivery and balance as follows :  
₹ 1,50,000 on 31-3-2016  
₹ 1,40,000 on 31-3-2017  
₹ 1,30,000 on 31-3-2018  
₹ 1,20,000 on 31-3-2019  
₹ 1,10,000 on 31-3-2020

Interest is charged at 10% p.a. Ascertain the cash price of the cars using back calculation method, and prepare Light Motors Ltd Account in the books of Aksha Travels.

**P.T.O.**

- 10) Mr. Ashok purchased a printing machine from quality printers on instalment system on 1-1-2016 for ₹ 84,000. The down payment was ₹ 18,000 and the balance to be paid in 3 equal instalments along with 8% interest p.a. Mr. Ashok Charged Depreciation at 10% p.a. on reducing balance method. Prepare machine A/c. and Quality printers A/c in the books of Mr. Ashok.
- 11) Mrs. Monika wrote a book on Financial Management and got it published with Mani publishers on the terms that royalties will be paid at ₹ 10 per copy sold, subject to minimum rent of ₹ 30, 000 per year with a right to recoupment of short working during first 3 years. The details are as follows :

<u>Year</u>	<u>No. of copies Printed</u>	<u>No. of copies in stock</u>
2017	2000	200
2018	2950	250
2019	4350	100

Prepare :

- Minimum Rent a/c
- Short workings a/c and
- Royalty a/c in the books of Mani Publishers.

### PART - C

**Answer any two of the following questions. Each question carries 15 marks.**

[2 × 15 = 30]

- 12) Briefly explain the accounting concepts & conventions.
- 13) Tanishk Transports Ltd. bought two trucks costing ₹ 5,00,000 each from ANT Co. Ltd. on 1-1-2018 on hire purchase system. The down payment was ₹ 2,50,000 and the balance in three annual equal. Instalments of ₹ 3,00,000 each along with interest at 10% p.a. Tanishk Transports Ltd provides depreciation at 15% p.a. on Original cost method.

You are required to prepare necessary ledger accounts in the books of Tanishk Transport Ltd. Under assets accrual method.

- 14) Surya coal Co. took a mine on lease at a royalty of ₹ 20 per ton with a power to recoup short working over a period of 2 years after the occurring of short workings. Subject to a minimum rent of ₹ 2,50,000 p.a.

The output for the first 5 years were as follows :

2016 - 9000 tons

2017 - 16000 tons

2018 - 10000 tons [strike for 3 months.]

2019 - 14000 tons

In the event of strike and minimum rental not being reached, the actual royalties earned for the year discharges all rental obligations for that year.

Prepare : Royalty A/c, Minimum rent A/c, short workings A/c, & land lord A/c in the books of the company.

- 15) From the following Trial balance of Mr. Abhiram, prepare Trading account, profit/loss account as on 31<sup>st</sup> March 2020 and Balance sheet as on that date.

<u>Trial Balance</u>	<u>Dr. ₹</u>	<u>Cr. ₹</u>
Capital	-	6,43,200
Drawings	11,520	-
Purchases & Sales	9,60,000	14,40,000
Carriage inwards	48,000	-
Advertisement	38400	-
Sundry expenses	4800	-
Debtors & Creditors	5,76,000	6,09,600
Bad debts	10,560	-
Salaries (for 10 months)	91,200	-
Discounts	14,400	5760
Rent	14,400	-
Postage	13,440	-
Provision for bad & doubtful debts	-	16,800

Wages	38,400	-
Returns	41,280	49,440
B/R & B/P	1,20,000	1,15,200
Cash at Bank	48,000	-
Stock on 1-4-2019	2,64,000	-
Land & Buildings	4,80,000	-
Investment	96,000	-
Furniture	9600	-
	<u>28,80,000</u>	<u>28,80,000</u>

The following adjustments are to be made :

- Closing stock ₹ 3,00,000.
- Write off further bad debts ₹ 4,800 and create a provision for bad debts 10%.
- During the year goods costing ₹ 14400 were destroyed by fire and ₹ 9600 only is admitted by the insurance company
- An advertisement expense is due to the extent of ₹ 1,600.
- Write off Depreciation on Land & Buildings @ 15% & on furniture @10% p.a.

