

1 SEM TDC FACC (CBCS) C 101

2024

(November)

COMMERCE

(Core)

Paper : C-101

(Financial Accounting)

Full Marks : 80

Pass Marks : 32

Time : 3 hours

*The figures in the margin indicate full marks
for the questions*

1. (a) Write True or False : 1×4=4

- (i) The Integrated Goods and Services Taxes on sales are collected by both State and Central Government.
- (ii) Real A/cs are accounts related to income, expenses, losses and gains.
- (iii) The total payment made under hire purchase is more than cash price.
- (iv) Debtors system is generally adopted in case of small-size concern.

(b) Fill in the blanks :

1×4=4

- (i) When an asset is purchased on hire-purchase system _____ is credited.
- (ii) Hire purchase is a _____ purchase.
- (iii) Valuation of unsold stock is usually done at _____.
- (iv) When a firm is dissolved a _____ notice must be given of the dissolution.

2. Write short notes on any four of the following :

4×4=16

- (a) Cash and Accrual basis of accounting
- (b) Inventory valuation and its significance
- (c) Features of consignment
- (d) Branch Adjustment A/c
- (e) Dissolution of Partnership Firm by the court (Sec. 43)

3. (a) Discuss the main features of Accounting Principles.

4

Or

(b) Journalise the following transactions :

(i) Mr. Suman purchased goods worth ₹ 2,00,000 from outside the State

(ii) He sold goods worth ₹ 1,00,000 locally

Assuming CGST @ 8% and SGST @ 8%

4. (a) The following particulars are presented by RK Traders for the year ended 31st March, 2024. Prepare Trading, Profit & Loss and the Balance Sheet as on that date : 6+6=12

	₹		₹
Sundry Debtors	40,000	Capital	1,42,500
Rent	2,000	Creditors	40,000
Cash in Hand	8,200	Sales	59,700
Cash at Bank	30,000	Purchase Return	1,500
Wages	2,500	Interest	1,000
Carriage Inward	3,000	Commission	800
Purchases	10,000	Bills Payable	27,700
Opening Stock	50,000		
Buildings	60,000		
Bills Receivables	14,500		
Telephone Expenses	3,500		
General Expenses	9,000		
Plant and Machinery	30,000		
Goodwill	10,500		
	<u>2,73,200</u>		<u>2,73,200</u>

Adjustments :

- (i) Closing Stock at cost ₹ 20,000 and at market value ₹ 15,000
- (ii) Interest on Capital at 6% is to be provided
- (iii) Provide depreciation on Plant and Machinery by 10%
- (iv) Write off Bad Debts amounting to ₹ 2,000
- (v) Create a provision for Bad and Doubtful Debts on Sundry Debtors @ 10%

Or

- (b) What are the various methods of inventory valuation? To what extent these methods fulfill the needs of valuing inventory properly? 8+4=12

5. (a) R Co. purchased five machines from Rashid Machinery Ltd. on 1st January, 2011 on hire-purchase system. The cash price of each machine is ₹ 1,20,000. The mode of payments was as follows :

- (i) 15% of cash price down
- (ii) 25% of cash price at the end of each year for 4 years, R Co. writes off

15% depreciation annually on diminishing balance. The payment due on 31st December, 2012 could not be made. Rashid Ltd. agreed to leave three machines with the buyer on the condition that the value of the other two machines would be adjusted against the amount due, the machines being valued at cost less 25% depreciation on diminishing balance

Show the necessary account in the books of R Co. Ltd.

12

Or

- (b) What are the special features of accounts of hire-purchase business? How do you determine profit or loss in a hire-purchase business? 6+6=12

6. (a) Unique Stores has an old established branch at Kanpur. Goods are invoiced to the branch at 20% profit on invoice price; the branch having been instructed to send all cash daily to the Head Office. All expenses are paid by the Head Office except petty expenses which are met by the Branch Manager.

From the following particulars, you are required to draw up Branch A/c as it would appear in the books of Head Office, i.e., Unique Stores :

14

	₹		₹
Stock on 01.01.2014		Credit Sales	30,000
(invoice price)	15,000	Discount Allowed	300
Sundry Debtors		Rent paid by HO	1,200
on 01.01.2014	9,000	Salary paid by HO	2,400
Cash in Hand		Stationery and	
on 01.01.2014	400	Printing	300
Office Furniture on		Petty Expenses paid	
01.01.2014	1,200	by Branch Manager	280
Goods supplied by		Stock on 31.12.2014	
the HO (invoice price)	80,000	(invoice price)	14,000
Goods returned to HO	1,000	Furniture purchased	
Goods returned		by Branch Manager	
by Debtors	480	on 31.12.2014	10,000
Debtors at the end	8,220		
Cash Sales	50,000		

Provide depreciation on furniture @
10% p.a.

Or

- (b) What is Branch Accounting? Explain Debtors System and Stock and Debtors System for keeping books of independent branch. $2+6+6=14$

7. (a) Discuss the complete accounting procedure to close the books of account of the partnership firm on dissolution. 14

Or

- (b) (i) Mention three differences between Realization A/c and Revaluation A/c. 6

- (ii) Journalize the following transactions : 8

- (1) Realization expenses amounted to ₹ 3,000
- (2) Realization expenses amounting to ₹ 2,000 paid by X, one of the partners
- (3) Realization expenses ₹ 4,300 borne by Ahmed, personally
- (4) Lalit a partner was appointed to realize the assets, at a cost of ₹ 5,000. The actual amount of realization amounted to ₹ 3,000

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