

VIVEKANAND COLLEGE, RAIPUR (CG)

INTERNAL ASSESSMENT 2019-20

BCOM I

FINANCIAL ACCOUNTING

MAX MARKS: 75

(ATTEMPT ONE QUESTION FROM EACH UNIT, ALL CARRY EQUAL MARKS)

UNIT I

Q.no 1 Define accounting and discuss its objectives.

OR

Enter the following transactions in cash book with Bank and discount columns of Mr P.K Jha, Katihar:

2020	Rs
July 1 Balance of Bank	10200
July 2 Paid to shiv	750
July 10 Purchased goods and paid by cheque	5000
July 15 Cash sales	8250
July 17 Received cash from Neeta	10750
Allowed him discount	750
July 20 Paid to Shiv	5250
He allowed discount	250
July 21 Paid wages	1000
July 25 Paid rent	2000
July 31 Bank allowed interest	200

It may be assumed that all cash receipts are deposited into bank and all payments are made by issuing charges .

UNIT II

Q.no 2 Explain the necessity of preparing Final Accounts.

OR

From the following trial balance and adjustments , prepare **Final Accounts** "SAKET TRADERS" for the year ending 31st mach, **2020**

Dr balances	Rs	Cr balance	Rs
Cost of goods sold	95000	sales	150000
General expenses	4400	Prov. For Bad debts	900
Advertisement	2200	Capital	60000
Salary	3500	Creditors	7000
Bad debts	1400	General reserve	1700
Book debts	18000	Outstanding Salary	400
Bills Receivable	7000		
Closing stock	25000		
Cash	10500		
Machinery	23000		
Building	30000		
	220000		220000

Adjustments

- i. On 1st oct **2019 a**, furniture was purchased on credit of Rs 5000 but not recorded in the books of accounts.
- ii. Make a provision for bad debts of 7.5 % on debtors
- iii. Write off depreciation at 10 % p.a on furniture, 7.5% on building and 12 % machinery.

UNIT III

Q.no 3 On **1-04-2017** A Co. Ltd purchased a machinery for Rs 80000. On **1-10-2018** additions were made to the amount of Rs 40000. On 30-6-2019, machinery purchased on 1-10-2018 costing Rs 12000 was sold for Rs 11000 and on 30-9-20**19** machinery purchased on 1-4-**2017** costing Rs 32000 was sold for Rs 26700. On 1-1 **2020** additions were made to the

amount of Rs 20000. Depreciation was provided at 10 % p.a. on the diminishing balance method.

Show the machinery account for three years from 2017-18 to 2019-20 year ended 31st March.

OR

ABC club provides following Receipts and payments account for the year ended 31st march, 2020 You are required to prepare an income and expenditure account and the Balance Sheet as on 31-3-2020

Receipts	Amount(Rs)	Payments	Amount(Rs)
To opening balance	170000	By Telephone expenses	8000
To Subscription	106000	By Electricity Expenses	2500
To Donations	30000	By Postage Expenses	6000
To Sale of proceeds of Scrap	4750	By Purchase of books	25000
To Rent	5000	By Entertainment	15000
To Admission fees of new members	20000	By Salaries	30000
To Bank Interest	2500	By Investment	80000
		By Other Expenses	6750
		By Closing balance	165000
	338250		338250

The following additional information is also given by the club.

- i. The subscription received includes Rs 10000 for the year 2018-19 and Rs 6000 for the year 2020 - 21
- ii. 10% of the admission fee of new members is to be capitalised.
- iii. Salary outstanding is Rs 10000 and other expenses outstanding is Rs 8000.

UNIT IV

Q.no 4 What is Hire purchase system? Give its merits and demerits.

OR

On 1st April, 2017 the Jindal Traders Ltd. took delivery of one truck from Hind Motors Ltd. on Hire-Purchase Agreement, payable in three equal instalments of Rs 60000 each on 31st March 2018, 19, 20 The cash value of the truck on delivery was Rs 163400. Vendors charges interest at 5 percent p.a on the yearly balances. The purchaser wrote off 25 percent on the diminishing value as depreciation for each year to 31st March. Pass the necessary journal entries to record the above transactions in the books of both the parties.

UNIT V

Q.no 5 Explain the concept of partnership. Describe amalgamation of partnership?

OR

(3)
 X, Y, Z were in partnership sharing profit as 7:2:1. The Balance sheet of the firm as at 31st march, 2019 was as under

Liabilities		Amount(Rs)	Assets		Amount(Rs)
Creditors		11210	Bank		1210
Capitals:			Investments:		
X	12410		100 shares of A Ltd at cost		2400
Y	8650		1000 Shares in B Ltd at cost		10000
Z	80620	101680	Debtors		8740
			Stock		11240
			Buidings		20000
			Plant		11220
			Goodwill		10000
			Patents		38080
		112890			112890

It was agreed to dissolve the partnership and the terms of dissolution were:

- X to take over the buildings for Rs 31500.
- Y who was to carry on the business to take over the goodwill, stock and debtors at books value, the patents at Rs 30000 and plant at Rs 5000. He was also to pay off the creditors.
- Z to take over the shares in A Ltd at Rs 15 in each.
- The shares in B Ltd to be divided in profit sharing Ratio.

Give the necessary Accounts recording the dissolution in the books of the firm.