



UA-2553

First Year B. Com. (Hons.) (Sem. II) Examination
March/April – 2012
Financial Accounting

Time : 3 Hours]

[Total Marks : 70

Instructions :

(1)

नीचे दशावलि निशानीवाणी विगतो उत्तरवही पर अवश्य लभवी. Fillup strictly the details of signs on your answer book.	Seat No. :
Name of the Examination :	<input type="text"/>
<input type="text" value="FIRST YEAR B. COM. (HONS.) (SEM. 2)"/>	<input type="text"/>
Name of the Subject :	<input type="text"/>
<input type="text" value="FINANCIAL ACCOUNTING"/>	<input type="text"/>
Subject Code No. : <input type="text" value="2"/> <input type="text" value="5"/> <input type="text" value="5"/> <input type="text" value="3"/>	<input type="text"/>
Section No. (1, 2,.....): <input type="text" value="NIL"/>	<input type="text"/>
	Student's Signature

(2) Figures to the right indicate marks of the question.

(3) Calculations should be part of your answer.

1 Answer the following questions :

- (a) Mr. X purchased a machine on Hire Purchase system on 1st April, 2009. He paid Rs. 5,000 as down payment and three annual installments of Rs. 5,000/- Rate of interest was 5% per annum. Find out interest included in installments and cash price of the machine. 3
- (b) Sita and Gita are partners, sharing profit in the ratio of 5 : 3. They admit Rita as a new partner for $\frac{1}{6}$ share in profit. She acquires this share as $\frac{1}{8}$ from Sita and $\frac{1}{24}$ from Gita. Calculate new profit sharing ratio and sacrificing ratio. 4
- (c) What is Memorandum of joint venture account. 3

- 2 (a) From the information given below prepare Receipts and Payments Account of a club for the year ended on 31st March, 2011. 12

Details :	Amount (Rs.)
Cash in hand (1-4-2010)	9,800
Cash at Bank (1-4-2010)	17,600
Subscription :	
2009-10 7,500	
2010-11 28,600	
2011-12 <u>6,400</u>	42,500
Entrance Fees	4,000
Life Membership Fees	8,000
Donations	35,000
Sale of Old utilities	2,200
Printing and Stationary	2,500
Electricity charges	3,600
Telephone charges	4,200
Wages and Salaries	14,000
Interest on Investments	2,000
Locker's Rent	2,800
Purchase of Sports Material	20,000
Purchase of Government Securities	40,000
Cash in hand (31-3-2011)	7,200
Cash at Bank (31-3-2011)	32,400

- (b) From the following information find out expenditure debited to Income and Expenditure Account for the year ended 31-3-2011. 3

	Rs.
(1) Expenses paid during the year (2010-11)	16,500
(2) Prepaid expenses (31-3-2010)	1,500
(3) Expenses unpaid (31-3-2010)	2,300
(4) Expenses unpaid (31-3-2011)	2,500
(5) Prepaid expenses (31-3-2011)	1,400

- 3** (a) On 1st January 2011, Mr. Z sent on consignment to Mr. Y, 10 cases of tea costing Rs. 5,000 each invoiced proforma at Rs. 6,000 each. Freight and other charge on consignment amounted to Rs. 3,100. **12**

On 31st March, 2011, Mr. Z sent an account sales showing that 4 cases had been sold at Rs. 6,000 each and 3 cases at Rs. 7,000 each while remaining cases were unsold.

Out of the remaining cases, two cases were badly damaged and therefore sold at Rs. 3,000 per case.

Mr. Y was entitled to a commission of 5% on gross sales which included del-credere commission. Mr. Y could not recover Rs. 4,000 from a customer to whom one case had been sold on credit for Rs. 6,000. Amount of all other sales was duly received.

On 31st March, 2011 Mr. Y paid the amount due to Mr. Z by means of a cheque.

Prepare necessary ledger accounts in the books of Mr. Z including goods sent and in the books of Mr. Y on consignment A/c.

- (b) From the following information calculate closing balance of debtors : **3**

(1) Cash sales	Rs. 52,100
(2) Credit sales	Rs. 42,370
(3) Allowances to customers at selling price	Rs. 820
(4) Cash received from debtors	Rs. 39,860
(5) Discount allowed to debtors	Rs. 970
(6) Bad Debts	Rs. 480
(7) Opening balance of debtors	Rs. 5,480

- 4 P, Q and R are in partnership sharing profit in the proportion of 1/2, 1/3, 1/6 respectively. They dissolve the partnership of December 2011. When the Balance sheet of the firm stood as under :

Balance Sheet as on 31st December, 2011

Liabilities	Amount (Rs.)	Assets	Amount (Rs.)
Creditors	30,000	Bank	37,500
Bills Payable	25,000	Sundry Debtors	58,000
Q's loan	40,000	Stock	39,500
Capital :		Investment	42,000
P 90,000		Machinery	48,000
Q 75,000		Freehold Property	90,000
R <u>55,000</u>	2,20,000		
	3,15,000		3,15,000

Machinery was taken over by Q for Rs. 45,000. P took over the investment for Rs. 40,000 and freehold property took over by R at Rs. 95,000.

The remaining assets realised as follows :

Debtors..... Rs. 56,500
 Stock Rs. 36,500
 Office Computer not shown in books .. Rs. 19,000

Creditors were settled at a discount of 5%. Bills payable is taken over by R for Rs. 23,000. Liabilities amounting to Rs. 3,000, not shown in books were also paid. Realisation expenses amounted to Rs. 6,000.

Prepare Realisation A/c, Partner's Capital A/c and Bank A/c in the book of P, Q and R.

- 5 Write short notes on : (any **three**) 15
- (i) International Accounting Standards
 - (ii) Legal provisions regarding their purchase contract
 - (iii) Joint life policy
 - (iv) Stock and Debtors system of Branch Accounts.