



I Semester B.Com. Degree Examination, April/May - 2021
COMMERCE
1.3 : Financial Accounting - I
(CBCS New)

Time : 3 Hours

Maximum Marks : 70

- Instructions : (i) Attempt all sections according to Internal choice.
(ii) Give working note wherever necessary.

SECTION - A

Answer any five of the following questions.

5x2=10

1. What is Accounting ?
2. Name any three Accounting Concepts.
3. What is Consignment ?
4. What is Account Sales ?
5. Why Bills Receivable and Bills Payable Accounts are prepared ?

~~6.~~ What are the types of Branches ?

7. Give two objectives of ledger.

SECTION - B

Answer any three of the following questions.

3x5=15

8. What are the Different Types of Branches that a Head Office open ? Explain Briefly.
9. Give the differences between Journal and Ledger.

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10. Prepare Trading Account from the following.

Opening Stock	1,00,000
Purchases	11,00,000
Purchase Returns	1,00,000
Sales	12,50,000
Sales Returns	50,000
Goods used for personal purpose	50,000
Goods Destroyed by fire	1,00,000
Wages	1,00,000
Goods used for Constructing a plant	75,000
Carriage Inwards	50,000
Freight	25,000
Closing Stock	2,50,000

11. Adarsha sent goods of ₹ 40,000 on consignment to Sampath of Gulbarga. Adarsha spent ₹ 2,000 for freight and Insurance. Sampath sold goods for ₹ 60,000 and spent ₹ 1,500 as cartage. Closing stock is ₹ 15,000 and Commission on sales 5%. Prepare Consignment A/c and Consignee A/c.

12. From the following Particulars prepare Total Debtors A/c and Total Creditors A/c.

Debtors as on 1.1.2019	51,200
Debtors as on 31.12.2019	39,200
Creditors as on 1.1.2019	30,400
Creditors as on 31.12.2019	36,120
Cash Received from Debtors	25,600
Cash paid to Creditors	7,000
Discount allowed	1,400
Discount Received	1,000
Bills Received from Debtors	10,000
Acceptance Given to Creditors	23,480
Bad debts	1,200
Bills Dishonoured by Debtors	1,600
Credit purchases	?
Credit Sales	?



SECTION - C

3x15=45

Answer any three of the following.

13. Journalise the following transactions and post them to the ledger.

	₹
(a) Prathibha commenced business with Capital	2,00,000
(b) Purchased goods for cash	1,00,000
(c) Sold goods to Ananth	20,000
(d) Paid cash to Mohan	10,000
(e) Received commission from Infosys	20,000
(f) Cash Received from Ashok	25,000
(g) Rent Paid	5,000
(h) Cash Paid into Bank	10,000
(i) Salary Paid ₹	5,000
(j) Cash drawn for personal use	10,000

14. From the following Trail Balance, prepare Trading and Profit and Loss Account and Balance Sheet as on 31.3.2018.

Particulars	Debit	Credit
Capital 1.4.2017	-	21,000
Drawings	4,000	-
Stock 1.4.2017	2,400	-
Purchases	16,000	-
Machinery	4,600	-
Sundry Creditors	-	10,000
Bank Over Draft	-	9,000
Sales	-	20,400
Goods Returned	600	1,400
Buildings	15,000	-
Cash in hand	1,000	-
Investments	6,000	-
Debtors	8,200	-
Bills Receivable	2,000	-
Bills Payable	-	2,400
Rent and Rates	3,000	-
Office Expenses	4,400	-
Commission (Cr)	-	3,000
Total	67,200	67,200



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Additional Information :

- (i) Bad debts to be written off ₹ 200 and Create provision for doubtful debts on debtors at 20%.
 - (ii) Depreciation on Building at 20% Machinery at 10%.
 - (iii) Interest on Investments accrued but Not Received ₹ 1,000.
 - (iv) Rent paid in Advance ₹ 400.
 - (v) Outstanding expenses of office ₹ 400.
 - (vi) Value of closing stock ₹ 6,000.
15. Arun consigned 200 cycles to Bharath of Bidar at an Invoice price of ₹ 1,500 per cycle which is 50% above cost.

He Incurred the following expenses. Packing and forwarding ₹ 2,000, Insurance ₹ 1,200, Loading and freight ₹ 2,800.

20 cycles were totally destroyed in Transit for which the consignor received ₹ 8,000 from the Insurance company. <https://www.vskub.com>

Bharath took delivery of 180 cycles and paid ₹ 1,800 for unloading, Carriage inwards etc. He sold 160 cycles at ₹ 1,600 each incurring selling expenses of ₹ 4,800. He was to get commission at 8% and 2% Del credere commission on sales. Show the necessary ledger Accounts in the books of Arun only.

16. Sri Maruthi keeps his books under single entry system. Prepare his Trading and Profit and Loss Account for the year ending 31.12.2019 and the Balance sheet as on that date.

Statement of affairs as on 31.12.2018

Liabilities	Amount	Assets	Amount
Capital	70,000	Machinery	12,000
S. Creditors	10,000	Furniture	4,000
		Stock	40,000
		S. Debtors	22,000
		Cash in hand	2,000
	80,000		80,000



Cash Receipts during the year

Cash Sales	₹ 14,000
Collections from Debtors	84,000

Cash payments during the year

Payment to Creditors	₹ 58,000
Salaries	7,000
Wages	5,000
Sundry Expenses	2,000
Investments	8,000
Drawings	16,000
Other Particulars	

Credit sales during the year	₹ 88,000
Credit purchases during the year	57,000
Discount allowed	1,400
Discount earned	1,000
Bad debts written off	600
Stock of goods as on 31.12.2019	30,000
Depreciate Machinery and Furniture at 10%.	

17. A Head office in Bangalore Invoices to it's branch at Hubli at cost +25%. Cash received from customer is daily remitted to Head office and expenses are paid by Head office. From the following particulars prepare Branch Account, Goods Sent to Branch Account and Branch Debtors A/c.

Stock on 1.1.2019 (At I.P.)	50,400
Debtors on 1.1.2019	48,000
Goods Invoiced from Head office At (I.P.)	1,68,000

Remittances to Head Office

Cash Sales	44,000	
Cash from Debtors	<u>1,20,000</u>	1,64,000
Goods Returned to Head Office (At I.P.)		9,600

Cheques Received from Head Office

For Salaries	44,000	
Rent	12,000	
Sundry Expenses	<u>2,000</u>	58,000
Stock on 31.12.2019 (at I.P.)		60,000
Debtors on 31.12.2019		90,000
Discount allowed to Debtors		2,000

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