

**U.G. 1st Semester Examination - 2019**  
**COMMERCE**  
**(HONOURS)**

**Course Code : BCOM-H-CC-T-I**  
**Financial Accounting-1**

Full Marks : 60

Time : 2½ Hours

*The figures in the right-hand margin indicate marks.*

*Candidates are required to give their answers in their own words as far as practicable.*

1. Answer any ten questions: 2×10=20

যে-কোনো দশটি প্রশ্নের উত্তর দাও :

i) Mention any two important objectives of Financial Accounting.

আর্থিক হিসাবরক্ষণের যে কোন দুটি গুরুত্বপূর্ণ উদ্দেশ্য উল্লেখ কর।

ii) What do you mean by Accounting Information?

হিসাব সংক্রান্ত তথ্য বলতে কী বোঝ?

iii) Define 'asset'.

সম্পত্তির সংজ্ঞা দাও।

[Turn over]

iv) What do you mean by 'Going Concern Concept' in accounting?

হিসাবরক্ষণে 'ধারাবাহিক প্রতিষ্ঠান সংক্রান্ত ধারণা' বলতে কী বোঝ?

v) What is 'Doctrine of Conservatism' in accounting?

হিসাবরক্ষণে 'সংরক্ষণশীলতা মতবাদ' কী?

vi) What is IFRS?

IFRS কী?

vii) Define 'Revenue' as per AS-9.

AS-9 অনুসারে 'রেভিনিউ'-র সংজ্ঞা দাও।

viii) What are the different causes of depreciation?

অবচয়ের কারণগুলি কী কী?

ix) Distinguish between consignment and sale.

চালানী কারবার ও বিক্রয়ের মধ্যে পার্থক্য উল্লেখ কর।

x) What are the different methods of accounting for joint venture?

যৌথ উদ্যোগের হিসাবরক্ষণের বিভিন্ন পদ্ধতিগুলি কী কী?

xi) What is the relation between capital and income?

মূলধন ও আয়ের মধ্যে সম্পর্ক কী?

xii) Distinguish between 'Provision' and 'Reserve'.

'Provision' ও 'Reserve'-এর মধ্যে পার্থক্য উল্লেখ কর।

xiii) In consignment business if del-credere commission is paid to the consignee, how the bad debt will be treated in the books of the consignor?

চালানী কারবারে যদি চালান প্রাপককে del-credere commission প্রদান করা হয় তবে চালান প্রেরকের হিসাব বইতে bad debt কিভাবে দেখানো হবে?

xiv) Which errors do not affect the Trial Balance?

কোন কোন ভুল রেওয়ামিলকে প্রভাবিত করে না?

xv) Why Accounting Standards are needed?

প্রমাণ হিসাবনীতি কেন প্রয়োজন হয়?

2. Answer any four questions:

5×4=20

যে-কোনো চারটি প্রশ্নের উত্তর দাও :

i) The following is the Income and Expenditure Account of Milan Bani Tarun Samiti for the year ended 31st March, 2019:

Expenditure	Amount (Rs.)	Income	Amount (Rs.)
To Salaries	24,750	By Subscription	34,500
To General Expenses	2,500	By Entrance Fees	1,250
To Audit Fees	750	By Members Contribution	8,000
To Printing and Stationery	600	By Profit on Annual Sports	1,250
To Honorarium of Secretary	500		
To Bank Charges	250		
To Depreciation	8,800		
To Expenses for Meeting	6,850		
	45,000		45,000

The account has been prepared after the following adjustments:

a) Outstanding subscription as on 01/04/2018 Rs.850

Subscription received in advance as on 31/03/2019 Rs.530;

- b) Salaries outstanding as on 01/04/2018 Rs.700, and on 31/03/2019 Rs.250;
- c) Audit fees for 2018-'19 are as yet unpaid. During 2018-'19 audit fees for 2017-'18 amounting to Rs.900 was paid.

Prepare Receipts and Payments Account for the year ended 31st March, 2019.

ii) Mr. Ganesh Saha is a small trader, and is financially incapable of engaging the service of an accountant. He does not maintain regular books of account. The following is available for the year ended 31.03.2019:

- a) Cash sales during the year Rs.76,800
- b) Collection from debtors Rs.1,20,000
- c) Summary of transactions with bank during the year reveals the following:

Cash deposit Rs.1,91,640;

Withdrawals: expenses Rs.38,040; Interest Rs.360;

Salaries Rs.40,800, drawings Rs.9,600; Creditors Rs.72,000.

d) Balances as on 1st April, 2018 were:

Bank overdraft Rs.19,200; Stock Rs.43,600;

Debtors Rs.1,05,600; Furniture Rs.4,800;

Buildings Rs.72,000; Creditors Rs.38,400;  
Cash Rs.400.

e) Mr. Saha purchased an old bicycle for  
Rs.4,800 on 1st April, 2018.

f) Other balances as on 31st March, 2019  
were:

Creditors Rs.26,400, Stock Rs.48,960;  
Debtors Rs.1,44,000.

Prepare a Profit and Loss Account for the  
year ended 31.03.2019.

iii) Mr. P. K. Samanta closes his books on 31st March  
every year. In November, 2018 he found that his  
books for the year 2017-2018 contained some  
errors in spite of an agreed Trial Balance. Such  
errors were as follows:

a) The sales book was overcast by Rs.1,000.

b) Closing stock was overcast by Rs.12,000  
by a wrong casting in the inventory.

c) Rs.3,200 paid for purchase of office  
furniture was wrongly posted to the  
Purchase Account.

d) Rs.1,100 paid for freight on machinery was  
debited to Freight Account for Rs.1,000.

e) An amount of Rs.2,100 was received in full  
settlement from a customer after allowing  
a discount to him of Rs.210, but the amount  
received was entered in the discount column  
and the discount allowed was entered in  
cash column. Show necessary journal entries  
to rectify the above errors using Suspense  
Account, where necessary.

iv) M/s Ahuja & Bros. supplied goods on approval  
to a few customers and includes the same in the  
Sales Account aggregating an amount of  
Rs.60,000. Of these, goods valuing Rs.16,000  
have been returned and taken into stock at cost  
of Rs.8,000 though the record of the return was  
omitted in the accounts; and in respect of another  
parcel of Rs.12,000, cost of which being Rs.6,000,  
the period of approval did not expire on the  
closing date.

You are asked to show necessary adjustment and  
correcting entries in the books of M/s Ahuja &  
Bros.

v) A manufacturing company purchased five  
machines costing Rs.60,000 each on 1st August,  
2016. Expected life of each machine is 10 years

and expected scrap value of each machine is 20% of cost price. Depreciation was charged on the machines under straight line method upto 31st March, 2018. With effect from 1st April, 2018, it was decided to charge depreciation under diminishing balance method. Rate of depreciation was 10% p.a. uniformly for all the years. One machine was sold on 31.03.2018 at Rs.42,000. Accounts of the company are closed on 31st March of every year.

Show the Machinery Account taking into account the above transactions.

- vi) Discuss briefly how the cost of inventory is ascertained as per Accounting Standard 2.

AS-2 অনুসারে মজুত সামগ্রীর মূল্যায়ন পদ্ধতি সংক্ষেপে আলোচনা কর।

3. Answer any **two** questions:  $10 \times 2 = 20$

যে-কোনো দুটি প্রশ্নের উত্তর দাও :

- i) Mr. R. N. Kapoor of Kolkata consigned 900 boxes of baby food to its Patna agent Prasad Brothers @Rs.400 per box. Mr. Kapoor incurred the following expenses towards the consignment:

Packing expenses Rs.3,200, Carriage Rs.800, Freight & Insurance Rs.8,400.

Prasad Brothers sent a cheque for Rs.60,000 to Mr. Kapoor as advance after receiving the consignment. On receiving the goods, it was found that 80 boxes were badly damaged and nothing could be realised from these damaged goods.

Prasad Brothers incurred the following expenses:

Godown Rent Rs.620, Carriage inward Rs.5,100, Dock Charges Rs.1,200, Insurance Rs.3,960.

Prasad Brothers sold 680 boxes @Rs.640 per box which includes 30% credit sales. 20 boxes were lost by fire in godown and a claim of Rs.5,600 only was realised from the insurance company for this loss. All the debts were realised except Rs.1,920 which proved bad. Mr. Kapoor allowed a commission of 10% on gross sales and 1% del-credere commission to Prasad Brothers. A bank draft was sent by Prasad Brothers for the balance due to Mr. Kapoor after deducting all his expenses and commission.

You are required to prepare the Consignment Account and Account of Prasad Brothers in the books of Mr. R. N. Kapoor.

- ii) The Trial Balance of Biswakarma as on 31st March, 2019 is as follows:

	Rs.		Rs.
Plant & Machinery	58,000	General Reserve	31,000
Stock (as on 01.04.2018)	1,50,000	Share Capital	2,30,000
Debtors	55,000	Creditors	35,000
Bills Receivable	10,000	Bills Payable	14,000
Furniture	34,000	Sales	7,00,000
Purchase	4,90,000	Discount	6,000
Cash at Bank	92,400		
Patents	9,600		
Wages	60,000		
Carriage	1,900		
Salaries	15,000		
Rent	8,000		
Drawings	18,000		
Sundry Trade Expenses	14,100		
	<b>10,16,000</b>		<b>10,16,000</b>

The following further information is available:

- Depreciation is to be charged as follows: on plant & machinery @12%; furniture @10% and patent @5%.
- Provision for taxation is to be made @40%.
- Provide Rs.1,020 for doubtful debts.
- Stock as on 31st March, 2019 was Rs.1,76,000.

Prepare of Profit & Loss Account for the year ended 31st March, 2019 and a Balance Sheet on that date.

- iii) Adani and Birla entered into a joint venture for purchase and sale of cloth materials. They agreed to share profits and losses in the ratio of 3:2. On 1st September, 2018 Adani purchased goods worth Rs.2,00,000 and send goods worth Rs.1,25,000 to Birla. Adani incurred expenses for Rs.16,050. Birla also purchased goods worth Rs.1,50,000 and spent Rs.10,000 as expenses. On 1st November, 2018 Adani purchased goods worth Rs.1,00,000 and incurred Rs.12,975 for expenses. On 10th November Birla also purchased goods worth Rs.2,20,000 and send half of the goods to Adani. Birla also incurred expenses of Rs.15,000. On receipt of the goods Adani incurred expenses of Rs.7,500. Birla also sent a Bank Draft for

Rs.1,05,000 to Adani for the goods he received from him.

Adani and Birla sold goods for a profit of 20% on sales. On 31st March, 2019, unsold stock, of Adani is Rs.20,000 at cost. Of these unsold stock, Rs.10,000 worth of goods are taken over by him at a value of Rs.12,500. The unsold stock of Birla is Rs.15,000 at cost and 50% of the unsold stock is taken over by him at cost.

You are asked to prepare

- a) Memorandum Joint Venture Account, and
  - b) Joint Venture Account of Adani in the books of Birla.
- iv) Write short notes on any **two** of the following:

5×2=10

নিম্নলিখিত যে কোনো দুটি-বিষয়ে সংক্ষিপ্ত টীকা লেখ :

- a) Doctrine of Consistency  
ধারাবাহিকতার মতবাদ
- b) Capital Expenditure and Revenue Expenditure  
মূলধন জাতীয় ব্যয় ও মুনাফাজাতীয় ব্যয়
- c) Invoice Price method of accounting for consignment  
চালানী কারবারের চালানমূল্য ভিত্তিক হিসাবরক্ষণ