23CM-BCOM-MA-01-01024

Seat No. _____

BACHELOR OF COMMERCE Examination

BCOM Semester - 1 JANUARY 2025 (Regular) JANUARY - 2025

FINANCIAL ACCOUNTING – 1

Faculty Code : 002

Subject Code : 23CM-BCOM-MA-01-01024

Time : 2 Hours] **[Total Marks : 50**

Instructions: All questions are compulsary

Q.1 **Explain the following Accounting Terms.** 10

1. Drawing
2. Deferred Revenue Expenditure
3. Current liabilities.
4. Liquid Assets
5. Voucher
6. Receivables
7. Bad Debts Recovered

OR

Q.1 **Write short notes:** 10

1. Objectives of financial Accounting.
2. Limitations of Financial Accounting.

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Q.2 The firms of Sanyam & Saloni and Aarav & Aayam agreed to amalgamate on 01/04/2023. Sanyam & Saloni used to share profits and losses in the ratio of 60% and 40%. On that date, the Balance sheet of Sanyam & Saloni stood as follows. 10

Liabilities	Rs.	Assets	Rs.
Creditors	50,000	Goodwill	2,000
Bills payable	7,000	Building	20,000
Bank O.D	4,000	Furniture	10,000
Capital A/c:		Investments	6,000
Sanyam	36,000	Debtors	45,000
Saloni	12,000	Stock	30,000
Reserve	5,000	Cash Balance	1,000
	1,14,000		1,14,000

The terms of amalgamation were as under.

1. Goodwill to be valued at Rs. 7000.
2. The new firm not to take over investments.
3. The value of Furniture and Building to be raised by 20%
4. Stock to be valued at Rs. 27900
5. Bad Debts Reserve to be provided at 2%

You are required to prepare necessary Accounts in the books of Sanyam & Saloni's firm.

OR

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Q.2 Balance sheets of the firm of Ajay & Pari and Sonu & Aka as on 31/03/23 are as under: 10

Liabilites	Ajay-Pari (Rs.)	Sonu-Alka (Rs.)	Assets	Ajay-Pari (Rs.)	Sonu-Alka (Rs.)
Capital: Ajay	17,500		Goodwill	4,500	-
Pari	11,000		Machinery	7,500	-
Sonu	-	72,000	Motor Car	15,000	-
Alka	-	40,000	Land & Building	-	1,00,000
General Reserve	5,000	8,000	Furniture	5,700	11,200
Pari's Loan	3,000	-	Investments	5,000	16,000
Creditors	10,000	20,000	Debtors	4,500	16,000
Bills payable	2,500	-	Cash	7,800	16,800
Bank O.D.	1,000	20,000			
	50,000	1,60,000		50,000	1,60,000

It was decided to amalgamate both the firms from 01/04/23. For this purpose it was decided that:-

1. Goodwill valued at Rs.6000 and Rs.24000 of Ajay & Pari and Sonu & Alka respectively.
2. Total capital of new firm of Rs.500000 will be invested by the partners equally.
3. Unrecorded router of Sonu & Alka valued at Rs.1600 is not taken over by the new firm.
4. New firm will not purchase furniture of both the firms.
5. New firm will purchase investments at 10% less, Land & Building for Rs.160000, Motor Car for Rs. 22500, Machinery for Rs. 4500 and only business liabilities of both the firms.
6. Pari's Loan will be paid off.

- **In the books of Sonu & Alka:-**

  Prepare, Profit & Loss adjustment A/c, Partner capital A/cs

- **In the books of Ajay & Pari:-**

  Prepare, Cash A/C and Goodwill A/C

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Q.3 **Sove the following Questions.** 10

1. Find out the value of closing stock of consignment from the following information.

- Chemical sent on consignment 10000 litres Rs. 8,00,000
- Expenses paid by consignor Rs. 20,000
- Chemical destroyed in transit 2000 liters.
- Freight and duty paid by consignee Rs. 8000
- Amount paid by insurance company Rs. 1,00,000
- Loss due to natural causes 250 liters.
- Chemical sold by consignee 6750 liters.

2. Anita consigned goods valued at Rs. 8000 to Varsha and paid Rs. 800 for expenses. The Consignee sold the entire consignment for Rs. 12,000 of which credit sales ware Rs. 8000 and cash sales Rs. 4000. Consignee is allowed 5% commission on sales. Del credere commission is not paid. A customer fails to pay Rs. 400.

Prepare consignment A/C in the books of Anita.

OR

Q.3 Vatsal sent 50 Mobile to Satvik at an invoice price of Rs.12,000 each to be sold on consignment basis. Invoice price is determined by adding 20% profit on cost price. 10

Following expenses were incurred.

- Courier charge Rs. 2000
- Insurance Rs. 5000
- Packing Charge Rs. 3000

Two mobiles were damaged in transit and insurance company admitted a claim of Rs. 16,000. Satvik is to be paid 4% normal and 2% del credere commission.
Satvik sent an account of sales with a bank draft for settlement of accounts.

Accordingly, Sales were.

1. 25 Mobile at Rs. 16000 each.
2. 8 Mobile at invoice price on cash basis.
3. 12 Mobile at Rs. 17000 each on Credit basis.

Satvik paid following expenses.

Octroi Rs. 2400, Selling Exp. Rs. 2600

In the books of Vatsal, Prepare,

1. Consignment A/C
2. Satvik's A/C

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Q.4 Renu, Rekha and Milky are partners sharing profit and loss in the ratio of ½, ¼ and ¼ respy. They dissolve the partnership on 31st March 2023 when the Balance sheet stood as under. 10

Liabilities	Rs.	Assets	Rs.
Capital A/Cs		Land	10000
Renu	10000	Building	40000
Rekha	10000	Debtors	3000
Milky	8000		
Bank Loan	25000		
	53000		**53000**

Assets realized Rs. 45000 and amount was received in three instalments as under.

First Instalment Rs. 25000
Second Instalment Rs. 16000
Third Instalment Rs. 4000

Show the distribution of cash among the partners by Maximum Loss method.

OR

Q.4 Gupta, Rathi and Bhandari are partners sharing profit or Loss in 2:2:1 Proportion. Their Balance sheet as on 31st March, 2023 was as under. 10

Liabilities	Rs.	Assets	Rs.
Bank Loan (Secured)	10000	Assets	87500
Creditors	15000	Cash Balance	7500
Bills Payable	10000	Bank Balance	5000
General Reserve	10000		
Capital: Gupta	30000		
Rathi	15000		
Bhandari	10000		
	100000		100000

Assets were sold gradually by the following instalments.

First Instalment Rs. 22500
Second Instalment Rs. 20000
Third Instalment Rs. 20000
Last Instalment Rs. 14500

The amount of Rs. 4000 were kept as realization expenses reserve. Actual expenses amounted to Rs. 2000.

Prepare a statement showing piecemeal distribution of cash among the partners as per Surplus Capital Method.

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Q.5 Shiv and Somani entered into a joint Venture to export certain picture to the Japan. For this purpose, a joint Bank Account was opened and Shiv deposited Rs. 40000. Somani supplied 10 pictures which were to be valued at Rs. 60000. The following expenses were incurred from the joint bank account. 10

Advertisement	Rs. 8500,	Sundry Exp. Rs. 3500
Freight	Rs. 2000,	Gallery Exp. Rs. 3000
Insurance	Rs. 1500	Commission to an agent Rs. 9000

The agent from the Japan sends two drafts totaling Rs. 1,25,000 being the sale proceeds of Nine pictures. One picture was given as present to the agent for good work done by him.

The profit & Loss of the joint venture to be shared as to Shiv 2/3rd and Somani 1/3rd.

Prepare, Joint venture A/C, Joint Bank A/C and both partner's capital A/Cs.

OR

Q.5 Ashita of Surendranagar purchases "Khari-sing" and sends to prasoon in Mumbai for sale on joint venture basis. Profits & Loss to be divided equally. 10

On 01/12/2023 Ashita purchased "Khari-sing" worth Rs. 50000 and sent to Mumbai paying freight and other expenses Rs. 5000. She drew upon prasoon a draft for Rs. 40000. Prasoon accepted the draft which Ashita got discounted for Rs. 39000.

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