



WEST BENGAL STATE UNIVERSITY
B.Com. Honours 1st Semester Supplementary Examination, 2021

FACACOR01T-B.Com. (CC1)

FINANCIAL ACCOUNTING-I

Time Allotted: 2 Hours

Full Marks: 50

*The figures in the margin indicate full marks.
Candidates should answer in their own words and adhere to the word limit as practicable.
All symbols are of usual significance.*

GROUP-A

Answer any two questions from the following

10×2 = 20

1. (a) Show Rectification Entries of the following transactions assuming these are detected after the preparation of Final Balance: 6+4
 - (i) The installation charges of a machine wrongly debited to wages A/c Rs. 500.
 - (ii) The Purchase Day Book undercast by Rs. 600.
 - (iii) Cash sales of Rs. 6,000 posted to the sales A/c as Rs. 600.
 - (iv) The total of one page of Sales book was carried forward to the next page as Rs. 8,897 instead of Rs. 8,879.
 - (v) A bill for Rs. 70,000 for the construction of a factory shed was debited to repairs account.
 - (vi) Purchase of furniture of Rs. 12,000 wrongly passed through the Purchase Day Book.
- (b) Distinguish between Reserves and Provisions.
2. (a) On 1st April 2017, the debit balances of debtors accounts is Rs. 80,600 in the books of M/S Biplob Furnitures. Transactions during the year ended on 31st March, 2018 were as follows: 7+3

	Rs.
-Total Sales (including each sales of Rs. 15,000)	85,000
-Payment received from debtors in cash	40,000
-Bills receivable received	25,000
-Discount allowed to debtors for prompt payment	800
-Goods returned and rejected by the customers	2,710
-Bills receivables endorsed to suppliers	9,000
-Noting charges on bills dishonored	400
-Bills receivables dishonored	5,240
-Bad debts written off	550
-Bad debts recovered (written off in 2015)	1,000

You are required to prepare a Debtors Ledger Adjustment Account for the year ending 31st March, 2018 in the General Ledger of M/S Biplab Furnitures.

(b) Explain briefly the relationship between accounting theory and practice.

3. (a) Write short notes on any *two*: (3+3)+4

(i) Principle of conservatism

(ii) Going Concern concept

(iii) Accounting Cycle.

(b) Write a short note on International Financial Reporting Standard (IFRS).

GROUP-B

Answer any *two* questions from the following

15×2 = 30

4. From the following information available from the records of Zenith Sporting Club, prepare an Income and Expenditure Account for the year ended 31st March, 2018 and a Balance Sheet as on that date 15

	Rs.		Rs.
General Fund (as on 01.04.2017)	4,21,000	Upkeep of playground	10,000
Donation Received	20,000	Salaries and wages	20,000
Tournament Fees Received	55,000	Tournament Expenses	42,000
Subscription Received	1,20,000	Prizes Awarded for tournament	9,000
General Charges	15,000	Stock of Equipments (as on 01.04.2017)	1,90,000
Rent Paid	3,000	Stock of Refreshments (as on 01.04.2017)	1,250
Printing and Stationery	6,500	Tournament Fund (as on 01.04.2017)	8,000
Entrance Fees Received	12,000	Investment in securities (representing Endowment Fund)	50,000
Creditors for Expenses	4,500	Endowment Fund (as on 01.04.2017)	50,000
Purchases of canteen stores and refreshments	44,500		
Cash and Bank Balances	2,87,250		

Other Information:

(i) Equipments are to be depreciated @ 15% p.a.

(ii) Donation of Rs. 20,000 include Rs. 5,000 received on Tournament Account

(iii) 50% of Entrance Fees has to be capitalized

(iv) During 2017-18, subscription of Rs. 7,000 and Rs. 5,000 are collected on account of 2015-16 and 2016-17 respectively. On the other hand, subscriptions totalling Rs. 11,000 on account of 2017-18 has not yet been received as on 31st March, 2018.

(v) Stock of refreshments as on 31st March, 2018 amounts to Rs. 1,900.

(vi) A Printing bill for 2017-18 is due for payment as on 31st March, 2018 amounting to Rs. 700.

(vii) Interest on investment is to be accrued at 8% p.a.

5. From the following particulars extracted from the books of Mr. Biswas, prepare Trading and Profit and Loss Account and balance sheet as on 31st March, 2018 after making necessary adjustment: 15

	Rs.		Rs.
Capital account (Credit Balance)	5,40,000	Interest Received	7,250
Stock on 01.04.2017	2,34,000	Cash in hand	3,650
Sales	14,49,000	Bank Balance with SBI	40,500
Sales Return	43,000	Discount Received	14,900
Purchases	12,15,000	Investments (@ 5% p.a.) as on 01.04.2017	1,75,000
Purchase Return	29,000	Furniture as on 01.04.2017	9,000
Carriage Inwards	93,000	Discount Allowed	37,900
Rent	28,500	General Expenses	19,600
Salaries	46,000	Audit Fees	3,500
Sundry Debtors	1,20,000	Fire Insurance Premium	3,000
Sundry Creditors	74,000	Travelling Expenses	11,650
Loan from SBI (@ 12% p.a.)	1,00,000	Postage and Telegrams	4,350
Interest paid	4,500	Drawings	50,000
Printing and Stationary	17,000		
Advertisement	55,000		

Adjustments:

- Value of stock as on 31st March, 2018 is Rs. 3,93,000. This includes goods returned by customers on 31st March, 2018 to the value of Rs. 15,000 for which no entry has been passed in the books.
- Purchases include furniture purchased on 1st January, 2018 for Rs. 10,000.
- Depreciation on furniture should be provided at 10% per annum.
- Sundry Debtors include Rs. 20,000 due from Mr. Das and Sundry Creditors include Rs. 10,000 due to him.
- Interest paid include Rs. 3,000 paid to SBI.
- Make provision for doubtful debts at 5% on the balance under sundry debtors.
- The loan account from SBI in the books of Mr. Biswas appears as follows:

	Rs.		Rs.
31.03.2018 to	1,00,000	01.04.2017 by Balance b/d	50,000
Balance c/d		31.03.2018 By Bank	50,000
	1,00,000		1,00,000

6. (a) X of Kolkata consigned goods for Rs. 1,50,000 at an invoice price after adding 25% on Cost Price to Y of Mumbai. X paid Rs. 2,000 as carriage and Rs. 1,000 as loading expenses. Y paid Rs. 1,500 as unloading charges and Rs. 1,300 as selling expenses. Y sold $\frac{3}{4}$ th of the goods for Rs. 3,50,000. Y is entitled to 10% ordinary commission and 5% Del Credere Commission. There is a bad debt of Rs. 2,000. Y remitted the balance due to X through a demand draft. 8+7

Prepare Consignment Account in the books of X.

- (b) On 15.06.2018, the stock of Mrs. Rose was destroyed by fire. However, the following particulars were furnished from the records saved:

	Rs.
Stock at cost on 01.04.2017	2,70,000
Stock at cost on 31.03.2018	3,60,000
Purchases for the year ended 31.03.2018	12,90,000
Sales for the year ended 31.03.2018	18,00,000
Purchases from 01.04.2018 to 15.06.2018	4,50,000
Sales from 01.04.2018 to 15.06.2018	9,60,000

- Sales upto 15.06.2018 includes Rs. 1,50,000 being the goods not dispatched to the customers. Sales invoices of Rs. 1,50,000, however, were issued to the customers.
- Purchases upto 15.06.2018 includes a machinery acquired for Rs. 30,000.
- Purchases upto 15.06.2018 does not include goods worth Rs. 60,000 received from supplier, as invoice not received upto the date of fire. These goods were remained in the godown at the time of fire.

The insurance policy is for Rs. 2,40,000 and it is subjected to average clause. Ascertain the amount of claim for loss of stock.

N.B. : *Students have to complete submission of their Answer Scripts through E-mail / Whatsapp to their own respective colleges on the same day / date of examination within 1 hour after end of exam. University / College authorities will not be held responsible for wrong submission (at in proper address). Students are strongly advised not to submit multiple copies of the same answer script.*

—X—

Answer Script Submission e-mail Id: scm.splexam.21@gmail.com