

PARUL UNIVERSITY
FACULTY OF COMMERCE
B.Com.(Hons) Winter 2019-20 Examination

Semester: 2

Subject Code: 16100151

Subject Name: Financial Accounting

Date: 09/12/2019

Time: 10.30 am to 1.00 pm

Total Marks: 60

Instructions:

1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Make suitable assumptions wherever necessary.
4. Start new question on new page.

Q.1 Do as directed.**A) Multiple choice type questions. (Each of one mark)****(06)**

1. The consignee is:

a) Agent	b) Principal
c) Seller	d) Buyer
2. In the books of consignee, the sale of goods is credited to:

a) Consignor's A/c	b) Sales A/c
c) Consignee's A/c	d) Cash A/c
3. For finding the amount of sundry expenses paid by the branch, the following a/c should be prepared

a) Petty cash a/c	b) Computer a/c
c) Creditors	d) Debtors
4. Goods are sent to branch at cost plus 20% .If closing stock of the branch is Rs 60,000 at invoice price , Rs ____ will be credited to stock reserve a/c.

a) Rs 12000	b))Rs 10000
c) Rs 6000	d) Rs 12600
5. Which account is prepared to know cash purchase or cash sales ?

a)) Cash A/c	b)) Trading Account
c) Debtor's Account	d) Creditor's Account
6. **Intangible assets usually fall in the category of:**

a) Fixed assets	b) Current assets
c) Semi fixed assets	d) None of the above

B) Definitions / One-liners / Terms. (Each of one mark)**(06)**

1. Financial Accounting
2. Consigner
3. Branch Accounting
4. Dividend
5. Hire purchase price
6. Cash Down Payment

Q.2 Numerical / Short Note Questions. (Each of 04 mark)**(12)**

1. Meaning, Definition ,& Types of Dividend.
2. Difference Between HPS & IPS in Detail.
3. Goods are invoiced to branches at cost plus 25% .A branch reports unsold stock of RS.50,000. Compute the cost price of the goods and the profit margin for the unsold stock.

Q.3 Answer the following. (Any Three)**(18)**

1. Explain calculation of interest format?
2. A consigned to B 5,000 kg of tea costing at Rs. 40 per kg .A incurred Rs .3,000 on freight and Rs.2,000 on insurance. After receiving goods, B Spent Rs. 3,950 on cartage ,Rs 500 on godown rent B was allowed Commission of 5 % on Sales. 3,000 kg of tea were sold at Rs. 64 per kg.25kg of tea were lost due to breakage of chest which was considered to be normal 500 kg of tea were lost by fire in godown of the consignee. The insurance company admitted the claim for Rs.15,000. Prepare necessary ledger accounts in the books of A and A's Account in the books of B
3. Explain Meaning, Definition & importance of financial Accounting.
4. from the following information, you are required to prepare jaipur branch account in the books of Chennai H.O . for the year ending Mar 31, 2009.

Particulars	Rs.	Particulars	Rs.
Opening stock(at cost)	2,00,000	Closing stock(at cost)	2,75,000
Opening Debtors	20,000	Closing Debtors	2,00,000
Opening petty cash	1,000	Closing petty cash	500
Opening Creditors	10,000	Furniture (at end)	?
Furniture (Beginning)	25,000	Closing creditors	7,500
Goods sent to branch (at cost)	7,00,000	Goods sent to branch for expenses	75,000
Gods Returned by Branch (at cost)	20,000	Cash Received from debtors	6,25,000
		Cash Sales	1,25,000

Depreciate the furniture @ 20 % p.a.

Draw the format of branch account and transfer the items accordingly.

Note:Depreciation is calculated ,deducted and after deduction value of furniture is entered(Balance c/d)(Credit side)

Furniture value is entered in the beginning under (Balance b/d Debit side)

Actual amt of depreciation is not shown in the branch account.

Q.4 Answer the following. (Any two)

(18)

1.ABB ltd purchased a machine on 30.09.2018 from FAG machinery ltd on hire purchase system. The cash price of the machine was Rs 6,80,000.The agreement provided that he would pay Rs. 1,60,000 on the delivery of the machine and the balance in 6 half yearly instalments of Rs. 96,000 each. FAG machinery ltd charged interest at 6% p.a on half yearly balances. The buyer closed his books of accounts on 31 st march every year. ABB ltd provided depreciation @ 10 % p.a. on the diminishing balances method. Show the necessary ledger accounts in the books of ABB ltd. You have to prepare HPS calculation 3 years upto 31 stmarch 2011.

2)From the following balances taken from the Trial balance of M/S R & D Bro Company , Prepare:

(a)Trading & P&L a/c for the year ending 31 st March ,2018

(b)Balance sheet as at 31 March, 2018.

Particulars	Amount	Particulars	Amount
Opening Stock	8,100	Freehold Land	9,70,000
Purchases	7,12,000	Capital	2,33,800
Sales	12,12,150	Freight Inward	1200
Productive Expenses	82,400	Freight outward	2,200
Interest on Loan	33,750	Sales Tax Collected	40,000
Return inward	6,600	Interest on Tax deposit	2,400
Return outward	3,200	Loan	9,00,000
Loose tools	8,400	Sundry debtors	30,000
Goodwill	7,000	Sundry creditors	12,100
Commission(Cr)	2,000	Bad Debts	1,900
Salaries	11,600	Law charges	800
Investment	2,00,000	Rent	18,000
Cash in hand	1,700	Motor Car	3,10,000

The following further information was obtained:

- 1) The value of closing stock Rs.24,400.
 - 2) 60% of the rent was paid in respect of factory.
 - 3) Sundry debtor included a sum of Rs.4,000 in respect of one debtor who has become insolvent and 75 paise in a rupee was realizable from him.
 - 4) Interest on loan @ 8%p.a is unpaid for 4 months,
 - 5) Depreciation to be charged on motor car @ 10% p.a.
 - 6) Salaries outstanding Rs. 2,200.
- 3.Difference between Trail Balance & Final Account.