

**2020/TDC (CBCS)/ODD/SEM/
COMHCC-101T/334**

**TDC (CBCS) Odd Semester Exam., 2020
held in March, 2021**

COMMERCE

(1st Semester)

Course No. : COMHCC-101T

(Financial Accounting)

Full Marks : 50

Pass Marks : 20

Time : 3 hours

*The figures in the margin indicate full marks
for the questions*

SECTION—A

1. Answer any ten of the following questions :

2×10=20

- (a) What is Generally Accepted Accounting Principle?**
- (b) State any two objectives of Accounting Standards.**
- (c) Who are the users of Accounting Information?**

(2)

- (d) Write any four sentences about IFRS.
- (e) What is voucher entry?
- (f) Mention any five types of accounting vouchers in Tally.
- (g) Mention the components of computerized accounting system.
- (h) What is financial report in Tally?
- (i) What is Trial Balance?
- (j) Mention the manner of treatment of GST paid on purchase of fixed assets.
- (k) What is business income?
- (l) What is marshalling?
- (m) Explain the term 'down payment' with reference to hire-purchase system.
- (n) State any two features of hire-purchase system.
- (o) Give the Journal Entry in the books of seller at the time of delivery of the asset.

(3)

- (p) Do you think that instalment purchase system have any practical application? If so, give reason.
- (q) What is an independent branch?
- (r) Give the treatment in the books of Head Office to purchase fixed assets by the branch under debtor system.
- (s) Give the Journal Entry in the books of HO when goods are returned by the branch debtor direct to HO under stock and debtor system.
- (t) Give the Journal Entry in the books of HO for abnormal loss of the branch under stock and debtor system.

SECTION—B

Answer any *five* of the following questions : 6×5=30

- 2. Explain the meaning and significance of the Business Entity Concept.
- 3. "Measurement of business income requires matching costs with the revenue." Explain.
- 4. Distinguish between Manual accounting and Computerized accounting.

(4)

5. Discuss the features of computerized accounting system.

6. On July 1, 2019, N. E. Printers purchased a printing machine on hire-purchase basis, payment to be made ₹ 10,000 on the said date and the balance in three half-yearly instalments of ₹ 8,200, ₹ 7,440 and ₹ 6,300 commencing from December 2019. The vendor charged interest at 10% p.a. calculated on half-yearly rests.

N. E. Printers close their books of accounts on 31st December every year.

Calculate the cash price of the machine and interests.

7. Distinguish between Instalment purchase system and Credit purchase system.

8. Is depreciation an expenditure? Give reasons in favour of your argument.

9. Given below is the Trial Balance of Janki Das on 31st March, 2021. Prepare a Trading A/c and Profit & Loss A/c for the year ended 31st March, 2021 and a Balance Sheet as on that date :

Dr. Balance	₹	Cr. Balance	₹
Opening Stock	96,000	Capital	50,000
Wages	28,000	Loan from Bank	20,000
Salaries	4,000	Sales	2,50,000

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(Continued)

(5)

Dr. Balance	₹	Cr. Balance	₹
Railway Freight on Purchases	5,000	Discount on Purchases	4,000
Purchases	1,15,000	Sundry Creditors	12,700
Interest on Overdraft	200	Purchases Return	1,500
Medical Insurance Premium of Janki Das	5,000	Provision for Doubtful Debts	5,000
Cash at Bank	1,800		
Building	11,000		
Sales Return	1,000		
Sundry Debtors	35,000		
Office Expenses	5,500		
Drawings	6,500		
Depreciation	2,000		
Rent	2,400		
Plant and Machinery	18,000		
Travelling Expenses	5,000		
Repairs to Plant	1,600		
Cash in Hand	200		
	<u>3,43,200</u>		<u>3,43,200</u>

Adjustments :

(i) Closing Stock was valued at ₹ 35,000

(ii) Bank loan was taken on 1st April, 2020 at 10% interest per annum

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(Turn Over)

(6)

10. A Head Office in Shillong has a branch at Silchar to which goods are invoiced at cost price. The following are the transactions between the Head Office and the branch for the year ended 31st March, 2021 :

Balance on 1st April, 2020 :	₹	
Stock at branch	16,000	
Debtors at branch	13,000	
Petty cash at branch	1,200	
Salary outstanding	900	

Transactions during the year 2020-21 :

Goods sent to branch	₹	50,000
Remittances from branch :		
Cash sales	18,000	
Money received from debtors	<u>32,000</u>	50,000
Bad debts at branch		270
Discount allowed to branch debtors		700
Goods returned by customers to branch		1,500
Cheques sent to branch :		
For salaries (300×12)	3,600	
For insurance	2,500	
For petty cash	<u>900</u>	7,000
Petty expenses incurred at branch		1,900
Debtors at branch on 31.03.2021		14,000

You are required to calculate the Branch Net Profit under Final Account System.

(7)

11. A company with its Head Office in Kolkata has a branch at Silchar. The branch receives all goods from Head Office who also remits cash for all expenses. Sales are made by the branch on credit as well as for cash.

Total sales by the branch for the year ended 31st March, 2021 amounted to ₹ 5,60,000 out of which 20% is cash sales. The following further information is relevant :

Balance on 01.04.2020 :	₹	
Stock in trade	25,000	
Debtors	60,000	
Petty cash	120	

Transactions during the year 2020-21 :

Expenses actually incurred by the branch :	₹	
Salaries	36,000	
Rent	12,000	
Petty expenses	5,600	

All sales are made by the branch at cost plus 25%.

Balance on 31.03.2021 :		
Stock in trade	36,000	
Debtors	48,000	
Petty cash	180	

You are required to prepare the Silchar Branch A/c in the books of Head Office for the year ended 31st March, 2021.

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