

021COM011 – F – 23 – 8363



FIRST SEMESTER B.COM. DEGREE EXAMINATION, MARCH 2023

Paper – I : FINANCIAL ACCOUNTING – I

(DSC – 1) (NEP)

Time : 2 Hours]

[Max. Marks : 60

Instructions : Attempt all Sections according to **Internal Choice**.
Use of simple and non-programmable calculator is allowed.

SECTION – A

1. Answer any five of the following questions : (5×2=10)
- Name any two advantages of self balancing ledger.
 - What do you mean by total debtors account ?
 - What is Del Credere Commission ?
 - State the type of royalties.
 - Who is consignor and consignee ?
 - What is Joint Venture ?
 - Mention any two demerits of single entry system.

SECTION – B

Answer any four of the following :

(4×5=20)

- Distinguish between proforma invoice and account sales.
- Mr. Sanjay has maintained his accounts on self balancing system from the information, prepare creditors ledger adjustment account in General Ledger A/c.

	Rs.
Creditors balance (1-1-22) Cr.	90,000
Creditors balance (1-1-22) Dr.	5,000

[P.T.O.]



Credit purchases	2,40,000
Cash paid to creditor	1,60,000
Bills payable accepted	1,00,000
Good returned to creditors	5,000
Discount earned from creditors	4,000
Transfer from creditors ledger to debtors ledger	6,000
Credit balance 31-12-22 (Dr.)	7,000

4. Calculate the credit sales from the following information.

Debtors as on 1-1-2022	Rs. 40,000
Debtors as on 31-12-2022	55,000
Bills Receivable as 1-1-2022	15,000
Bills Receivable as 31-12-2022	18,000
Cash received from Debtors	75,000
Cash received against bills receivable	22,500
Bills receivable dishonoured	1,500
Bad Debts	750
Discount allowed to Debtors	750
Sales returns	3,000
Reserve for doubtful debts	2,000



5. Gadag Mining Company took a mine on lease from Bellary Mining Company at a Royalty of Rs. 8 per tonne of mines raised with a minimum rent of Rs. 40,000 per annum.

Each year's excess of minimum rent over the Royalty is recoverable out the excess royalties of next two years. In the event of strike, if the royalty not reached minimum rent, the lease provided that the actual royalties earned for the year discharge all the rental obligations for that year.

The quantity of Mine raised was as under :

Year output in tonne

2018 3500

2019 4500

2020 5500

2021 (Strike) 4000

2022 5000

Prepare Royalty Chart.

6. X and Y entered into Joint Venture agreeing to share the profits and losses in the ratio of 2 : 1. X purchased goods worth Rs. 60,000 and Y goods worth Rs. 30,000. X sold $\frac{1}{2}$ of the goods for Rs. 1,15,000 and paid for carriage Rs. 8,000 and godown rent Rs. 2,000 and Insurance Rs. 3,000. Y sold the balance of goods for Rs. 40,000 and paid for carriage Rs. 4,000. Insurance Rs. 2,000 and Sundry expenses Rs. 1,000.

Prepare Memorandum Joint Venture Account.



SECTION - C

Question 11 is compulsory (Case study). Answer any two of the remaining :

(3×10=30)

7. What is Royalty ? Explain different kinds of Royalty with examples.
8. Anil of Gadag bought goods worth Rs. 2,70,000 and sent to Sunil of Dharwad to be sold on Joint Venture, profit being shared in the ratio of 2 : 1. He also paid freight Rs. 6,000 and insurance Rs. 4,000 and drew a bill on Sunil for Rs. 1,00,000.

The bill was discounted by Anil for Rs. 98,000. Sunil paid Rs. 1,000 for carriage and Rs. 2500 for godown Rent. Sunil sold all the goods for Rs. 4,00,000 including sales expenses of Rs. 4,500 on the Joint Venture. Sunil sent a cheque for the balance due to Anil after charging his commission at 5% on the gross sales.

Write-up the necessary accounts in the books Anil co-venture.

9. Samson Co. Ltd. consigned 100 mobile phones costing Rs. 5,000 each to Hubli mobiles, the selling price of mobile phone is Rs. 8,000 each. They paid Rs. 5,000 for Freight, Rs. 2,500 for Packing and Rs. 7500 for Insurance.

The remuneration was fixed @ 8% commission plus 2% Del credere commission, on sales. Hubli mobiles accepted a bills for Rs. 2,00,000 as an advance.

10 Mobile phones were totally damaged in Transit and the consignor received 50,000 from Insurance Company.

On receipt of consignment Hubli mobiles paid Rs. 18,000 proctrol, Hubli mobiles sold 80 mobile phones for Rs. 800 each for cash and paid Rs. 32,000 as selling expenses, Hubli Mobiles settled his accounts.

Prepare :

- Consignment Account
- Consignee's Account.



10. From the following information prepare :

- a) Debtors Ledger Adjustment A/c
- b) Creditor Ledger Adjustment A/c

In the General Ledger under self balancing system :

	Rs.
Debit balance of debtors 1-1-2022	10,000
Debit balance of creditors 1-1-2022	700
Credit balance of debtors 1-1-2022	400
Credit balance of creditors 1-1-2022	9,000

Transaction during the month of January :

	Rs.
Credit Purchases	50,000
Return outwards	2,000
Credit Sales	70,000
Return Inwards	5,000
Cash received from debtors	60,000
Discount allowed	2,500
Cash paid to creditors	50,000
Bills receivable	3,000
Discount earned	1,400



Bills payable 2,000

Bills receivable dishonoured 200

Bills receivable endorsed to Creditor 400

Bad debts recovered 100

Transfers 500

Balance of Debtors (Cr.) 31-12-22 500

Balance of Creditors (Dr.) 31-12-22 200

11. Danesh of Dharwad a trader who keeps his books of accounts under single entry system. From the following information relating to his business

A) Assets and Liabilities :

Assets and Liabilities	Balance as on 1-1-2021 Rs.	Balance as on 31-12-2021 Rs.
Furniture	10,000	10,000
Stock	12,000	10,500
Debtors	49,000	55,000
Cash	24,000	83,000
Creditors	18,000	21,000

B) Other information :

1) Total Sales (including cash sales 38,000)	2,25,000
2) Total Purchase (including cash purchase 23,000)	1,20,000
3) Drawings (cash)	20,000
4) Discount Allowed	3,000



5) Discount Received	2,000
6) Rent paid	8,000
7) Wages paid	5,000
8) Salaries paid	8,000
9) Purchase return	1,500
10) Sales return	2,000
11) Reserve for doubtful debts	1,000
12) Depreciate furniture @ 10% p.a.	

Prepare :

- a) Final Accounts under Double-Entry System.
 - b) Give your opinion if the drawings are goods withdrawn for personal use, what would be effect on profit.
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