



I Semester B.Com. Examination, April/May 2021

(CBCS) (Fresh) (2020-21 and Onwards)

COMMERCE

1.3 : Financial Accounting

Time : 3 Hours

Max. Marks : 70

Instruction : The answers can be written **completely in English or Kannada.**

SECTION – A

1. Answer **any 5** of the following sub-questions. **Each** sub-question carries 2 marks : **(5×2=10)**
- a) Mention the primary objectives of Financial Accounting.
 - b) Expand IFRS.
 - c) Give the meaning of purchase consideration.
 - d) On what basis the following expenses are allocated to different departments ?
 - a) Employee Welfare Expenses
 - b) Carriage Inwards.
 - e) Why is Memorandum Trading A/c prepared in Fire Insurance Accounts ?
 - f) State any two features of Computerized Accounting.
 - g) What is meant by Voucher ? Name any two vouchers used in Computerized Accounting.

P.T.O.



SECTION – B

Answer **any 3** of the following. **Each** question carries **5** marks :

(3×5=15)

2. Write the meaning of Accounting Concepts and briefly explain the following :
 - a) Money Measurement Concept
 - b) Accrual Concept.
3. A partnership firm is sold to a company. The purchase consideration consists the following :
 - a) Issue of 1,00,000 equity shares of Rs. 10 each at a premium of Rs. 2 per share
 - b) Issue of 2,000 12% debentures of Rs. 100 each and
 - c) Payment of cash Rs. 1,00,000.

Pass journal entries in the books of the company for the following :

- a) Purchase of the business (Purchase consideration due)
 - b) Discharge of purchase consideration.
4. RKS Sales (International) has two departments viz., Television Department and Refrigerators Department. From the following information, prepare the Departmental Profit and Loss A/c and ascertain the rate of Net Profit earned by each department.

Particulars	Total	Television	Refrigerators
		Department	Department
Gross Profit (Rs.)	16,90,000	10,50,000	6,40,000



Salaries (Rs.)	2,00,000	?	?
Rent and Rates (Rs.)	1,02,000	?	?
Depreciation on Assets (Rs.)	1,20,000	?	?
Number of Employees	100	60	40
Floor Area (Sq.ft.)	1,200	800	400
Value of Assets (Rs.)	6,00,000	4,50,000	1,50,000

5. A fire occurred in the premises of Chandru Traders on 17/6/2020. The following information is available.

Opening Stock on 1/4/2020 Rs. 83,500

Purchases from 1/4/2020 to the date of fire Rs.1,12,000

Sales from 1/4/2020 to the date of fire Rs. 1,54,000

Salvage Rs. 21,600

Gross Profit Rate 25% on Cost

Find out the amount of fire insurance claim.

6. Distinguish between manual accounting system and computerized accounting system.



SECTION – C

Answer any three of the following. Each question carries twelve marks : (3×12=36)

7. Write short notes on the following :

- a) Account
- b) Invoice
- c) Accrued Incomes
- d) Accounting Cycle
- e) Journal Proper
- f) Balance Sheet.

8. Ramya and Kusuma are partners sharing profits in the ratio of 2 : 1. Their balance sheet on 1/4/2020 on which date they converted their business into a company called RK Ltd., was as follows :

Liabilities	Rs.	Assets	Rs.
Creditors	4,80,000	Buildings	2,56,000
Mortgage Loan	1,60,000	Machinery	80,000
Capitals :		Stock	2,56,000
Ramya	3,20,000	Debtors	4,16,000
Kusuma	1,60,000	Cash	1,12,000
	11,20,000		11,20,000



The company took over all the assets and liabilities except mortgage loan for a consideration of Rs. 9,60,000 payable as to Rs. 1,92,000 in cash, Rs. 3,84,000 in Debentures and the balance in Equity Shares of Rs. 10 each.

Prepare the following ledger accounts in the books of the firm :

- a) Realization A/c
- b) Purchasing Company A/c
- c) Partners' Capital A/c

9. A and B are partners in M/s AB and Co., sharing profits and losses in the ratio of 2 : 3. A new company RKS Ltd., was formed to purchase the Firm as on 1/4/2020. Following particulars are provided to you :

Assets and Liabilities taken over

	Rs.
Land and Buildings	6,50,000
Plant and Machinery	3,00,000
Stock	1,35,000
Debtors	2,00,000
Bills Receivable	1,70,000
Creditors	1,30,000
Bills Payable	1,10,000

The purchase consideration agreed is Rs. 13,00,000 payable as follows :

- a) Issue of 1,00,000 Equity Shares of Rs. 10 each
- b) Issue of 2,500, 12% debentures of Rs. 100 each and
- c) Payment of cash for the balance.



Realization expenses of the firm amounted to Rs. 5,000 and was met by the company.

Company formation expenses amounted to Rs. 10,000.

For the purpose of obtaining necessary working capital, the company issued 25,000 shares of Rs. 10 each at a premium of Rs. 5 per share to the public which was fully subscribed.

Pass necessary journal entries in the books of the company.

10. From the following details pertaining to M/s Nishanth Departmental Stores, prepare Departmental Trading and Profit and Loss A/c and Balance Sheet.

Particulars	Dept. A	Dept. B
	Rs.	Rs.
Opening Stock	1,25,000	1,00,000
Purchases	11,50,000	9,50,000
Purchase Returns	10,000	5,000
Sales	31,65,000	24,60,000
Sales Returns	15,000	10,000
Wages	9,00,000	8,00,000
Salaries	1,75,000	1,60,000

Other balances : Debtors Rs. 9,50,000, Creditors Rs. 8,65,000, Fixed Assets Rs. 24,40,000, General Expenses Rs. 6,40,000; Cash and Bank Rs. 5,90,000; Capital Rs. 25,00,000



Additional information :

- 1) Closing Stock: Department A – Rs. 1,30,000 and Department B – Rs. 1,20,000
 - 2) Depreciate fixed assets at 10% per annum.
 - 3) Allocate general expenses and depreciation between A and B departments in the net sales ratio.
11. On 10th June, 2020 the stock of KG Traders was destroyed by fire. The stock was insured for Rs. 10,00,000 and was subject to average clause. The accounting records that were saved from fire revealed the following information :
- Stock on 1/4/2019 Rs. 8,00,000
 - Stock on 31/3/2020 Rs. 12,30,000
 - Purchases for the year 2019-20 Rs. 39,80,000
 - Sales for the year 2019-20 Rs. 48,70,000
 - Wages for the year 2019-20 Rs. 1,51,200
 - Purchases from 1/4/2020 to date of fire Rs. 16,20,000
 - Sales from 1/4/2020 to date of fire Rs. 23,10,200
 - Wages from 1/4/2020 to date of fire Rs. 64,800
 - Salvage Rs. 53,000
- You are required to show the amount of fire insurance claim.



SECTION – D

Answer **any one** of the following. **Each** question carries **nine** marks : (1×9=9)

12. Draft the form of a Bill of Exchange. Explain its contents.

13. List out the contents of Fire Insurance Claim Form.

ಕನ್ನಡ ಆವೃತ್ತಿ

ವಿಭಾಗ - ಎ

1. ಕೆಳಗಿನ ಯಾವುದಾದರೂ 5 ಉಪ-ಪ್ರಶ್ನೆಗಳಿಗೆ ಉತ್ತರಿಸಿ. ಪ್ರತಿ ಉಪ-ಪ್ರಶ್ನೆಗೆ 2 ಅಂಕಗಳು : (5×2=10)

ಎ) ಹಣಕಾಸು ಲೆಕ್ಕಣಿಕೆಯ ಪ್ರಾಥಮಿಕ ಉದ್ದೇಶಗಳನ್ನು ನಮೂದಿಸಿ.

ಬಿ) IFRS ಅನ್ನು ವಿಸ್ತರಿಸಿ.

ಸಿ) ಖರೀದಿ ಬೆಲೆ ಅರ್ಥವನ್ನು ನೀಡಿ.

ಡಿ) ಯಾವ ಆಧಾರದ ಮೇಲೆ ಕೆಳಕಂಡ ವೆಚ್ಚಗಳನ್ನು ವಿವಿಧ ವಿಭಾಗಗಳಿಗೆ ಹಂಚುವಿರಿ ?

ಎ) ನೌಕರರ ಕಲ್ಯಾಣ ವೆಚ್ಚಗಳು.

ಬಿ) ಒಳ ಸಾಗಣೆ ವೆಚ್ಚ.

ಇ) ಬೆಂಕಿ ವಿಮಾ ಲೆಕ್ಕಗಳಲ್ಲಿ ಮೆಮೊರಾಂಡಮ್ ವ್ಯಾಪಾರ ತಃಖ್ತೆಯನ್ನು ಏಕೆ ತಯಾರಿಸಲಾಗುತ್ತದೆ ?

ಎಫ್) ಗಣಕೀಕೃತ ಲೆಕ್ಕಣಿಕೆಯ ಯಾವುದಾದರೂ ಎರಡು ಲಕ್ಷಣಗಳನ್ನು ತಿಳಿಸಿ.

ಜಿ) ವೋಚರ್ ಎಂಬುದರ ಅರ್ಥವೇನು ? ಗಣಕೀಕೃತ ಲೆಕ್ಕಣಿಕೆಯಲ್ಲಿ ಬಳಸುವ ಯಾವುದಾದರೂ ಎರಡು

ವೋಚರ್‌ಗಳನ್ನು ಹೆಸರಿಸಿ.