

[This question paper contains 16 printed pages.]

Your Roll No.....

आपका अनुक्रमांक.....

**Sr. No. of Question Paper : 7369**  
Unique Paper Code : 2412081103  
Name of the Paper : Financial Accounting  
Name of the Course : **B.Com. (H) – DSC**  
Semester : I



Duration : 3 Hours

Maximum Marks : 90

समय : 3 घण्टे

पूर्णांक : 90

### Instructions for Candidates

1. Write your Roll No. on the top immediately on receipt of this question paper.
2. Attempt **all** questions.
3. All parts of a question to be attempted together.
4. **All** questions carry equal marks.
5. Use of simple calculator is allowed.
6. Answers may be written either in English or Hindi; but the same medium should be used throughout the paper.

### छात्रों के लिए निर्देश

1. इस प्रश्न-पत्र के मिलते ही ऊपर दिए गए निर्धारित स्थान पर अपना अनुक्रमांक लिखिए।
2. **सभी** प्रश्नों को हल करें।
3. प्रश्न के सभी भाग एक साथ ही हल किए जाएँ।
4. **सभी** प्रश्न समान अंक वहन करते हैं।
5. साधारण कैलकुलेटर का उपयोग अनुमत है।
6. इस प्रश्न-पत्र का उत्तर अंग्रेजी या हिंदी किसी एक भाषा में दीजिए, लेकिन सभी उत्तरों का माध्यम एक ही होना चाहिए।

1. (a) State with reasons whether the following statements are true or false **(any six)**

- (i) Accrual accounting recognizes revenues and expenses when they are earned or incurred, regardless of when the cash is received or paid.
- (ii) GST input tax credit allows businesses to claim a refund of the GST paid on purchases used for business purposes.
- (iii) An Expenditure intended to benefit the current period is revenue expenditure.
- (iv) The consistency principle in accounting allows businesses to change their accounting methods without restriction.
- (v) Stock is normally valued at cost or NRV whichever is higher.
- (vi) Change in the useful life of Machinery is a change in Accounting Estimate.
- (vii) Outstanding salary is a Nominal Account.
- (viii) Loss due to theft is an example of extraordinary items.
- (ix) Applying incorrect rate of Depreciation is an example of prior period items. (6×2=12)

(b) Write short on **(any three)** of the following :

- (i) Events occurring after Balance sheet date.
- (ii) Fundamental Accounting Assumptions as per AS-1
- (iii) Accounting Estimate.
- (iv) Impact of Data Analytics on Accounting (2×3=6)

**OR**

(c) What is IFRS? Explain the need and benefit of IFRS. (6)

(d) Write short notes on **(any three)** :

- (i) Fair Value Accounting
- (ii) Prudence concept

If, at the end of the 3<sup>rd</sup> year, it is felt that no further benefit will accrue in the 4<sup>th</sup> year, how the unamortized expenditure would be dealt with in the accounts of the Company? (3)

3. (a) From the following Trial Balance and additional Information of Mr. Bhushan, a Proprietor prepare a Trading, Profit and Loss Account for the year ending on 31<sup>st</sup> March 2023 and the Balance sheet as at that date.

दिए गए ट्रायल बैलेंस और अतिरिक्त जानकारी के आधार पर 31 मार्च 2023 को समाप्त वर्ष के लिए ट्रेडिंग, प्रॉफिट एंड लॉस खाता तथा बैलेंस शीट तैयार करें।

ट्रायल बैलेंस (श्री भूषण, 31 मार्च 2023) :

(सभी मद Dr. – Cr. मूल तालिका के अनुसार रहेंगे।)

### TRIAL BALANCE

S.NO	Particulars	Dr.(Rs)	Cr.(Rs)
1.	Closing stock	40,000	-
2.	Sales/cost of goods sold	5,60,000	6,20,000
3.	Rent	11,000	6,500
4.	Office and Administration Expenses	13,200	-
5.	General Expenses	6,000	-
6.	Selling and Distribution Expenses	36,075	-
7.	Income Tax Paid	1,000	-
8.	Interest	3,750	4,500
9.	Discount	2,000	1,000
10.	Bad Debts	3,000	-
11.	Investments	50,000	-
12.	Loan from Bank	-	50,000
13.	Bills Receivable/Bills Payable	10,000	5,600
14.	Debtors/Creditors	2,10,000	90,800
15.	Provision for Doubtful Debts	-	10,000
16.	Provision for Discount on Debtors	-	2,400
17.	Capital/Drawings	13,275	3,08,000
18.	Plant and Machinery	50,000	-
19.	Land and Building	60,000	-
20.	Furniture and Fixtures	30,000	-
21.	Outstanding office expenses	-	1,200
22.	Prepaid General Expense	1,200	-
23.	Input IGST/Output IGST	32,500	30,000
24.	Input CGST/Output CGST	4,000	6,000
25.	Input SGST/Output SGST	24,000	25,000
	<b>TOTAL</b>	<b>11,61,000</b>	<b>11,61,000</b>

**Additional Information :****अतिरिक्त जानकारी :**

- (i) Rent has been paid for 11 months and has been received for 13 months.
- (ii) Write off further Rs.6,000 as Bad Debts.
- (iii) Additional discount of Rs. 4,000 given to debtors after closing the accounts.
- (iv) Additional discount of Rs. 2,000 received from creditors after closing the accounts.
- (v) Maintain a provision for discount @2% on debtors.
- (vi) Maintain a provision for doubtful debts @10%.
- (vii) A machine costing Rs 20,000 was purchased on 1<sup>st</sup> July 2022. Wages Rs. 1,000 for its erection have been debited to General Expenses Account. Provide depreciation on Plant and Machinery @10% p.a.
- (viii) A furniture costing Rs. 20,000 was purchased on 1<sup>st</sup> July 2022 but it was not recorded in the books as no payment was made of it. Wages Rs.1,000 paid for its erection have been debited to General Expenses Account. Depreciate furniture @10%.
- (ix) General Expenses include a sum of Rs. 4,000 spent on the erection of a cycle shed for employees and customers on 1<sup>st</sup> July 2022. Provide 5% depreciation on building.
- (x) A fire broke out on 1<sup>st</sup> April 2023 destroying goods costing Rs. 20,000.

**OR**

- (b) How will you deal with the following items while preparing the Income and Expenditure Account for the year ending on 31<sup>st</sup> March,2022 and the Balance Sheet as on that date?

Subscription outstanding as on 31.03.2021: Rs 9,500 (including Rs. 500 for 2019-2020). Subscription received in advance as on 31.03.2021: Rs. 3,000 (including Rs. 200 for 2022-2023).

Subscription received during 2021-2022: for 2019-2020 Rs 400, for 2020-2021 Rs 8,900, for 2021-2022 Rs. 1,34,400, for 2022-2023 Rs 4,000, for 2023-2024 Rs. 1,200.

Subscription outstanding as on 31.03.2022: Rs. 7,000.

Subscription of 2019-2020 written off during 2021-2022 Rs. 50. (6)

(ख) सदस्यता (Subscription) से संबंधित मदों को आय एवं व्यय खाते और बैलेंस शीट में कैसे दिखाएँगे?

(c) How will you deal with the following items while preparing for the X cricket Club's income and Expenditure Account for the year ending on March 31, 2022 and its Balance Sheet as on March 31, 2022.

(ग) X क्रिकेट क्लब के विभिन्न फंडों और मदों से संबंधित विवरण को आय एवं व्यय खाते और बैलेंस शीट में कैसे दर्शाएँगे?

Particulars	₹
(i) Building Fund as on 01.04.2021	1,00,000
Donations received for the building	2,77,000
Expenditure on Building construction	2,96,000
The construction work is continuing	
(ii) Tournament Fund as on April 01, 2021	1,880
Donations received for Tournament	9,200
Tournament Expenses	15,100
Proceeds from Sale of Tournament Tickets	5,000
(iii) Life Membership Fees received during the year	8,000
(iv) Subscription for Governor's Party received	10,000
Outstanding Subscription for Governor's Party	2,500
(v) Capital Fund as on 01.04.2021	5,00,000
	(6)

(d) How will you deal the following items while preparing the Income and Expenditure Account for the year ending on March 31,2022 and Balance sheet as on that date?

(घ) खेल सामग्री की खरीद-विक्रय और भंडार संबंधी मदों का लेखांकन कैसे किया जाएगा?

Particulars	As at 01.4.2021 (Rs.)	As at 31.3.2022 (Rs.)
Amount due to suppliers of Sports Materials	30,000	18,000
Advances to Suppliers of Sports Materials	10,000	6,000
Stock of Sports Materials	30,000	4,000

(6) During 2021-2022, the payment made to the supplier of Sports Material was Rs. 88,000 and Cash Purchase amounted to 20% of Total Purchases.

4. (a) Amit of Delhi invoices goods to its Jaipur Branch at 20% less than the list price, which is cost plus 100% with instructions that cash sales were to be made at invoice price and Credit Sales at List price. From the following Particulars available from Jaipur Branch, Prepare Jaipur Branch Account as per Debtors System for the year ending 31st March 2022.

Particulars	₹
Stock on 1st April 2021 (At invoice price)	36,000
Debtors on 1st April 2021	20,000
Personal Computer at Branch (1-4-2021)	1,00,000
Goods received from H.O. at Invoice Price	3,60,000
Cash Sales	1,64,000
Credit Sales	2,40,000
Goods-in-transit on 31st March 2022	20,000
Closing Balance of Cash	1,000
Cash sent to branch for expenses	64,000
Actual expenses at branch	60,000
Stock at the end at Invoice Price	32,000
Bad Debts written off	800
Goods returned by credit customers direct to H.O. at List Price	3,000
Debtors at end	16,200
Depreciation on Personal Computer by 20%	

Also Prepare :

- (i) Branch Stock Account
- (ii) Branch Debtors Account
- (iii) Branch Cash Account. (18)

(क) जयपुर शाखा (Debtors Method) का खाता तथा संबंधित तीन खाते तैयार करें :

- (i) शाखा स्टॉक खाता
- (ii) शाखा देनदार खाता
- (iii) शाखा नकद खाता

OR

(b) T Ltd has two branches at Delhi and Mumbai. Goods are Invoiced to Branches at cost plus 50%. Goods are transferred by/to another branch at its cost. Following information is available of the transaction of Delhi Branch for the year ended on 31<sup>st</sup> March.

(ख) दिल्ली शाखा के लिए शाखा स्टॉक खाता, शाखा समायोजन खाता, शाखा लाभ-हानि खाता तैयार करें।

Particulars	Rs
Opening Stock at its cost	2,67,000
Goods sent to Branch (including goods invoiced at 15,000 to branch on 31 <sup>st</sup> March but not received by branch before close of financial year)	7,83,000
Goods received from Mumbai Branch	6,000
Goods transferred to Mumbai Branch	51,000
Goods returned by Delhi Branch to HO	11,700
Goods returned by credit customers to Delhi Branch	5,700
Goods returned by Credit customers directly to H.O	1,200
Agreed allowance to Customers off the selling Price (already taken into account while invoicing)	1,000
Normal Loss due to wastage and deterioration of stock (at cost)	1,000

Loss in transit (at invoice price) Rs 6,600 against which a sum of Rs 4,067 was recovered by Delhi Branch from the insurance company in full settlement of the claim.	
Cash Sales	32,000
Credit Sales	7,29,400
Branch Expenses (including Insurance Charges)	50,000
Bad Debts	1,000
Discount allowed to customers	500

The Branch Manager is entitled to a commission of 5% of Profit of Branch after charging such commission.

Prepare Branch Stock Account, Branch Adjustment Account and Branch Profit and Loss Account if the Closing Stock at Branch at its cost as per physical verification amounted to Rs. 2,00,000. (18)

5. (a) What are the situations, which would normally lead to a lease being classified as Finance Lease as per AS 19? (3)

(क) AS-19 के अनुसार किन परिस्थितियों में किसी लीज को वित्त लीज (Finance Lease) माना जाता है?

(b) B Ltd acquired machinery on lease from A Ltd on the following terms :

Lease Term	5 Years
Fair Value of Machinery	₹20 lakhs
Annual Lease Rental at the end of each year	₹5 lakhs
Guaranteed Residual Value (GRV)	₹1 lakh
Expected Residual Value	₹2 lakhs
Implicit Rate of Return (IRR)	15%

**Required:**

(i) Calculate the Value of machine to be recognized by B Ltd.

- (ii) Calculate the Net Investment in the lease from the point of view of A Ltd.
- (iii) Calculate the Unearned Finance Income.
- (iv) Calculate the Finance Charges for each year in the books of the lessee.
- (v) Depreciation is provided on straight line basis @10% per annum.

(8)

(ख) A Ltd और B Ltd के बीच लीज लेनदेन से संबंधित गणनाएँ कीजिए :

(i) मशीन की मान्यता योग्य लागत

(ii) शुद्ध निवेश

(iii) अप्राप्त वित्त आय

(iv) प्रत्येक वर्ष की वित्त लागत

(iv) अवमूल्यन की गणना

(c) There are three departments in a business enterprise. The details for the year ended on 31st March, 2019 are as follows :

(ग) विभागीय खाते (तीन विभाग - X, Y, Z) तैयार करें :

Particulars	Deptt. X (₹)	Deptt. Y (₹)	Deptt. Z (₹)
Opening Stock	20,000	30,000	40,000
Purchases	1,83,000	1,85,000	2,50,000
Sales	3,00,000	3,50,000	4,00,000
Sales Return	10,000	10,000	10,000
Purchase Return	3,000	5,000	10,000
Wages	30,000	25,000	40,000

Closing Stock: Department X ₹30,000, Department Y ₹35,000; Department Z ₹50,000. Other expenses were as follows:

- (i) Rent and Rates ₹30,000 (space occupied by Department X, Y and Z was in the ratio 2/10, 3/10 and 5/10 respectively).
- (ii) Salaries are ₹90,000 to be divided amongst the Departments X, Y and Z in the ratio of 5:6:4.
- (iii) Advertisement expenses and discount allowed ₹25,500 and ₹5,100 respectively.
- (iv) Sundry expenses ₹21,000 to be divided equally.

Prepare Departmental Trading and Profit and loss Account for the year ended on 31st March, 2019. (7)

OR

- (d) A Ltd acquired machinery on Lease from B Ltd on the following terms :
- (घ) A Ltd और B Ltd के बीच लीज-वित्तीय या परिचालन लीज का निर्धारण तथा आवश्यक जर्नल प्रविष्टियाँ और बैलेंस शीट अंश तैयार करें।

Lease Term	5 Year
Fair Value of Machinery	Rs 30 Lakhs (useful life 15 years)
Annual Lease Rental Payable at the end of each year	Rs 5 lakh, Rs.4 Lakh, Rs.3 Lakh, Rs.2 lakh, Rs. 1 Lakh
IRR	15%

**Required :**

- (i) State whether the lease is operating lease or Financial Lease.

- (ii) Pass the necessary entries in the books of the lessee and lessor for the first year. Also prepare their Balance Sheet (Extract). Depreciation is provided on straight line basis @10% per annum. (10)
- (e) From the following Trial Balance, prepare Departmental Trading and Profit and Loss Account for the year ended on 31<sup>st</sup> March 2019 and Balance sheet as on that date :
- (ड) विभागीय ट्रेडिंग, पीएंग स्वाता तथा बैलेंस शीट तैयार करें- दिए गए ट्रायल बैलेंस और समायोजनों के आधार पर।

Particulars		Dr. (Rs.)	Cr. (Rs.)
Stock on 1-4-2019	Department A	60,000	
	Department B	50,000	
Purchases	Department A	80,000	
	Department B	70,000	
Sales	Department A		2,00,000
	Department B		1,80,000
Wages	Department A	15,000	
	Department B	5,000	
Rent		10,000	
Salaries		16,000	
Lighting and Heating		6,000	
Discounting Allowed		1,500	
Discount Received			1,900
Advertising		2,700	
Carriage Inwards		1,500	
Furniture and Fittings		11,200	
Plant and Machinery		16,000	
Sundry Debtors		14,000	
Sundry Creditors			10,000
Drawings		2,000	
Cash in Hand		11,000	
Cash at Bank		70,000	
Capital			50,000
<b>TOTAL</b>		<b>4,41,900</b>	<b>4,41,900</b>

The following information is also given :

- (i) Rent, Lighting and Heating, Salaries and Depreciation are to be apportioned in the ratio of 2:1 between the Departments A and B.

