

**FAKIR CHAND COLLEGE**  
**B.COM SEMESTER-I (HONOURS/GENERAL/MAJOR)**  
**Internal Assessment**  
**Subject - Financial Accounting I**

**Paper Code: CC1.1CG**

**Full Marks: 10**

Answer any **ONE** from the following:

1. The book value of Plant & Machinery of a firm shows Rs. 250,000 on 1.4.2017. One of the machinery on 1.4.2016 for Rs. 20,000 was sold for Rs. 10,000 on 30.9.2017. In place of this machinery, new machinery was purchased for Rs.40, 000 on 31.12. 2017. Show Plant & Machinery Account in the books of the concern for the year 2017-18, charging depreciation @10% p.a on diminishing balance method. (Year ending on March 31)  
(10)
2. From the following information, ascertain income for the year 31.3.2018 according to accrual basis of accounting  
(10)
  - a. Income received in cash for the year ended 31.3.2018 Rs. 50,000
  - b. Accrued income as on 31.3.2018 Rs.25,000
  - c. Income received in advance during the year ended 31.3.2018 Rs. 15,000
  - d. Outstanding expenses as on 31.3.2018 Rs. 25,000
  - e. Prepaid expenses as on 31.3.2018 Rs.10,000

**FAKIR CHAND COLLEGE**  
**B.COM SEMESTER-I (HONOURS/GENERAL/MAJOR) EXAMINATION (Under**  
**CBCS), 2020**  
**Subject - Financial Accounting I**

**Paper Code: CC1.1CG**

**Full Marks: 80**

**Answer any FOUR from the following:**

1. M Ltd. acquired a plant for Rs. 40,000 on Jan 1, 2013 and paid installation charges Rs.2,000 for it. It purchased another plant on May 1, 2014 for Rs. 24,000. Depreciation is provided @10% p.a on the original cost of each asset.  
You are required to
  - a. Pass journal entries
  - b. Prepare necessary ledger accounts
  - c. Show the extract of P/L A/C and Balance Sheet for the years 2013 and 2014, under each of the following independent cases:
    - i. Charge against Asset Method
    - ii. Provision for Depreciation Method (20)
2. A fire occurred at the godown of Royja Industries (P) Ltd on 10.6.2018. The stock of the company was fully insured against fire. From the following details, compute the amount of insurance claim (Fig in Rs.)

Stock on April 1, 2017	50,000
Stock on March 31, 2018	80,000
Purchase for the year 2017-18	540,000
Sale for the year 2017-18	680,000
Purchase for the period from 1.4.2018 to 10.6.2018	180,000
Sales for the period from 1.4.2018 to 10.6.2018	240,000

Gross profit rate was uniform and value of stock salvaged Rs. 15,500. (20)

3. From the following particulars, prepare Sales Ledger Adjustment Account in General Ledger and General Ledger Adjustment Account in Sales Ledger in the books of M for the year ended March 31, 2018, [Fig. in Rs.] (20)

Sales ledger Balance on 1.4.2017 (Dr)	Rs. 62,620	Return Inward	Rs.4,800
Sales ledger Balance on 1.4.2017 (Cr)	Rs. 620	Bad debt written off	Rs. 1,300
Total sales	Rs.120,000	Discount allowed	Rs. 450
Cash Sales	Rs.10,000	Carriage charged to customers	Rs. 950
Bills accepted by Debtors	Rs. 12,500	Bad Debt recoverd	Rs. 600
Bills received dishonoured	Rs. 500	Transfer from	Rs. 800

		bought ledger	
Cheque received from customers	Rs. 86,200	Ledger Balance on	Rs. 300
Cheque dishonoured	Rs. 1,200	31.3.2018 (Cr)	

4. What is Financial Accounting Standard? Discuss the procedures for issuing Accounting Standard in India. What is IFRS?  
(4+12+4=20)
5. A summary of receipts and payments of Medical Aid Society is given below:

<b>Receipts</b>	<b>Rs</b>	<b>Payments</b>	<b>Rs.</b>
To balance (Jan 1, 2014)	7000	By Payment of medicine	30,000
To Subscription	50,000	By Honorarium to doctors	10,000
To Donation	14,500	By Salaries	27,500
To Interest on investment @7%	7,000	By Sundry expenses	500
To Charity Show Proceeds	10,000	By Equipment Purchased	15,000
		By Charity Show expenses	1,000
		By balance (Dec 31, 2014)	4,500
	<b>88,500</b>		<b>88,500</b>

**Additional Information:**

	<b>1.1.2014 (Rs.)</b>	<b>31.12.2014 (Rs.)</b>
Subscription due	500	1,000
Subscription received in advance	1,000	500
Stock of medicines	10,000	15,000
Amount due to medicine suppliers	8,000	12,000
Value of Equipment	21,000	30,000
Value of Buildings	40,000	38,000

You are required to prepare Income and Expenditure Account for the year ended Dec 31, 2014 and the Balance Sheet as on that date.  
(20)