



**B.Com. I Semester Degree Examination, March/April - 2023**

**COMMERCE**

**Paper No. 01 : Financial Accounting  
(NEP)**

Time : 2 Hours

Maximum Marks : 60

- Note :** (i) Attempt **all** questions according to internal choice.  
(ii) Give working note wherever necessary.

**SECTION - A**

1. Answer the following questions. Each question carries **one** mark. **10x1=10**
- (a) What is accounting ?
  - (b) What is Trial balance ?
  - (c) State the final accounts of a trading concern.
  - (d) Give the meaning of sole proprietorship.
  - (e) Who is consignor ?
  - (f) State the types of commission.
  - (g) What is Royalty ?
  - (h) State the types of Royalties.
  - (i) What is cloud accounting ?
  - (j) What is Forensic Accounting ?

**SECTION - B**

Answer **any four** of the following questions. Each question carries **five** marks. **4x5=20**

2. What do you mean by accounting concepts ? State various accounting concepts.
3. Srushti and Co., a manufacturing concern gives the following information about their product. You are required to prepare manufacturing account of the concern for the year 2020.
- Opening stock of Raw-material ₹ 6,000
  - Raw-materials purchased during the year ₹ 12,000
  - Raw-materials stock at the end of the year ₹ 3,000
  - Wages paid for production ₹ 5,000
  - Factory rent ₹ 4,000
  - Factory lighting ₹ 1,000
  - Factory fuel and power ₹ 2,000
  - Depreciation on Factory Building ₹ 400
  - Depreciation on Factory Machinery ₹ 500



4. Usha consigned 1,000 tins of groundnut oil from Ballari to Raichur. Each tin costs ₹ 30. She incurred ₹ 5,000 by way of freight and insurance. During the transis 25 tins were accidently destroyed. On receipt of consignment, consignee paid ₹ 500 as recurring expenses and ₹ 2,000 as non recurring expenses. Ascertain the value of abnormal loss.
5. On 01-01-2018 Ballari Collieries Ltd. Leased a piece of land for a minimum rent of ₹ 10,000 in the first year, ₹ 20,000 in the second year and thereafter ₹ 30,000 p.a. merging into royalty of ₹ 5 per ton with power to recoup short working over the first three years only, the annual out put for the first four years was 500, 3,000, 8,000 and 12,000 tons respectively. Calculate royalty and short workings.
6. Ajay consigned 100 articles to Vijay at an invoice price of ₹ 600 each. Vijay is entitled to 5% commission on invoice price and 10% on price realised over and above the invoice price. Vijay sold 80 articles at ₹ 700 each. Calculate the commission of Vijay.
7. What is out sourced accounting. Explain the benefits of out sourced accounting.

### SECTION - C

Answer **any three** of the following questions. Each question carries **ten** marks.

**3x10=30**

8. What do you mean by accounting conventions. Explain accounting conventions in detail.
9. Prepare final accounts from the following information of Mr. Manoj as at 31-3-21.

Particulars	Debit	Credit
Capital		1,60,000
Drawings	10,000	
Machinery	40,000	
Buildings	60,000	
Furniture	20,000	
Purchase and sales	1,60,000	2,40,000
Debtors and creditors	80,000	60,000
Discount	2,000	4,000
Rent	12,000	-
Wages	8,000	-
Salary	18,000	-
Insurance	2,000	-
Interest	-	8,000
Cash	4,000	-
Bank over draft	-	6,000
Printing	8,000	-
Bad debts	2,000	-
B/R	10,000	-
B/P	-	4,000
Opening stock	26,000	-
Investments	20,000	-



**Adjustments :**

- (a) Closing stock ₹ 50,000
- (b) Rent out standing ₹ 4,000
- (c) Salary paid in advance ₹ 2,000
- (d) Insurance prepaid ₹ 400
- (e) Interest accrued but not received ₹ 1,000
- (f) Depreciation on Machinery @ 10% and on furniture @ 5%
- (g) Appreciation on Building @ 10%

- 10.** Karthik of Bangalore consigned 500 sewing machine to Anirud of Ballari. The cost price of each machine is ₹ 1,200. He paid ₹ 1,880 for packing and forwarding charges, ₹ 4,000 for freight and insurance. During the transit 50 machines were totally damaged and the insurance Co. settled the claim for ₹ 50,000.

Anirud took the delivery of remaining goods by paying ₹ 1,320 for octroi. He returned 10 machines, as they were unsaleable by paying ₹ 1,000 towards freight. He incurred ₹ 3,000 for selling expenses and sold 420 machines at ₹ 1,550 each. He settled the balance due by bank draft. He is entitled to a commission of 5% on sales.

Prepare consignment A/c, Anirud A/c, goods sent on consignment A/c Abnormal Loss A/c in the books of Karthik.

- 11.** Miss Priya developed new software on mobiles. Vivo Co. Entered into agreement on 01-01-2017 with Miss Priya to acquire the patent right for manufacture and sale of new mobile sets.

The terms of the agreement were as follows :

- (a) Lease period 5 years
- (b) Minimum rent ₹ 30,000 p.a.
- (c) Royalty 20% on sales.
- (d) Recoupment of short workings next two years only. Details of sales.

Year	Sales
2017	1,00,000
2018	1,40,000
2019	1,95,000
2020	2,05,000
2021	2,30,000

Prepare :

- (1) Royalty A/c
- (2) Miss Priya A/c
- (3) Short working A/c in the books of Vivo Co. Ltd.

- 12.** Briefly explain the various trends/factors of big data analytics in accounting.

