



(8)

Bc/BC/C1

2025

(FYUGP)

(1st Semester)

COMMERCE

(MAJOR)

Paper Code : BC/C1

(Financial Accounting)

Full Marks : 75

Pass Marks : 40%

Time : 3 hours

*The figures in the margin indicate full marks
for the questions*

1. (a) Discuss in detail accounting concepts and conventions. 15
- Or
- (b) Discuss the uses of qualitative accounting information. Who are the users of financial accounting information? Discuss. 5+10=15
2. (a) Write in brief the need for Consignment Accounting. Distinguish between Consignment and Sales. 5+10=15

26L/10

(Turn Over)

(b) From the following information, prepare Machinery A/c for the year ending 31st March, 2024 : 15

- 01.04.2021 Purchased a second-hand Machinery I for ₹ 80,000
- " Spent ₹ 20,000 on its repairs to make it serviceable
- 01.10.2021 Purchased a new Machinery II for ₹ 2,00,000
- 01.04.2022 Spent ₹ 2,000 on repair of Machinery II
- 30.06.2023 Sold Machinery I for ₹ 45,000
- 30.09.2023 Purchased a new Machinery III for ₹ 3,00,000

Rate of depreciation @ 20% p.a. on straight-line at every 31st March.

3. (a) On 01.01.2021, Mr. Tom bought a machine from James & Co. on hire-purchase system and details are given as under :

- (i) Cash price of machine—₹ 35,775
- (ii) Down payment made—₹ 10,000
- (iii) Balance amount in three equal instalments of ₹ 10,000 at the end of subsequent year i.e., 31st December

(26L/10) (Continued)

- (iv) Interest to be charged @ 8%
 - (v) Depreciation to be provided @ 10% on straight-line method
- Prepare Journal Entries in the books of hire-purchaser and vendor. 3+6+6=15

Or
(b) Discuss the features of hire purchase. What are the rights of the Hire Buyer in hire-purchase system? 10+5=15

4. (a) Explain the features, advantages and limitations of Branch Accounting. 4+6+5=15

Or
(b) Prepare Branch A/c in the books of Head Office for the year ended 31st December, 2024. All expenses are paid by the Head Office. Goods are invoiced by Head Office at 20% above the cost : 15

Stock on 31.12.2024	₹ 90,000
Stock on 01.01.2024	60,000
Debtors on 01.01.2024	40,000
Debtors on 31.12.2024	60,000
Credit Sales	1,80,000
Cash Sales remitted to HO	1,50,000
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	81,000

(26L/10) (Turn Over)

(4)

Cash collected from Debtors and remitted to HO	₹ 1,60,000
Goods invoiced to Branch	3,60,000
Rent	3,000
Salary	6,000
Goods returned to HO	6,000
Petty Cash on 01.01.2024	100
Petty Cash on 31.12.2024	50
Sales of Bags	200

5. (a) What do you mean by dissolution of a firm? Distinguish between Revaluation A/c and Realization A/c. 3+12=15

Or

(b) The following was the Balance Sheet of A and B firm as on 31st March, 2025 and their profit-sharing ratio was 3 : 2 :

Balance Sheet as at 31.03.2025	
Liabilities	Assets
Trade Creditors	28,000
Employees' PF	10,000
Mrs. A's Loan	10,000
B's Loan	15,000
Workmen Compensation Reserve	6,000
Capitals :	
A	10,000
B	8,000
	<u>87,000</u>
	<u>87,000</u>

26L/10

(Continued)

(5)

The firm was dissolved on 31.03.2025 on the following terms :

(i) A agreed to take the investment at ₹ 8,000 and to pay off Mrs A's loan

(ii) Other assets were realized as follows :

	₹
Stock	5,000
Debtors	18,500
Furniture	4,500
Plant	25,000

(iii) Expenses on realization was ₹ 1,600

(iv) Trade creditors agreed to accept ₹ 27,000 only

Prepare Realization A/c, Capital A/c and Bank A/c.

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