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I Semester B. Com. Examination, November/December 2014
(Prior to 2012-13) (Repeaters)
FINANCIAL ACCOUNTING – I

100 marks – of 2011-12 & onwards,
90 marks – of prior to 2011-12

Time : 3 Hours

Max. Marks : 100/90

Instruction : Section D applicable for 100 marks students.
100 – 2011–12 Only 90 – Prior to 2011–12

SECTION – A

Answer **any 10** sub - questions. **Each** question carries **2** marks. **(10×2=20)**

1. a) State any two features of Installment purchase system.
- b) What is Goodwill ?
- c) Mention any two method of calculation of purchase consideration.
- d) What is Rebate ?
- e) What is Complete Repossession ?
- f) Calculate hire purchase price from the following :
Cash price = ₹ 1,60,000 /-
Hire charges = ₹ 40,000 /-
- g) What is short working ?
- h) What do you mean by Installment purchase system ?
- i) Who is a lessee ?
- j) Mention any two objectives of Amalgamation of firms.
- k) Compute the purchase consideration from the following :
The purchasing company agrees to issue 1,000 equity shares of ₹ 10 each at par and cash ₹ 15,000.
- l) Give the meaning of hire purchase system.

SECTION – B

Answer **any 5** questions. **(5×5=25)**

2. What are the objectives of Amalgamation of firms ?
3. Differentiate between hire purchase system and installment purchase system.



4. The Balance Sheet of X and Y as on 31-3-2012 were as follows:

Liabilities	X(₹)	Y(₹)	Assets	X(₹)	Y(₹)
Capitals	15,000	20,000	Machinery	7,500	9,000
Creditors	10,000	5,000	Furniture	–	3,500
Bank loan	5,000	–	Stock	10,000	5,000
Bills Payable	–	2,500	Debtors	5,000	10,000
			Building	7,500	–
	30,000	27,500		30,000	27,500

They decided to amalgamate their business. The following revaluations were agreed.

- Machinery to be reduced by 10%
- Furniture of “Y” to be appreciated by 5%
- Stock to be depreciated by 10%
- Building to be appreciated by 20%

Pass the Journal entries in the books of “Y”.

5. Prepare Interest Suspense Account in books of purchases under installment purchase system.

Cash price – ₹ 80,000

Installment price – ₹ 94,000

Interest to be apportioned in the ratio of 4 : 2 : 1

Date of purchase – 01/1/2010.

The books are closed on 31st December every year. The payment is made at the end of the year.

6. Pass incorporation entries in the books of M/s ABC Ltd. from the following particulars.

Purchase consideration – ₹ 6,00,000

Value of Sundry Assets taken over – ₹ 7,00,000

Value of Sundry Liabilities taken over – ₹ 50,000

Statement of hire purchase consideration – 80% in equity share of ₹ 10 each and the balance in cash.

7. Prepare an analytical table of royalties from the following :

a) Minimum rent ₹ 10,000 p.a.

b) Royalty ₹ 1 per ton

c) Short workings are recoverable during the first 3 years

d) Output during the first three years = 2,000, 5,000 and 15,000 tons respectively.

