

**Goa Vidyaprasarak Mandal's
GOPAL GOVIND POY RAITURCAR COLLEGE OF COMMERCE AND ECONOMICS
FARMAGUDI, PONDA – GOA**

**B.COM. UGC-CCFUP (SEMESTER-I) REGULAR EXAMINATION NOVEMBER 2023
MAJOR – 1 COM-100 – FINANCIAL ACCOUNTING**

Time: 2 Hours

Marks: 80

Instructions:

1. *Question No. 1 is compulsory.*
2. *From Question No. 2 to Question No. 5 internal choice is available.*

Q.NO. 1 Answer following questions (8*2=16 Marks)

1. What is Single Entry system?
2. List any four external users of accounting information.
3. Define Depreciation as per Indian GAAP.
4. Why Statement of Affairs is prepared in Single Entry system?
5. Where you will record Stock and Bills payable in Balance sheet as per Company's Act of 2013?
6. Name any four items which comes under the head Fixed Assets.
7. How is investment classified as per AS-13?
8. What are Bonus shares?

Q.NO. 2 A) Solve the following problem using Sinking Fund Depreciation method and prepare necessary accounts. (12 Marks)

Ronit company purchased a machinery on 1st April, 2019 for ₹12,00,000. The investments were made of ₹2,48,800 per year as per the sinking fund table requirements. The investments were sold on 31st March 2022 for ₹10,04,000. The rate of interest was 5% p.a. The investments were made in the multiples of ₹100.

OR

Q. No. 2 B) Solve the following problem using Insurance Policy Depreciation method and prepare necessary accounts. (12 Marks)

Charlie Company purchased an equipment on 1st April, 2020 for ₹8,00,000 and spent ₹1,60,000 on its installation. It was estimated that the equipment will have a scarp value of ₹80,000 and an Insurance Policy was taken, the annual premium being ₹2,08,000. The scrap realized for ₹83,200 at the end of 31st March, 2023.

Q. No. 2 C) Explain any four Basic Accounting Principles in Accounting. (4 Marks)

P.T.O.

Q.NO. 3 A) Solve the following problem using Single Entry system method.
Mr. Mahendra maintains his account on Single Entry System. His balances for the year ended 31st March 2022 and 31st March 2023 are as follows- **(12 Marks)**

Particulars	2022 (Amount)	2023 (Amount)
Bills Receivables	₹16,000	₹12,000
Stock	₹56,000	₹60,000
Creditors	₹24,000	₹18,000
Bills Payable	₹8,000	₹10,000
Debtors	₹28,000	₹36,000
Cash in hand	₹6,000	₹10,000

Cash transactions

Receipts	Amount	Payments	Amount
Opening balance	₹6,000	Payment to creditors	₹60,000
Received from debtors	₹90,000	Payment to Bills payable	₹50,000
Received from Bills receivables	₹50,000	Office expenses	₹8,000
Sundry income	₹4,000	Other expenses	₹10,000
		Investment purchased	₹12,000
		Closing balance	₹10,000
	₹1,50,000		₹1,50,000

Prepare -

- Trading Account and Profit & Loss Account
- Other Necessary Accounts.

Q.NO. 3 B) Explain any four characteristics of Single Entry system. **(4 Marks)**

OR

Q.NO. 3 C) Explain any four disadvantages of Single Entry system. **(4 Marks)**

Q.NO. 4 A) Analyse the profitability of Sunshine Company Limited by preparing Income Statement as per the Schedule III of the Companies Act 2013 from the following information provided. **(12 Marks)**

Particulars	Amount
Salary	₹20,000
Selling expenses	₹9,375
Interest on Bank loan	₹10,000
Purchases	₹1,21,250
Wages	₹25,500
Repairs and maintenance	₹9,000
Sales	₹2,62,500
Sales return	₹3,750
Opening stock	₹1,37,500
Interest on Debentures	₹6,000
Audit fees	₹10,000
Depreciation on Machinery	₹13,500
Depreciation on Furniture	₹6,500
Provision for Tax	₹6,250
Interest on 10% Investment	₹8,375
10% Investment	₹1,00,000
17% Debentures	₹50,000
Director's fees	₹11,000

Closing stock was valued at ₹3,87,500 on 31st March, 2023.

