

**TDC Odd Semester Exam., 2020  
held in July, 2021**

COMMERCE

( Pass )

( 1st Semester )

Course No. : BCMP-102

( **Financial Accounting—I** )

*Full Marks : 50*  
*Pass Marks : 17*

*Time : 2 hours*

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

Answer **four** questions, selecting **one** from each Unit

UNIT—I

1. Write a note on qualitative characteristics of Accounting Information. 10
2. Explain the advantages and limitations of Financial Accounting. 10

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( Turn Over )

UNIT—II

3. On 1st April, 2013, Basak Tea Co. Ltd., purchased a machine worth ₹ 45,000 on hire purchase system. An amount of ₹ 6,000 was paid on delivery and the balance in 5 instalments of ₹ 9,000 each payable annually on 31st March each year. Any difference in the fifth year's amount should be suitably adjusted. Vendor company charges 5% interest per annum on yearly balance.  
  
Prepare Machinery A/c in the books of Basak Tea Co. Ltd., providing depreciation @20% on diminishing balance by showing clearly calculation of interest and depreciation. 10
4. Define instalment payment system. Bring out the distinctions existing between hire purchase and instalment payment system. 2+8=10

UNIT—III

5. (a) Explain the Accounting Treatment of Goodwill on retirement of a partner. 6  
(b) Write a note on Realization Account. 4
6. (a) Give two circumstances on which sacrificing ratio should be applied. 2

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( Continued )

(b) Jadu and Madu were partners in a firm sharing profits in the ratio of 5:2. On 1st March, 2019, they admitted Krishnendu as a new partner for  $\frac{1}{6}$ th share in the profits of the firm. They fixed the new profit sharing ratio as 3:2:1. The Profit and Loss A/c on the date of admission showed a balance ₹ 20,000 (cr). The firm also had a reserve of ₹ 1,50,000. Krishnendu is to bring ₹ 40,000 as premium for her share of goodwill.

Showing your calculations clearly, pass Journal Entries to record the above transactions.

8

UNIT—IV

7. (a) What do you mean by bonus shares? What are the various sources from which these are issued? 2+4=6
- (b) State any four purposes for which Securities Premium A/c can be used. 4
- (c) Pass journal entries for the issue and redemption of debentures in the following cases : 5+5=10
- (i) 15000, 9% debentures of ₹ 250 each issued at 5% premium, repayable at 15% premium

(ii) 300000, 12% debentures of ₹ 12 each issued at 9% premium, repayable at par

8. (a) What do you mean by redeemable preference shares? Explain the provisions relating to the redemption of redeemable preference shares. 2+8=10

(b) DHANI Industries Ltd. invited applications for 10000 shares of ₹ 100 each. The shares were issued at a premium of 10%. The amount was payable as follows :

On Application—₹ 30

On Allotment—₹ 40

(including premium)

On first and final call—balance

Applications for 15000 shares were received. Applications for 3000 shares were rejected and allotment was made to the remaining applications on pro-rata basis. All calls were made and were duly received except the final call on 100 shares. These shares were forfeited. The forfeited shares reissued at ₹ 90 per share as fully paidup.

Pass journal entries in the books of the company to record above transactions. 10

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