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**T.Y.B.com Semester VI (CBCS) Ordinance**  
**EXAMINATION NOVEMBER 2023**  
**Accounting - Accounting I**

[Time: 2 Hours]

[Max. Marks:80]

**Instructions:**

1. Question No. 1 is compulsory.
2. Answer **any three** questions from Question No. 2- Question No. 6.
3. Figure to the right indicates marks to the questions/sub-question.

- Q1 On January 1, 2016 Sung Co. acquired a Van on hire purchase from Oprat Ltd for a period of 20 4 years. The terms of the contract were as follows:
- a. The cash price of the van was Rs 2,00,000/-.
  - b. Rs. 40,000/- were to be paid on signing of the contract.
  - c. The balance was to be paid in annual instalments of Rs. 40,000/- plus interest.
  - d. Interest chargeable on the outstanding balance was 6% p.a.
  - e. Depreciation at 10% p.a. is to be written-off using the straight-line method.
- You are required to give Journal Entries in the books of sung Co.

- Q2 Illus ltd obtained a lease of coal mines for 100 years from Mr Landlord on 1<sup>st</sup> January 2016. 20  
 Following information is provided:
- i. Mining corporation will develop the land and will bear the cost of development
  - ii. Royalties is Rs.2 per tonne of coal.
  - iii. Minimum rent for the first year will be Rs. 10,000/-, with annual increase of Rs. 1,000/- till it reaches Rs. 15,000/-.
  - iv. Short workings if any, are recoverable within the first three years only.
  - v. Mining Corporation developed the land at the cost of Rs. 2 Crores and estimated coal deposit of Rs.20,00,000/- of tonnes.

Year	2016	2017	2018	2019
Production (tonnes)	1,000	2,000	10,000	15,000

You are required to prepare

- i. Royalties Account;
- ii. Short workings Account
- iii. Landlords Account

Q3 Micro Ltd is a proprietor of a business consisting of two departments. One department selling 20 Computers and the other selling Software. The balances of the business on 31.12.19 were as follows

Particulars	Dr	Cr
Capital		71,000
Sales-Computer		59,000
Software		29,500
Purchases- Computer	20,000	
Software	10,000	
Drawings	3,000	
Building (at cost)	43,000	
Equipment's at Written Down Value- Computer	18,000	
Software	7,000	
Creditors and Debtors	10,200	5,319
Stock on 1.1.19- Computer	2,320	
Software	2,136	
Salaries- Computer	20,560	
Software	15,440	
Advertisement	615	
Discount Allowed- Computer	400	
Software	200	
Bank	5,600	
Rent and rates	1,580	
Canteen Charges	875	
Heating and lighting	880	
Insurance of stock	940	
General administrative expenses	2,073	
<b>Total</b>	<b>1,64,819</b>	<b>1,64,819</b>

The following information is also provided:

- The general administrative expenses and the rent & rates included prepayments of Rs. 33 and Rs.80/- respectively.
- On 31.12.19, following were the outstanding balances:  
Salaries- Computer Rs.250/-; Software Rs.170/-; Heating and lighting Rs.20/-.
- Closing stock were: Computer Rs. 2,800/-; Software Rs. 2,450/-.
- 5% commission is to be paid to the manager of computer and software department on Net Profit of the respective departments.
- 10% depreciation is to be provided on equipment's on written down value.
- The general administrative expenses are primarily incurred in relation to the processing of purchases and sales invoices.
- In apportioning the various expenses between the two departments due regard is to be given to the following information

	Number of Workers	Average Stock Levels (Rs.)	Floor area (sq.ft)
Computer	9	2,500	4,000
Software	6	2,200	2,000

- Q4 Simo Ltd has a Branch in Agonda. Goods are sent to the branch at cost plus  $33\frac{1}{3}\%$ , which is 20 the selling price. The following information is given with respect to the branch on 31.03.2019.

Particulars	Rs.
Goods sent to branch (invoice value)	4,80,000
Stock at branch (1.4.2018) at selling price	24,000
Cash sales	1,80,000
Returns from debtors	6,000
Branch expenses paid for cash	53,500
Branch debtors balance (1.4.2018)	30,000
Discount allowed	1,000
Bad debts	1,500
Stock at branch (31.3.2019) at invoice price	48,000
Branch Debtors balance (31.3.2019)	36,500
Collection from debtors	2,70,000
Branch Debtors cheques returned dishonoured	5,000

You are required to prepare: (i) Branch Stock Account, (ii) Branch Debtors Account and (iii) Branch Adjustment Account to reveal the profit of the Branch for the year 2019.

- Q5 A. Modern Ltd buys a car on instalment payment system from Motors Ltd on 1.1.2015. 10 Payment is to be made on December 31 for 5 years @ 40,000/- per annum, interest being calculated at 5% p.a. The cash down price of the car is Rs.2,00,000/-. Depreciate the car at 10% p.a. on the Diminishing Balance Method. You are required to prepare Interest Suspense Account in the books of Modern Ltd.
- B. Mr. Y has a branch in Margao. He invoices goods to the branch at selling price which 10 is cost plus  $33\frac{1}{3}\%$  from the following particulars prepare Branch Account and Goods Sent to Branch Account in the books of Mr. Y.

Particulars	Rs.
Stock on 01/01/2019 (invoice price)	15,000
Debtors on 01/01/2019	11,400
Goods sent to branch (purchase price)	67,000
Cash sales	31,000
Credit sales	37,400
Cash received from debtors	40,000
Discount allowed to customers	300
Bad debt written off	250
Cheque Sent to Branch:	
Salaries	5000
Sundry expenses	1,700
Stock on 31/12/2019 (invoice price)	13,400

Q6 Answer any **FOUR** of the following questions:

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- A. Advantages of hire purchase system.
- B. Meaning and features of Instalment payment system.
- C. Write a note on Short working.
- D. Concept and advantages of Departmental Accounting.
- E. Branch Accounting v/s Departmental Accounting.
- F. Write a short note on the nature of Hire purchase.