

Goa Vidyaprasarak Mandal's
Gopal Govind Poy Raiturcar College Of Commerce & Economics
Ponda - Goa
B.COM. (SEMESTER - I) EXAMINATION, MAY/JUNE 2018
ACCOUNTING (Commerce Paper-I)
FOUNDATION COURSE

Time: 2 hours

Marks: 80

- Instructions :
- 1) Question No. 1 is compulsory.
 - 2) Answer any three questions from Q.No.2 to Q.No.6.
 - 3) All working notes shall carry marks.

Q.1) (20)

The Bengal Mining comp obtained a mining lease for a period of 30 years beginning from January 1st, 2011 on following terms:

1. To pay a minimum rent of ` 24,000 p.a.
2. Each years short workings can be recovered during the subsequent years.
3. Due to strike minimum rent is reduced by 25% for that year.
4. Royalty was calculated at ` 50 per tone.

Production during four years was as follows :

| <u>Year</u> | <u>extraction in tonnes</u> |
|-------------|----------------------------------|
| 2011 | 2,800tns |
| 2012 | 3,600 tns |
| 2013 | 6,000 tns |
| 2014 | 4, 400 tns (Strike for 3 months) |

You are required to prepare

| | |
|---------------------|-------------------|
| 1. Analysis table | 2. Royalty A/c |
| 3. Shortworking A/c | 4. Landlord's A/c |

Q.2) (20)

Samir Pvt ltd. Was registered with a nominal share capital of 10000 equity shares of ` 100 each; issued 20000 shares to the public payable as follows :

On application ` 20; on allotment ` 30 (includes premium `10) ; on final call ` 60.

Applications are received for 30,000 shares. The directors decided that ;

To the applicants for 5000 shares - Nil

To the applicants for 25000 shares- 20000 shares (pro-rata)

Excess money on application to be adjusted towards allotment. All the calls were made and all the money received except Ms. Narayani holding 100 shares failed to pay the allotment money and also the call money. These shares were forfeited and later reissued at ` 80 per share.

You are required to pass the necessary journal entries in the books of Samir Pvt Ltd.

And also show the necessary entries in the Balance sheet to be prepared as per revised schedule VI.

Q.3) (20)

On 1st January 2011, Ramesh purchased a machine from a vendor on hire purchase basis. The particulars are given below.

1. Cash price ` 10,000
2. ` 4,000 to be paid n signing the contract
3. Balance in three equal installments of ` 2,000 plus interest
4. Interest charged on outstanding balance at 5 % p.a.
5. Installments are to be paid annually from December each year
6. Depreciation charged 10 % p.a. on straight line method

You are required to prepare

1. Table for calculation of interest
2. vendors A/c
3. Interest A/c
4. Asset A/c
5. Depreciation A/c

Q.4) Write short notes on : (20)

1. Sources of redemption
2. Bonus issue of shares
3. Explain the meaning of terms Hire purchase, down payment and cash price.
4. Explain the meaning of the terms Royalty, minimum Rent and short workings.

Q.5) (20)

The following items from the Balance sheet of Kaustubh Ltd. as on 31st December 2017 are given :

- 50000 equity shares of ` 10 each; ` 5,00,000
- 10% 1,000 redeemable Preference shares of ` 100 each; ` 1,00,000
- General reserve ` 1,00,000
- Dividend Equalization Reserve ` 50,000
- Current Liabilities ` 1,50,000
- Bank ` 90,000
- Other Assets ` 8,10,000

The company decided

- 1) To redeem its preference shares at a premium of 10% during the year.
- 2) A fresh issue of 4,500 equity shares at a premium of ` 1 per share.
- 3) Expenses for fresh issue of shares ` 5,000

Give the journal entries and draw the balance sheet after redemption.

Q.6A) (10)

On 1st January 2011, M/s Meera and comp. took a motorcycle on hire purchase system from Ms Neeta Products, ` 2,000 being paid on delivery and the balance in five installments of ` 3,000 each payable annually on 31st December. The vendor company charges interest at 5% p.a. on yearly balance. Depreciation is provided at the rate of 20% on W.D.V. method. You are required to prepare a table showing calculation of interest. Also show the calculation of amount of depreciation to be charged annually.

Q.6B) Pass journal entries for the following: (10)

Amar Ltd. offered 5,000 equity shares of ` 10 each to the public for subscription. Applications were received for 3,500 shares and the same were allotted to them. However one shareholder holding 50 shares failed to pay the 1st and final call money. The share amount was payable as follows: on application ` 3; on allotment ` 3; on first call ` 2 and final call ` 2. The shares on which money was not received were forfeited after final call.