

**GoaVidyaprasarakMandal's**  
**GOPAL GOVIND POY RAITURCAR COLLEGE OF COMMERCE AND**  
**ECONOMICS, PONDA GOA**  
**B.COM.(SEMESTER-I) SUPPLEMENTARY EXAMINATION**  
**MAY/JUNE 2017**  
**ACCOUNTING ( Commerce Paper-I)**  
**FOUNDATION COURSE**

**Duration:- 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)  
Mina purchased a machine on installment system on 1<sup>st</sup> January 2016 from Sita. He paid ` 60,000 on signing the agreement, ` 63,250 at the end of the first year; ` 76,250 at the end of the second year and ` 82,500 at the end of the third year. Interest @ 10% p.a. on cash price of the machine is included in the above installments. Mina charges depreciation @ 15% p.a. on straight line method. You are required to prepare

- I. In the books of Mina
1. Analysis of payment
  2. Sita's A/c
  3. Interest suspense A/c
  4. Interest
  - 5.
  6. Asset A/c

Q.2) (20)  
Nita Pvt. Ltd. Registered with a nominal share capital of 10,000 equity shares of ` 100 each; offered for public subscription 8000 shares payable as follows :  
On application ` 30; on allotment ` 42( includes premium ` 12); on final call `40.  
Applications are received for 15,000 shares. The directors decided that ;  
To the applicants for 5000 shares - Nil  
To the applicants for 10,000 shares - 8,000 shares ( pro-rata)  
Excess money on application to be adjusted towards allotment. All the calls were made and all the money received except Mr. Narayana holding 200 shares failed to pay the allotment money and also the call money. These shares were forfeited and later 150 shares were reissued at ` 90 per share.  
You are required to pass the necessary journal entries in the books of Nita Pvt Ltd. And also show the necessary entries in the Balance sheet to be prepared as per revised schedule VI.

Q.3) (20)

The following items from the Balance sheet of Kaustubh Ltd. as on 31<sup>st</sup> December 2016 are given :

30,000, 10% Redeemable Preference shares of ` 10 each fully paid  
 17000 equity shares of ` 10 each fully paid  
 Securities Premium ` 30,000  
 General Reserve ` 1,50,000  
 Dividend Equalisation Reserve ` 50,000  
 Other liabilities ` 40,000  
 Fixed Assets ` 4,70,000  
 Current Assets ` 2,70,000 (includes cash at Bank ` 1,50,000)

The company decided to redeem its preference shares at a premium of 10% during the year. A fresh issue of minimum number of equity shares of ` 10 each was to be made at par. Calculate the minimum number of fresh equity shares to be issued if it was decided to use only half of divisible profits for redemption. The expenses on fresh issue of shares amounted to ` 3,000 Give the journal entries and draw the balance sheet after redemption.

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

1. Buy back of shares
2. Capital Redemption Reserve
3. Distinction between hire purchase and installment system (4points)
4. Minimum rent and shortworking recoupment

Q.5) (20)

M/s RajaRani ltd took lease of a mine from M/s Kumari ltd. at an annual dead rent of ` 12,000 subject to a royalty payable at ` 1.5 per ton extracted. Short Workings are recoupable immediately in the next three years. There is a provision that if in any year, normal production was not attained due to strike, the minimum rent was to be reduced in proportion. Details of the extraction are as follows:

<u>Year</u>	<u>extraction in tones</u>
2012	6,000 tns
2013	6,500 tns
2014	10,000 tns
2015	6,000 tns( strike for 3 mths)

You are required to prepare: 1. Analysis table 2. Royalty A/c  
3. Shortworking A/c 4. Landlord's A/c 5. P&L A/c

Pg 3 of 3

Q.6A) (10)

M/s RDX ltd. Supplied computers to Ashok enterprise on hire purchase system on 1<sup>st</sup> January 2015. The cash price is ` 22,350. It was agreed to pay ` 6,000 on that date and ` 6000 annually for three years. Interest was chargeable at 5% p.a. Prepare a table for analysis of payment and prepare M/s Ashok enterprise A/c in the books of M/s RDX Ltd. A/c.

Q.6B) (10)

M/s Geeta Ltd issued 50 shares of ` 30 each payable as : on application ` 15 and ` 15 on allotment call. Ms. Farida after making an application and being allotted 15 shares failed to pay the allotment call money. These shares were forfeited and 10 shares were reissued at ` 25 per share. Pass the necessary journal entries above to effect the above information.

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