

**Goa Vidyaprasarak Mandal's
GOPAL GOVIND POY RAITURCAR COLLEGE OF COMMERCE AND
ECONOMICS, PONDA-GOA
B.COM. (SEMESTER-I) SUPPLEMENTARY EXAMINATION
MAY/JUNE 2016
ACCOUNTING (Foundation Course)**

Time: 2 Hours

Marks : 80

- Instructions: 1. Question No. 1 is compulsory
2. Answer any 3 question from question number 2 to 6.
3. Figures to the right indicates full marks.

Q.1) On 01/01/2009 an asset was purchased by Y Ltd, on installment system from Auto Ltd. for ` 1,00,000. ` 20,000 was the down payment. The balance was paid in 4 installments of ` 20,000 plus interest at the rate of 12% p.a. Rate of depreciation was 10% on reducing balance.
Prepare in the books of buyer

- a) Assets A/c
- b) Seller's A/c
- c) Interest suspense A/c
- d) Interest A/c

Q.2) Royal Ltd. took a mine on lease from Dempo Ltd. Minimum rent was ` 60,000 per year. Actual amount of royalty worked out as follows :

- 1st yr - NIL
- 2nd yr - ` 18,000
- 3rd yr - ` 45,000 (strike)
- 4th yr - ` 70,000
- 5th yr - ` 80,000

Each year's short working to be recovered from the next 2 yrs. In the event of strike when the min. rent not being reached. It was provided that the actual royalty earned for the year could be the obligation towards minimum rent.

Prepare in the books of lessee:-

- a. Minimum rent A/c
- b. Royalty A/c
- c. Land lords A/c
- d. Short workings A/c

Q.3) M/s Tisco Ltd invited applications on 15000 shares @ ` 10 each, ` 3 was the premium to be paid on allotment. The share amt was as follows:-

- I. Application - 2.50
- II. Allotment - 5
- III. 1st call - 2
- IV. Final call - 3.50

Application were received for 20,000 shares and the directors decided to make pro-rata allotment of shares.

Mr. Ram holding 400 shares fail to pay the First and final calls. All these shares were later forfeited. Out of the forfeited shares, 300 shares were later issued to Mr. Shyam @ ` 8 per share.

Pass journal entries to record the above transactions of issue, forfeiture & re-issue and Draw the balance sheet after the reissue.

Q.4) The Following is the Balance Sheet of Hindustan Ltd. as on 31/03/2015.

LIABILITIES	Amt.(`)
Share Capital	
a. 3,000 6% Redeemable Preference Shares of ` 10 each fully paid	30,000
b. 6,000 Equity Shares of ` 10 each fully paid	60,000
Reserves and Surplus	
Securities Premium Account	29,000
General Reserve	40,000
Profit & Loss A/c	24,500
Creditors	19,500
TOTAL	2,03,000
ASSETS	
Fixed Assets	1,00,000
Investments	21,000
Stock in Trade	44,000
Debtors	16,000
Cash at Bank	22,000
TOTAL	2,03,000

On 1st March, the company decided to redeem its preference shares at a premium of 4%. Also a fresh issue of 2,000 equity shares of ` 20 each was made at ` 30 per share. The new issue was fully subscribed and all the monies were duly collected.

Pass journal entries for above transactions and prepare Balance sheet after giving effect to the above Transactions.

Q.5.a) ABC Ltd. issued Shares of ` 10 at 10% premium payable as follows:

- On application ` 2
- On allotment ` 3 (including Premium)
- On first call ` 2
- On final call ` 4

Mahesh who was holding 50 shares did not pay his allotment and first call and his shares were forfeited.

Suresh who was holding 30 shares, did not pay first call and his shares were also forfeited.

Journalise transaction relating to only the forfeiture of shares. (10)

Q.5.b) Ayodhya manufacturing co. purchased Machinery from Goa Agency on 1st January 2008 on installment system by paying ` 12000 on delivery and the balance in four installment payable at the end of each year including interest at the 10% p.a. Following was the payment made:

- 2008 --- ` 25,600
- 2009 --- ` 19,600
- 2010--- ` 14,000
- 2011--- ` 8,800

The cash price of the machine was ` 68,000.

The company charged depreciation @ 10% p.a. on straight line Method.

Prepare in the books of buyer:

- a) Machinery a/c (b) Goa Agency a/c. (10)

6. Write the short notes (Any four): (20)

- a) Right shares
- b) Hire purchase & Installment system
- c) Sub-lease
- (d) Bonus share
- (e) Securities Premium

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