

GVM's G.G.P.R. COLLEGE OF COMMERCE AND ECONOMICS
FARMAGUDI, PONDA - GOA

INTRA SEMESTER ASSESSMENT TEST - I
B.COM. SEMESTER I
JULY 2014
ACCOUNTING

Duration: 30 minutes

Marks: 10

Q. No. 1. On January 1, 2009, M/s Suzuki Ltd. purchased from M/s Hundai Ltd., five equipments under Hire Purchase system.

It was decided to pay ₹ 2,00,000 as the down payment and to settle the balance through five installments of ₹ 1,50,000 each payable annually on December 31.

The hire purchase price of those equipments was estimated at ₹ 9,50,000. The cash price was ₹ 8,37,500.

The interest of 5% p.a. was charged by the vendor on yearly balances. The Straight Line Method was followed to depreciate the machinery @ 10% p.a.

Prepare in the books of M/s Suzuki Ltd.

- i) Assets A/c
- ii) M/s Hundai Ltd.
- iii) Interest A/c
- iv) Depreciation A/c

(Marks : 8)

Q.No 2. Write a note on Instalment System of accounting.

(Marks : 2)

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