

**Goa Vidyaprasarak Mandal's
GOPAL GOVIND POY RAITURCAR COLLEGE OF
COMMERCE AND ECONOMICS, PONDA- GOA
B.COM. CBCS (SEMESTER-I) SUPPLEMENTARY EXAMINATION,
AUGUST 2021
FINANCIAL ACCOUNTING**

Duration : 2 Hours

Marks : 40

Instructions:

1. Answer any FOUR questions out of Six.
2. Figures to the right indicate full marks
3. All working notes will carry marks

Q.1) (10)

Shri Nilesh carries a business and keeps his books of accounts on single entry system. The following particulars have been provided.

Particulars	As on 1-1-2019	As on 31-12-2019
Plant & machinery	25000	25000
Stock	22000	19500
Debtors	8000	25500
Creditors	12500	10000
Cash in hand	400	800
Cash at bank	6250(dr)	7000(cr)

The following cash transactions took place during the year

Cash A/c

Receipts	Amount	Payments	Amount
To cash sales	31250	By payment for purchases	
To cash received from Debtors	160000	By payment to creditors	28850
		By general expenses	132000
		By wages	21450
		By drawings	15000
			6800
	203500		203500

Additional information:

During the year, Shri Nilesh had taken from business for his own consumption Rs. 1950

Charge 10 % Depreciation on Plant and machinery

Prepare necessary accounts with Trading and Profit and loss A/c and Balance sheet.

Q.2) (10)

A company purchased a machine on 1-1-15 for Rs. 52000. To be replaced at the end of three years. The replacement made through sinking fund are expected to yield an interest @3%p.a. for the purpose Rs. 16176.50 must be invested annually. At the end of three years, investments are sold for Rs. 32800. The scrap realized Rs. 1500 at the end of third year. Prepare Asset A/c, Depreciation fund A/c and Depreciation fund investment A/c.

Q.3) (10)

Sunaksha Ltd issued 10000 equity shares of Rs 25 each at a premium of Rs 5 and received applications for 11000 shares. Extra applications were rejected and refunded.

The share money was payable as follows

On application Rs 8

On allotment Rs 10 (including premium Rs. 5)

On first call Rs 5 and

Final call the balance amount

All calls were made and all money was received except Mr Rajesh who failed to pay both the calls on 100 shares. These shares were forfeited and then reissued at Rs. 19 per share to Mr Sudhir. Journalise the above transactions

Q.4) (10 mks)

The following are the amounts from balance sheet of Mumtaz Ltd.

50000 equity shares of Rs 10 each – 5,00,000

10 % redeemable preference shares of Rs 100 each – 1,00,000

General Reserve - 1,00,000

Dividend equalization Reserve - 50,000

Current liabilities – 1,50,000

Bank – 90,000

Fixed assets – 1,00,000

The preference shares were redeemed on following basis

Issue of 4500 equity shares of Rs 10 each at par (expenses incurred on fresh issue Rs 5000)

Preference shares were redeemed at a Premium of 10 %. Journalise.

Q.5) (10)

Vinod Ltd resolved to buy back 60,000 of its fully paid equity shares of Rs. 10 each at a premium of 25 %. The company issued 2000, 14% preference shares of Rs 100 each at par. The company uses 1,80,000 from its securities premium and balance from General reserve. Pass Journal entries.

Q.6) Answer the following (5 x 2 mks)

- a) Write any four limitations of Single entry system.
- b) Explain Annuity method of Depreciation Accounting
- c) Write a short note on 'Divisible Profits'.
- d) Explain any two objectives of charging depreciation.
- e) What is Buy back of shares?