

**Goa Vidyaprasarak Mandal's**  
**GOPAL GOVIND POY RAITURCAR COLLEGE OF COMMERCE**  
**AND ECONOMICS, PONDA - GOA**  
**B.COM.(SEMESTER-I) SUPPLEMENTARY EXAMINATION**  
**MAY/JUNE 2017**  
**FINANCIAL ACCOUNTING**

**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. No. 1 (20 Mks)

M/s Dharma Traders purchased equipment for ` 30,000 on 1<sup>st</sup> January, 2013. It was estimated that the equipment will have a scrap value of ` 2,500. For the same equipment an Insurance policy was taken, annual premium being ` 6,500. The scrap realised for ` 2,600 at the end of 31<sup>st</sup> December, 2016.

Prepare-

- I. Equipment A/c
- II. Depreciation fund A/c
- III. Depreciation Insurance Policy A/c.

Q.No. 2 (20 Mks)

Cash and bank transactions of Gopal Traders, Margao-Goa are given below. Prepare a Cash book with bank column and cash column from the following information. Also prepare necessary vouchers. Transactions are entered on Cash Book Folio No. 2276. Their bankers are SBI, Margao-Goa.

Date	Particulars
2016	
Nov, 1	Cash in hand `52,000 and cash at bank `16,000.
Nov 3	Cash sales as per Bill No. 111 to 116 ` 28,000.
Nov 5	Cheque no. 23456 for ` 42,000 issued to John traders against bill no. 2123.
Nov 7	Cash sales as per Bill No. 117 to 122 ` 62,000.
Nov 15	Cheque no. 45672 for ` 77,000 drawn on SBI, Margao-Goa received from M/s Manan towards bill no. 2345 dated 17 <sup>th</sup> October, 2016
Nov 18	Petty cash expenses ` 37,000 as per petty cash book folio no. 444.
Nov 22	Cash sales ` 52,000 as per Bill No. 123 to 128.
Nov 24	Paid to Yummy Hotel via a cheque no. 543212 ` 87,000 against bill no. 34521 dated 3 <sup>rd</sup> October, 2016.
Nov 26	Cash sales ` 12,000 as per Bill No. 129 to 135.
Nov 28	Cheque no. 23458 for ` 1,52,000 issued to M/s Putin Ltd. Against Bill No. 2987 dated 27 <sup>th</sup> Oct, 2016.
Nov 30	Cash sales ` 2,000 as per Bill No. 136 to 138.

Q.No. 3 (20 Mks)

A machine was acquired on 1<sup>st</sup> January, 2014 at ` 76,250 having scrap value of ` 1,250 which was realised at the end of 3<sup>rd</sup> year.

It was decided to provide for its replacement by setting up a Depreciation fund. It is expected that investment will fetch an interest @ of 5% p.a.

Sinking fund table shows that the amount of Rupee one for 3 years at 5% interest can be depreciated by charging 0.317208 every year. At the end of 31<sup>st</sup> December, 2016, Investments were sold for ` 73,000.

Prepare-

- I. Machine A/c
- II. Depreciation fund A/c
- III. Depreciation Fund Investment A/c.

Q.No. 4

(20 Mks)

You are given Balance Sheet of Ms Shama as on 31<sup>st</sup> December, 2015 and Cash A/c for the year 2016.

Balance sheet as on 31<sup>st</sup> December, 2015

Liabilities	Amt	Assets	Amt
Capital	39,600	Cash	6,000
Bills payable	16,000	Bills receivable	8,000
Outstanding dues	400	Debtors	10,000
Creditors	8,000	Stock	8,000
		Furniture	4,000
		Plant & machinery	28,000
	64,000		64,000

Cash A/c for the year ended 31<sup>st</sup> December, 2016

Receipts	Amt	Payments	Amt
To Balance B/D	6,000	By Wages	8,000
To Cash Sales	14,000	By Drawings	4,800
To Debtors	32,000	By Payment to Creditors	14,000
To Bills receivable	30,000	By Bills payable	24,000
		By Sundry expenses	12,000
		By Rent, Rate & Expenses	8,000
		By Balance c/d	11,200
	82,000		82,000

Information –

- 1) As on 31<sup>st</sup> December, 2015-
  - a) Debtors ` 16,000
  - b) Creditors ` 10,000
  - c) Bills receivable ` 18,000
  - d) Bills payable ` 20,000
  - e) Stock ` 12,000
- 2) Discount allowed during the year ` 1000 and discount received during the year ` 2,600.

Prepare -

- a) Trading Account
- b) Profit & Loss Account
- c) Balance Sheet
- d) Other Necessary Accounts.

Q.No. 5

(20 Mks)

Arpita, Amit and Aasma are partners sharing profit in the ratio of 3:2:1. They decided to convert into A3 Private Limited Company.

Balance sheet of Arpita, Amit and Aasma for 31<sup>st</sup> December, 2016

Liabilities	Amt	Assets	Amt
Capital accounts-		Building	1,40,000
Arpita	2,52,000	Machinery	91,000
Amit	1,68,000	Furniture	8,200
Aasma	1,96,000	Motor car	25,200
Creditors	39,200	Debtors	72,800
Sita's loan	56,000	Stock	2,52,000
		Cash at bank	1,22,000
	7,11,200		7,11,200

Information-

- All assets & liabilities are taken over at book value except some assets which are taken over at following prices-
  - Motor car – ` 14,000
  - Furniture – ` 4,200
  - Stock - ` 2,32,400
  - Goodwill – ` 65,000
- Sita's loan was paid by old firm.
- Purchase consideration to be discharged by issue of 58,000 equity shares of ` 10 each and balance in cash.

Prepare –

In old firm

- Realisation A/c
- Partners' capital A/c
- A3 Private Limited Company A/c
- Cash at bank A/c.

Q.No. 6 Write short notes on (Any 4) -

(4x5=20 Mks)

- Machine hour rate method
- Accounting Standard -10
- Features of Single Entry System
- Methods of Purchase Consideration

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