

Goa Vidyaprasarak Mandal's
GOPAL GOVIND POY RAITURCAR COLLEGE OF COMMERCE AND
ECONOMICS, PONDA-GOA
B.COM. (SEMESTER- I) SUPPLEMENTARY EXAMINATION
(OLD COURSE), MAY/JUNE 2018
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)

M/s Kedar Traders purchased equipment for ` 1,20,000 on 1st January, 2014. It was estimated that the equipment will have a scrap value of ` 10,000. For the same equipment an Insurance policy was taken, annual premium being ` 26,000.

The scrap realised for ` 10,400 at the end of 31st December, 2017.

Prepare:-Equipment A/c

I. Depreciation fund A/c

II. Depreciation Insurance Policy A/c.

Q.No. 2 (20)

Cash and bank transactions of Jaiwant 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. 2306.

Their bankers are Axis Bank, Margao-Goa.

	Date	Particulars
	2017	
	June, 1	Cash in hand `1,04,000 and cash at bank ` 32,000.
1)	June 3	Cash sales as per Bill No. 102 to 107 ` 56,000.
2)	June 5	Cheque no. 23456 for ` 84,000 issued to Sunny traders against bill no. 4123.
3)	June 7	Cash sales as per Bill No. 108 to 112 ` 1,24,000.
4)	June 15	Cheque no. 45672 for ` 1,54,000 drawn on Axis Bank, Margao-Goa received from M/s Suman towards bill no. 2345 dated 17 th May, 2017.
5)	June 18	Petty cash expenses ` 74,000 as per petty cash book folio no. 424.
6)	June 22	Cash sales ` 52,000 as per Bill No. 113 to 118.
7)	June 24	Paid to Mardol Hotel via a cheque no. 743212 ` 1,74,000 against bill no. 34521 dated 3 rd May, 2017.
8)	June 26	Cash sales ` 24,000 as per Bill No. 119 to 125.
9)	June 28	Cheque no. 23458 for ` 3,04,000 issued to M/s Pinto Limited against Bill No. 2987 dated 27 th May, 2017.
10)	June 30	Cash sales ` 4,000 as per Bill No. 126 to 138.

Q.No. 3 (20)

A machine was acquired on 1st January, 2015 at ` 3,05,000 having scrap value of ` 5,000 which was realised at the end of 3rd 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 31st December, 2017, Investments were sold for ` 2,92,000.

Prepare-

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

Q.No. 4 (20)

You are given Balance Sheet of Ms Shalini as on 31st December, 2016 and Cash A/c for the year 2017.

Balance sheet as on 31st December, 2016

Liabilities	Amt	Assets	Amt
Capital	19,800	Cash	3,000
Bills payable	8,000	Bills receivable	4,000
Outstanding dues	200	Debtors	5,000
Creditors	4,000	Stock	4,000
		Furniture	2,000
		Plant & machinery	14,000
	32,000		32,000

Cash A/C for the year ended 31st December, 2017

Receipts	Amt	Payments	Amt
To Balance b/d	3,000	By Wages	4,000
To Cash Sales	7,000	By Drawings	2,400
To Debtors	16,000	By Payment to Creditors	7,000
To Bills receivable	15,000	By Bills payable	12,000
		By Sundry expenses	6,000
		By Rent, rate & expenses	4,000
		By Balance c/d	5,600
	41,000		41,000

Information :

- 1) As on 31st December, 2017:
 - a) Debtors ` 8,000
 - b) Creditors ` 5,000
 - c) Bills receivable ` 9,000
 - d) Bills payable ` 10,000
 - e) Stock ` 6,000

- 2) Discount allowed during the year `500 and discount received during the year `1,300.

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Prepare :

- Trading Account
- Profit & Loss Account
- Balance Sheet
- Other Necessary Accounts.

Q.No. 5 (20)

Gayatri, Mayuri and Urvi are partners sharing profit in the ratio of 3:2:1. They decided to convert into GMU Private Limited Company.

Balance sheet of Arpita, Amit and Aasma for 31st December, 2017

Liabilities	Amt	Assets	Amt
Capital accounts-		Building	2,80,000
Gayatri	5,04,000	Machinery	1,82,000
Mayuri	3,36,000	Furniture	16,400
Urvi	3,92,000	Motor car	50,400
Creditors	78,400	Debtors	1,45,600
Rita's loan	1,12,000	Stock	5,04,000
		Cash at bank	2,44,000
	14,22,400		14,22,400

Information:

- All assets & liabilities are taken over at book value except some assets which are taken over at following prices-
 - Motor car - `28,000
 - Furniture - `8,400
 - Stock - `4,64,800.
 - Goodwill - `1,30,000.
- Rita's loan was paid by old firm.
- Purchase consideration to be discharged by issue of 1,16,000 equity shares of `10 each and balance in cash.

Prepare –

In old firm

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

Q.No. 6) Write short notes on - (4x5=20)

- Depletion method
- Accounting Standard -10
- Features of Single Entry System
- Methods of Purchase Consideration