

SARASWAT VIDYALAYA'S
SIDORA CACULO COLLEGE OF COMMERCE & MANAGEMENT STUDIES
F. Y. B.COM. SEMESTER I REPEAT EXAMINATION OCTOBER, 2017
w.e.f-2013-14

FOUNDATION COURSE- ACCOUNTING I

Duration: 2 Hours

Maximum Marks: 80

Instructions: 1. Question No. 1 is compulsory.

2. Answer any three questions from Q. No. 2 to Q. No.6

3. Figures to the right indicate full marks

4. Working notes should be provided wherever necessary

Q. No. 1 Rama purchased a car on hire purchase system from Premier Ltd. on 1st January, 2014, for Rs. 1,30,000. He paid Rs. 10,000 on signing the contract and thereafter four half-yearly installments, of Rs. 30,000 each on 30th June and 31st December every year. The cash price of the car was Rs. 1,05,000. The Premier Ltd. charged interest at 20% per annum with half yearly.

Prepare the following ledger accounts in the books of Premier Ltd. from 1-1-2014 to 31-12-2015:-

- i. Rama's Account,
- ii. Interest Account, and
- iii. Sales Account.

Also show the analysis of payment of Interest and Installments. (20)

Q. No. 2 Mayuri took a mine on lease at a minimum rent of Rs. 20,000 per annum merging into a royalty of Rs. 2 per ton of the ore raised, with a right to recoup short working s during the first three years of the lease.

The raisings for the first five years were:-

Year	Tons
First	4000
Second	10000
Third	30000
Fourth	36000
Fifth	40000

Prepare Royalty Account Short working Account, Landlord's Account in the books of lessee. Also show the Analysis of Royalty payable to the Landlord. (20)

Q. No. 3 B Ltd. issued 20,000 equity shares of Rs. 10 each at a premium of Rs. 2 per share payable as follows:

On application Rs. 5, on allotment Rs. 5 (including premium), on first and final call Rs. 2. All the shares were subscribed. Money due on all shares were fully received except Mehl holding 150 shares, who failed to pay the allotment money and call money. All the 150 shares were forfeited and were subsequently reissued as fully paid up at Rs. 7 per share.

Pass the necessary journal entries in the books of the company. (20)

Q. No. 4. Nihara Limited had 5,000, 12% Redeemable Preference Shares of Rs. 100 each, fully paid up. The company had to redeem these shares at a premium of 10%. It was decided by the company to issue the following:

- i) 25,000 Equity shares of Rs. 10 each at par.
- ii) 1,000 14% Debentures of Rs. 100 each.

The issue was fully subscribed and all amounts were received in full. The payment was duly made. The company had sufficient accumulated profits and also the bank balance. Show journal entries in the books of the company. (20)

Q. No. 5 The Delhi Transport Company purchased a lorry on installment basis on 1st January, 2014, by making a down payment of Rs. 20,000 and agreeing to pay three further installments of Rs. 20,000 each on 31st December each year. The cash price of the lorry was Rs. 74,500 and the Delhi Transport Company charges interest at 5% p.a. and depreciation at 10% p.a. on cash price of the lorry on diminishing balance method.

Prepare Lorry Account, Interest Suspense Account, Vendor's Account and Interest Account in the books of Delhi Transport Company. (20)

Q. No. 6 Write short notes on any four of the following:- (20)

- a. Preference shares
- b. Right shares
- c. Authorized Capital
- d. Issued, Subscribed and Paid up capital
- e. Calls in Arrears