

SARASWAT VIDYALAYA'S
SRIDORA CACULO COLLEGE OF COMMERCE & MANAGEMENT STUDIES
T. Y. B.COM. SIXTH SEMESTER END EXAMINATION, JUNE 2022
W.E.F.-2019-20 (C.B.C.S.)

ACCOUNTING MAJOR VI: ACCOUNTING-I (DSE 6)

Duration: 2 Hours

Maximum Marks: 80

Instructions:

- 1. Answer any Four questions from the Six Questions given below.**
- 2. Question No. 1 is compulsory.**
- 3. All questions carry equal marks.**
- 4. Figures to the right indicate full marks.**

Q 1. On 1-4-2016, Mr. Durga Prasad purchased a Machinery from Kane Ltd. on hire purchase system. The cash price of the machine is Rs. 9, 00,000. The down payment of Rs. 3, 00,000 was made on the date of purchase and the balance in three annual instalments of Rs. 2, 00,000 plus interest @ 15% p.a. on outstanding principal amount. Depreciation is charged at 15% p.a. on written down value. (20)

Mr. Durga Prasad closes the books of accounts on 31st March every year.

You are required to:

- 1. Prepare the statement of Analysis of Instalments paid,**
 - 2. Draw Kane Ltd. account,**
 - 3. Machinery account, and**
 - 4. Interest account**
- for the year 2016-17, 2017-18 and 2018-19 in the books of Mr. Durga Prasad.**

Q2 Vishal Ltd. has a branch at Vaizak. Goods are invoiced to the branch at cost plus 20% profit on sale. From the following details prepare branch account and Goods sent to Branch Account. Depreciate furniture at 10% p.a. and Refrigerator at 20% per annum. (20)

Particulars	Rs.
Stock on 1-1-2018	26,000
Debtors on 1-1-2018	50,000
Furniture	20,000
Cash in hand on 1-1-2018	250
Goods sent to Branch	1,30,000
Cheques sent to branch	
Salary	3,000
Printing & Stationery	1,000
Rent	1,000
Refrigerator purchased by H.O. for the branch	10,000
Goods returned to H.O.	6,500
Goods returned by branch debtors to branch	3,000
Total sales of the branch	2,23,000
Cash sales	1,70,000
Expenses paid by branch	23,000
Collection from debtors	84,000
Closing stock on 31-12-2018	1,04,000
Cash balance on 31-12-2018	130
Discount allowed	250
Bad debts	1,000

Q. 3 Ramanand carries on a business of selling (both wholesale and retail electrical material. The wholesale and retail departments are separately organised, all goods are purchased by the wholesale department which adds one seventh on to cost for charging out goods transferred to the retail department. On 31/03/2021 the trial balance of the business as a whole is as follows:

(20)

Particulars	Debit Rs.	Credit Rs.
Capital		135,700
Freehold Premises	73,000	
Fixtures: Cost and Accumulated Depreciation (on 01/04/2020)	7,800	7,300
Stock on 01/04/2020: Wholesale dept. (at cost)	65,000	
Stock on 01/04/2020: Retail dept. (at Invoice Price) & Provision for unrealised profits	32,000	4,000
Debtors on (31/03/2021) (Wholesale customers only)	67,100	
Creditors on (31/03/2021)		41,200
Bad Debts	6,800	
Discount received		4,850
Discount allowed (Wholesale Dept.)	8,500	
Salaries :		
Wholesale staff	33,100	
Shop staff	8,250	
Other expenses	20,900	
Sales: Wholesale department		340,000
Retail deptment		96,000
Purchases	328,000	
Cash (on 31/03/2021)	400	
Bank Overdraft.		21,800
TOTAL	657850	657850

Additional Information:

- 1. Transfer of Goods amounted to Rs. 76,000 at transfer price.**
- 2. Stock on 31/03/2021 : Wholesale dept. Rs. 71,500; Retail dept. (at transfer price) Rs. 36,000**
- 3. Other expenses are 80% wholesale.**

4. No further depreciation need to be provided on fixtures.

You are required to prepare Trading and Profit and Loss Account for the year ended 31/03/2021 and Balance sheet as on that date.

Q 4. Crossword Ltd. maintains a branch at Mumbai to which it sends goods at cost plus 33 1/3 %. Mumbai branch sells goods both in cash and on credit. All collections and cash sales are directly deposited to head office Bank Account and all expenses are paid by the head office directly. Following information is available for the transactions of Mumbai branch. (20)

Particulars	Amount-Rs.
Balances on 1-4-2017:	
Branch stock at invoice price	4,00,000
Branch Debtors	50,000
Transactions during the year:	
Goods sent to branch at invoice price	8,00,000
Goods returned by branch at invoice price	40,000
Goods returned by debtors to branch	10,000
Credit sales at branch	6,00,000
Cash sales at branch	4,00,000
Bad debts	8,000
Discount allowed	2,000
Branch expenses paid by head office	80,000
Cash received from Debtors	5,50,000
Goods pilfered at invoice price	12,000
Goods lost in fire at invoice price	4,000
Insurance company paid to H.O. for loss by fire	2,000

Ascertain the profit or Loss made by the branch using Stock and debtors system by preparing:-

- 1. Branch Stock Account**
- 2. Goods sent to branch Account**
- 3. Branch Debtors Account**
- 4. Branch Adjustment Account**
- 5. Branch Profit & Loss Account.**

Q5 S.T. Ltd. purchased a Wagon from K. Wagon Co. on instalment system on 1st January, 2016 payment being made Rs. 5,97,000 down and ₹ 6,00,000 annually for three years.

The cash price of wagon purchased was Rs. 18,60,000. K. Wagon Co. charged interest @15%p.a., S. T. Ltd. provided depreciation on wagon @15% on diminishing value.

You are required to prepare the following ledger accounts in the books of K. Wagon Co.

- 1. Interest Suspense Account**
- 2. Interest Account,**
- 3. S.T. Ltd. Account.**

Show calculation of Interest in the working note. (20)

Q6. Write short notes on any four of the following: (20)

- a) Interest suspense account.**
- b) Features of hire purchase system.**
- c) Basis of apportionment of the following expenses in case of Departmental accounts:- Rent and rates, Depreciation, Bad debts, Carriage Inward and Staff welfare.**
- d) List any five points of difference between Branch and Department.**
- e) Objectives of Branch Accounting.**