

Vidya Vikas Mandal's
Shree Damodar College of Commerce & Economics, Margao-Goa
FY B.Com, Semester-II, Semester End Examination April/May 2023
Specialized Accounting (GE-II) (UCOG117)
(Truncated Syllabus 2021-22)

Duration: 2hrs**Max Marks: 80****Instructions:**

- 1) *Q.1 is compulsory.*
- 2) *Answer any 3 from Q.2 to Q.6*
- 3) *Start each question on fresh page.*
- 4) *Figures to the right indicate maximum marks.*

Q.1 On 30th Sept 2022, the premises of Excellent Ltd was destroyed by fire and from the following information, Compute the amount of claim under loss of Stock Policy:

Stock as on 1 April 2020	10,00,000
Stock as on 31 st March 2021	12,00,000
Purchase during 2020 – 21	47,80,000
Sales during 2020 – 21	60,00,000
Purchase from 1 st April 2021 to 30 th Sept 2022	27,00,000
Sales from 1 st April 2021 to 30 th Sept 2022	36,00,000

Additional Information:

- Sum Insured Rs 10,00,000
- Salvaged Stock Rs 1,04,500

In valuing the stock at 31st March 2021 Rs 80,000 had been written off certain stock which was of poor selling line, it having a cost of Rs 94,000. Stock worth Rs 50,000 was sold in 2021-22 at Rs 45,000 The remainder of this stock was now estimated to be worth its original cost for the purpose of claim. Subject to above exception, gross profit had remained at a uniform rate throughout the year. There was an Average Clause in the policy. (20 marks)

Q.2 Bluewaters ship sailed from Goa on 1st August 2021 and arrived at Indonesia on 31st September 2021 via Sri Lanka, Andaman Island and Malaysia. She was loaded with 1600 tons of Cashew Nuts at Goa for Indonesia. At Sri Lanka, a further load of 1200 tons of Cinnamon was booked for Andaman. Besides, 200 tons of coconut was booked from Goa to Sri Lanka. The freight charges were as follows:

Goa to Indonesia Rs. 160 per ton

Goa to Sri Lanka Rs. 50 per ton

Sri Lanka to Andaman Rs. 120 per ton

Plus primage of 10% is chargeable and commission at 4% and brokerage at 2% is to be paid.

The following were expenses for the voyage:

Expenses	Goa	Sri Lanka	Andaman	Malaysia	Indonesia
Coal	28,000	-	-	4,000	-
Port Charges	8,000	1,200	2,000	2,000	6,000
Captain's Salaries	1,600	1,000	600	1,200	1,400
Harbour Wages	2,400	1,400	2,200	2,400	4,000
Loading Charges	3,200	-	2,400	-	-

The following were the other expenses:

Stores supplied	16,800	Discharging expenses	10,400
Dispatching of funds	800	Interest on advances	1,000
Portage bills	1,200		

The ship was insured for Rs. 10,00,000 at 1.5% premium for the voyage and the total freight was incurred at 0.5% premium. Depreciation is to be charged at 4% on the book value of Rs. 9,00,000 p.a. The wages of the sailors are Rs. 16,800 per month.

You are required to prepare a Voyage Account.

(20 Marks)

Q.3 From the following Receipts & Payment A/c of Mumbai Club, prepare Income and Expenditure A/c for the year ended 31.3.2016 and its Balance Sheet as on that date:

Receipts	Amount	Payment	Amount
To Cash in Hand	40,000	By Salary	20,000
To Cash at Bank	1,00,000	By Repair Expenses	5,000
To Donations	50,000	By Purchase of Furniture	60,000
To Subscriptions	1,20,000	By Misc. Expenses	5,000
To Entrance Fees	10,000	By Purchase of Investments	60,000
To Interest on Investments	1,000	By Insurance Premium	2,000
To Interest Received from Bank	4,000	By Billiard Table	80,000
To Sale of Old Newspaper	1,500	By Paper, Ink, etc.	1,500
To Sale of Drama Tickets	1,0500	By Drama Expenses	5,000
		By Cash in Hand (Closing)	26,500
		By Cash at bank (Closing)	72,000
	3,37,000		3,37,000

Information

- (a) Subscriptions in arrears for 2015-2016 Rs 9,000 and Subscription in advance for 2016-2017 Rs 3500
- (b) Insurance premium Outstanding 400, Misc. Expenses Prepaid ₹ 900,
- (c) 50% of donation is to be capitalised, Entrance Fees are to be treated as revenue income,
- (d) 8% Interest has accrued on Investment for five months,
- (e) Billiard Table costing Rs 300,000 was purchased during the last year and 220,000 were paid for it.
- (f) Opening Balance of Capital Fund is Rs 360,000 (20 marks)

Q.4 A. A Fire occurred in the premises of Zinu Ltd. On 1st June 2020. The company has a loss of profit policy for Rs. 30,000. Sales from 1st June 2019 to 31st May 2020 were Rs. 2,50,000. The sales from 1st June 2019 to 31st September 2019 were Rs. 75,000. During the indemnity period which lasted four months, sales amounted to Rs. 10,000 only.

The company prepared its accounts on 31st December 2019.

Profit and Loss A/c for the year 2019

Particulars	Amt. (Rs.)	Particulars	Amt. (Rs.)
To Stock	25,000	By Sales	2,37,500
To Purchases	1,50,000	By Stock	12,500
To Manufacturing Expenses	16,750		
To Variable Selling Expenses	22,625		
To Fixed Expenses	18,125		
To Net Profit	17,500		

Comparing the sales of the first five months of 2020, it was noted the sales were 20% more than those of 2019.

You are required to prepare statement of claim to be filed with the insurance company against the loss of profit. (10 Marks)

B. Oceanwaves undertook a voyage from Sindhudurg to Chennai starting on 15th Aug 2021 and reaching on 15th Nov 2021. The cargo consisted of 450 tons of Cotton and 50 tons of Dry fruits. The freight charges were Rs. 75 per ton for cotton and Rs. 50 for Dry fruits. In addition, Primage was 10%. Brokerage was payable at 5%. The expenses were:

Particulars	Sindhudurg	Chennai
Coal and Diesel	10,000	-
Port Charges	4,500	1,000
Harbour wages	1,500	500
Loading charges	1,000	-
Other Expenses were:		
Stores	5,000	-
Discharging charges	1,000	-
Postage	500	-
Salaries of crew	5,000	-

The ship was insured for Rs. 5,00,000 at 1% for voyage policy of Hull. The freight was insured at half a percent. Depreciation is charged on the written down value of the ship at 5% p.a. The value as on August 14th was Rs. 4,00,000. Find out the profit or loss from the voyage. (10 Marks)

Q.5 A. From the following information, prepare a Receipts and Payments Account for the year ended 31st March 2022

Particulars	Amount	Particulars	Amount
Cash as at 1/4/2021	1,000	Salaries	6,000
Donation received for Building	60,000	Repairs	1,000
Sale of old news papers	500	Newspaper purchased	1,000
Fees received for Coaching	2,000	Printing and Stationery	500
Sundry Receipts	200	Rates and Taxes	1,000
Subscriptions received for 2020-21	4,000	Electricity	400
Subscriptions received for 2021-22	25,000	Sundry expenses	200
Subscriptions received for 2022-23	600	Payment made for Construction of Building	50,000.

(10 marks)

B. What do you mean by incomplete voyage? Explain the treatment of Voyage in Progress in preparing voyage account. Write items of expenses and incomes appear in a Voyage account. (10 Marks)

Q.6 Write short notes on *any four* of the following:

(4x5=20 Marks)

- a. Features of Lease.
- b. Income and Expenditure Account v/s Receipts and Payments Account.
- c. Advantages of Leasing.
- d. Profit seeking organisation v/s Not for profit organisation.
- e. Average Clause
- f. Indemnity Period insurance contract.