

Vidya Vikas Mandal's  
Shree Damodar College of Commerce & Economics, Margao-Goa  
TY B.Com, Semester-VI(OC-66), Semester End Examination June 2022  
Accounting DSE-6 (COD-121)  
Accounting-I

Max Marks: 80

Duration: 2hrs

Instructions:

- 1) Start each question on fresh page.
- 2) Figures to the right indicate maximum marks.
- 3) Q. 1 is compulsory, answer any 3 from the remaining 5 questions
- 4) Working Notes if any should form a part of the main answer

1. Ola Travels purchased a bus from Suzuki Motors Ltd. on hire purchase basis on 1<sup>st</sup> January 2019. The cash price of the bus was Rs. 5,00,000. Ola Travels paid Rs. 2,00,000 on the date of purchase and the balance in three annual instalments including interest @10% p.a. on unpaid cash price. The instalments paid were as follows: (20)
- First Instalment - 31-12-2019: Rs. 1,30,000  
Second Instalment - 31-12-2020: Rs. 1,20,000  
Third Instalment - 31-12-2021: Rs. 1,10,000  
Ola Travels decided to write off depreciation @15% p.a. on W.D.V. Method.

You are required to prepare in the books of Ola Travels

- a. Bus A/c
  - b. M/s Suzuki Motors Ltd. A/c
  - c. Interest Account
2. On 1<sup>st</sup> January 2019, Kayani & Co. purchased a motor car from Bharat Auto Ltd. on Hire Purchase System. The agreed cash selling price was Rs. 1,20,000. At the time of signing the agreement a sum of Rs. 30,000 was paid out of the cash price of the car and the balance was payable in 3 equal annual instalments together with interest at the rate of 10% p.a. You are required to prepare Analysis of Payments and pass necessary journal entries in the books of Bharat Auto Ltd. for the years ending 2019, 2020 and 2021 considering the date of closing the books of accounts as 31<sup>st</sup> December. (20)
3. Following figures are extracted from the books of Borkar Super Market, Margao having three departments A, B, and C. (20)
- You are required to prepare for the year ended 31<sup>st</sup> December 2022
- a. Departmental Trading and Profit & Loss A/c
  - b. General Profit & loss A/c

Particulars	A	B	C	Total
Stock as on 1-04-2021	42,500	35,620	43,560	
Stock as on 31-03-2022	93,450	99,230	43,420	
Purchases	2,35,680	3,43,260	4,12,610	

Sales	2,62,450	3,91,200	5,24,130	
Wages	7,650	8,250	3,240	
Return outwards	5,680	3,260	2,610	
Return inwards	2,450	1,200	4,130	
Electricity Charges				4500
Salaries				26,800
Printing and Stationery				6000
Office Expenses				18,000
Rent				15,000
Advertisement				18000
Discount received				9800
Discount allowed				4500
<b>ADDITIONAL INFO</b>				
No of employees	2	3	5	
Area occupied	500 sq. mts	800 sq. mts	200 sq. mts	
Inter-departmental transfer	[A to C] 1000	[B to A] 1600		

4. M/s. Suman Enterprises has two Departments, Finished Leather and Shoes. Shoes are made by the Firm itself out of leather supplied by Leather Department at its usual selling price. From the following figures, prepare Departmental Trading and Profit & Loss Account for the year ended 31st March 2022: (20)

Particulars	Finished Leather Department	Shoes Department
Opening Stock (As on 01.04.2021)	30,20,000	4,30,000
Purchases	1,50,00,000	2,60,000
Sales	1,80,00,000	45,20,000
Transfer to Shoes Department	30,00,000	-
Manufacturing Expenses	-	5,00,000
Selling Expenses	1,50,000	60,000
Rent and Warehousing	5,00,000	3,00,000
Stock on 31.03.2022	12,20,000	5,00,000

The following further information is available for necessary consideration:

- The stock in Shoes Department may be considered as consisting of 75% of Leather and 25% of other expenses.
- The Finished Leather Department earned a Gross Profit @ 15% in 2020-21.
- General expenses of the business as a whole amount to Rs. 8,50,000.

5. A coalfield is taken on lease by Gajanan from Rahul at a minimum rent of Rs. 10,000 per annum merging into a royalty of Re. 1 per ton of the ore raised, with a right to recoup short workings during the first three years of the lease. (20)

The coal raised is as under

2018 – 2000 tons

2019 – 5000 tons

2020 – 15,000 tons

2021 – 18,000 tons

2022 – 20,000 tons

You are required to prepare

- Memorandum Royalty Statement
- Royalty Account, Shortworking Account and Rahul's Account in the books of Gajanan

6. Pooja owned a patent of a printing machine. She granted Vinita a license for 7 years to manufacture and sell the machine on the following terms: (20)

- Vanita to pay Pooja a royalty of Rs. 5 for every machine sold with a minimum annual payment of Rs. 50,000.
- If in any year the royalties calculated on the machines sold amounted to less than Rs. 50,000, Vinita is to have the right to deduct the deficiency from the royalties payable in the following two years.

Production	Quantity
January 2018 – December 2018	8000
January 2019 – December 2019	9000
January 2020 – December 2020	11000
January 2021 – December 2021	18000

You are required to prepare in the books of Pooja

- Royalty Account
- Short Working Account
- Vinita Account