

**Vidya Vikas Mandal's**  
**Shree Damodar College of Commerce & Economics, Margao-Goa**  
**F.Y.B.Com, Semester-II, Semester End Examination, April 2019**  
**Specialised Accounting (GE-2)**

**Duration: 2 hrs**

**Max Marks: 80**

Instructions: 1) Q1 is compulsory.

2) From Q2 to Q6 answer any 3.

3) Marks at the right hand side denote maximum marks.

Q1) From the following Receipts and Payments Account of Mumbai Club, Prepare Income and Expenditure Account for the year ended 31-03-2019 and its Balance Sheet as on that date:

Receipts	Amount (Rs)	Payments	Amount(Rs)
Cash in hand	40,000	Salary	20,000
Cash at bank	1,00,000	Repairs	5,000
Donations	50,000	Purchase of furniture	60,000
Subscriptions from members	1,20,000	Miscellaneous expenses	5,000
Entrance fees	10,000	Purchase of 8% Investments	60,000
Interest on Investments	1,000	Insurance Premium	2,000
Interest received from bank	4,000	Purchase of Billiard Table	80,000
Sale of old newspaper	1,500	Paper, ink etc.	1,500
Sale of drama tickets	10,500	Drama expenses	5,000
		Cash in hand ( closing)	26,500
		Cash at Bank ( closing)	72,000
<b>Total</b>	<b>3,37,000</b>	<b>Total</b>	<b>3,37,000</b>

**Additional Information:**

- Subscription in arrears for 2019 Rs. 9,000 and subscription in advance for 2020 is Rs. 3,500.
- Insurance premium outstanding Rs. 400
- Miscellaneous expenses prepaid Rs. 900
- 50% of donations are to be capitalized.
- Entrance fees are to be treated as revenue income
- Interest has accrued on investments for five months
- Billiard table costing Rs. 3, 00,000 was purchased during the year 2018 for Rs. 2, 20,000.

**(20 marks)**

Q2) A fire occurred on 15<sup>th</sup> September 2018 in the premises of Kavya Ltd. From the following information calculate the amount of claim to be lodged from the insurance company for the loss of stock.

- Stock at cost as on 1<sup>st</sup> January 2017 Rs. 2,00,000
- Stock at cost as on 1<sup>st</sup> January 2018 Rs. 3,00,000
- Purchases for the year 2017 Rs. 4,00,000
- Purchases from 1<sup>st</sup> January 2018 to 15<sup>th</sup> September 2018 Rs. 8,80,000
- Sales for the year 2017 Rs. 6,00,000
- Sales from 1<sup>st</sup> January 2018 to 15<sup>th</sup> September 2018 Rs. 10,50,000

**Additional Information:-**

- a) During the current year cost of purchases has risen by 10% above last year's level.
- b) Selling Price has gone up by 5%.
- c) Salvage value of stock after fire was Rs. 20,000.
- d) The company follows FIFO method of Stock Valuation **( 20 marks)**

Q3) S.S Jai Hind commenced Voyage on 1<sup>st</sup> October 2018, from Mumbai to London and back. The voyage was completed on 30<sup>th</sup> November 2018. It carried a consignment of tea on its outward journey and machinery on its return journey. The ship was insured and the annual premium was Rs. 1, 20,000. **Prepare Voyage Account based on the following information:-**

Particulars	Amount (Rs.)
Freight earned ( outward)	5,00,000
Port dues	25,000
Wages and Salaries	2,50,000
Sundry expenses	25,000
Light charges	33,000
Freight earned (inward)	3,50,000
Bunker	1,50,000
Stores	84,000
Passage money	50,000
Depreciation (annual)	4,80,000

**Additional Information:-**

Address Commission 5% on outward and 4% on inward freight. Primage was 5% of freight. The manager is entitled to 5% commission on the profit earned after charging such commission. Stores and coal on hand were valued at Rs. 15,000 on 30<sup>th</sup> November 2018. **(20 marks)**

Q4) Following is the Balance Sheet and Receipts & Payments Account of the Samajkarya Hospital, Malwan. Prepare **Income & Expenditure account for the year ended on 31<sup>st</sup> March, 2018 and Balance Sheet as on that date.**

**Balance Sheet as on 01.04.2017**

<b>Liabilities</b>	<b>Amount (Rs.)</b>	<b>Assets</b>	<b>Amount (Rs.)</b>
Capital Fund	10,00,000	Cash in hand	6,000
Outstanding Salaries	22,000	Cash at bank	30,000
Medical Bill unpaid	6,000	Land & Building	8,00,000
		Furniture	70,000
		Equipments	1,20,000
		Outstanding Subscriptions	2,000
<b>Total</b>	<b>10,28,000</b>	<b>Total</b>	<b>10,28,000</b>

**Receipts & Payments Account for the year ending 31.03.2018**

<b>Receipts</b>	<b>Amount (Rs.)</b>	<b>Payments</b>	<b>Amount (Rs.)</b>
<b>To Balance b/d</b>		By Salaries (including of previous year)	1,10,000
Cash in hand	6,000		
Cash at bank	30,000		
To Subscriptions (includes 2,000 received for previous year)	1,30,000	By Medicines	48,000
To Sale of old Furniture ( book value Rs.30,000)	20,000	By Equipment purchased	20,000
To Donations (revenue)	44,000	By Taxes	3,000
To life Membership Fees	25,000	By General Expenses	8,600
		<b>By Balance c/d</b>	
		Cash in hand	15,400
		Cash at bank	50,000
<b>Total</b>	<b>2,55,000</b>	<b>Total</b>	<b>2,55,000</b>

**Additional Information:-**

1. Outstanding Subscription Rs. 15,000
2. Capitalize the amount of Life Membership fees
3. Pre-Paid taxes Rs. 500
4. Outstanding Salary Rs. 12,000
5. Write off depreciation Rs. 20,000 from land & Building and Rs. 30,000 from Equipment
6. Outstanding Medicine bill as on 1.4.2017 is still due.

**(20 marks)**

Q5) Pakhle Ltd. has taken Machinery on lease from Khatkhate Ltd. The following information is given below:

- Lease term 4 years
- Fair value of machinery at the inception of the lease Rs. 16,00,000
- Lease rent agreed at the end of each year Rs. 5,00,000
- Guaranteed residual value Rs. 1,00,000
- Expected residual value Rs. 3,00,000
- I.R.R 14.97%

**Pass necessary journal entries in the books of the lessor**

**(20 marks)**

Q6) Answer *any four* of the following

**(5 marks x 4=20 marks)**

- a) Short Sales and Indemnity Period
- b) Abnormal Goods
- c) Items of expenses and incomes appearing in Voyage Account
- d) Difference between Profit Seeking and Not for Profit Organizations
- e) Deferred Revenue Expenditure
- f) Finance Lease