

F.Y.B.COM. SEM – II (CBCS - 2016 Course) : SUMMER - 2019

SUBJECT : FINANCIAL ACCOUNTING – II

Day : Wednesday
Date : 10/04/2019

Time : 03.00 PM TO 06.00 PM
Max. Marks : 60

S-2019-0313

N.B:

- 1) All questions are **COMPULSORY**.
 - 2) Figures to the right indicate **FULL** marks.
 - 3) Use of calculator is allowed.
-

Q.1 A) Select the most appropriate alternative from those given below and rewrite (06)
the statement.

- 1) The amount paid by lessee to lessor is known as _____.
a) Short working b) Royalty c) Minimum Rent d) Depreciation
- 2) The difference between hire purchase price and cash price is called as _____.
a) Down Payment b) Interest c) Installment d) All of these
- 3) In _____ method there is provision for replacement of asset at the end of life period of old asset.
a) Fixed Installment b) Depreciation Fund c) Reducing Balance
d) Annuity
- 4) Mining Royalties are based on _____.
a) Sales b) Production c) Employee d) Purchases
- 5) _____ accounting method has large accuracy.
a) Computerised b) Manual c) Financial d) Management
- 6) Depreciation is charged on _____ assets.
a) Fixed b) Current c) Fictitious d) All

B) Answer in one sentence each: (06)

- 1) State different methods of depreciation.
- 2) What is short working?
- 3) What is computerized accounting?
- 4) What is hire purchase system?
- 5) Royalty account is which type of account?
- 6) What is down payment?

P.T.O.

- Q.2** Anjali Ltd took over from Radhika Ltd. a lease of coal field for a period of ten years from 1st January 2014 on the following terms: **(12)**
- To pay minimum rent of ₹ 48,000 p.a.
 - Each year excess of minimum rent over actual royalties can be recovered during first four years of the lease only.
 - Royalties to be calculated at ₹ 20 per ton.
 - The coal raised in the first four years were as follows:

Year	Output in tons
2014	1500
2015	2500
2016	3000
2017	4000

You are required to prepare:

- Royalty Account
 - Short working account in the books of Anjali Ltd.
- Q.3** Nisha purchased a machinery on hire purchase system on 1/4/2015 from Ranaj Ltd. The cash price of machinery was ₹ 80,000. Nisha Ltd. paid ₹ 20,000 on signing of an agreement and balance in three annual installment of ₹ 20,000 plus interest at 12% p.a. on balance outstanding of cash price. Every year the books of accounts were closed on 31st March. Depreciation was to be written of 15% p.a. on written down value method. **(12)**
- Prepare :
- Machinery Account
 - M/s Ranaj Ltd. Account in the books of Nisha Ltd.
- Q.4** On 1st April 2014 Mayur Ltd. purchased a machinery of ₹ 1,00,000 and decided to depreciate it by annuity method in 4 years by charging 6% interest per annum. A reference to the annuity table shows that to depreciate ₹ 1 by annuity method in 4 years at 6% interest as sum of Re. 0.288591 is required. **(12)**
- Prepare Machinery Account and Interest Account.
Interest is to be calculated to the nearest rupee.
- Q.5** Write short notes on any **THREE** of the following: **(12)**
- Installment Method
 - Depreciation Fund Method
 - Features of Computerized Accounting
 - Recovery of Short Working
 - Annuity Method

* * *