

**F.Y.B.COM. SEM – II (2014 COURSE) : SUMMER - 2018**  
**SUBJECT: FINANCIAL ACCOUNTING – II**

Day: **Thursday**  
Date: **12/04/2018**

**S-2018-0295**

Time: **03.00 PM TO 05.00 PM**  
Max. Marks: 40

**N.B.:**

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

**Q.1** Sunlight Coal Ltd. obtained a lease of coal mine on 1<sup>st</sup> January, 2011 for a (10)  
period of ten years on the following terms:

- i) To pay minimum rent of Rs. 20,000 p.a.
- ii) Each year's excess of minimum rent over the actual royalties can be recovered during first five years of the lease only.
- iii) Royalty to be calculated at Rs. 3 per tonne.
- iv) The coal raised in the first five years were as follows:

Year	Output in tonnes
2011	4,000
2012	5,000
2013	8,000
2014	10,000
2015	15,000

You are required to prepare :

- i) Royalty Account
- ii) Short working Account in the books of Sunlight Coal Ltd. assuming that the Company closes its books of accounts on 31<sup>st</sup> December every year.

**Q.2** The Satyam Drycleaners purchased a machine on Hire Purchase basis from (10)  
Hind Company on 1<sup>st</sup> April, 2012 paying Rs. 20,000 cash and agreeing to pay three further installments of Rs. 20,000 each on 31<sup>st</sup> March each year. The cash price of the machine was Rs. 74,500 and the Hind Company charges interest at 5% p.a. The Satyam Drycleaners charges depreciation at 10% p.a. on cash value of the machine on diminishing balance method.  
Prepare Machine Account and Hind Company Account in the books of Satyam Drycleaners.

**Q.3** On 1<sup>st</sup> January, 2012 a company purchased a lease for four years at cost of (10)  
Rs. 40,000. The company decided to depreciate the lease by Annuity method charging interest at 5% p.a. A reference to annuity table shows that to depreciate Re. 1 by Annuity method over 4 years charging interest at 5% p.a. one should write off sum of Re. 0.282012 every year.

The company closes its books of Accounts on 31<sup>st</sup> December every year.

Prepare Lease Account for four years. Calculate interest to nearest rupee.

**Q.4** Write short notes on **ANY TWO** of the following: (10)

- a) Short working
- b) Features of Tally
- c) Difference between Hire Purchase and Installment System
- d) Sinking Fund Method of Depreciation