

**BACHELOR OF COMMERCE (CBCS-2016 COURSE)**  
**F.Y. B.Com. Sem-II : WINTER :- 2021**  
**SUBJECT: FINANCIAL ACCOUNTING-II**

Day : Friday  
Date 21-01-2022

W-14409-2021

Time : 02:00 PM-05:00 PM  
Max. Marks: 60

**N.B.:**

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

**Q.1 a)** Select the most appropriate alternative from those given below and rewrite the statement: **[06]**

- i) Royalty is \_\_\_\_\_ type of account.
  - a) Nominal
  - b) Personal
  - c) Trading
  - d) None of these
- ii) Difference between hire purchase price and cash price is called as \_\_\_\_\_.
  - a) Installment
  - b) Interest
  - c) Depreciation
  - d) Down payment
- iii) In \_\_\_\_\_ method there is provision for replacement of asset at the end of life of old asset.
  - a) Fixed Instalment
  - b) Sinking fund
  - c) Annuity
  - d) Reducing balance
- iv) Unrecovered amount of short working is transferred to \_\_\_\_\_ A/c.
  - a) Trading A/c
  - b) Royalty
  - c) Profit & Loss
  - d) None of these
- v) Depreciation is never charged on \_\_\_\_\_.
  - a) Land
  - b) Furniture
  - c) Plant & Machinery
  - d) Lease
- vi) The difference between Minimum Rent and \_\_\_\_\_ is known as short working.
  - a) Royalty
  - b) Rent
  - c) Rock rent
  - d) Salary

**B)** Answer in one sentence each:

**[06]**

- i) Who makes the payment of Royalty?
- ii) Write the name of any Two Accounting Packages.
- iii) In which method of depreciation interest is charged on capital?
- iv) What is Hire purchase?
- v) What is Computerized Accounting?
- vi) On which type of asset depreciation is charged?

**P.T.O.**

- Q.2** Sonali Ltd., took from Rupali a lease of coal field for a period of ten years [12]  
from 1<sup>st</sup> January , 2014 on the following terms:
- To pay minimum rent of ₹ 12,000 p.a.
  - Each year's excess of minimum rent over the actual royalties can be recovered during first five years of the lease only.
  - Royalty is to be calculated at ₹ 10 per ton.
  - The coal raised in the first five years were as follows:

Year	Output (Ton)
2014	500
2015	1000
2016	1500
2017	2000
2018	2500

You are required to prepare:

- Royalty Account
  - Short-working account in the books of Sonali Ltd.
- Q.3** On 1<sup>st</sup> April, 2015 Sonali Ltd. Purchased a machine from Manoj Ltd. On hire purchase system. The cash price is ₹80,000. On signing of agreement ₹ 15000 paid and agreed to pay balance in 5 installments of ₹ 15,000 each payable annually on 31<sup>st</sup> March. Manoj Ltd charged 5% Interest p.a. on yearly balances. Sonali Ltd. decided to provide depreciation at 10% p.a. on reducing balance method [12]  
You are required to prepare Machinery A/c and Manoj Ltd. A/c in the books of Sonali Ltd.

- Q.4** On 1<sup>st</sup> April 2015 X ltd. purchased a machinery of ₹ 50,000 and decided to depreciate by annuity method in 4 years by charging 6% interest per annum. A reference to the annuity table shows that to depreciate Rupee 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 for 4 years. Interest is to be calculated to nearest rupee.

- Q.5** Write short notes on **ANY THREE** of the following: [12]
- Advantages of computerized Accounting.
  - Objectives of depreciation
  - Types of Royalty
  - Installment method
  - Minimum rent

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