

[A-09-A-10 Eng.] Seat No. _____

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SARDAR PATEL UNIVERSITY
B.COM I Semester [NC] Examination
Thursday, 9th March, 2017
2.00 p.m. to 4.00 p.m.
UB01ECOM01/13 : Advanced Accounting-I

Total Marks: 60

Note: Figures to the right indicate full marks of the question.

Q.1 Find out the cash price of Machinery At the time of contract 56,000 [05]

(A) Rs.

First Annual Installment	62,400 Rs.
Second Annual Installment	49,600 Rs.
Third Annual Installment	37,600 Rs.
Fourth Annual Installment	26,400 Rs.
Rate of Interest (Annual)	10%

Q.1 A Machine was purchased for Rs.24,000 on hire purchase. Rs. [05]

(B) 4,800 was paid on signing the agreement and the balance was paid in four equal annual installments of Rs.7,200 each.

Find out interest of all the years.

Q.1 Explain: Difference between installment and hire purchase system. [05]

(C)

OR

Q.1 Jayshree purchased one motor car on 1-4-12 from Manisha [15]

Machinery Mart under hire purchase system and paid Rs.1,20,000 on signing the contract. Outstanding amount was paid on 31st March every year, including 10% interest on cash price outstanding in four installments as below:

	Rs.
31-3-13	1,78,000
31-3-14	64,000
31-3-15	?
31-3-16	1,58,400

Depreciation is provided at a rate of 9% per year, under straight line method. At the end of the third year (i.e. on 31-3-15), the following journal entry was passed in the books of Jayshree.

Depreciation A/c Dr. 45,000

To Motor-Car A/c 45,000

Prepare Motor car account and Manisha Machinery Mart account in the books of Jayshree.

- Q.2 (A) Explain : Consignment and sale [06]
 (B) Del Credere Commission [04]
 (C) Mr. A consigned 1,000 calculators costing Rs.100 each to Mr. B [05]
 at an invoice price of Rs.120 each. Mr.A incurred the following
 expenses at the time of dispatching the goods

Freight Rs.1,000
 Insurance Rs.4,000

According to the account sales received from Mr. B, 500 calculators were sold for cash at Rs.140 each and 200 calculators were sold on credit at Rs.150 each.

The consignee incurred the following expenses:

Clearing charges 850 Rs.
 Octroi and Carriage 1,700 Rs.
 Packing and Selling expenses 600 Rs.

During the transit 50 calculators were totally damaged and 100 calculators were still in transit. Find out the value of closing stock.

OR

- Q.2 Mr. Yogesh of Ahmedabad consigned 450 fans to Mr. Paresh of Patan, each cost of Rs.225, after adding 25% profit on invoice price. [15]
 On the same day Yogesh incurred following expenses.

Carriage Rs. 150
 Freight Rs. 300
 Insurance premium Rs. 900

All fans received by Paresh and he paid Rs.1,500 for advertisement. According to account sales 225 Fans sold on cash, while 160 fans sold on credit. All the amount received from debtors.

Paresh is entitled to receive 5% commission on sales and 2% Del credere commission. Finally. Paresh settled his account with Yogesh by cash.

You are requested to prepare necessary accounts in the books of Yogesh.

- Q.3 (A) Explain the difference between Joint Venture and consignment. [05]
 (B) Kamlesh and Pritesh entered in to Joint Venture to share profits [10]
 and losses equally.

Kamlesh purchased goods of Rs.1,00,000 and paid freight Rs.3,000 and Rs.6,000 for octroi.

Pritesh supplied goods of Rs.40,000 from his stock and paid Rs.800 for carriage. Pritesh sold some of the goods for Rs.1,20,000 allowing sales commission of Rs.4,000. Kamlesh paid store and other expense Rs.3,000. Kamlesh sold the remaining goods for Rs.60,000 and paid Rs.7,000 for commission and carriage.

Prepare Joint Venture Account and Co-Venture's Account in the books of both.

OR

- Q.3 Shaileshbhai of Surat entered into a Joint Venture with Maheshbhai of Mumbai to sell Refrigerators and to share profits or losses in the proportion of 1:2. The former contributed Rs.1,50,000 and the latter Rs.3,00,000 towards the venture with which a Joint Banking Account was opened. Shaileshbhai bought 10 refrigerators at Rs.27,000 each and paid for them from the Joint Banking Account. Customs charges and Insurance premium Rs.1,200 and Rs. 4,800 respectively were paid by Shaileshbhai from his private cash. Maheshbhai bought 7 Refrigerators at Rs.24,000 each, the price of which was paid from the joint Banking Account. The whole lot (except 2 refrigerators which were damaged in transit) was sold at a price of Rs.36,000 each. Maheshbhai spent Rs.1875 for each of the two damaged Refrigerators for repairs and paid for them from his private cash. They were finally sold by Maheshbhai at Rs.24,000 each. [15]

Prepare Joint Venture Account, Joint Banking Account and the ledger Account of the Co.adventures.

- Q.4 (A) Find out the total purchases from the following particulars. [05]
- | | |
|--------------------------------------|-----------|
| (1) Opening Balance of Bills payable | Rs.5,000 |
| (2) Closing Balance of Bills payable | Rs.7,000 |
| (3) Paid for Bills payable | Rs.8,900 |
| (4) Purchase returns | Rs.1,200 |
| (5) Opening creditors | Rs.6,000 |
| (6) Closing creditors | Rs.4,000 |
| (7) Payment to creditors | Rs.30,200 |
| (8) Cash purchases | Rs.25,800 |

- Q.4 (B) Shri Mehta keeps his books on single entry system. Following information is obtained for the year 2015. [05]
- | | |
|---|-------------|
| Debtors (1-1-15) | Rs.60,000 |
| Cash received from Debtors | Rs.1,00,000 |
| Bad Debts | Rs.5,000 |
| Bad debts recovered | Rs.2,000 |
| Bills receivable received | Rs.70,000 |
| Bills receivable dishonored on due date | Rs.30,000 |
| Bills receivable endorsed to creditors | Rs.35,000 |
| Bills receivable endorsed to creditors dishonored | Rs.20,000 |
| Debtors (31-12-15) | Rs.35,000 |
- Find out the credit sales by preparing Debtors Account.

- Q.4 (C) Describe: Limitations of Single Entry System. [05]

OR

- Q.4 You are given following information of Shri Dipak. [15]

- (A) Details of Assets and Liabilities (As on 1-4-2015):

Bills Receivables	25,000
Debtors	39,000
Stock	75,300
Plant-Machinery	47,000

Land & Bulding	70,000
Cash on hand	700
Bank overdraft	5,000
Creditors	36,000
Bills payable	16,000

(B) Cash transactions:

Receipts from Debtors	2,90,000
Bills Receivable encased	1,00,000
Salary	12,000
Wages	15,800
Bills payable paid	1,43,000
Payment to creditors	1,47,000
General Expenses	8,000
Drawings	4,500
Cash on hand	2,400

(C) Other Informations:

Total sales (all credit)	4,07,000
Discount to debtors	2,000
Purchases (All credit)	3,00,000
Discount from creditors	1,000
Bills Receivable received during the year	1,09,000
Stock on 31-3-16	53,000
Bills payable accepted during the year	1,50,000

(i) Provide 5% B.D.R. on Debtors.

(ii) Depreciate Plant @ 5% and land and Building @ $2\frac{1}{2}\%$

You are required to prepare Trading Account, P&L A/c and Balance Sheet as on 31-3-16.

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