

**CARMEL COLLEGE OF ARTS, SCIENCE & COMMERCE FOR WOMEN**

**NUVEM GOA**

**SPECIALIZED ACCOUNTING – SEMESTER II - JULY**

**SEMESTER END EXAMINATION -2020-21**

**Duration: 2 Hrs**

**Subject Code: UCOG117**

**Max Marks: 40**

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**Instructions:**

1. All questions are compulsory
2. Figures to the right indicate maximum marks allotted to the questions.

**Q.I. Answer any FOUR from the following. (4 x 10)**

1. Following is the Balance sheet as on 1<sup>st</sup> April 2018 and Receipts and Payment account for the year ending 31<sup>st</sup> March 2019 of the Bright Students Commerce College, Pernem. **10 marks**

**Balance Sheet as on 1<sup>st</sup> April 2018**

<b>Liabilities</b>	<b>Amount (Rs.)</b>	<b>Assets</b>	<b>Amount (Rs.)</b>
Capital Fund (Bal. Fig)	13,18,000	Building	10,00,000
		Furniture	1,20,000
		Books	60,000
		Bank Deposits	1,00,000
		Tuition Fees Receivable	10,000
		Cash in Hand	19,000
		Cash at Bank	9,000
	<b>13,18,000</b>		<b>13,18,000</b>

**Receipts and Payment A/c for the year ended 31<sup>st</sup> March 2019**

<b>Receipts</b>	<b>Amount (Rs.)</b>	<b>Payments</b>	<b>Amount (Rs.)</b>
To balance b/d		By Salaries to Teachers	1,80,000
Cash in hand	9,000	By Salaries to Office staff	30,000
Cash at bank	19,000	By Books purchases on 1 <sup>st</sup> January 2019	20,000
To tuition fees:		By Printing & Stationery	41,000
2017-18		By Office Rent	10,000
10,000			
2018-19	1,80,000	By Repairs to Jr. College Building	24,000
1,70,000			
To Fine Collected	5,200	By Sports Expenses	8,600

To Admission Fees	20,000	By Annual Gathering Expenses	14,000
To Donations	1,00,000	By Furniture (purchased on 1 <sup>st</sup> January 2019)	80,000
To Interest in Bank Deposits	5,000	By Balance c/d	
To Government Grant (Revenue)	2,00,000	Cash at hand Cash at bank	2,600
			1,28,000
	<b>5,38,200</b>		<b>5,38,200</b>

**Adjustments:**

1. For the current year (2018-2019) tuition fees receivable (outstanding) 24,000.
2. Donations are to be capitalized.
3. Salary to teachers is outstanding 12,000.
4. Depreciation book @ 20% p.a. and Furniture @ 10% p.a.

**You are required to prepare:**

- a. Income & Expenditure Account & Balance Sheet for the year ending 31<sup>st</sup> March 2019.
2. (i) A fire occurred in the business premises of Sitara Co. Ltd. On 15<sup>th</sup> October 2018. From the following particulars ascertain the loss of stock and prepare a claim for insurance.

**6 marks**

Particulars	Rs.
Stock on 1.1.2017	34,000
Purchases from 1.1.2017 to 31.12.2017	1,22,000
Sales from 1.1.2017 to 31.12.2017	1,80,000
Stock on 31.12.2017	30,000
Purchases from 1.1.2018 to 14.10.2018	1,47,000
Sales from 1.1.2018 to 14.10.2018	1,50,000

The stock salvaged was worth Rs. 18,000. The amount of policy was Rs. 63,000. There was a average clause in the policy

2. (ii) What are Abnormal items? Explain the treatment of abnormal items if included in the opening and closing stock.

**4 marks**

3. Mangeshi Steel Ltd purchased an equipment costing Rs. 5,00,000 with estimated life of six years. The equipment is leased to Gaonkar Ltd for six years. The lease rentals payable by Gaonkar Ltd varies from year to year.

The lease rentals are as follows:

**10 marks**

Year	Rs.
1	48,850
2	51,260
3	64,860
4	78,920
5	89,150
6	1,06,850

Lease has also guaranteed as residual value at the end of six years, Rs. 1,080

The present value of Re. 1 discounted at 14% and 16% is

At the end of the year	14%	16%
1	0.877	0.862
2	1.647	1.605
3	2.361	2.246
4	2.914	2.798
5	3.433	3.274
6	3.889	3.685

Ascertain implicit rate of return.

4. S.S Vivekananda commenced a voyage on 1<sup>st</sup> August 2018, from Calcutta to London and back. The voyage was completed on 30<sup>th</sup> September, 2018. It carried a consignment of Jute on its outward journey and of plant on its return journey. The ship was insured and the annual premium was Rs. 15,000. Prepare a Voyage account from the following particulars.

**10 marks**

Particulars	Amount (Rs.)
Freight earned (Outward)	1,00,000
Freight earned (Return)	50,000
Port Dues	5,000
Bunker	20,000

Lighterage charges	3,000
Wages and expenses	20,000
Stores	6,000
Sundry expenses	2,000
Passage money received	4,000
Annual Depreciation	36,000
Address commission 5% on outward and 5% on Return freight	
Primage is 5% on freight	

The manager is entitled to 5% commission on the profit earned after charging such commission.

Stores on hand were valued at Rs. 2,000 on 30<sup>th</sup> September, 2018

5. What is meant by the term “Leasing”? Explain the advantages and disadvantages of leasing to the Lessor.
6. What is an Income and Expenditure account? Discuss the features of Income and Expenditure account.

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