

Register Number:  
Name of the Candidate:

**B.Sc. DEGREE EXAMINATION, May 2015**

**(MATHEMATICS)**

**(SECOND YEAR)**

**(PART-III)**

**(GROUP-B: ANCILLARY)**

**670: ACCOUNTANCY-II**

Time: Three hours

Maximum: 75 marks

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**SECTION-A**

**(5×6=30)**

**Answer any FIVE questions**

1. Give an "Accountable Sale" with imaginary figures.
2. Narrate the different methods of recoding transaction relating to joint Venture.
3. What do you understand by Fixed and Fluctuating Capitals?
4. Explain the meaning of 'Profit prior to incorporation'. How is it accounted?
5. Distinguish between 'Hire purchase system' and 'Instalment system'.
6. Define 'Shortworkings'. Explain how short workings a/c is maintained in the books of lessee.

**SECTION-B**

**(3×15=45)**

**Answer any THREE questions**

7. A and B doing business separately as building contractors, undertake jointly to construct a building for a newly started joint stock company for a contract price .1,00,000 payable as to . 80,000 by instalments in cash and .20,000 in fully paid shares of the company. A bank account is opened in their joint names, a paying .25,000 and B Rs.15,000. They are to share profits and losses in the proportions of 2/3 and 1/3 respectively. Their transactions were as follows:

	Rs.
Paid wages	30,000
Bought materials	70,000
Materials supplied by A	5,000
Materials supplied by B	4,000
Architect's fees paid by A	2,000

The contract was completed and the price (Cash and shares) duly received. The joint venture was closed by 'A' taking up all the shares of the company at an agreed valuation of Rs.16, 000 and 'B' taking up the stock of materials at an agreed valuation of Rs.3,000.

Show the necessary Ledger Accounts.

8. From the under mentioned Trail Balance of B.Ltd. Prepare a Trading and profit and Loss A/C for the ended March 31, 2014 and the Balance Sheet as at that data

<b>Debit Balances</b>	<b>Rs.</b>	<b>Credit Balances</b>	<b>Rs.</b>
Opening Stock	30,000		
Rent and taxes	6,000	Equity share capital	
Purchases	60,900	1,000 shares of	
		Rs.100 each	1,00,000
Wages	55,200	5% Debentures	25,000
Discount	1,500	Sales	1,75,000
Fuel	2,570	Creditors	8,000
Building	70,000	Bank Overdraft	12,000
Carriage inwards	1,175	Discount	2,200
Debtors	20,000	Transfer Fee	100
Good will	28,000	Returns outwards	100
Plant and Machinery	25,000		
Loose tools	6,000		
Advertisement	3,000		
General expenses	4,400		
Bad debts	1,030		
Debenture Interest	625		
(For half year)			
Miscellaneous expenses	3,000		
Insurance	1,000		
Cash	3,000		
	<b>3,22,400</b>		<b>3,22,400</b>

Adjustments:

- i) The authorised capital of the company is . 2,00,000
- ii) Stock on March 31,2014 is Rs.2,00,000
- iii) Depreciate Plant and Machinery at 9% and revenue tools at .4,100
- iv) Allow 2.5% discount on debtors and 2% as bad debts reserve.

9. Rakesh purchased a motor car on hire purchase system. The total cash price of the car is Rs.15, 980 payable Rs.4,000 down and three instalments of Rs.6,000, Rs.5,000 and Rs.2,000 payable at the end of first, second and third years respectively. Interest is charged at 5% pa.

You are required to prepare ledger accounts in the books of both the parties. Rate of depreciation is 10% on straight line method. Calculation are to be made to the nearest rupee.

10. A company leased to colliery on 1.4.2010 at a minimum rent of Rs.20,000 merging into a royalty of Rs.150 per tonne with power to recoup shortworkings over the first four years of the lease. The output of the colliery for the first four years was 9,000 tonnes, 12,000 tonnes, 16,000tonnes and 20,000 tonnes respectively. Give journal entries and ledger accounts for four years in the books of the lessee and lessor.

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