



**Institute of Management
JK Lakshmipat University
Jaipur**

END TERM EXAMINATION 2018

Programme: B.com.(H) Sem. IV
MM: 50 Marks

Subject: Strategic Accounting
Time: 3 Hours
Subject code: AC11

Instructions: **Attempt any three questions from Section A. Section B is compulsory.**

Section A

Q1. ABC Ltd. Of Mumbai acquired a ship at a cost of Rs. 25 Lakhs. The ship was ready for service on 01 January 2015, the ship had made 2 complete voyage one to Bangkok and Back and was half way through the next to Bangkok. The ship carried the following freight: to Bangkok 7500 tons @ Rs. 30 Per ton. From Bangkok 9000 tons @ Rs. 25 per ton. Unfinished voyage 9500 ton @ Rs. 25 per ton. The following expenses were incurred: Salaries and Wages of crew Rs. 85000; Fuel Rs. 45000, Sundry Stores Rs. 9500; Port dues Mumbai Rs. 8800 and Bangkok Rs. 7100; Stevedoring @ Rs. 2 per ton Rs. 52000; Share of overhead for the ship for the period Rs. 30000.

You are further informed that 5% commission was paid to agents in addition to 1% address commission. An insurance policy was taken out @ 2% p.a. on the ship and freight was insured at a premium of Rs. 1200 p.a. You are required to prepare the voyage account for the period of 3 months ending on 31 March 2015.

(10 marks)

Q2. The Western Manufacturers Ltd. leased a coalfield from Eastern Ltd. at a royalty of Rs. 6.50 per ton with a minimum rent of Rs. 80000 p.a. and power to recoup each year's short working out of the royalties of next 3 years. In the event of a strike, it was decided that shortworkings, if any, would stand reduced proportionately to time actually worked. The annual outputs (in tons) were as follows: 2009- 6000; 2010- 12500; 2011- 15000; 2012- 18000; 2013 (strike for 3 months) – 8000; 2014- 16000.

Prepare Royalties, Shortworking and Eastern Ltd. Accounts. **(10 marks)**

Q3. From the following particulars make up an account current to be rendered by Dr. Bhatia to Dr. Dash at 31st December reckoning interest @ 5.5 % p.a.

2014	Particulars	Amount	2014	Particulars	Amount
June 30	Balance owing by Dr. Dash	520	Sept 01	Dr. Dash accepted Dr. Bhatia Bill at 3 Months date	300
July 17	Goods sold to Dr. Dash	40	Oct. 22	Goods brought from Dr. Dash	20
August 01	Cash received from Dr. Dash	500	Nov. 12	Goods sold to Dr. Dash	14
August 19	Goods sold to Dr. Dash	720	Dec. 14	Cash received from Dr. Dash	50
August 30	Goods sold to Dr. Dash	50			

Sept. 01	Cash received from Dr. Dash	400			
----------	--------------------------------	-----	--	--	--

(10 marks)

Q4. From the following Receipts and Payments account of "AIDS Awareness Legal Aid Society" for the year 2011-12 (ending 31st March, 2012) and information prepare income and expenditure account for the year and balance sheet as on 31st March 2012:

Receipts	Amount	Payments	Amount
To Balance	14000	By Salaries	60000
To subscription	100000	By Honorarium	30000
To Donations	29000	By Sundry Expenses	3000
To interest on investments (10% p.a.)	40000	By Stationary	5000
To Charity show	20000	By Court fee	10000
		By Typewriter	20000
		By charity show	5000
		By cash in hand	70000

Additional Information:

	01 April 2011	31 March 2012
Subscription Due	1000	2000
Subscription Received in advance	2000	1000
Stock of Court Fee	4000	6000
Value of office equipment (Typewriter)	42000	60000
Value of Buildings	80000	72000

(10 marks)

Q5. Write short notes on:

(5+5 marks)

- Branch Accounting
- Accounting for Agriculture Firms

Section B

Q6. (A). Lovesh Ltd. purchased a truck on January 01, 2012 on hire purchase basis from Roshan Ltd. The cash down price was Rs. 300000. The terms of purchase were as under:

- Rs. 120000 is payable as deposit.
- Balance being payable by 12 quarterly installments of Rs. 19200, falling due from April 01, 2012.

The financial year of the company (Lovesh Ltd.) ends on June 30.

On September 30, 2013 the truck was sold for Rs. 200000 and the hire purchase balances were settled for Rs. 102000. Lovesh Ltd. brings the Assets A/c at cash price and spreads interest equally over the

period of hire purchase payments. Depreciation @ 20% p.a. on cost was provided upto the date of sale. Prepare Truck A/c, Roshan Ltd. A/c and Interest Suspense A/c in the books of Lovesh Ltd.

OR

On 01st January 2008 M/s Vaibhav Enterprises took delivery from Murlidhar and Company of a machine on hire purchase system Rs. 150000 being paid on delivery and the balance amount in five annual installments of Rs. 105000 each payable on 01st January each year. The cash down price of the machinery is quotes at Rs. 500000. The purchaser charges depreciation @ 10% p.a. on WDV method. Prepare Murlidhar company a/c, machine a/c and interest a/c in the books of the purchaser and M/s Vaibhav Enterprises a/c in the books of the hire vendor.

(12+8 Marks)

C. From the following Trial Balance and additional information, prepare Farm Accounts of Lohamandi Farm:

Particulars	Dr.	Cr.	Particulars	Dr.	Cr.
Opening Stock (01/01/2014)			Purchases:		
Livestock	187500		Livestock	37500	
Paddy	75000		Cattle Feed	75000	
Cattle Feed	13750		Fertilizers	20000	
Fertilizers	6250		Seeds	7250	
Seeds	3750				
Capital		552250	Repairs	15000	
Land and Building	343750		Expenses:		
			Crop	63000	
			Livestock	15625	
			General	14625	
Farm Equipment's	187500		Sales:		
			Livestock		60000
			Paddy		265000
			Milk		196250
Debtors and Creditors	26250	32500			
Bank	10625				
Cash	9125				
Outstanding Expenses		5500			

Additional Information:

- Closing Stock (31/12/2014): Livestock 165000; Paddy 37500; Cattle Feed 7500; Fertilizers 4375; Seeds 3375.
- Depreciation: Land and Building @ 2% p.a.; Farm Equipment's @ 10 % p.a.
- The owner withdraw the following: Milk 7500; Paddy 11875