

BHARATI VIDYAPEETH DEEMED UNIVERSITY

SCHOOL OF DISTANCE EDUCATION

FINANCIAL ACCOUNTING-II

ASSIGNMENT-1

Q1. Ajay Ltd. leased a colliery on 1st April, 2013 from Vijay at a minimum rent of Rs.80,000 p.a. at a royalty of Rs.3 per tone, with a right to recoup shortworkings over the first 3 years of lease. The output for the first 4 years is as follows:

Years	Output in tonnes
2013-14	20,000
2014-15	24,000
2015-16	28,000
2016-17	40,000

You are required to show:

- a) Royalty A/c
- b) Landlord A/c
- c) Shortworkings A/c in the books of Ajay Ltd. for 4 years.

Q2. What do you mean by Computerized Accounting System? Explain its features and significance.

OR

What is shortworking? How is shortworking recouped?

ASSIGNMENT-2

Q1. On 1st April, 2015 Mr. A purchased a Machine from B Ltd., under Hire Purchase System. The terms and conditions of Hire Purchase were as follows:

- a) The cash price of the machine was Rs. 80,000.
- b) Rs.20,000 to be paid on signing the agreement.
- c) Balance to be paid in 3 annual instalments of Rs. 20,000 each together with interest @ 12% p.a.
- d) Depreciation is charged @15% under reducing balance method.

You are required to show:

- i) Machine Account
- ii) B Ltd. Account
- iii) Interest Account in the books of A Ltd.

Q2. What is the difference between Hire Purchase and Instalment system?

Or

What is Depreciation? Explain its causes and objectives.