

NEW

2017

BCA

2nd Semester Examination

FINANCIAL & MANAGEMENT ACCOUNTING

PAPER—1204

Full Marks : 100

Time : 3 Hours

The figures in the margin indicate full marks.

Candidates are required to give their answers in their own words as far as practicable.

Illustrate the answers wherever necessary.

Answer Q. No. 1 and any four from the rest.

1. Answer any *five* of the following questions : 5×2
- (a) What is generally accepted accounting principles ?
 - (b) Name the users of accounting information.
 - (c) Define the term 'Account' and what are the type of accounts ?

(Turn Over)

- (d) What do you mean by contra-entries in a columnar cash book?
- (e) Journalise the following transactions :—
- (i) Mr. X Bought Office Furniture from Ram Chandra Trader of Rs. 40,000 on 1.4.17.
 - (ii) Bought goods from Mr. Karim of Rs. 40,000 on 2.4.17.
- (f) Write short notes "Gross Profit Ratio".
- (g) Discuss the concept of "Budget".
2. (a) "Cash Book is Journalized Ledger"—Discuss the statement.
- (b) From the following list of balances prepare a Trial Balance as on 31.3.2017.
- Capital A/c Rs. 60,000; Sales A/c Rs. 1,40,000; Purchases (Adjusted) Rs. 95,000; Returns Inwards A/c Rs. 5,000; Carriage outward Rs. 5,000; Purchases Ledger Balances Rs. 50,000; Sales Ledger Balances Rs. 5,000; Bills-Receivables Rs. 10,000; Bills-Payable Rs. 10,000; Wages Rs. 20,000; Rent (paid) Rs. 10,000; Pre-paid Rent Rs. 10,000; Closing stock Rs. 40,000; Commission Rs. 10,000; Commission Received in advance Rs. 20,000; Bad-Debts. Rs. 5,000; Reserve for Discount on Creditors Rs. 1,000; Instrument Rs. 4,000; Bank Rs. 80,000.

6+9

3. (a) Distinguish between 'Trade Discount' and 'Cash Discount'.

(b) Record the following transactions in the Cash book of Sri Anupam Das and show the closing balance of Cash and Bank accounts :

2017		Rs.
Jan 1	He had cash in hand	40,000
Jan 2	Opened a bank account	30,000
Jan 3	Purchase goods in cash	5,000
Jan 3	Paid Salary	2,000
Jan 3	Withdraw from bank	4,000
Jan 4	Received from A. Roy	
	Cash	5,000
	Cheque	3,000
Jan 5	Above Cheque deposited into bank	—
Jan 6	Paid Rent	500
Jan 7	Goods sold in cash	6,000
Jan 8	Purchased type writing machine and paid by cheque	6,000
Jan 9	Bank credited for interest	50
Jan 10	Bank debited for bank charge	20
Jan 10	Cash deposited into bank	500
		5+10

4. (a) Distinguish between Fixed Assets and Current Assets.

(b) From the ledger balances prepare trading, Profit & Loss the for the year ended on 31st December, 2016 and balance sheet as at 31.12.2016. After considering the following information in the Book's of "Ria". Drawing Rs. 3,000; Opening stock Rs. 27,000; Carriage inward Rs. 1,000; Return outward Rs. 800; Rent Rs. 800; Rent outstanding Rs. 200; Purchases Rs. 12,000; Debtors Rs. 30,000; Advertisement Rs. 4,000; Bad-Debt Rs. 1,000; Patent Rs. 10,000; Wages Rs. 1,000; Cash Rs. 70,000; Goodwill Rs. 80,000; Capital Rs. 57,000; Return Inward Rs. 1,000; Bank Rs. 57,200; Loan Rs. 10,000; Creditors Rs. 80,000; Provision for Doubtful Debts Rs. 2,000; Sales rs. 1,50,000; Discount allowed Rs. 2,000;

Other information :—

- (i) Stock as on 31.12.2016 was Rs. 1,00,000;
- (ii) Write off further a sum of Rs. 100 as Bad-Debt.
- (iii) Provision for Bad Debt to be made 10% on Debtors.
- (iv) Outstanding wages Rs. 500.

3+12

5. (a) The following trial balance has been extracted from the books of Mr. B. Bose as on 31.12.16

Trial Balance

	Rs.		Rs.
Building	1,60,000	Sundry Creditors	60,000
Opening Stock	64,000	Bills payable	25,000
Furniture	50,000	Returns outwards	3,000
Sundry Debtors	80,000	Provision for	
Plant & machinery	1,50,000	doubtful debts	2,500
Purchases	2,80,000	Capital	3,84,400
Bills receivable	45,000	Sales	4,80,000
Carriage inward	2,400		
Carriage outward	500		
Insurance	3,000		
Bad debts	1,900		
Return inward	3,600		
Salaries	48,000		
Wages	46,000		
Cost at Bank	20,500		
	<u>9,54,900</u>		<u>9,54,900</u>

Other information :—

- (i) Closing stock Rs. 75,000;
 (ii) Outstanding wages Rs. 5,000 and salaries Rs. 6,000.

- (iii) Insurance paid up to 31.3.2017;
- (iv) Provision for bad debts @ 10% on Sundry Debtors;
- (v) A cheque is dishonoured Rs. 1,500;
- (vi) Depreciation on Building @ $2\frac{1}{2}\%$; on plant & Machinery @ 15% on Furniture @ 20%.

You are required to prepare the trading A/c, Profit & Loss A/c for the year ended 31.12.16 and Balance Sheet as on that date. 15

6. (a) What are the advantages and limitations of Budgetary control.
- (b) The expenses for the production of 5000 units in a factory are given as follows :

	Per unit (Rs.)
Materials	50.00
Labour	20.00
Variable Overheads	15.00
Fixed Overheads (Rs. 50,000)	10.00
Administrative Expenses (5% variable)	10.00
Selling Expenses (20% Fixed)	6.00
Distribution Expenses (10% Fixed)	5.00
Total Cost of Sales per unit	Rs. <u>116.00</u>

You are required to prepare a budget for the production of 700 units. 5+10

7. (a) Write short notes :—

- (i) Accounting Equation. 3×2½
- (ii) Capital Expenditure.
- (iii) Revenue Expenditure.

(b) Following information of a company is given, current Ratio - 2.5; Acid Test Ratio - 1.5; Working Capital - Rs. 1,50,000; Find out : 3×2½

- (i) Current Asset
- (ii) Liquid Asset
- (iii) Inventory

(c) What is meant by 'Accounting cycle'?

(d) What is meant by "Petty Cash Book"? 1½×2

[Internal Assessment — 30 Marks]
