

NEW

2018

BCA

2nd Semester Examination

FINANCIAL AND MANAGEMENT ACCOUNTING

PAPER—1204

Full Marks : 100

Time : 3 Hours

The figures in right-hand 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 questions. 5×2**
- (a) What do you mean by the terms 'Debit' and 'Credit'.
- (b) Find out the correct equation :
- (i) $\text{Assets} + \text{Liability} = \text{Capital}$.

(Turn Over)

(ii) Capital + Assets = Liabilities.

(iii) Assets – Liabilities = Capital.

(c) Name the different classes of Cash Book that are found in actual practice.

(d) Define Goods.

(e) Distinguish between Journal and Ledger.

(f) What is Acid Test Ratio ?

(g) 'All transactions are event but all events are not transaction'—Justify.

(h) What is Asset ?

2. The comparative statements of income and financial position are given below :

	2016 (Rs.)	2017 (Rs.)
Net Sales	1,00,000	1,50,000
Less : Cost of Sales	70,000	1,10,000
Gross profit	30,000	40,000
Less : Operating Expenses	20,000	25,000
Net profit	10,000	15,000

Cash in hand	5,000	8,000
Cash at Bank	4,000	2,000
Debtors	40,000	25,000
Stock at Cost	15,000	10,000
Fixed Assets (Net)	56,000	65,000
	<u>1,20,000</u>	<u>1,10,000</u>
Creditors	36,000	12,000
Bills Payable	2,000	1,000
Mortgage Loan	10,000	20,000
Equity Share Capital	60,000	70,000
Reserve and Surplus	12,000	7,000
	<u>1,20,000</u>	<u>1,10,000</u>

You are required to calculate the following ratios for both the years :

- (i) Current Ratio.
- (ii) Acid Test Ratio.
- (iii) Debtors Turnover Ratio.
- (iv) Average collection period.
- (v) Stock Turnover Ratio.

Assume 360 days in a year.

3×5

3. (a) What do you mean by a 'Voucher' ?
- (b) What is a Double Column Cash Book ?
- (c) Record the following transaction in a suitable Cash Book of Mr. Sen and show the Closing Cash and Bank balances:

2018	Particulars	Rs.
Jan 1.	Cash in hand	550
	Cash at UCO Bank	1,700
	Cash at Canara Bank	2,500
" 2.	Received Cash from Mr. T. Guha and deposited in to Canara Bank	6,000
" 3.	Bought goods from Roy & Co. and drew a Cheque on Canara Bank	4,500
" 5.	Paid Wages and Salaries by cheque on UCO Bank	1,200
" 6.	Received from Sales, a cheque and paid into UCO Bank	8,000
" 10.	Transfer from Canara Bank to UCO Bank	2,000
" 12.	Paid for purchases by cheque on UCO Bank	5,500
" 14.	Received cheque from Mr. A. Ghosal and deposited into Canara Bank	4,000

Jan 18. The cheque of Mr. A. Ghosal returned dishonoured	—
" 20. Withdrew Cash from UCO Bank for office use	1,500
" 22. Received another cheque of the same amount from Mr. A. Ghosal and deposited into Canara Bank.	—
" 31. Canara Bank allowed interest on Deposit	200
Paid Sallaries and Wages	1,700
	2+2+11

4. (a) Classify the following under the three types of Accounts (Real, Nominal or Personal Account) :

- (i) Bank Account ;
- (ii) Drawings Account ;
- (iii) Outstanding Rent Account ;
- (iv) Cash Account ;
- (v) Prepaid Insurance Premium Account ;
- (vi) Depreciation Account ;
- (vii) Stock Account ;
- (viii) Furniture Account ;
- (ix) Current Account of a Partner ;
- (x) Amar (a purchaser).

- (b) Find out the Debtors Account and Creditors Account from each of the following transactions :
- (i) Bought Machinery from Bose and Co. Rs. 1500.
 - (ii) Sold old Machinery to Biplab Rs. 2500.
 - (iii) Paid Advertisement Rs. 500.
 - (iv) Deposited Cash into Bank Rs. 2000.
 - (v) Paid Rent to Landlord, Mr. Sen Rs. 750.
- (c) Give transaction for each of the following effects :
- (i) Increase in Asset and increase in Liability.
 - (ii) Increase in Asset and decrease in another asset.
 - (iii) Increase in Capital, Decrease in Asset, Decrease in Liability.
 - (iv) Decrease in Capital and decrease in Asset.

5+5+5

5. (a) What are the objects of preparing 'Trial Balance'?
- (b) From the following particulars, prepare a Triple Column Cash Book :

1.4.16 Cash in hand Rs. 50,500 :

State Bank of India Rs. 10,200 (O/D)

4.4.16 Cash Sales Rs. 80,800 ; Cash discount allowed Rs. 80 and balance received in cash.

8.4.16 Cash deposited into S.B.I. Rs. 60,000.

10.4.16 Purchases goods Rs. 40,000 from P.K. Sen.

12.4.16 Paid Rent Rs. 5,000.

14.4.16 Settled R.K. Roy A/c for Rs. 40,400 by payment of Rs. 40,300 by cheque.

15.4.16 Issued order to the S.B.I. for stopping payment of the cheque issued to P.K. Roy.

22.4.16 Purchased a Computer of Rs. 40,400 from Kolkata and paid Rs. 20,400 in cash and balance by cheque. Paid Rs. 200 in cash as carriage thereon.

28.4.16 Paid office expenses Rs. 400 by cheque.

30.4.16 Interest of Rs. 400 was credited by S.B.I.

6. (a) Write a short note on 'Zero-Base Budget'.

(b) Explain the following concept : (any three)

(i) Business Entity Concept.

- (ii) Going Concern Concept.
- (iii) Money Measurement Concept.
- (iv) Dual Aspect Concept. 3+4×3

7. (a) Journalise the following transaction :

(i) Mr. Karim started business with Cash Rs. 10,00,000 ; Building Rs. 50,00,000 ; Machinery Rs. 20,00,000 on 1.4.2017.

(ii) Bought Goods Rs. 10,000 from Mr. Karim. and paid carriage Rs. 2000 in cash on 4.4.2017.

(b) Discuss Limitation of Accounting Ratio.

(c) Discuss the objects of preparation of Balance Sheet.

(d) Annual Credit Sale Rs. 5,00,000 ;

Returns Rs. 1,00,000 ;

Debtors Rs. 60,000 ;

Bills Receivable Rs. 20,000 ;

Find out Debtors Turn Over Ratio.

(e) Discuss Cash Bases and accrual Bases of Accounting.

3+3+3+3

8. (a) Write a short note on 'GAAP'.

(b) From the following information supplied by BATA Ltd. prepare a Cash Budget for the period from 1st July 2017 to 31st October, 2017.

Months	Credit	Credit	Wages	Selling	Overhead
	Purchases	Sales		Expenses	
	Rs.	Rs.	Rs.	Rs.	Rs.
May	95,950	2,00,000	60,000	9,500	4,000
June	72,000	1,01,000	30,000	8,000	3,000
July	80,000	1,10,000	35,000	10,000	2,000
August	99,000	2,80,000	39,000	11,000	1,000
September	80,000	1,04,000	40,000	8,000	2,000
October	70,000	1,00,000	40,400	5,000	3,000

Additional information :

- (i) Expected cash sales per month Rs. 1,00,000 ;
- (ii) Expected cash balance on 1st July Rs. 20,000 ;
- (iii) Period of credit allowed by creditor— 1 month.

- (iv) Lag in payment of wages, selling expenses and overheads— 1 month.
- (v) Period of credit allowed by Debtors— 2 month.
- (vi) Expenditure on Machinery worth Rs. 40,000 is payable in October. 4+11

[Internal Assessment—30 Marks]
