

2019

BCA

2nd Semester Examination

Financial and 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.

*Answer question No. 1 and any **four** from the rest.*

Answer any **five** questions :

2×5

1. (a) Define 'Goods'.
- (b) Define 'Account'.
- (c) What do you mean by 'Trade discount' ?
- (d) What is Debtors turnover Ratio ?
- (e) Is Trial Balance an Account ?
- (f) What is sales Budget ?
- (g) Distinguish between *transaction & Event*.
- (h) Define Receipts & Payments A/c.

2. (i) Ramkrishna Charitable Institution Statement of Receipts & Payments for the year ended 31.12.18

Receipts	Rs.	Payments	Rs.
To, Balance		By Charities	14,500
Cash on Deposit A/c 5,000		By Salaries	2,600
On Current A/c 2,400		By Rent & Taxes	1,200
In hand 300		By Printing	300
	7,700	By Postage	100
To, Donations	8,000	By Advertisement	250
To, Subscriptions	4,000	By Furniture	750
To, Endowment Fund Receipts	15,000	By Insurance	1,000
To, Legacies	6,000	By Advance for Building	5,000
To, Interest on Investment	9,500	By Investments	14,000
To, Interest on Deposits	150	By Balance	
To, Sale of old Newspaper	75	Cash on Deposit A/c	8,000
		Cash on Current A/c	2,000
		Cash in hand	725
	50,425		50,425

Prepare the Income & Expenditure Account for the year ended 31.12.18. after considering the following :

- It was decided to treat one-half of the amount received in the account of legacies and Donations as Income.
- Premium for Insurance was paid in advance for 3 months.

(c) Interest on Investment Rs, 500 though accrued was not actually received .

(ii) Write down the features of Income & Expenditure Account. 12+3

3. Write short notes on : (Any **five**) 3×5

(i) Fixed Assets

(ii) Fictitious Assets

(iii) Accounting Conventions

(iv) Current Ratio

(v) Suspense Account

(vi) Errors of Misposting

(vii) Errors of Commission .

4. (a) The following are the balances of Ledger Accounts of XYZ Ltd. as on 31.03.2018. You are required to prepare Trading A/c, Profit & Loss A/c for the year ended 31.03.2018 and Balance Sheet as on 31.03.2018. Capital Rs. 7,00,000 ; Sales Rs. 3,00,000 ; Creditors Rs. 2,00,000 ; Provision for

doubtful debts Rs. 20,000 ; Discount Received Rs.80,000 ; Building Rs.4,00,000 ; Furniture Rs. 2,00,000 ; Purchases Rs. 50,000 ; Debtors Rs. 1,00,000 ; Wages Rs. 30,000 Salaries Rs. 20,000 ; Drawing Rs. 50,000 ; Bad-Debts Rs. 20,000 ; Bank Rs. 1,00,000 ; Discount Allowed Rs. 30,000 Opening Stock ; Rs. 1,00,000 ; Cash Rs. 2,00,000. 13+2

Additional information :

- (i) Closing stock Rs. 2,00,000
- (ii) Depreciation charged @ 10% p.a. on furniture
- (iii) Outstanding wages Rs. 10,000
- (iv) Salaries paid in advance Rs. 1,000
- (v) Provide 10% on Debtors for Doubtful Debts.
- (vi) Stock valued at Rs. 2,000 was destroyed by fire but insurance company admitted a claim of Rs. 500 only.

(b) What is Contingent Assets ?

5. (a) From the following particulars, Prepare Triple Column Cash Book : 10+5

01.04.19.	Cash in hand	Rs. 1,00,000
	Cash at Bank	Rs. 5,00,000
12.04.19	Purchase Goods	Rs. 1,00,000
	at 10% cash discount	
14.04.19	Interest credited	Rs. 10,000
	by Bank	
18.04.19	Cheque received from Raman	
		Rs. 2,00,000
22.04.19	Raman's cheque deposited into Bank	
26.04.19	Sold Goods to Mohan	Rs. 5,00,000
	at 5% cash discount. Cash received from Mohan.	
27.04.19	Withdrawn cash from Bank	
	Rs. 10,000 for office use	
28.04.19	Cash withdrawn from Bank for personal use	Rs. 10,000
29.04.19	Bank debited for Bank charge	
	Rs. 1,000	
30.04.19	Cash deposited into Bank	
		Rs. 20,000

- (b) Write short notes :

- (i) *Capital Gearing Ratio*
- (ii) *Creditor's Velocity.*

6. (a) Prepare a Production Budget for each month and a summarised Production Cost Budget for the six months period ending 31st December, 2018 from the following data of product 'X'. 10

(i) The units to be sold for the different months are as follows :

July – 2018	1,100	August	– 1,100
September –	1,700	October	– 1,900
November –	2,500	December	– 2,300
January '19 –	2,000		

(ii) There will be no work in progress at the end of any month.

(iii) Finished units equal to half the sales for the next month will be in stock at the end of each month (including June 2018).

(iv) Budgeted production and production cost for the year ending 31st December 2018 are as follows :

Production (Units) 22,000

Direct materials (per unit) Rs. 10

Direct Wages (per unit) Rs. 4

Total Factory overheads apportioned to products Rs. 88,000.

(b) Write down the limitations of Budgetary Control. 5

7. (a) The following is the receipts and payments A/c of a Club for the year ended 31.12.18.

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Receipts	Rs.	Payment	Rs.
To, Balance b/d	10,000	By Sports Equipment	54,000
To, Subscriptions :		By Salaries & Wages	26,000
2017	4,000	By office Expenses	10,000
2018	26,000	By Electric Charges	20,000
To, Donation	40,000	By Telephone Charges	10,000
To, Entrance Fees	50,000	By Balance c/d	10,000
	1,30,000		1,30,000

Additional information :

- (i) In 2017, subscription for 2018 were received Rs. 4,000
- (ii) Outstanding subscription for 2018 Rs. 20,000
- (iii) Outstanding salaries & wages Rs. 2,000
- (iv) Depreciation to be charged at 10% on sports equipment.
- (v) Entrance fees to be capitalised and 50% donation to be capitalised.

Prepare Income & Expenditure A/c of club for the year ended 31.12.18.

- (b) Distinction between Capital Receipts and Revenue Receipts. 3

[Internal Assessment – 30]