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(2nd Semester)

BACHELOR OF COMPUTER APPLICATIONS

Paper No. : BCA-205

(Accounting and Financial Management)*Full Marks : 75**Time : 3 hours*

(PART : B—DESCRIPTIVE)

(Marks : 50)

*The figures in the margin indicate full marks
for the questions*Answer Question No. **1** and *any three* from the rest

- 1. (a)** The following is the Trial Balance of
Mr. David as on 31st March, 2016 :

*Trial Balance
as on 31st March, 2016*

<i>Particulars</i>	<i>Dr. Balance</i>	<i>Cr. Balance</i>
	₹	₹
Sales	—	1,31,000
Bank Credit Balance	—	20,000

<i>Particulars</i>	<i>Dr. Balance</i>	<i>Cr. Balance</i>
	₹	₹
Commission	—	2,000
Bills Payable	—	7,000
Pre-received Commission	—	2,000
Sundry Creditors	—	39,000
Loan from Bank	—	55,000
Purchases Returns	—	1,000
Capital	—	1,30,000
Sales Returns	1,000	—
Carriage Inward	6,000	—
Salary	25,000	—
Import Duty	6,000	—
Property Tax	4,000	—
Stock on 1st April, 2015	40,000	—
Prepaid Salary	1,000	—
Purchases	82,600	—
Wages	4,800	—
Cash in Hand	12,000	—
Live Stock	20,000	—
Miscellaneous Expenses	7,100	—
Advertising	7,600	—
Discount Allowed	300	—
Net Interest on Bank Loan	2,800	—
Sundry Debtors	41,000	—
Buildings	80,000	—
Vehicles	40,000	—
Bad Debts	1,800	—
Carriage Outwards	4,000	—
	<u>3,87,000</u>	<u>3,87,000</u>

(3)

You are required to prepare Trading and Profit & Loss A/c for the year ended on 31st March, 2016 and Balance Sheet as on that date after taking the following adjustments into account : 15

- (i) Unsold stock of goods on hand on 31st March, 2016 amounted to ₹ 30,000
 - (ii) Goods of ₹ 3,400 were purchased and issued on 30th March, 2016 and are included in the closing stock but the entry is not recorded in bought book
 - (iii) Outstanding wages amounted to ₹ 1,200
 - (iv) Provide 5% on Sundry Debtors for Bad and Doubtful Debts
 - (v) Goods of ₹ 1,400 are distributed as free samples
 - (vi) Depreciate building at 10% p.a.
 - (vii) ₹ 1,000 is to be written off as Bad Debts
- (b) Explain the term 'contra entry' by using a suitable example. 5

(4)

2. Enter the following transactions in the books of Mr. Archie's Cashbook with Cash Discount and Bank Columns : 10

2016	
December	1 Mr. Archie started business with cash of ₹ 90,000
"	3 Opened Bank Account with Bank of India and deposited ₹ 80,000
"	5 Purchased goods from Jughead Brothers and paid by cheque ₹ 12,000
"	11 Received cash from sales—₹ 3,000
"	14 Withdrawn cash ₹ 1,500 from bank
"	17 Purchased stationery for cash ₹ 600
"	20 Received cheque from M/s Betty and Company for ₹ 1,800 and deposited in the Bank on the same date
"	21 Received cash from Reggie Enterprises of ₹ 1,750 net after allowing ₹ 50 as discount
"	22 Paid to M/s Rosie and Co. by cheque for ₹ 3,500
"	24 Drawn from bank for office use—₹ 3,800
"	26 Drawn for personal use—₹ 1,500
"	30 Paid salary for the month of December 2011 ₹ 15,000 by cheque

(5)

3. The following are summarized Profit & Loss A/c for the year ended 31st March, 2016 and Balance Sheet as on that date of XYZ Ltd. :

*Profit & Loss A/c
for the year ended on 31st March, 2016*

Particulars	₹	Particulars	₹
To Opening Stock	10,000	By Sales	1,00,000
» Purchases	55,000	» Closing Stock	15,000
» Gross Profit	50,000		
	<u>1,15,000</u>		<u>1,15,000</u>
To Selling and Distribution Expenses	12,000	By Gross Profit	50,000
» Administration Expenses	15,000		
» Interest	3,000		
» Net Profit	20,000		
	<u>50,000</u>		<u>50,000</u>

*Balance Sheet
as on 31st March, 2012*

Liabilities	₹	Assets	₹
Equity Capital of ₹ 10	1,00,000	Plant and Machinery	30,000
Profit & Loss A/c	20,000	Land and Building	50,000
Bills Payable	15,000	Furniture	20,000
Sundry Creditors	25,000	Inventories	15,000
		Bills Receivable	12,500
		Sundry Debtors	15,000
		Bank	17,500
	<u>1,60,000</u>		<u>1,60,000</u>

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(Turn Over)

(6)

Calculate the following : 10

- (a) Gross Profit Ratio
- (b) Net Profit Ratio
- (c) Operating Ratio
- (d) Working Capital Turnover Ratio
- (e) Proprietary Ratio

4. Explain the term Management Accounting. Distinguish between Management Accounting and Financial Accounting. 10

5. A factory produces 20000 units. The budgeted expenses are given below :

	Per Unit
Raw Materials	75
Direct Labour	20
Direct Expenses	25
Overheads	15
Fixed Overheads (₹ 2,00,000)	20
Administrative Expenses (fixed)	10
Selling Expenses (10% fixed)	15
Distribution Expenses (25% fixed)	20
Total cost	<u>200</u>

You are required to prepare a budget for 15000 and 10000 units. 10

(Continued)

(7)

6. What do you mean by budgetary control?
Explain the objectives of budgetary control.
Discuss the advantages and disadvantages of
budgetary control. 10

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To be filled in by the Candidate

DEGREE 2nd Semester
(Arts / Science / Commerce /
.....) Exam., **2017**

Subject

Paper

INSTRUCTIONS TO CANDIDATES

1. The Booklet No. of this script should be quoted in the answer script meant for descriptive type questions and vice versa.
2. This paper should be **ANSWERED FIRST** and submitted within 1 (one) Hour of the commencement of the Examination.
3. While answering the questions of this booklet, any cutting, erasing, over-writing or furnishing more than one answer is prohibited. Any rough work, if required, should be done only on the main Answer Book. Instructions given in each question should be followed for answering that question only.

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Roll No.

Regn. No.

Subject

Paper

Descriptive Type

Booklet No. B

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(2nd Semester)

BACHELOR OF COMPUTER APPLICATIONS

Paper No. : BCA-205

(Accounting and Financial Management)

(PART : A—OBJECTIVE)

(Marks : 25)

The figures in the margin indicate full marks for the questions

SECTION—I

(Marks : 15)

- 1.** Choose the correct answer by putting a Tick (✓) mark
in the brackets provided : 1×10=10

(a) Debit what comes in and credit what goes out is
a principle of which account?

(i) Real ()

(ii) Personal ()

(iii) Nominal ()

(iv) Current ()

(2)

(b) Which financial statement displays the revenues and expenses of a company for a period of time?

(i) Income statement ()

(ii) Balance Sheet ()

(iii) Cash flow statement ()

(iv) Statement of equity ()

(c) What is the main purpose of financial accounting?

(i) Organize financial statement ()

(ii) Provide useful financial information to outsiders ()

(iii) Keep track of company expenses ()

(iv) Minimize company taxes ()

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(3)

(d) Which of the following is not included in the basic accounting equation?

(i) Assets ()

(ii) Revenues ()

(iii) Liabilities ()

(iv) Shareholder's equity ()

(e) Which financial statement uses the expanded accounting equation?

(i) Income statement ()

(ii) Balance Sheet ()

(iii) Cash flow statement ()

(iv) Statement of shareholder's equity ()

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(4)

(f) The accrual basis of accounting records revenue when they are

(i) collected ()

(ii) earned ()

(iii) contracted ()

(iv) readily available for use ()

(g) Asset accounts have what type of balance?

(i) Debit ()

(ii) Credit ()

(iii) Contra ()

(iv) All of the above ()

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(5)

(h) Which account is not a liability account?

(i) Accounts payable ()

(ii) Accrued expenses ()

(iii) Cash ()

(iv) Notes payable ()

(i) Which account increases equity?

(i) Expenses ()

(ii) Withdrawals ()

(iii) Treasury stock ()

(iv) Revenues ()

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(6)

(j) All of the following are characteristics of managerial accounting, except

(i) reports are used primarily by insiders rather than by persons outside of the business entity ()

(ii) its purpose is to assist managers in planning and controlling business operations ()

(iii) information must be developed in conformity with generally accepted accounting principles or with income-tax regulations ()

(iv) information may be tailored to assist in specific managerial decisions ()

2. Point out whether the following statements are *True* or *False* by putting a Tick (✓) mark : 1×5=5

(a) Book-keeping and Accounting are the same terms.

(*True* / *False*)

(b) Accounting is not the language of business.

(*True* / *False*)

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(7)

(c) Accounting Standard I deals with disclosure of accounting policies.

(True / False)

(d) Depreciation is charged on current assets.

(True / False)

(e) The basic function of accounting is to interpret financial data.

(True / False)

(8)

SECTION—II

(Marks : 10)

3. Answer the following questions : 2×5=10

- (a) Explain the terms bad debts and provision for bad debts.

(9)

(b) What do you understand by zero-base budgeting?

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(10)

- (c) What are the responsibilities of a management accountant?

(11)

(d) What is the use of gross profit ratio?

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(12)

(e) What are the objectives of Accountancy?

★ ★ ★

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