

III/BCA /303

2012

(OCTOBER)

**BACHELOR OF COMPUTER APPLICATION
(ACCOUNTING AND FINANCIAL MANAGEMENT)**

Paper No. 303

Full Mark: 75

Time: 3 hours

The figures in the margin indicate full marks for the questions.

PART -A: OBJECTIVE

(Marks : 25)

SECTION - I

I. Tick (✓) the correct answer. (1X10=10)

i. Investment appearing in trial balance will be shown in:

- | | | |
|----|-----------------|-----|
| a) | Trading a/c | () |
| b) | Balance Sheet | () |
| c) | Profit/Loss a/c | () |
| d) | Journal | () |

ii. Gross profit is ascertained by:

- | | | |
|----|-----------------|-----|
| a) | Trial Balance | () |
| b) | Trading a/c | () |
| c) | Profit/Loss a/c | () |
| d) | Balance Sheet | () |

iii) Double column cash book records:

- | | | |
|----|----------------------------|---------|
| a) | Only cash transaction | () |
| b) | Both transactions | () |
| c) | Sales transaction | () |
| d) | Cash and bank transactions | () |

iv) Recording of transaction in the journal is called:

- | | | |
|----|--------------|---------|
| a) | Posting | () |
| b) | Journalizing | () |
| c) | Tallying | () |
| d) | Casting | () |

v) Point out the correct equation:

- | | | |
|----|---|---------|
| a) | $\text{Assets} = \text{Liabilities} - \text{Capital}$ | () |
| b) | $\text{Assets} = \text{Liabilities} + \text{Capital}$ | () |
| c) | $\text{liabilities} = \text{Assets} + \text{Capital}$ | () |
| d) | none of the above | () |

vi) Find out the correct statement:

- | | | |
|----|---------------------------------|---------|
| a) | Debit the decrease in assets | () |
| b) | Credit the increase in expenses | () |
| c) | Debit the increase in revenue | () |
| d) | Credit the increase in capital | () |

vii)The journal is a book of :

- | | | | | |
|---|----|---------------------------|---|---|
|) | a) | Only cash transaction | (|) |
|) | b) | Original entry | (|) |
|) | c) | Credit sales and purchase | (|) |
|) | d) | Secondary entry | (|) |

viii)The ledger is the book of :

- | | | | | |
|---|----|----------------------|---|---|
|) | a) | Original entry | (|) |
|) | b) | Secondary entry | (|) |
|) | c) | All cash transaction | (|) |
|) | c) | Petty cash book | (|) |

ix)Asset account show balance.

- | | | | | |
|---|----|------------------------|---|---|
|) | a) | Debit | (|) |
|) | b) | Credit | (|) |
|) | c) | Either debit or credit | (|) |
|) | d) | Plus | (|) |

x)Liabilities havebalance.

- | | | | | |
|---|----|-------------|---|---|
|) | a) | Debit | (|) |
|) | b) | A liability | (|) |
|) | c) | An expense | (|) |
|) | d) | A revenue. | (|) |

- II. State whether True (T) or False (F). (5X1=5)
- i) Book keeping is a part of accounting. ()
 - ii) Margin of safety = Total sales – BEP sales. ()
 - iii) Assets and liabilities are two side of cash book. ()
 - iv) Every debit has its corresponding credit. ()
 - v) Balance sheet is an account. ()

(1=5)

SECTION II

III. Answer the following questions.

(5X2=10)

a) What is Marginal Costing?

b) What are Assets and Liabilities? Give examples each.

- c) Define Book Keeping.

- d) Write short note on standard costing.

c) Explain B.E.P.

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PART -B : DESCRIPTIVE

(Marks : 50)

1. a) Prepare **Final account** from the following Trial balance of BCA Pvt. Ltd as on 31st March, 2012. (15)

	Rs.		Rs.
Capital	24,500	Bad debts	550
Drawings	2000	Loan	7880
General expenses	2500	Sales	65,360
Buildings	11,000	Purchases	47,000
Machinery	9340	Scooter	2000
Opening stock	16,200	Provisions for bad debts	900
Power	2240	Commission (Cr)	1320
Taxes and Insurance	1315	Salaries	1800
Wages	7200	Bills payable	3850
Debtors	6280	Cash	80
Charity	105	Bank Overdraft	3300
Creditors	2500		

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Adjustments:

- i) Closing stock was valued at Rs. 23,500
- ii) Write off a further of Rs. 160 as bad debts and maintain the provision for bad debts at 5% on debtors.
- iii) Depreciate Machinery at 10% and Scooter at 10%.
- iv) Provide Rs. 750 for outstanding on salaries.

- b) What is Standard costing? Distinguish between Marginal costing and standard costing. (5)

2. The expenses budgeted for production of 1000 units in a factory is given below: (10)

<u>PARTICULARS</u>	<u>Per Unit</u>
Material	70
Labour	25
Variable Factory Overhead	20
Fixed factory Overhead	10
Variable expenses (Direct)	05
Selling expenses (10% fixed)	13
Distribution expenses (80% Variable)	07
Administration expenses (fixed Rs 5000)	05
	155

You are required to prepare a budget for the production of 800 units.

OR

- a) What is Management Accounting? Explain the objectives of Management Accounting? (2+4=6)
- b) State the differences of Management Accounting and Cost accounting. (4)

3. Prepare *Cost Sheet* from the following data: (10)

	Rs.
Material purchased	5,00,000
Direct Wages	1,50,000
Factory overhead	1,00,000
Selling and Distribution	20,000
SALES	10,00,000
Opening Stock:	
Raw Material	2,00,000
Work-in-progress	60,000
Finished Goods	5000
Closing Stock:	
Raw Material	1,80,000
Work-in-progress	50,000
Finished Goods	15,000

OR

a) What is accounting? Explain the objectives of accounting.
(2+4=6)

b) What are the advantages and limitations of budgetary control? (4)

4.a) Define Ratio analysis. What are the objectives of Ratio analysis? (2+4=6)

b) Calculate:

i) Net profit ratio

ii) Liquid ratio

iii) Stock turnover ratio

(Sales-80,000, Net profit-15,000, Current Assets-52,000, Stock-9000, Average stock-40,000, Cost of goods sold-1,60,000, Current Liabilities-22,000, Prepaid-3000) (4)

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