

**2 0 1 3**

( 3rd Semester )

**BACHELOR OF COMPUTER APPLICATION**

Paper No. : 303

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

(a) How many sides does an account have?

(i) Two (     )

(ii) Three (     )

(iii) One (     )

(iv) None of the above (     )

(b) Which of the following is correct?

(i) Liabilities = Assets + Capital ( )

(ii) Assets = Liabilities - Capital ( )

(iii) Capital = Assets - Liabilities ( )

(iv) Capital = Assets + Liabilities ( )

(c) The book in which all accounts are maintained is known as

(i) Cash Book ( )

(ii) Journal ( )

(iii) Purchase Book ( )

(iv) Ledger ( )

(d) The Journal is a book of

(i) only cash transaction ( )

(ii) original entry ( )

(iii) credit sales and purchases ( )

(iv) secondary entry ( )

(e) — may have contra entry.

(i) Simple Cash Book ( )

(ii) Petty Cash Book ( )

(iii) Double-column Cash Book ( )

(iv) All Cash Books ( )

(f) Goods purchased on cash are recorded in the

(i) Purchase Book ( )

(ii) Sales Book ( )

(iii) Cash Book ( )

(iv) Purchases Returns Book ( )

(g) Sales Book records

(i) sale of assets on credit ( )

(ii) sale of goods on credit ( )

(iii) cash sales ( )

(iv) all credit sales ( )

(h) Which of the following is not a business transaction?

(i) Bought furniture of ₹ 10,000 for business ( )

(ii) Paid salaries of employees ₹ 5,000 ( )

(iii) Paid son's fees from his personal bank account ₹ 20,000 ( )

(iv) Paid son's fees from the business ₹ 2,000 ( )

(i) — is a contra entry.

(i) Selling goods for cash ( )

(ii) Depositing cheque into bank which was received the same day ( )

(iii) Depositing cheque into bank which was received the previous day ( )

(iv) Receiving cash from Mohan and allowing him discount ( )

(j) Double-column Cash Book records

(i) only cash transaction ( )

(ii) all transactions ( )

(iii) cash purchases and cash sales transactions ( )

(iv) cash and bank transactions ( )

( 5 )

2. State whether the following statements are True (T) or False (F) by putting a Tick (✓) mark : 1×5=5

(a) Forecast is an estimate of what is likely to happen.

( T / F )

(b) Budgeting is the whole process of designing, implementation and operation of budgets.

( T / F )

(c) Budgetary control system should adopt the concept of 'management by exception' reporting.

( T / F )

(d) A budget period is the period for which the budget is prepared.

( T / F )

(e) A budget is prepared only for medium term.

( T / F )

( 6 )

SECTION—II

( Marks : 10 )

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

(a) What is break-even point?

( 7 )

(b) Define the term 'budget'.

( 8 )

(c) What is cost sheet?



( 9 )

- (d) Distinguish between flexible budget and fixed budget.

( 10 )

(e) Define variance analysis.

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### III/BCA/303

2013

( 3rd Semester )

#### BACHELOR OF COMPUTER APPLICATION

Paper No. : 303

( 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*

1. (a) From the following Trial Balance, prepare Trading and Profit & Loss Account for the year ended on 31st March, 1997 and a Balance Sheet as on that date :

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Particulars	Debit (₹)	Credit (₹)
Capital		30,000
Drawings	5,000	
Debtors and Creditors	20,000	10,000
Loan		9,500
Interest on Loan	300	
Cash	2,000	
Provision for Bad debts		700

14G—500/189a

( Turn Over )

Particulars	Debit (₹)	Credit (₹)
Stock	6,800	
Motor vehicles	10,000	
Bank	3,500	
Land and Buildings	12,000	
Bad debts	500	
Purchases and Sales	66,000	1,10,000
Returns	8,000	1,500
Carriage outward	2,500	
Carriage inward	3,000	
Salaries	9,000	
Rent and Insurance	3,000	
Advertising	3,500	
Discount		500
General expenses	3,400	
Bills receivable and Bills payable	6,000	2,000
Rent received		300
	<u>1,64,500</u>	<u>1,64,500</u>

*Adjustments :*

- (i) Depreciate Land and Buildings at 2½% and Motor vehicles at 20%
- (ii) Salaries outstanding—₹ 200
- (iii) Prepaid insurance—₹ 200
- (iv) Provision for Bad debts is to be maintained at 5% on debtors
- (v) Closing stock was valued at ₹ 7,000

- (b) State the differences between Standard Costing and Marginal Costing. 5

2. (a) Explain the differences between Management Accounting and Financial Accounting. 6

- (b) Explain the role of a Management Accountant. 4

3. (a) ABC Ltd. has the following information :

Sales (@ ₹ 25 per unit)	₹ 20,000
Variable cost per unit	₹ 3
Fixed cost	₹ 8,000 p.a.

Calculate PV ratio and break-even sales of the company. 6

- (b) Explain the advantages of zero-based budgeting. 4

Or

- (a) From the following data, compute material cost variance : 6

Name of Material	Standard		Actual	
	Quantity (unit)	Price (₹)	Quantity (unit)	Price (₹)
Zee	3500	10	3700	12
Wee	1500	21	1650	20
Tee	1000	33	1250	36

- (b) State four limitations of the budgetary control system. 4

4. (a) Calculate current and liquid ratio from the following information : 6

*Balance Sheet*

<i>Liabilities</i>	<i>Amount</i>	<i>Assets</i>	<i>Amount</i>
	(₹)		(₹)
Share Capital	1,00,000	Fixed Assets	1,50,000
Debentures	1,15,000	Liquid Assets	1,20,000
Current Liabilities	65,000	Stock	10,000
	<u>2,80,000</u>		<u>2,80,000</u>

- (b) Explain the objective and limitation of ratio analysis. 4

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