

**II/BCA/205**

**2017**

( 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>
	<i>₹</i>	<i>₹</i>
Sales	—	1,31,000
Bank Credit Balance	—	20,000

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*( Turn Over )*

( 2 )

<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>

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( Continued )

( 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

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( Continued )

( 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*

<i>Particulars</i>	<i>₹</i>	<i>Particulars</i>	<i>₹</i>
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*

<i>Liabilities</i>	<i>₹</i>	<i>Assets</i>	<i>₹</i>
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 :

	<i>Per Unit</i>
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

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( 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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