

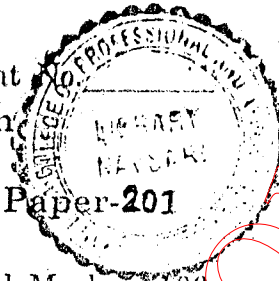
NM-507

Seat

B. C. A. (Sem. II) Examination

October - 2004

Accounting & Financial Management : Paper-201



Time : 3 Hours]

[Total Marks : 100

- Instructions : (1) Figures to the right indicate full marks of the question.  
 (2) Show your full calculations.

1. Following is the Trial Balance of Pooja as on 31-12-03

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Name of the account	Debit (Rs.)	Credit (Rs.)
Capital and drawings	9000	100000
Provided fund & contribution to provided fund	3000	47000
Stock of goods(31-12-03)	65000	
Furniture	15000	
Provided fund Investments and its Interest	40000	4000
Patents	60000	
Creditors and debtors	70360	45000
Discount	400	500
Stationery expense	100	
General expence	1000	
Salary	6000	
Bad Debts & Bad Debt reserve	240	2500
Trading account- Gross Profit		71100
	<u>270100</u>	<u>270100</u>

Taking into consideration the following adjustments prepare trading account and profit & loss account for the year ending on 31-12-03. Also prepare balance sheet as on that date.

Adjustments:

- On 1-7-03 the proprietor brought personal furniture of Rs. 5000 which is yet to be recorded.
- Stock of Stationary on 31-12-03 was of Rs. 50.
- Write off Rs. 360 as bad debts and Provide bad debt reserve at 5% on debtors.
- Depreciate furniture at 10% per annum
- Personal expense Rs. 200 are debited to general expense account.
- Calculate 10% interest on capital. Charge Rs 500 as interest on drawings
- Write off Rs 3000 from patents.

2. The following are the balance sheets of Alpa Ltd. for two years.

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Liabilities	2002	2003	Assets	2002	2003
Equity share capital	200000	250000	Land & Building	100000	150000
General Reserve	25000	30000	Plant & Machinery	115000	110000
P&L account	20000	15000	Stock	20000	25000

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[Contd...

Creditors	10000	12500	Debtors	15000	20000
Bills Payable	7500	15000	Cash	10000	15000
Unpaid expense	2500	7500	Bills Receivable	5000	10000
Provident fund	15000	10000	Preliminary expense	15000	10000
	<u>280000</u>	<u>340000</u>		<u>280000</u>	<u>340000</u>

Particulars	2002	2003	Particulars	2002	2003
To opening stock	10000	20000	By sales	125000	225000
To Purchases	75000	95000	By closing stock	20000	25000
To administrative expense	15000	20000	By profit on sale of furniture	5000	
To sale expense	10000	25000			
To financial expense	5000	30000			
To Net profit	35000	60000			
	<u>150000</u>	<u>250000</u>		<u>150000</u>	<u>250000</u>

Calculate for both the years

- (i) Current Ratio (ii) Stock ratio (iii) Operating ratio (iv) Gross profit ratio  
 (v) Debtors ratio (300 days to be considered) (vi) Liquid ratio (vii) Return on capital employed.

OR

- 2 (a) Explain the advantages & disadvantage of accounting ratios in detail. 10  
 (b) From the below given details calculate closing stock and opening stock 4  
 i) Gross profit ratio- 25%  
 ii) Gross profit – Rs. 300000  
 iii) Stock turnover ratio – 12 time  
 iv) Opening stock is less by Rs. 20000 than the closing stock.

3 The following are the balance sheets of Rinkal Ltd. for two years. 10

Liabilities	31-12-02	31-12-03	Assets	31-12-02	31-12-03
Equity share	1000000	1500000	Building(at cost)	750000	1150000
capital			Machine	875000	1125000
Share Premium	--	50000	(Deprecated Value)		
P&L account	200000	425000	Investments	100000	100000
5% Debentures	500000	380000	Stock	225000	245000
Creditors	300000	520000	Debtors	75000	90000
Provision for Tax	100000	25000	Bank	125000	240000
Proposed dividend	50000	50000			
	<u>2150000</u>	<u>2950000</u>		<u>2150000</u>	<u>2950000</u>