



0400

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

October – 2005

Accounting & Financial Management : Paper-201

Time : 3 Hours]

[Total Marks : 70

Instructions :

(1)

नीचे दशांशक निशानों के साथ उत्तरों पर चयन करें।  
Fillup strictly the details of signs on your answer book.

Seat No. :

Name of the Examination :  
B.C.A - 2

Name of the Subject :  
Accounting & Financial Management

Subject Code No. :  0  4  0  0 Section No. (1, 2, ...) :  NIL

Student's Signature

1 Prepare final Account from the following balances and additional information for the year ended on 31-12-2004, given as below : 12

Balances	Rs.
Sundry Debtors	62,000
Sundry Creditors	52,000
Purchases	1,40,000
Sales	2,70,000
Discount	6,000
Capital	2,52,000
Productive Wages	35,000
Motorcar	10,000
6% Loan from Dharit	76,000
Stock on Hand (1-1-2004)	1,17,000
Salaries	24,000
Travelling Expenses	10,000
Carriage Inward	4,700
Insurance	11,100

Commission .....	2850
Machinery .....	90,000
Building .....	40,000
Rent and Taxes .....	12,000
Cash on Hand .....	5,000
Bank Balance .....	48,340
Repairs .....	1,100
Sundry Expenses .....	3,910
Interest on 6% Loan .....	3,000
Advertisement Expenses .....	24,000

**Additional Information :**

- (1) Closing Stock is Valued at Rs. 1,60,000.
- (2) Depreciate :  
Building by 2.5%  
Motor by 7.5%  
Machinery by 5% and  
There was an addition of Rs. 10,000 to Machinery on 1-7-2004.
- (3) Prepaid rent and taxes Rs. 800.
- (4) Provide reserve for Discount at 2.5% on debtors.
- (5) Outstanding Insurances Rs. 400.
- (6) Provide Reserve for bad debt reserve Rs.3,000.
- (7) 60% advertisement expenses is to be carried forward for next year.

- 2 From the following information prepare a cost sheet for 12  
the year ending 31<sup>st</sup> December, 2004 :

**Opening Stock :**

Finished Goods	50,000
Work-in-Progress	20,000
Raw Materials	40,000

**Closing Stock :**

Finished Goods	40,000
Work-in-Progress	30,000
Raw Materials	60,000
Indirect Wages	15,000
Direct Expenses	20,000
Direct Wages	1,00,000
Factory Power	13,000

- 2 (a) What is Management Accounting. How it differs from Financial Accounting. 12  
 (b) Short notes on : Fund flow analysis.
- 3 (a) Explain Operating Ratio and Liquid Ratio. 12  
 (b) Short notes on : Computerised Accounting.

OR

- 3 The following are the Trading and Profit and Loss Account of *Rekha Ltd.* for the year ended on 31-12-2004. 12

Dr.		Cr.	
Particulars	Rs.	Particulars	Rs.
To Opening Stock	9,950	By Sales	85,000
To Purchases	54,525	By Closing Stock	14,900
To Wages	1,425		
To Gross Profit	34,000		
	99,900		99,900
To Administrative Exp.	15,000	To Gross Profit	34,000
To Selling Expenses	3,000	To Interest	300
To Financial Expenses	1,500	To Profit on	
To Loss on Sale on Assets	400	Sales of Share	600
To Net Profit	15,000		
	34,900		34,900

Balance Sheet

Share Capital	20,000	Land & Buildings	15,000
Reserves	9,000	Plant & Machinery	8,000
Current Liabilities	13,000	Stock	14,000
P & L A/c.	6,000	Debtors	7,100
		Cash at Bank	3,000
	48,000		48,000

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You are required to calculate :

- (1) Current Ratio
- (2) Operating Ratio
- (3) Stock Turnover Ratio
- (4) Net Profit Ratio
- (5) Fixed Assets Turnover Ratio
- (6) Gross Profit Ratio
- (7) Liquid Ratio
- (8) Return on Shareholders Fund.

- 4 (a) Write notes on Liquid Ratio and Debtors Ratio. 12  
 (b) Advantages of Computerised Accounting.

OR

- 4 Prepare fund flow statement from the following information : 12

	1998	1999		1998	1999
Equity Share Capital	6,00,000	8,00,000	Good Will	2,30,000	1,80,000
Preference Share Capital	3,00,000	2,00,000	Land & Building	4,00,000	3,40,000
General Reserve	30,000	1,40,000	Plant and Machinery	1,60,000	4,00,000
Profit & Loss A/c	60,000	96,000	Debtors	3,20,000	4,00,000
Proposed Dividend	84,000	1,00,000	Stock	1,54,000	2,18,000
Creditors	1,10,000	1,66,000	Bills Receivable	40,000	60,000
Bills Payable	40,000	32,000	Cash	30,000	20,000
Tax Provision	50,000	1,00,000	Bank	20,000	16,000
	13,54,000	16,34,000		13,54,000	16,34,000

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**Additional Information :**

- (1) Proposed dividend made during 1998 has been paid during 1999.
  - (2) Depreciation :
    - (a) Rs. 20,000 on plant and machinery
    - (b) Rs. 40,000 on land and building.
  - (3) Interim dividend has been paid Rs. 40,000 in 1998.
  - (4) Income-Tax Rs. 70,000 has been paid during 1999.
- 5 (a) Write about statement of sources and application. 12
- (b) Explain Error of principles.

OR

- 5 From the following Receipt and Payment A/c. of *Vyara Cricket Club* and the additional information. Prepare an Income and Expenditure Account for the ended on 31<sup>st</sup> December, 2004 and a Balance Sheet as on that date: 12

**Receipt and Payment Account**  
for the year ended 31<sup>st</sup> December, 2004

<i>Receipt</i>	<i>Rs.</i>	<i>Payment</i>	<i>Rs.</i>
To Balance : Cash	3,520	By Crockery Purchased	3,650
Bank	27,380	By Maintenance	6,820
Fixed deposits at 6%	30,000	By Match Expenses	13,240
To Membership		By Salaries	11,000
Subscription (including		By Conveyance	820
Rs. 600 for 2005)	40,000	By Upkeep of Ground	4,240
To Entrance Fees	2,750	By Postage Stamps	1,050
To Donation	6,010	By Purchase of	
To Tournament Fund	20,000	Cricket Goods	9,720
To Sale Crockery		By Sundry Expenses	2,000
(Book value Rs. 120)	2,000	By Investments	5,700
To Interest on Fixed		By Tournament Exp.	18,800
Deposits	900	By Balance : Cash	2,100
		Bank	23,820
		Fixed Deposit	30,000
	1,32,560		1,32,560

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Information :

- (1) Monthly Salary is Rs. 1,000
- (2) The value of unused postage stamps are as follows:  
31st Dec. 2013 Rs. 750  
Dec. 2014 Rs. 900
- (3) Stock of Computer equipments are as follows:  
31st Dec. 2013 Rs. 3,200  
Dec. 2014 Rs. 2,800
- (4) Arrears of membership subscription :  
31st Dec. 2013 Rs. 6,600  
Dec. 2014 Rs. 8,000
- (5) Donation and entrance fees are to be capitalised.

6 From the following information prepare Three Column Cash Book. 10

- (1) Opening Cash Balance.....Rs. 20,000  
Opening Bank Balance.....Rs. 25,000
- (2) Goods purchased Rs. 10,000 and sold for Rs. 12,500
- (3) Deposited into Bank Rs. 2,500
- (4) Salary paid Rs. 20,000 by cheque and Rent paid Rs. 10,000
- (5) Goods returned by our customer worth Rs. 5,000 and paid cheque for that.

- (6) Our debtor Kiran became bankrupt and received from him 50% amount against Rs. 10,000.
- (7) To keep cash balance in Hand Rs. 55,000 necessary transaction is made with bank.

OR

- 6 (a) Write about Subsidiary books 10
- (b) Error not effecting Trial Balance.

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