



BZ-0778

Seat No. _____

B. C. A (Sem. II) Examination

April / May – 2006

Accounting & Financial Management : Paper - 201

Time : 3 Hours]

[Total Marks : 70

Instructions :

(1)

नीचे दशाविव \leftarrow निशा-नीवाणी विगतो उत्तरवली पर अवश्य बखवी.
 Fillup strictly the details of \leftarrow signs on your answer book.

Name of the Examination :

Name of the Subject :

Subject Code No. : \leftarrow Section No. (1, 2,.....) :

Seat No. :

Student's Signature _____

1 The trial Balance of Dhoni, after preparing trading account as on 31-03-06 was as follows: 14

Name of the account	Debit Credit	
	Balance	Balance
	Rs.	Rs.
Capital and Drawings	9,000	1,00,000
Provident Fund and Contribution of Provident fund	3,000	47,000
Investments of Provident fund & Interest of Provident fund	40,000	4,000
Stock of goods (31-03-06)	65,000	--
Furniture and fixtures	15,000	--
Patents	60,000	--
Debtors and Creditors	70,360	45,000
Discount	400	500
Stationery expenses	100	--
General expenses	7,000	--
Bad debts and Bad debts reserve	240	2500
Gross profit	--	71,100
	<u>2,70,100</u>	<u>2,70,100</u>

From the above trial balance, prepare profit and loss account of Dhoni for the year ended on 31-03-06 and the balance sheet as on that date, after taking account, the additional information given below:

- Adjustments:-
1. Personal furniture of Rs. 5,000 was brought into the business on 1-10-05 which remain unrecorded.
 2. Stock of stationery as on 31-03-06 is Rs. 50
 3. Write off bad debts Rs. 360 and provide for bad debts reserve at 5%
 4. Write off depreciation at 10% per annum on furniture,
 5. Personal expenses Rs. 200 are debited to general expenses account.
 6. Calculate interest at 5% per annum on capital and Rs. 500 on Drawings.
 7. Write off Rs. 3,000 on patents

2 From the following transactions, prepare three columnar cashbook in the books of Usha Traders: 11

- 2006 April' 1 Opening balance : Cash Rs. 4,000, Bank Rs. 4,000.
 April' 4 Goods of Rs. 2,000 were purchased at 10% trade discount. Half the amount is paid in cash and half is paid by cheque.
 April' 6 A cheque for Rs. 2,975 is given to Nisha Traders in full settlement of our dues of Rs. 3,000.
 April' 7 Personal furniture is sold for Rs. 10,000 and out of this, cash Rs.8,000 is brought in the business.
 April' 8 Goods of Rs. 4,000 were sold for cash at 2% cash discount.
 April'10 A cheque of Rs. 3,300 was received in full settlement from Isha Traders against our receivables of Rs. 3,460.
 April'12 A cheque received from Isha Traders was deposited in the bank.
 April'15 A cheque of Isha Traders is dishonoured due to the difference in signature.
 April'16 Isha Traders declared insolvent and only half the amount is received in cash.
 April'20 Advertisement bill of Sandesh is paid by cheque for Rs. 1,200
 April'22 Cash paid for income tax on behalf of Usha Traders Rs. 1,500
 April'25 Paid sales tax by cheque Rs. 400.
 April'30 Banked all cash except cash on hand Rs. 1,000.

OR

2 From the following transaction prepare the subsidiary books. 11

- 2006 January' 1 Goods of Rs. 4,000 were purchased from Himanshu through inward invoice number 303.
 January' 3 Goods of Rs. 5,000 were purchased from Upendra at 10% trade discount, through inward invoice number 1020.
 January' 4 Goods of Rs. 6,000 were purchased at 10% trade discount and 3% cash discount from Amita through inward invoice number 741. Half the amount is paid in cash.
 January' 6 Goods purchased from Himanshu were sold to Shakina at 25% profit through sales bill number 452.
 January' 7 Goods of Rs. 3,000 were sold at 30% profit to Salma at 5% trade discount through sales bill number 453.
 January' 8 Goods of Rs. 2,000 were sold to Arif. 60% amount paid by Arif through cheque. Sales bill number is 454.
 January' 10 Goods of Rs. 300 were received back from Ushakant, credit note number is 51.
 January' 11 Goods of Rs. 250 were received back from Haribhai, credit note number is 52.
 January' 14 Goods of Rs. 200 were returned to Dharmendra, debit note number is 76
 January' 15 Goods of Rs. 410 were returned to Rupa, debit note number is 77.

3 The following are the summarised balance sheets for two years. You are required to rearrange it in the form suitable for computing ratios. 11

Liabilities	Balance Sheet		Assets	2004 Rs.	2005 Rs.
	2004 Rs.	2005 Rs.			
Equity shares of Rs. 10 each	1,00,000	1,50,000	Fixed Assets		
8% Preference share Rs.100 each	50,000	50,000	Less Depreciation	3,50,000	4,90,000
Reserves	2,00,000	1,50,000	<u>Current Assets</u>		
6% Debentures	1,00,000	1,00,000	Stock	1,50,000	60,000
Current Liabilities	80,000	1,20,000	Debtors	40,000	35,000
Bank Overdraft	20,000	20,000	Cash	10,000	5,000
	<u>5,50,000</u>	<u>5,90,000</u>		<u>5,50,000</u>	<u>5,90,000</u>

Depreciation :	
Office Building	5,000
Plant and Machinery	2,000
Repairs :	
Plant and Machinery	15,000
Furniture	2,000
Lighting :	
Factory	5,000
Office	2,000
Rent :	
Factory	15,000
Office	10,000
Show Room	5,000
Director's Remuneration	25,000
Printing and Stationery	2,500
Salesmen Salaries	7,000
Postage and Telegrams	1,000
Advertisement	7,000
Purchase of Raw Materials	4,00,000
Carriage Inward	2,000
Carriage Outward	1,500
Sales of Finished Goods	7,00,000

OR

- 12
- 2 (a) Show the items not included in Cost Sheets. 12
(b) 'Cash Discount and Trade Discount' - Differentiate.
(c) Going Concern Concept.

- 12
- 3 (1) Uses of Ratio Analysis. 12
(2) Limitations of Computerise Accounting.

OR

- 12
- 3 Calculate the following ratios : 12
(1) Current Ratio
(2) Liquid Ratio
(3) Gross Profit Ratio
(4) Net Profit Ratio
(5) Stock Turnover Ratio
(6) Returned on Capital Employed
(7) Debtors Ratio (360 Days)
(8) Returned on Share Capital

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Balance Sheet

Liabilities	Rs.	Assets	Rs.
Share Capital	2,40,000	Machinery	2,00,000
Retained Earnings	2,40,000	Land	1,20,000
5% Mortgage Debentures	1,60,000	Building	2,40,000
Creditors	2,00,000	Goodwill	1,00,000
Bills Payable	1,00,000	Debtors	1,00,000
O/s. Wages	60,000	Bills Receivable	20,000
Income Tax Payable	40,000	Inventories	2,00,000
Bank Overdraft	1,00,000	Prepaid Expenses	40,000
		Cash	1,20,000
	11,40,000		11,40,000

Other Information :

	Rs.
Net Sales	12,00,000
Cost of Goods Sold	8,00,000
Gross Profit	4,00,000
Operating Expenses	2,00,000
Operating Profit	2,00,000
Interest	20,000
Income Before Tax	1,80,000
Income Tax Provision	40,000
Net Income after Tax	1,40,000

4 The following are the Balance Sheets of a Limited company for 2003-04 and 2004-05 :

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Balance Sheet

Liabilities	2003-04	2004-05	Assets	2003-04	2004-05
Share capitals			Fixed Assets	23,36,960	26,10,500
Preference share	3,00,000	4,00,000	Stock	6,60,540	4,91,800
Equity Share	15,00,000	15,00,000	Debtors	2,54,000	2,65,000
Share premium	30,000	40,000	Bank balance	40,000	30,000
Debentures	5,00,000	5,00,000	Debtore discount	30,000	25,000
Creditors	7,25,000	6,35,000			
Proposed dividend	75,000	-----			
Profit and loss account	1,91,500	3,47,300			
	33,21,500	34,22,300		33,21,500	34,22,300

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Additional Information :

- (1) During the year 2004-05, Machinery costing Rs. 2,00,000 was sold at Rs. 2,10,000. During the year depreciation written off amounted to Rs. 75,000. Preference share capital of Rs. 1,00,000 was issued at a premium of Rs. 10,000 during the year 2004-05.
- (2) Dividend of Rs. 75,000 for the year 2003-04 was paid during 2004-05.
- (3) The net profit for the year 2004-05 was Rs. 1,55,860.
- (4) From the above information :
 - (a) A statement showing increases or decrease in working capital.
 - (b) A statement showing the sources and application of funds for the year 2004-05.

OR

- 4 (a) What is 'Fund' with reference to Fund-Flow statement? 12
- (b) What is the utility of Fund-Flow statement ?

- 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 year ended on 31st December, 2004 and a Balance Sheet as on that date : 12

Receipt and Payment Account for the year ended 31st December, 2004

Receipt	Rs.	Payment	Rs.
To Balance : Cash	35,200	By Crockery Purchased	36,500
Bank	2,73,800	By Maintenance	68,200
Fixed deposits at 6%	3,00,000	By Match Expenses	1,32,400
To Membership Subscription (including Rs. 600 for 2005)	4,00,000	By Salaries	1,10,000
To Entrance Fees	27,500	By Conveyance	8,200
To Donation	60,100	By Upkeep of Ground	42,400
To Tournament Fund	2,00,000	By Postage Stamps	10,500
To Sale of Crockery (Book Value Rs. 12,000)	20,000	By Purchase of Cricket Goods	97,200
To Interest on Fixed Deposits	9000	By Sundry Expenses	20,000
		By Investment	57,000
		By Tournament Expenses	1,88,000
		By Balance : Cash	22,000
		Bank	2,33,200
		Fixed Deposits	3,00,000
			5,55,200
	13,25,600		13,25,600

[Contd...]

Rs.
30,000
20,000
40,000
30,000
30,000
20,000
30,000
40,000
2,700
40,000

12

04-05
0,500
1,800
5,000
0,000
5,000
12,300

Contd.

Informations :

- (1) Monthly Salary is Rs. 10,000.
- (2) The value of unused postage stamps are as follows :
31st Dec., 2003 Rs.7,500, Dec., 2004 Rs.9,000
- (3) Stock of Cricket equipments are as under :
31st Dec., 2003 Rs.32,100, Dec., 2004 Rs.28,000
- (4) Arrears of membership subscription :
31st Dec., 2003 Rs.66,000, Dec.2004 Rs.80,000
- (5) Donation and entrance fees are not to be capitalised.

OR

- 5 (a) Distinguished between Income and Expenditure Account.
(b) Show the effects of the following in the Final Accounts of the Non-Trading Concern for the year ended on 31st Dec., 2004 :

Subscription Received during the year	5,00,000
Subscription outstanding in 2003	Rs.20,000
Subscription outstanding in 2004	Rs.30,000
Subscription received in advanced in 2003	Rs.20,000
Subscription received in advanced in 2004	Rs.30,000
Expenses paid during the year	4,00,000
Outstanding in 2003	Rs.10,000
Outstanding in 2004	Rs.15,000
Paid in advanced in 2004	Rs.25,000
Paid in advanced in 2003	Rs.20,000

- 6 From the following information prepare Three column cash book : 10

- (1) Opening Cash Balance Rs. 25,000
 Opening Bank Overdraft Rs. 20,000
- (2) Goods purchased Rs.1,00,000 and sold for Rs.1,25,000
- (3) Deposited into bank Rs.25,000
- (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 Amit became bankrupt and received from him 50% amount against Rs.10,000
- (7) To keep cash balance on hand Rs.25,000 necessary transaction is made with bank.

OR

- 6 (a) Write about Subsidiary books.
- (b) Errors effecting trial balance.