

Vidya Vikas Mandal's
Shree Damodar College of Commerce and Economics, Margao-Goa
F.Y. B.C.A, Semester- I, End Semester Examination, October 2015
Business Accounting (BCA 103)

Duration: 2 hrs

Max Marks: 50

Instructions :

1. All questions are compulsory
2. Start each new question on a fresh page
3. Figures to the right indicate maximum marks

Q 1) A) Choose the correct alternative from the following: (5 mks)

1. Purpose of Fund flow statement is to.
A) Match Assets & Liabilities B) Show what has happened to the funds available
C) Show depreciation on assets
2. Method where depreciation is calculated on diminishing value of the asset.
A) Written Down Value Method B) Machine Hour Rate Method C) Depletion Method
3. Statement showing the list of accounts with their debit or credit balances.
A) Trial Balance B) Transactions C) Cash Flow statement
4. Other name for Equity shares.
A) Forfeited shares B) Investors shares C) Ordinary shares
5. Concept whereby recording of revenues and expenses of a particular accounting period, whether they are received or paid in cash or not.
A) Periodic Matching of Cost & Revenue B) Realization C) Accrual

Q 1) B) Match the following (5 mks)

Column 'A'

- 1) Preference Shareholders
- 2) Sinking Fund Method
- 3) Deferred Revenue Expenditure
- 4) Cost Concept
- 5) Creditors

Column 'B'

- A) Heavy expenses on advertising
- B) Interested in business performance
- C) Replacement of assets
- D) Specified rate of dividend
- E) Price paid to acquire assets

Q 2) A) Journalize the following transactions in the books of Ms.Shivani. (10 mks)

Year 2014

- | | |
|-----------------------|--|
| 1 st June | Shivani commenced business with cash Rs. 20,000, Building Rs. 2,00,000 & Furniture Rs. 40,000. |
| 3 rd June | Purchased goods for credit from Rupesh Rs. 10,000. |
| 5 th June | Purchased motor vehicle for Rs. 50,000. |
| 10 th June | Goods sold on credit to Asha Stores Rs. 20,000. |

14th June Opened a bank a/c with SBI by depositing cash Rs 10,000.
 15th June Paid insurance premium by cheque Rs 3,000.
 20th June Cash received from Asha Stores in full settlement.
 20th June Cash sales Rs. 50,000.
 22nd June Paid office rent Rs. 5,000.
 25th June Withdrawn cash for personal use Rs. 15,000.

OR

Q 2) B) Prepare a trial balance from the following balance extracted from the ledger of Vishal Traders as on 31st December 2013. (10 mks)

Capital	75,000
Drawings	5,000
Cash at bank	27,500
Cash in hand	2,000
Purchases	32,000
Sales	36,000
Sundry creditors	17,000
Sundry debtors	30,000
Discount allowed	500
Wages	2,000
Salary	2,200
Commission Received	1,000
Office expenses	2,000
Purchase return	300
Sales return	400
Machinery	20,000
Bank loan	25,000
Furniture	7,500
Opening stock	5,000
Carriage	7,000
Motor van	11,200

Q 3) A) On 1st Jan 2010, a firm purchased machinery worth Rs.40,000. On 1st July 2012 It purchased additional machinery worth Rs.9000 and spent Rs.1000 on installation. The firm closes yearly account on 31st December. The firm decided to charge depreciation @10% according to straight line method. Prepare machinery account for 5 years. (10 mks)

OR

Q 3) B) A lease is purchased by a firm for Rs.30,000 on 1st Jan 2011 for a period of 4 years. It is proposed to depreciate the lease by Annuity method charging interest @ 5% per annum. As per Annuity table the amount necessary to write off Re. 1 in 4 years with interest @ 5% per annum is Rs.0.282012. Prepare lease account for a period of 4 years. (10 mks)

Q 4) A) You are required to prepare financial statement from the following trial balance of Alpha Ltd. at the end of the year 31st march 2013 as per revised schedule VI.

(10 Marks)

Particulars	Debit	Particulars	Credit
Opening Stock	50,000	Sales	3,50,000
Purchases	2,00,000	Equity Share Capital	90,000
Debtors	50,000	Interest	1,000
Loose tools	2,000	Commission	5,000
Bank Balance	30,000	Creditors	50,000
Cash Balance	18,000	Bank Overdraft	8,000
Insurance	2,000		
Building	40,000		
Machinery	44,000		
Wages	10,000		
Furniture	20,000		
Office Expenses	8,000		
Salaries	30,000		
Total	5,04,000	Total	5,04,000

Additional Information:

- 1) Closing stock is valued at Rs. 22,000.
- 2) Depreciation on Building and Machinery @ 10% p. a.
- 3) Bad debts of Rs. 2,000 are to be written off from debtors.
- 4) Prepaid Insurance Rs. 500.

OR

Q 4) B) From the following data available from revenue statement of Siemens Ltd.

determine: 1) Gross profit ratio 2) Operating ratio 3) Administrative expense ratio
4) Selling expense ratio 5) Cost of goods ratio 6) Stock turnover ratio 7) Net profit ratio 8) Current ratio 9) Liquid ratio 10) Capital gearing ratio

(10 marks)

Particulars	Amount	Amount
Sales		8,00,000
Less : Cost of goods sold		
Opening stock	2,50,000	
Purchases	4,00,000	
Other manufacturing expenses	20,000	
Wages	30,000	
	7,00,000	
Less: Closing stock	3,00,000	4,00,000
Gross profit		4,00,000
Less : Operating expenses		
Administrative Expenses	30,000	
Selling Expenses	60,000	90,000
Operating Net Profit		3,10,000
Add: Non operating Incomes		30,000
		3,40,000
Less : Non operating expenses		60,000
Net Profit before tax		2,80,000

Balance Sheet

Liabilities	Amount	Assets	Amount
Equity share capital	2,50,000	Land & Building	3,00,000
8% preference share capital	1,00,000	Plant & machinery	2,50,000
Reserves	1,50,000	Debtors	1,00,000
9% Debentures	2,00,000	Prepaid Expenses	2,500
Creditors	40,000	Bank	27,500
Bills payable	60,000	Stock	1,20,000
	8,00,000		8,00,000

Q 5) A) The following is the balance sheet of 'X Ltd.' as on 31st March 2012 and 31st March 2013. You are required to prepare 1) schedule of changes in working capital 2) Statement of Sources and Applications of Funds (10 mks)

Balance sheet

Liabilities	31.3.2012	31.3.2013	Assets	2012	2013
Share Capital	6,00,000	8,00,000	Building	9,20,000	8,50,000
General Reserve	4,12,000	4,32,000	Plant and Machinery	6,05,000	7,85,000
Securities Premium	2,00,000	2,00,000	Furniture	2,75,000	3,25,000
15% Debentures	6,00,000	5,00,000	Debtors	2,80,000	3,55,000
Secured Loans	1,50,000	3,80,000	Stock	1,00,000	1,97,000
Provision for taxation	45,000	40,000	Bills Receivable	70,000	1,18,000
Sundry creditors	1,20,000	1,25,000	Cash	-	-
Bills Payable	60,000	70,000			
Bank Overdraft	63,000	83,000			
	22,50,000	26,30,000		22,50,000	26,30,000

Additional Information:

1) Income tax paid during the year Rs. 50,000.

2) Depreciation provided on:

Building Rs. 70,000

Plant and Machinery Rs. 1,10,000.

Furniture Rs. 32,000

3) A Machinery having a book value of Rs. 25,000 sold at a loss of Rs. 10,000.

OR

Q 5) B) Zuari Agro Chemicals Ltd. Invited applications for 8,000 shares of Rs. 100 each. The amount payable on shares is given below:

Rs. 15 per share on application, Rs. 20 per share on allotment, Rs.30 per share on first call
Rs.35 on final call.

All money due were received except amount on final call on 400 shares were not received.

Their shares were forfeited and re-issued at Rs 80 per share.

Pass necessary journal entries.

(10 mks)