

Vidya Vikas Mandal's
Shree Damodar College of Commerce & Economics, Margao-Goa
F.Y B.C.A, Semester-I, MAY/JUNE SUPPLEMENTARY EXAMINATION 2018
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) Write short notes on :- (Any 5)

(10 mks)

- a) Accounting Period Concept
- b) Funds Flow Statement
- c) Real Account
- d) Capital Receipts
- e) Sinking Fund Method
- f) Preference Shareholders
- g) Convention of Conservatism
- h) Cost Concept

Q 2) A) Journalize the following transactions in the books of Mr. Naman.
Year 2016

(10 mks)

- 1st April Naman commenced business with Cash Rs. 1,00,000, Building Rs. 6,00,000 and Furniture Rs. 50,000
- 4th April Cash Purchases Rs. 50,000
- 7th April Paid for Carriage Inward Rs. 500
- 10th April Opened a Bank account by depositing cash Rs. 15,000
- 12th April Purchased goods on credit from Naik traders worth Rs 20,000
- 15th April Good sold to Dipali Stores on credit worth Rs. 50,000
- 19th April Received cash Rs. 49,500 from Dipali Stores after allowing discount of Rs. 500
- 20th April Withdrawn cash for personal use Rs. 1,000
- 26th April Purchased Machinery Rs. 70,000
- 30th April Paid to Naik traders in full settlement

OR

Q 2) B) Prepare a trial balance from the following balance extracted from the books of Kamat traders as on 31st March 2015.

(10 mks)

| Particulars | Amount |
|---------------------|----------|
| Capital | 1,00,000 |
| Drawings | 10,000 |
| Opening Stock | 40,000 |
| Machinery | 60,000 |
| Cash at bank | 25,000 |
| Sales | 70,000 |
| Bills Payable | 10,000 |
| Goodwill | 40,000 |
| Purchase return | 1,000 |
| Bills Receivable | 5,000 |
| Purchases | 10,000 |
| Sales Return | 1,500 |
| Bank Loan | 50,000 |
| Office Expenses | 500 |
| Creditors | 9,000 |
| Debtors | 15,000 |
| Furniture | 25,000 |
| Commission Received | 3,000 |
| Wages | 18,000 |
| Interest Received | 7,000 |

Q 3) A) On 1st January 2012, a firm purchased machinery for Rs. 40,000. On 1st July 2014 it purchased additional machinery worth Rs. 9,000 and spent Rs. 1,000 on installation. The firm closes yearly books of accounts on 31st December. Firm decided to charge depreciation @ 10% according to straight line method. Prepare Machinery account for first 5 years. (10 mks)

OR

Q 3) B) A firm purchased machinery on 1st January 2011 worth Rs. 49,000 and spent Rs. 1,000 on its installation. Firm decided to charge depreciation @ 10% as per diminishing balance method. Prepare Machinery account for 5 years. (10 mks)

Q 4) A) You are required to prepare financial statements from the trial balance of Vansh Ltd. at the end of the year 31st March 2016 as per revised schedule III. (10 mks)

| Particulars | Debit | Credit |
|--|----------|----------|
| Equity Share Capital(Share of Rs.10 each) | | 2,00,000 |
| Sundry debtors | 54,000 | |
| Bills receivable | 18,000 | |
| Machinery | 70,000 | |
| Opening Stock | 40,000 | |
| Sundry creditors | | 28,000 |
| Wages | 10,000 | |
| Purchases | 19,000 | |
| Bank balance | 30,000 | |
| Carriage inward | 3,000 | |
| Salary | 40,000 | |
| Rent | 9,000 | |
| Sales | | 2,90,000 |
| Cash in hand | 2,00,000 | |
| Furniture | 25,000 | |

Additional Information:

- 1) Closing stock is valued at Rs. 12,000
- 2) Outstanding rent amounted to Rs. 1,000
- 3) Charge depreciation @ 10% on machinery
- 4) Prepaid wages Rs. 4,000

OR

Q 4) B) From the following Profit & Loss statement and Balance sheet of D- Link Ltd. determine: -

- 1) Net Profit Ratio
- 2) Operating Ratio
- 3) Administrative Expense Ratio
- 4) Selling Expense Ratio
- 5) Stock Turnover Ratio
- 6) Current Ratio
- 7) Liquid Ratio
- 8) Capital Gearing Ratio
- 9) Debt-Equity Ratio
- 10) Debtors Turnover Ratio

(10 mks)

Profit & Loss account

| Particulars | Amount | Particulars | Amount |
|---------------------------------|----------|------------------|----------|
| To Opening Stock | 1,00,000 | By Sales | 5,00,000 |
| To Purchases | 3,00,000 | By Closing Stock | 2,50,000 |
| To Wages | 50,000 | | |
| To Other Manufacturing Expenses | 20,000 | | |
| To Administrative Expenses | 10,000 | | |
| To Selling Expenses | 30,000 | | |
| To Net Profit | 2,40,000 | | |
| | 7,50,000 | | 7,50,000 |

Balance Sheet

| Liabilities | Amount | Assets | Amount |
|-----------------------------|-----------------|-----------------------|-----------------|
| Equity share capital | 1,00,000 | Land & Building | 90,000 |
| 8% preference share capital | 20,000 | Plant & machinery | 70,000 |
| Reserves | 80,000 | Debtors | 50,000 |
| 10% Debentures | 40,000 | Prepaid Expenses | 5,000 |
| Creditors | 50,000 | Short term investment | 30,000 |
| Bank Overdraft | 20,000 | Cash at Bank | 10,000 |
| Bills payable | 10,000 | Stock | 65,000 |
| | 3,20,000 | | 3,20,000 |

Q 5) A) The balance sheet of Costa Pvt. Ltd., as on 31st March 2015 and 31st March 2016 are as follows: -

Prepare 1) A schedule of changes in working capital

(10 mks)

2) A fund flow statement

Balance Sheet

| Liabilities | 2015 | 2016 | Assets | 2015 | 2016 |
|------------------------|------------------|------------------|------------------------|------------------|------------------|
| Share Capital | 18,50,000 | 21,00,000 | Goodwill | 6,00,000 | 6,00,000 |
| Profit & Loss a/c | 14,78,000 | 17,64,000 | Land and Building | 18,50,000 | 22,00,000 |
| Bank Loan | 12,00,000 | 9,00,000 | Plant and Machinery | 4,74,000 | 5,24,000 |
| Bills Payable | 4,00,000 | 6,80,000 | Furniture and Fittings | 1,94,000 | 1,94,000 |
| Sundry Creditors | 14,00,000 | 12,20,000 | Stock | 8,26,000 | 7,24,000 |
| Provision for taxation | 2,00,000 | 1,80,000 | Sundry Debtors | 12,00,000 | 12,80,000 |
| | | | Bills Receivable | 8,00,000 | 7,21,000 |
| | | | Bank | 5,00,000 | 4,83,000 |
| | | | Cash | 84,000 | 1,18,000 |
| | 65,28,000 | 68,44,000 | | 65,28,000 | 68,44,000 |

OR

Q 5) B) Royal Ltd. issued 10,000 shares of Rs. 100 each. The amount payable is as follows:-
Rs. 20 on application, Rs. 30 on allotment, Rs. 20 on first call & Rs. 30 on final call.
Company received applications for 15,000 shares. All money due on shares were received except the final call on 400 shares.

Pass necessary journal entries.

(10 mks)