

Roll No. 0000

Total No. of Questions : 5]
(1048)

[Total No. of Printed Pages : 4

**BCA (CBCS) RUSA IVth Semester
Examination**

4033

ACCOUNTING

Paper : BCA-0402

Time : 3 Hours]

[Maximum Marks : 70

Note :- Attempt questions as directed.

Part-A

(Compulsory Question)

1. (A) Choose correct/incorrect of the following :

✓(i) Capital = Assets + Liabilities

✓(ii) According to the realization concept,
business has made profits only when profits
are realized.

✓(iii) Errors which arise on account of
transactions not being recorded in the
books of accounts are errors of principles.

(iv) A statement prepared with a view to measure the financial position of a business on a certain fixed date is called balance sheet.

(v) Creditors are current assets.

(vi) Operating expenses include administrative expenses.

(vii) Working Capital Turnover Ratio

$$= \frac{\text{Cost of Sales}}{\text{Average Working Capital}}$$

(viii) Flow of funds is between current assets to current liabilities.

(ix) The point of sales volume at which total revenue is equal to total cost is called Break Even Point.

(x) There is no distinction between Cost accounting and Management accounting. 1×10=10

(B) Give short answers of the following in 25–50 words :

(i) What are the objects of Accounting ?

(ii) What is Cash Book ?

(iii) Define Trading Account.

(iv) Define Marginal Costing.

(v) What is Cash Flow Analysis ? 4×5=20

Part-B

2. Briefly explain the Accounting Concepts.

Or

Discuss the difference kinds of Accounting Errors. 10

Part-C

3. What do you understand by Final Accounts ?
Distinguish between P/L Account and Balance Sheet.

Or

Distinguish between Manufacturing Account and
Trading Account. 10

Part-D

4. What is Cost Sheet ? How is it prepared ? Explain
with illustration.

Or

What is Break Even Point ? Explain the methods of
determining Break Even Point. 10

Part-E

5. From the information given below calculate operating
profit ratio :

	Rs.
Cost of goods sold	4,00,000
Administrative and office expenses	35,000
Selling and Distribution expenses	45,000
Net sales	6,00,000

Or

Prepare a statement of changes in working capital from the following balance sheet :

Balance Sheet

As on Dec. 31

Liabilities	2016 (Rs.)	2017 (Rs.)
Equity capital	5,00,000	5,00,000
Debentures	3,70,000	4,50,000
Tax Payable	77,000	43,000
Accounts payable	96,000	1,92,000
Interest payable	37,000	45,000
Dividend payable	50,000	35,000
	11,30,000	12,65,000
Assets	2016 (Rs.)	2017 (Rs.)
Fixed Assets	6,00,000	7,00,000
Long Term Investments	2,00,000	1,00,000
Work in progress	80,000	90,000
Stock in Trade	1,50,000	2,25,000
Accounts Receivable	70,000	1,40,000
Cash	30,000	10,000
	11,30,000	12,65,000

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**BCA (CBCS) RUSA IVth Semester
Examination**

3774

ACCOUNTING

Paper : BCA-0402

Time : 3 Hours]

[Maximum Marks : 70

Note :- Attempt *one* question from each Part. Q. No. 1
(Part-A) is compulsory.

Part-A

(Compulsory Question)

1. (A) Multiple choice questions (Attempt each subpart of this question) :
- (i) Which accounting principle states that companies and owners should be treated as separate entities ?
 - (a) Monetary Unit Assumption
 - ~~(b) Business Entity Concept~~
 - (c) Periodicity Assumption
 - (d) Going Concern Concept

CH-574

(1)

Turn Over

- (ii) Left hand side of an account is known as :
- (a) Credit
 - (b) Debit
 - (c) Both of these
 - (d) None of these
- (iii) Which concept states that 'for every debit, there is a credit' ?
- (a) Money Measurement Concept
 - (b) Accounting Period Concept
 - (c) Separate Entity Concept
 - (d) Dual Aspect Concept
- (iv) Which of the options is an example of business liability ?
- (a) Creditors
 - (b) Cash
 - (c) Building
 - (d) Land

- (v) Prepaid expenses are :

- (a) Liability
- (b) Asset
- (c) Drawings
- (d) None of these

- (vi) Which of the following defines outstanding salary account ?

- (a) Natural personal account
- (b) Artificial personal account
- (c) Representative personal account
- (d) Real account

- (vii) How do you calculate the sum of all direct costs referred to ?

- (a) Prime cost
- (b) Cost of sales
- (c) Production costs
- (d) Cost of the work

(viii) Current assets minus current liabilities, is equal to :

- (a) Working capital
- (b) Profit
- (c) Capital
- (d) Loss

(ix) The term 'Contribution' refers to the :

- (a) Excess of selling price over variable cost per unit
- (b) Difference between the selling price and total cost
- (c) Subscription towards raising capital
- (d) None of these

(x) Margin of safety is :

- (a) No profit and no loss area
- (b) Profit area
- (c) Both (a) and (b)
- (d) None of these

1×10=10

(B) Write short notes on the following :

- (i) Methods of preparing trial balance
- (ii) Cost Volume Profit analysis
- (iii) Differentiate between balance sheet and Profit & Loss Account.
- (iv) Explain the uses and limitation of cash flow statement.
- (v) What are the limitations of ratio analysis ?

4×5=20

Part-B

10×1=10

2. Define accounting. Explain various accounting concepts and conventions.

Or

Define subsidiary books. Explain the various types of subsidiary books.

Part-C

10×1=10

3. Write notes on the following :

- (i) Manufacturing Account
- (ii) Trading Account
- (iii) Differentiate between balance sheet and Profit & Loss Account

Or

From the following particulars taken out from the books of Mr. Sunil Mankotia. You are required to prepare Trading and Profit and Loss Account and Balance Sheet as at 31st March, 2022 :

Name of Account	Dr. Balances (₹)	Cr. Balances (₹)
Capital		15,00,000
Opening stock	50,000	
Drawings	3,01,000	
Bank	2,78,000	
Motor Vehicles	1,58,000	
Debtors and Creditors	<u>3,98,000</u>	3,46,000
Printing and stationary	<u>6,600</u>	
Purchases and sales	24,00,000	31,60,000
Stock	2,50,000	
Reserve for doubtful debts		5,000
Bad debts	11,400	

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(6)

Freehold premises	8,00,000	
Rent	57,600	
Bank Overdraft		1,70,000
Salaries	20,000	
Wages	2,29,000	
Telephone expenses	99,000	
Administration expenses	2,31,400	
Interest	17,000	
Loan		1,26,000
Total	53,07,000	53,07,000

Adjustments :

- Prepaid wages ₹ 2,000
- Outstanding rent ₹ 7,500
- Closing stock ₹ 1,00,000
- Outstanding administration expenses are ₹ 5,800
- Depreciation freehold premises by 5%
- Provision for bad debts is to be reduced to ₹ 4,000.

CH-574

(7)

Turn Over

Part-D

10×1=10

4. Define cost sheet. Prepare a cost sheet with imaginary figures.

Or

What do you mean by marginal costing ? Explain uses and limitations of marginal costing.

Part-E

10×1=10

5. Explain the following ratios :

- (a) Debt Equity Ratio
- (b) Quick Ratio
- (c) Operating Ratio
- (d) Inventory turnover Ratio
- (e) Debtor Turnover Ratio

Or

Explain cash flow statement. Why is it prepared ?
How is it prepared ?