



III Semester B.C.A. Examination, May 2011

(Old Scheme)

COMPUTER SCIENCE

3BCA4 : Accounting and Financial Management

Time : 3 Hours

Max. Marks : 80

**Instruction :** Answer all questions.

SECTION – A

Answer **any seven** of the following :

(7×2=14)

1. Give the meaning of an accounting.
2. What do you mean by “Duality concept” ?
3. What is a Narration ?
4. What do you mean by Flexible Budget ?
5. What do you mean by Working Capital ?
6. What is a Break Even Point (BEP) ?
7. What is a Variance Analysis ?
8. Journalise the following transaction :  
Commenced business with capital ₹ 80,000 and loan from bank ₹ 40,000.
9. What is a Journal ?
10. What is Accounting Ratio ?



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## SECTION - B

Answer **any three** of the following :

(3×8=)

11. Briefly explain the different accounting concepts.
12. Briefly explain the different kinds of budgets.
13. From the following data calculate :

- a) Break Even Point
- b) Profit Volume Ratio
- c) Sales required to earn a profit of ₹ 50,000  
Selling price per unit ₹ 100  
Variable cost per unit ₹ 50  
Total fixed cost ₹ 1,00,000.

14. From the following data calculate :

- a) Material Cost Variance
- b) Material Price Variance
- c) Material Usage Variance  
Standard quantity = 4800 units  
Actual quantity = 5000 units  
Actual price = ₹ 6 per unit  
Standard price = ₹ 5 per unit.

15. Journalise the following transactions :

2011

- Mar. 1 Mr. Anand commenced business with cash ₹ 50,000  
Mar. 2 Deposited cash into bank ₹ 20,000  
Mar. 5 Purchased furniture for cash ₹ 5,000  
Mar. 10 Bought goods for cash ₹ 15,000  
Mar. 15 Sold goods for cash ₹ 22,000  
Mar. 20 Bought goods from Bharath ₹ 10,000  
Mar. 26 Sold goods to Chandan ₹ 16,000  
Mar. 31 Paid rent ₹ 4,000

## SECTION - C

Answer **any three** of the following :

(3×14=42)

16. Following figures relate to June 2010.

Stock (on 1-6-2010)	₹
Raw-materials	3,00,000
Finished goods	3,40,000
Stock (on 30-6-2010)	
Raw-materials	2,00,000
Finished goods	2,12,000
Purchase of raw-materials	4,00,000
Work-in-progress (1-6-2010)	20,000
Work-in-progress (30-6-2010)	12,000
Direct wages	2,50,000
Works overhead	1,45,000
Office overhead	1,35,000
Selling overhead	85,000
Sales	17,70,000

Prepare statement of Cost and Profit.

17. From the following balance sheets of Ashok Co. Ltd. make out Funds Flow Statement.

Balance Sheets					
Liabilities	2009	2010	Assets	2009	2010
Equity share capital	3,00,000	4,00,000	Good will	1,15,000	90,000
8% Red. pref. share capital	1,50,000	1,00,000	Land and Buildings	2,00,000	1,70,000
General Reserve	40,000	70,000	Plant	80,000	2,00,000
Profit and Loss A/c.	30,000	48,000	Debtors	1,60,000	2,00,000
Proposed Dividend	42,000	50,000	Stock	77,000	1,09,000
Creditors	55,000	83,000	Bills Receivable	20,000	30,000
Bills payable	20,000	16,000	Cash in hand	15,000	10,000
Provision for Tax	40,000	50,000	Cash at bank	10,000	8,000
	<u>6,77,000</u>	<u>8,17,000</u>		<u>6,77,000</u>	<u>8,17,000</u>

Additional information :

- i) Depreciation of ₹ 10,000 and ₹ 20,000 have been charged on plant and land and building respectively in 2010.
  - ii) Interim dividend of ₹ 20,000 has been paid in 2010.
  - iii) Income Tax ₹ 35,000 has been paid during 2010.
18. From the information given below prepare flexible budget at 60% and 80% capacities, and fix the total overhead rates as a percentage on direct wages at these capacities.

	At 60% capacity ₹	At 75% capacity ₹	At 80% capacity ₹
Variable overheads :			
Indirect materials	—	7,500	—
Indirect labour	—	22,500	—
Semi-variable overheads :			
Electricity (40% fixed and 60% variable)	—	37,500	—
Repairs and maintenance (80% fixed, 20% variable)	—	3,750	—
Fixed overheads :			
Salaries	—	1,00,000	—
Insurance	—	5,000	—
Depreciation	—	25,000	—

Estimated direct wages ₹ 40,250 at 75% capacity.

19. From the following Trial Balance of Mr. Ram and considering the adjustments Prepare Trading and Profit and Loss A/c. for the year ending Dec. 31, 2010 and Balance Sheet as on that date :

Adjustments :

- a) Outstanding expenses : wages ₹ 400, salaries ₹ 1,000 and rent ₹ 500.
- b) Unexpired insurance ₹ 300.
- c) Write off ₹ 200 as bad debts and make a provision for doubtful debts @ 5% on debtors.
- d) Depreciate machinery @ 5% and furniture @ 10%
- e) Closing stock on 31<sup>st</sup> December 2010 ₹ 18,000.

**Trial Balance as on 31-12-2010**

	<b>Debit</b>	<b>Credit</b>
	<b>₹</b>	<b>₹</b>
Drawings and Capital	10,000	50,000
Opening stock	25,000	—
Bills receivable and payable	5,000	6,000
Purchases and sales	1,03,500	1,62,500
Returns	2,500	3,500
Debtors and creditors	16,200	12,000
Salaries	11,000	—
Wages	9,600	—
Machinery	30,000	—
Furniture	5,000	—
Rent and taxes	3,500	—
Insurance	1,300	—
Printing and stationery	1,500	—
Cash in hand	200	—
Cash at Bank	9,700	—
	<u>2,34,000</u>	<u>2,34,000</u>

20. From the following information, prepare a summarised balance sheet as at 31-3-2011:

Stock velocity	6
Fixed Assets turnover ratio	4
Capital turnover ratio	2
Gross profit	20%
Debt collection period	2 months
Creditors payment period	73 days
The gross profit was	₹ 60,000
Closing stock was ₹ 5,000 in excess of opening stock.	