

**Goa Vidyaprasarak Mandal's
GOPAL GOVIND POY RAITURCAR COLLEGE OF COMMERCE
AND ECONOMICS, PONDA-GOA
B.C.A (SEMESTER-I) SUPPLEMENTARY EXAMINATION,
MAY/JUNE 2019
BUSINESS ACCOUNTING**

Duration : 2 hours

Marks: 50

INSTRUCTIONS: 1) ALL QUESTIONS ARE COMPULSORY.
2) FIGURES TO RIGHT INDICATE MARKS.
3) USE OF CALCULATOR IS ALLOWED.

Q.1.A) Answer the following: (5x2=10)

- a) Explain Entity concept of Accounting.
- b) Give any four examples of Non-Current Assets
- c) What is Forfeiture of shares
- d) Explain Straight line method of depreciation.
- e) What is Revenue Expenditure?

Q.2.A) From the following transactions you are required to pass journal entries and prepare the following ledger accounts. (10)

- 1) Cash account
- 2) Rana Pratap a/c
- 3) Office rent account

March 1st – Shri Mathur invested in the business ` 6,000 cash,
goods worth ` 3, 000 and a building worth ` 12,000.

March 2nd – Borrowed from bank ` 5, 000

March 3rd – Sold goods on credit to Rana Pratap ` 3000

March 7th - Cash received from Rana pratap `1000

March 8th – Paid office rent ` 350

March 9th – Received commission `100

March 10th - Paid salary of salesman `250

OR

Q.2.B) M/s. Ritwik Traders, Ponda, furnishes you their following transactions, for which you are requested to prepare the necessary Cash and Bank vouchers and prepare a Cash book with Bank and Cash column & balance the same. Their Bankers are Bank of India, Ponda. Cash Book folio No. is 420.

December 2016 (10)

1 - Balance of cash ` 60800/-

1 - Balance of bank ` 8000/-

3 - Petty cash expenses ` 2000/- as per petty cash folio no 405

4 - Cheque no.89502 for `40000/- issued to M/s Aditya Traders against Bill no 310

6 - Paid to Calangute Resort ` 20, 000 viva cheque no-89503 against their Bill no – 1232.

8 - Cash sales realised 10000 as per bill no.40378.

10- Received cheque no.46589 drawn on Bank of India, Margao, for `140000/- from M/s Dessai brothers towards full & final settlement of bill no. 400

Pg 2 of 4

Q.3.A) On 1st January 2004 Good Luck Limited purchased a machinery costing ₹ 60,000 and spend ₹ 40,000 on its erection and installation. On 01/07/04 Company bought a new Machinery costing ₹ 1,50,000. On 31/12/04 additional machinery was purchased for ₹ 2,00,000. On 1/10/05 company sold machinery for ₹ 1,33,000 which was purchased on 01/07/2004. Depreciation is provided @ 10 under straight line Method. Prepare Machinery account for the year ended 31/12/2004 and 2005. **(10)**

OR

Q.3.B) On 1st January 2003 the Machinery account in the books of Sunshine Ltd Company shows a debit balance of ₹ 2,00,000. 1st July 2003 Company purchased Machinery costing ₹ 1,00,000. Company charged a depreciation @ 10% under Reducing balance Method. Prepare Machinery Account for the year ended 31st December 2003 and 2004. **(10)**

Q.4.A) You are given the following information from the books of Raj Co.Ltd, as on 31st March 2016. **(10)**

Raj Co. Ltd,
Trial Balance as on 31st March, 2016.

Particulars	Amt	Particulars	Amt
Depreciation on Premises	8,000	Sales	12,40,000
Materials consumed	8,00,000	Equity Share Capital	8,00,000
Opening stock	40,000	Outstanding Wages	6,000
salaries	1,14,000		
Bad debts	3,800		
Bonus to employees	20,000		
Interest on Loan	16,000		
Depreciation on machinery	18,000		
Conveyance	4,000		
Loss on sale of machinery	20,000		
Insurance	16,200		
Sales returns	40,000		
Provision for tax	60,000		
Machinery	6,00,000		
P.F contribution	86,000		
Premises	1,60,000		
Computer	40,000		
	20,46,000		20,46,000

Additional information:

Closing stock was valued at ₹ 1,20,000. Prepare a statement of P&L A/C as per revised schedule.

OR

Q.4.B) You are given the following information:

(10)

Balance Sheet of PQR Co. Ltd.

Liabilities	31/03/15	31/03/16	Assets	31/03/15	31/03/16
Equity share Capital	4,25,000	6,40,000	Furniture & Fixtures	1,70,000	6,40,000
P&L Account	2,50,000	3,75,000	Computer software	5,00,000	4,50,000
Bank loans	1,70,000	2,90,000	Sundry Debtors	4,20,000	5,00,000
Fixed Deposits	2,00,000	1,28,000	Loose Tools	1,20,000	90,000
Bills payable	2,70,000	4,00,000	Cash	15,000	10,000
Outstanding Salaries	25,000	45,000	Cash at Bank	1,15,000	1,88,000
Total	13,40,000	18,78,000	Total	13,40,000	18,78,000

Additional information: 1) Provision for Depreciation against Furniture & Fixtures as on 31st March 2015 and 31st March 2016 were ` 30, 000 and ` 52,000 respectively
2) A part of the Furniture & Fixtures, costing Rs. 30,000 (Accumulated depreciation `4, 500) was sold for ` 15,000.

Prepare cash flow statement as per Revised Accounting Standard-3.

Q.5.A) From the following particulars calculate the following ratios:

(10)

- Working capital
- Net Capital Employed.
- Current ratio
- Acid Test ratio
- Debt-Equity ratio
- Fixed Asset ratio.

Particulars	Amount
Equity share capital	25,000
Preference Share Capital	5,000
Reserves and surplus	4,000
Debentures	8,000
Bank loan	4,000
Sundry creditors	1,000
Proposed dividend	1,000
Provision for Taxation	2,000
Fixed Assets	30,000
Stores	2,000
Sundry Debtors	1,000
Cash	500
Bank	2,500
Preliminary Expenses	8,000
Brokerage on Shares	2,000
Stock	4,000

OR

Pg 4 of 4

Q.5.B) Sunny Paints Co. Ltd invites applications for 30000 equity shares of `10 each at a premium of ` 2 per share, payable as follows: (10)

On Application ` 3 per share

On Allotment ` 5 per share (Including premium)

On First call ` 2 per share

On Final call ` 2 per share

Applications were received for 4000 shares and pro-rata allotment was made to all the applicants. The excess application money was adjusted towards allotment. Mr. Rohit who was allotted 1000 shares failed to pay both calls and his shares were forfeited after the second call

Pass journal entries in the books of Sunny Paints Co. Ltd.

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