

Goa Vidyaprasarak Mandal's
 Gopal Govind Poy Raiturcar College of Commerce and Economics
 Ponda – Goa

B.C.A. (SEMISTER - I) EXAMINATION, OCTOBER 2014
 BUSINESS ACCOUNTING

DURATION : 2 HRS

MARKS: 50

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

- Q.1.A) Fill in the Blanks (5)
- 1) _____ is designed to indicate the liquid financial position of an enterprise.
 - 2) _____ are the amounts kept aside out of the profit.
 - 3) Purchased goods on credit from Mr. Yash worth ₹ 1,500/-. The journal entry will be _____.
 - 4) Journal vouchers are also known as _____.
 - 5) Cash payment of wages & Salaries to employee is an _____ type of activity.

- B) Match the pairs: (5)
- | A | B |
|----------------------------|------------------------|
| 1. CA – CL | a. Personal A/c. |
| 2. Nominal A/c | b. Long term borrowing |
| 3. 8% Mortgage debentures | c. Working capital |
| 4. Capital expenditure | d. Cash flow statement |
| 5. Ponda Municipal Council | e. Income received |
| | f. Purchase of Plant |

- Q.2.A) M/s. Sharaja Traders, Ponda, furnishes you their following transactions, for which you are requested to prepare the necessary Cash & Bank vouchers and prepare a cash book with Bank and Cash column & balance the same. (10)

Their Bankers are Saraswat Bank – Ponda. Cash book folio no. is 456.
 2014, September

- 1 – Balance of cash ₹ 70,500/-
- 1 – Balance of Bank ₹ 92,300/-
- 3 – Cheque no. 860454 for ₹ 45,000/- issued to M/s. Lumena Industries Ltd. against Bill No. 4232.
- 6 – Petty cash expenses ₹ 1,500/- as per petty cash book folio no. 15, Bill no. 225.
- 10 – Cash sales realised as per Bill no. 401, 402, 403, 404, ₹ 19,500/-
- 15 – Received cheque no. 435402 drawn on State Bank of India, Margao for ₹ 1,25,000/- from M/s. Sawant Brothers towards full & final settlement of our bill no. 721.

23 – Cash sales realised ₹ 2,000/- as per bill no. 405, 406.
(Prepare vouchers only when bills are not available)

OR

Q.2.B) M/s. Krupa Manufacturers requests you to Journalise their following transactions for the month of August 2014 and also prepare the following ledger A/cs. (10)

- 1) Devki suppliers A/c
- 2) Madhav's A/c
- 3) Land A/c
- 4) Capital A/c.

Aug 1 – Started Business with cash ₹ 40,000/-, Building ₹ 1,00,000/- and Plant ₹ 5,00,000/-.

Aug 2 – Purchased Raw materials from "Devki Suppliers" worth ₹ 20,000/- and paid only ₹ 14,500/-.

Aug 5 – Paid commission to agent @ 10% on ₹ 5,000/-.

Aug 10 – Sold goods to Madhav worth ₹ 8,000/- and received only ₹ 7,000/- from him.

Aug 14 – Purchased a piece of land worth ₹ 2,00,000/-.

Q.3.A) M/s. Samant & Sons purchased a machinery on 1st April 2011 costing ₹ 30,000/-. They purchased further machinery as on 1st October 2011 costing ₹ 20,000/- and on 1st July 2012 costing ₹ 10,000/-.

On 1st February 2013 the machinery which was installed on 1st April 2011 was sold for ₹ 20,000/-.

Show how machinery A/c would appear in the books of the Co. It being given that machinery is depreciated under fixed instalment method @ 10% p.a. and the accounts are closed on 31st December every year. (10)

OR

Q.3.B) Arun & Co. Ltd. Purchased machinery for ₹ 1,40,000/- as on 1/4/2011 and additional machinery was purchased as on 1st January 2012 for ₹ 60,000/-. As on 1st April 2013 they purchased one more machinery for ₹ 40,000/- and on 1/10/2013 they sold for ₹ 1,00,000/- the machinery which was purchased on 1/4/2011.

Prepare machinery A/c for the year ended 31/3/2014. Follow Reducing Balance method & calculate depreciation @ 10%. (10)

Q.4.A) Given is the extracts of Trial Balance of M/s. Mahima Traders as on 31st March 2013 and you are required to prepare Profit & Loss A/c as per revised schedule of the Companies Act. (10)

Trial balance for the year ended 31/03/2014

Particulars	Dr.	Cr.
Authorised Share Capital		
6% Preference Share Capital		10,00,000/-
Equity Share Capital		15,00,000/-
Subscribed Share Capital		
6% Preference Share Capital		5,00,000/-
Equity Share Capital		10,00,000/-
General Reserves		15,000/-
Purchases	90,000/-	
Wages	7,000/-	
Rent, Rates & Taxes	9,000/-	
Salaries	20,000/-	
Laundry	1,000/-	
Sales		2,55,000/-
Electricity charges	3,900/-	
Carriage inward	2,100/-	
Carriage outward	1,900/-	
Sundry expenses	3,200/-	
Discount received		3,500/-
Miscellaneous receipts		10,500/-
Transfer fees		3,300/-
Opening stock of materials	45,000/-	
Commission received		2,500/-
8% Debentures		3,00,000/-
Interest on debentures	20,000/-	
Interest on Bank loan	4,500/-	
Freight	2,000/-	
Cash & Cash equivalents	55,000/-	

Additional information:

- 1) Closing Stock ₹ 25,000/-
- 2) Provide depreciation @ 5% on Building costing ₹ 2,00,000/- & @ 2.5% on Furniture costing ₹ 50,000/-.
- 3) Outstanding interest to be provided on debentures.
- 4) Provide Tax @ 10% on Net profit.

OR

Q.4.B)M/s. Gudluck & Co. furnishes you the following information regarding their Balance sheets. (10)

Note no.	Particulars	Previous year 2012	Current year 2013
1.	Share Capital	1,00,000/-	1,00,000/-
2.	<u>Reserves & Surplus</u>		
	General Reserve	14,000/-	18,000/-
	P & L A/c.	<u>16,000/-</u>	<u>13,000/-</u>
		<u>30,000/-</u>	<u>31,000/-</u>
3.	<u>Trade Payable</u>		
	Creditors	8,000/-	5,400/-
	Bills Payable	<u>1,200/-</u>	<u>800/-</u>
		<u>9,200/-</u>	<u>6,200/-</u>
4.	<u>Short term provisions</u>		
	Provision for tax	16,000/-	18,000/-
	Provision for doubtful debts	<u>400/-</u>	<u>600/-</u>
		<u>16,400/-</u>	<u>18,600/-</u>
5.	<u>Intangible Assets</u>		
	Goodwill	12,000/-	12,000/-
6.	<u>Tangible Assets</u>		
	Building	40,000/-	36,000/-
	Plant	<u>37,000/-</u>	<u>36,000/-</u>
		<u>77,000/-</u>	<u>72,000/-</u>
7.	Inventories	30,000/-	23,400/-
8.	<u>Trade Receivables</u>		
	Bills Receivable	2,000/-	3,200/-
	Debtors	18,000/-	19,000/-
	Trade Investments	<u>10,000/-</u>	<u>11,000/-</u>
		<u>30,000/-</u>	<u>33,200/-</u>
9.	Cash	6,600/-	15,200/-

Additional information:

- 1) Depreciation charged on Plant ₹ 4,000/- & Building ₹ 4,000/-
- 2) Provision for taxation ₹ 19,000/- made during the year.

From the above you are required to prepare a Cash Flow Statement.

- Q.5.A) From the following information calculate. (10)
- 1) Gross Profit Ratio
 - 2) Operating Ratio
 - 3) Current Ratio
 - 4) Debtors turnover Ratio
 - 5) Stock Turnover Ratio

<u>Income from operation</u>	
Sales	12,00,000/-
Less: returns	2,00,000/- = Net Sales 10,00,000/-
<u>Change in inventory</u>	
Opening stock 3,50,000/-	less: closing stock 1,40,000/- = 2,10,000/-
<u>Employee benefit scheme</u>	
Wages	10,000/-
Salaries	25,000/-
<u>Other expenses</u>	
Office rent	5,000/-
Rent, Rates & Taxes	4,000/-
Travelling expenses	2,000/-
Advertising	10,000/-
Audit fees	2,500/-
Selling expenses	3,500/-
Purchases	1,50,000/-
<u>Reserves & Surplus</u>	
General Reserve	25,000/-
P & L A/c	30,000/-
<u>Trade Payable</u>	
Creditors	25,000/-
Bills Payable	4,000/-
<u>Other Current liabilities</u>	
Bank over draft	45,000/-
<u>Trade Receivable</u>	
Debtors	60,000/-
Bills Receivable	14,000/-
<u>Other Current Assets</u>	
Prepaid expenses	15,000/-
OR	

- Q.5.B) Gupta & Co. is registered with an Authorised Capital of ₹ 60,00,000/- divided in to 60,000 shares of ₹ 100/- each.
 They issued 40,000 shares and all these shares were allotted. (10)
 The share amount is payable as follows:
 On application ₹ 20/-
 On allotment ₹ 30/-
 On share 1st Call ₹ 25/-
 On share final call ₹ 25/-
 Directors made all the calls on share. All the money was received except 1st call money was not received on 2,000 shares and Final call money on 500 shares.
 The Directors forfeited the shares on which the 1st call was not received and out of these forfeited shares 1,000 shares were re-issued as fully paid at ₹ 80/- per share.
 You are required to give the journal Entries.

XXXXXXXXXXXXXXXXXX