

**Goa Vidyaprasarak Mandal's
GOPAL GOVIND POY RAITURCAR COLLEGE OF COMMERCE
AND ECONOMICS, PONDA-GOA
B.C.A (SEMESTER-I) EXAMINATION, OCTOBER 2018
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)**

- a) What is Accounting?
- b) Explain Reducing balance method of depreciation.
- c) What is Capital Expenditure?
- d) What is Subscribed capital?
- e) Give any two examples of Current liabilities.

Q.2.A) From the following transactions you are required to pass journal entries and prepare the following ledger accounts. The closing stock was valued at ` 400

- 1) Cash account 2) Mr. Sudesh a/c 3) Goods account **(10)**

- Jan 1** - Received cash from Sudesh ` 2, 400
Jan 4 - Bought goods for cash ` 1, 200
Jan 6 - Sold goods to Sudesh on credit ` 170
Jan 8 - Paid carriage on behalf of Sudesh ` 30
Jan 10 - Invoiced goods to Sudesh ` 400
Jan 16 - Goods returned from Sudesh ` 250
Jan 17 - Goods bought for cash from Amir ` 310

OR

Q.2.B) M/s. Abinav 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 State Bank of India, Ponda. Cash Book folio No. is 230.

October 2016

- 1- Balnce of cash ` 25200/-
- 1- Balance of bank ` 5000/-
- 4- Cheque no.89502 for ` 80000/- issued to M/s Aditya Traders against Bill no 12487
- 5- Petty cash expenses ` 5000/- as per petty cash folio no 200.
- 6- Paid to Calangute Resort ` 40, 000 viva cheque no-78954 against their bill no – 157891
- 8- Cash sales realised 20000 as per bill no.40378.
- 10- Received cheque no.75689 drawn on Bank of India, Margao, for ` 160000/- from M/s Arjun Brothers towards full & final settlement of bill no 247.

(10)

Q.3.A) On 1st January 2004 “ZIGMA LTD” purchased a machinery costing ₹ 80,000 and spend ₹ 40, 000 on its erection and installation. On 01/07/04 Company bought a new Machinery costing ₹ 2, 00,000. On 31/12/04 additional machinery was purchased for ₹ 3, 00,000. On 1/10/05 company sold machinery for ₹ 1, 40,000 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) Machinery Account in the books of “MORDERN LTD” shows the debit balance of ₹ 1,00,000 on 01/01/2002. On the same date a company brought a new machinery costing ₹ 40,000 and spend ₹ 10,000 for installation. On 01/07/02 Company bought new machinery costing ₹ 1, 20, 000, on 01/07/2003 Company sold machinery for ₹ 33,000 which was purchased on 01/01/02. On the same date of Sale Company bought new machinery costing ₹ 2, 00,000. Depreciation is provided @ 10% under reducing balance method. Prepare Machinery account for the year ended 31st December 2002 and 2003. (10)

Q.4.A) Following are the Ledger balances of M/S Regina Limited, you are required to prepare the Balance sheet as on 31st March 2016 as per Revised Schedule of the Companies Act. (10)

Particulars	Amt	Particulars	Amt
Cash at Bank	23,000	General Reserve	4,15,000
Interest accrued on Investment	51,000	Creditors for Goods	1,68,500
Stores and spares	1,00,200	Creditors for Expenses	36,000
Office equipment	4,80,000	Cash Credit	75,000
9% debentures in APCO Ltd	2,45,000	Mortgage loan	3,10,000
Loose tools	1,63,000	8% Preference share capital	5,50,000
Plant and Machinery	18,00,000	Equity Share Capital	15,00,000
Computer software	83,250	Staff welfare Fund	85,000
Debtors for goods	1,90,000	Provision For Taxation	26,550
Advertisement (unwritten off)	30,000		

OR

Q.4.B) Prepare cash flow statement from the following: (10)

Balance Sheet of XYZ co. Ltd.

Liabilities	31/03/15	31/03/16	Assets	31/03/15	31/03/16
Equity share Capital	2,25,000	3,40,000	Goodwill	1,50,000	1,00,000
P&L Account	1,00,000	1,75,000	Plant & Machinery	2,50,000	5,50,000
Reserves	50,000	75,000	Debtors	2,30,000	3,00,000
Long Term Loans	3,00,000	2,00,000	Stock	2,20,000	1,00,000
Creditors	3,00,000	4,38,000	Preliminary Expenses	15,000	10,000
Bills Payable	25,000	22,000	Cash	1,35,000	1,90,000
Total	10,00,000	12,50,000	Total	10,00,000	12,50,000

Additional information: Depreciation of `60,000 on P&M was charged to P & L account.

Q.5.A) From the following particulars prepare: (10)

- 1) Stock turnover Ratio
- 2) Debtors turnover Ratio
- 3) Fixed Assets turnover Ratio
- 4) Creditors turnover Ratio
- 5) Debt collection Period
- 6) Debt payment period.

Particulars	Amount(figures in '000)
Sales	17,874
Sales return	4
Other income	53
Cost of sales	15,440
Administrative expense	1843
Depreciation	63
Interest expenses	456
Purchases	15,000
Purchase returns	5
Debtors	10,000
Bills receivable	2,000
Creditors	5,000
Bills payable	3,000
Opening stock	4,000
Closing stock	5,000
Fixed assets	5,000

OR

Q.5.B) M/S Nirmala Fiber Co. Ltd has an authorised capital of `500000 divided into 5000 equity shares of 50 each and 20000, 11% Preference shares of ` 100 each. The company invited applications from the public for 50000 equity shares of ` 50 each payable as follows:

- On Application `10 per share
- On Allotment ` 25 per share
- On First call and final call ` 15 per share

Applications were subscribed and the amounts received except for Mr. Alok who held 400 shares and failed to pay the first and final call. Later these shares were forfeited and reissued to Mr. Anish at `40 per share taken as fully paid.

Pass journal entries in the books of M/s Nirmala Fiber Co. Ltd. (10)

XXXXXXXXXXXXXXXXXX