## I Semester M.C.A. Examination, January 2015 (CBCS) Computer Science

## Computer Science MCA 102 T : ACCOUNTING AND FINANCIAL MANAGEMENT

Time: 3 Hours Max. Marks: 70

Instruction: Answer any five questions from Part – A and four from Part – B.

## PART - A

Answer any 5 questions. Each question carries 6 marks.

(5x6=30)

1. Enter the following transactions in the book of Ramesh: 2008

Month	Particulars	Amount
February 1	He commenced business with cash	30,000
February 3	Cash purchases	20,000
February 4	Goods bought from Ram on Credit	80,000
February 5	Goods sold to Rahim by cash	20,000
February 6	Goods bought from Kasim	10,000
February 10	Cash deposited into bank	10,000

Prepare a statement of changes in working capital from the following Balance Sheet of Baldev & Co. Ltd.,

Balance	Sheet as	on 31st	December
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Liabilities	2008 Rs.	2009 Rs.	Assets	2008 Rs.	2009 Rs.
Equity Capital	5,00,000	5,00,000	Fixed Assets	6,00,000	7,00,000
Debentures	3,70,000	4,50,000	Long term Investments	2,00,000	1,00,000
Tax Payable	77,000	43,000	Work-in-progress	80,000	90,000
Creditors	96,000	1,92,000	Stocks	1,50,000	2,25,000
Interests payable	37,000	45,000	Debtors	70,000	1,40,000
Dividend Payable		35,000	Cash	30,000	10,000
-	11,30,000	12,65,000		11,30,000	12,65,000
		. ,			PTA

P.T.O.

From the following information, prepare the Profit and Loss Account for the year ending on March 31, 2008.

Particulars	Amount Rs.	Particulars	Amount Rs.
Gross Profit	37,200	Salaries and Wages	12,000
Discount Received	600	Discount allowed	1,200
Interest on load paid	1,500	Interest received	1,800
Commission received	1,200	Commission to Salesmen	900
Rent, Rates and Taxes paid	2,400	Rent Received	600
Fire Insurance Premium	2,160	Carriage outward	600
Freight outward	300	Repairs and Maintenance	360
Printing and Stationery	360	Travelling Expenses	960
Entertainment Expenses	720	Water and Electricity	720
Postage and Telegram	300	Advertising and Publicity	2,400
Sales Promotion Expenses	240	Telephone Expenses	600
Bad Debts	600	Packing Expenses	300
Audit Fees	1,200	Bank Charges	240
Depreciation on furniture		Legal Charges	600
Sales office	600	Miscellaneous Expenses	600
Administrative Office	1,200	Loss on Sale of Fixed Assets	300
Miscelianeous Incomes	1,200	Loss by theft	3,000
Profit on sale of Fixed Assets	5,100	Dividend received on Shares	180
Loss by fire	600	Income from investments	120
Loss by Embezziement	600		

 The following balances were extracted from the books of Sheetal Prasad as on . 31<sup>st</sup> March, 2007. Prepare trial balance.

Particulars	Amount Rs.
Capital account	50,000
Business premises	35,000
Furniture and fixtures	13,500
Plant and machinery	46,000
Purchases	78,900
Sales	1,30,620
Returns inwards	1,500
Returns outwards	380
Carriage inward	230
Carriage outward	120
Discount received	470
Discount allowed	540
Wages	17,860
Insurance, rates etc.	1,370
Rent recovered	530
Miscellaneous expenses	1,480
Sundry creditors	22,760
Sundry debtors	34,000
Drawings	3,000
Bills payable	1,140
Cash in hand	1,200
Bank overdraft	28,800

- Mention the golden rules of Personal, Real and Nominal account.
- 6. Briefly explain the advantages of a joint stock company.
- 7. Write a short note on :
  - a) Shares
  - -b) Debentures.
- 8. Following is the Balance Sheet of X & Co. as in 30-6-2007

Liabilities	Rs.	Assets	Rs.
Equity Shares of Rs. 10 each	1,00,000	Goodwill	50,000
Reserves	25,000	Fixed Assets	1,50,000
Profit and Loss A/c	40,000	Stock	40,000
Secured Loan	70,000	Sundry Debtors	50,000
Sundry Creditors	50,000	Less Reserve for doubtful debts	1,000
			49,000
Bank overdraft	30,000	Advances	10,000
Provision of Taxation	20,000	Bank Balance	20,000
		Cash in hand	16,000
	3,35,000		3,35,000

## Calculate:

- i) Current Ratio
- ii) Liquid Ratio
- iii) Absolute Liquid Ratio.

PART-B

Answer any 4 questions. Each question carries 10 marks.

(10×4=40)

 Following trial balance is submitted to you by Rohan. Traders for the year ended 31<sup>st</sup> March 2008 on which date his closing stock was valued at Rs. 39,300. Prepare his trading, profit and loss account and the balance sheet.

Particulars	Dr. Rs	. Particulars	Cr. Rs.
Drawings	5,000	Sales	1,39,000
Opening stock	23,400	Bank loan	10,000
Furniture	1,785	Interest	1,725
Purchases	1,17,650	Sundry creditor	rs 6,700
Investments	2,500	Discount	1,495
Carriage inwards	9,300	Capital	54,050
Deposits	15,000		
Sundry debtors	10,025		
Cash	190		
Bank	4,000		
Rent	2,850		
Salaries	4,650		
Interest	750		
Advertisement	7,300		
Audit fees	2,310	J-	
Insurance	300		
Travelling	1,600		
Discount	3,770		
Bad debts	590		
Total	2,12,970		2,12,970

10 Following is the trading and profit and loss account of Western Ltd., for the year ended on 31st December 2009.

	Particulars	Rs.	Particulars	Rs.
	Stack	70,000	Sales	5,00,000
*	Purchases	3,00,000	Stock	90,000
	Carriage	6,000		
	Wages	14,000		
	Gross profit	2,00,000		
		5,90,000		5,90,000
	Administrative exp.	1,02,000	Gross profit	2,00,000
	Selling and distribution expenses	20,000	Dividend received	5,000
	Interest	3,000		
	Net profit	80,000		
		2,05,000		2,05,000

You are required to calculate:

- A) Gross profit ratio
- B) Net profit ratio
- C) Operating net profit ratio
- D) Operating ratio
- E) Expenses ratio.
- The Balance Sheet of a Limited Company as at 31-3-2009 and 31-3-2010 were as following:

Liabilities	2009	2010	Assets	2009	2010
	Rs.	Rs.		Rs.	Rs.
Equity Share Capital	45,000	65,000	Fixed Assets	46,700	83,000
General Reserve	5,000	7,500	Stock	11,000	13,000
P and L A/c	10,000	15,000	Debtors	18,000	19,500
11 % Debentures	10,000	20,000	Cash	2,000	2,500
Trade Creditors	8,700	11,000	Preliminary Exp.	1,000	500
	78,700	1,18,500		78,700	1,18,500

Prepare a schedule of changes in Working Capital and a Statement of Sources and Application of Funds.

 From the following particulars prepare a Cost Sheet showing the total cost per tone for the period ended 31st December 2009.

Particulars	Rs.	Particulars	Rs.
Raw materials	33,000	Rent and taxes (office)	500
Productive wages	38,000	Water supply (works)	1,200
Unproductive wages	10,500	Factory Insurance	1,100
Factory rent and taxes	7,500	Office Insurance	500
Factory lighting	2,500	Legal expenses	400
Factory heating	1,500	Rent of warehouse	300
Motive power	4,400	Depreciation of plant and machinery	2,000
Haulage (works)	3,000	Office Building	1,000
Director's fees (works)	1,000	Delivery Vans	200
Director's fees (office)	2,000	Bad debts	100
Factory cleaning	500	Advertising	300
Sundry office expenses	200	Sales department's salaries	12,500
Estimating expenses (works)	800	Upkeep of delivery vans	700
Factory stationery	750	Bank Charges	50
Office stationery	900	Commission on sales	1,500
Loose tools written off	600		

The total output for the period has been 14,775 tones.

<sup>13.</sup> Write a detailed note on Accounting concepts and convention.

14. Following is the Balance Sheets of Santhosh Ltd.

Liabilities	2012 Rs.	2013 Rs.
Equity Share Capital	2,00,000	2,50,000
10 % Preference Share Capital	2,00,000	1,50,000
Reserve Fund	80,000	1,00,000
Profit and Loss Account	1,00,000	1,50,000
12 % Debentures	2,00,000	3,00,000
Creditors	1,00,000	1,20,000
Bank O.D.	50,000	20,000
	9,30,000	10,90,000
Assets		
Building	3,00,000	3,20,000
Machinery	1,50,000	1,80,000
Furniture ;	40,000	35,000
Investments	1,00,000	1,50,000
Stock	1,50,000	2,00,000
Debtors	1,00,000	1,20,000
Cash at Bank	90,000	85,000
	9,30,000	10,90,000

You are required to comment on the financial position of business with the help of Comparative Balance Sheet Technique.