

II. State whether the following sentences are *True (T)* or *False (F)* by putting a Tick (✓) mark in the brackets provided : 1×5=5

1. A flexible budget is very static. (T / F)
2. Capitals are liabilities of the business. (T / F)
3. Patent is intangible asset. (T / F)
4. A cost sheet is a statement. (T / F)
5. Financial statements are prepared on the basis of Management Accounting. (T / F)

SECTION—II

(Marks : 10)

III. Answer the following questions in short : 2×5=10

1. (a) Write the two objectives of accounting.

OR

(b) What is a Ledger Account?

2. (a) Write the meaning of Management Accounting.

OR

(b) Write the objective of standard costing.

3. (a) What is flexible budget?

OR

(b) What is budgetary control?

4. (a) Explain the purpose of Balance Sheet.

OR

(b) What causes depreciation?

5. (a) Define creditors.

OR

(b) What are liquid ratio and current ratio?

(PART : B—DESCRIPTIVE)

(Marks : 50)

IV. Answer the following questions :

10×5=

1. (a) Journalize the following transactions :

2024

Date	Particulars	Amount (₹)
Jan 1	XYZ Ltd. started business with a capital of	80,000
" 3	Deposited into bank	20,000
" 6	Purchased machinery	5,000
" 8	Sold machinery to Mohan for cash	10,000
" 10	Sold goods to Puja Enterprises on credit	600
" 14	Received commission	2,000
" 16	Purchased goods from Rama on credit	500
" 21	Received cash from Puja Enterprises in full settlement	550
" 24	Withdraw from bank for office use	5,000
" 27	Paid cash to Rama in full settlement	450

OR

(b) Explain the rules of debit and credit according to American Approach.

2. (a) The following balances have been extracted from the Trial of BCA Ltd. Prepare Trading Account, Profit & Loss Account and Balance Sheet as on 31st March, 2024 :

Name of Accounts	Debit (₹)	Credit (₹)
Sundry debtors	32,000	
Stock	22,000	
Cash in hand	35	
Cash at bank	1,545	
Plant and Machinery	17,500	
Sundry creditors		10,650
Sales		1,34,000
Trade Expenses	1,075	

<i>Name of Accounts</i>	<i>Debit (₹)</i>	<i>Credit (₹)</i>
Salaries	2,225	
Carriage Outward	400	
Rent	900	
Bills payable		7,500
Purchases	1,18,370	
Discount	1,100	
Building	34,500	
Capital		79,500
	<u>2,31,650</u>	<u>2,31,650</u>

Additional Information :

- (i) Closing Stock—₹ 12,450
- (ii) Write off 400 as Bad Debts
- (iii) The reserve for doubtful debts is to be maintained at 5% on debtors
- (iv) Provide depreciation on Plant and Machinery at 10% and Building at 2%
- (v) Outstanding expenses were : Rent—₹ 85 and Trade Expenses—₹ 150

OR

- (b) What do you understand by Trial Balance? Explain the special features and objectives of Trial Balance. 2+4+4=10

3. (a) From the following financial statements of Asoka Ltd. for the year ending 31st March, 2024, you are required to calculate the following ratios :

10

- (i) Gross Profit Ratio
- (ii) Proprietary Ratio
- (iii) Debtors Turnover Ratio
- (iv) Current Ratio
- (v) Stock Turnover Ratio

Trading and Profit & Loss Account

Dr			Cr
Particulars	Amount (₹)	Particulars	Amount (₹)
To Opening Stock	43,500	By Sales	2,25,000
„ Purchases	1,83,000	„ Closing Stock	46,500
„ Gross Profit c/d	45,000		
	2,71,500		2,71,500
To Sundry Expenses	24,000	By Gross Profit b/d	45,000
„ Net Profit	21,000		
	45,000		45,000

Balance Sheet

Liabilities	Amount (₹)	Assets	Amount (₹)
Equity share capital	2,10,000	Fixed Assets	1,65,000
General Reserve	15,000	Current Assets :	
Profit & Loss A/c	21,000	Stock	46,500
Bills payable	10,500	Sundry debtors	24,000
Creditors	45,000	Bank	66,000
	3,01,500		3,01,500

OR

(b) What is ratio analysis? Explain the different types of ratio analysis.

4. (a) The accounts of Dave Kumar Ltd. as on 31st December, 2023 shows the following :

Particulars	Amount (₹)
Stock of material on 1.1.2023	6,720
Materials purchased	1,50,000
Materials returned to supplier	2,000
Direct labour	50,000
Direct expenses	20,000
Factory expenses	15,300

<i>Particulars</i>	<i>Amount (₹)</i>
Office and administrative expenses	8,000
Selling and distribution expenses	7,900
Stock of material on 31.12.2023	7,720
Profit	10,000

Find out material consumed, prime cost, work cost, cost of production, total cost and sales using Statement of Cost. 10

OR

- (b) What do you mean by Cost Accounting? Explain the difference between Financial Accounting and Management Accounting. 3+7=10
5. (a) With the following data of 60% activity, prepare a flexible budget for production at 80% and 100% activity : 10
- Production at 60% activity 600 units (in ₹)
- Material—100
- Labour—400
- Expenses—10
- Factory expenses (40% fixed)—40,000
- Administration expenses (60% fixed)—30,000

OR

- (b) What do you mean by budgeting? Explain the objective of budgetary control. Write the advantages and limitations of budgetary control. 2+4+4=10

Professional Course Examination, May 2024

(CBCS)

(2nd Semester)

BACHELOR OF COMPUTER APPLICATIONS**(Accounting and Financial Management)**

Full Marks : 75

Time : 3 hours

*The figures in the margin indicate full marks for the questions***(PART : A—OBJECTIVE)**

(Marks : 25)

SECTION—I

(Marks : 15)

I. Tick (✓) the correct answer in the brackets provided :

1×10=10

1. Which one is not the type of accounting?
 - (a) Financial Accounting ()
 - (b) Cost Accounting ()
 - (c) Management Accounting ()
 - (d) Liabilities Accounting ()
2. Excess of revenue over expenses is termed as
 - (a) income ()
 - (b) profit ()
 - (c) loss ()
 - (d) gain ()
3. When an entry is made in journal
 - (a) assets are listed first ()
 - (b) accounts to be debited listed first ()
 - (c) accounts to be credited listed first ()
 - (d) accounts may be listed in any order ()

4. Provision for bad and doubtful debts appearing in the Trial Balance will be shown in
 (a) Trading Account ()
 (b) Balance Sheet ()
 (c) both Trading Account and Balance Sheet ()
 (d) Profit and Loss Account ()
5. The base for preparing Trial Balance is
 (a) Journal ()
 (b) Ledger Account ()
 (c) Cash Account ()
 (d) Balance Sheet ()
6. Every business transaction affects at least ____ account(s).
 (a) one ()
 (b) two ()
 (c) three ()
 (d) infinite ()
7. Ideal ratio between current assets and current liabilities is
 (a) 2 : 1 ()
 (b) 1 : 1 ()
 (c) 0.5 : 1 ()
 (d) 3 : 1 ()
8. The difference between fixed and variable costs has a special significance in the preparation of
 (a) flexible budget ()
 (b) master budget ()
 (c) cash budget ()
 (d) capital expenditure budget ()
9. Which one is not included in the objective of Management Accounting?
 (a) Planning and policy formulation ()
 (b) Interpretation process ()
 (c) Controlling ()
 (d) Staffing ()
10. A prime cost is
 (a) Direct material + Direct labour + Direct expenses ()
 (b) Indirect material + Indirect labour + Indirect expenses ()
 (c) Direct labour + Indirect labour + Direct expenses ()
 (d) All of the above ()

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2+8=10

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