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**5955**

Register Number:

Name of the Candidate:

**B.C.A. DEGREE EXAMINATION December 2014**

**(SECOND YEAR)**

**(PART-III)**

**220. BUSINESS AND ACCOUNTING**

Time: Three hours

Maximum: 100 marks

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**SECTION-A**

**(8×5=40)**

**Answer any EIGHT questions**

1. What are the objectives of Accounting?
2. Distinguish between funds flow statement and cash flow statement.
3. What do you understand by analysis of financial statement?
4. What are the advantages of Cost Accounting?
5. Define the term 'Budget' and 'Budgetary control'.
6. What are the uses of Break-even analysis?
7. Current ratio 2.5, liquid ratio 1.5, working capital rs.75000. Calculate Current Assets, Current liabilities, Liquid Assets and Stock.
8. From the following particulars prepare cost sheet: Direct materials Rs.10,000, Direct wages Rs. 15,000, Direct Expenses Rs.7000, Office Expenses Rs.5000, Factory Expenses Rs.5000, Selling and Distribution expenses Rs. 6000 , Sales Rs.65000.
9. Rectify the following Errors
  - a) Purchase book was overcast by Rs.2000
  - b) Sales book was under cast by Rs.3000
  - c) Return outward book was under cast by Rs.250
  - d) Salary inward book was overcast by Rs.200
  - e) Salary paid to manager Rs.100 wrongly debited to his personal A/C

10. From the following prepare a statement of change in working capital during 2013.

**Balance Sheet of Raj Ltd ; as on 31<sup>st</sup> December**

<b>Liabilities</b>	<b>2012</b>	<b>2013</b>	<b>Assets</b>	<b>2012</b>	<b>2013</b>
Share Capital	3,00,000	3,50,000	L & Buildings	3,00,000	4,00,000
Sundry Crs.	1,50,000	1,75,000	Cash	2,00,000	2,20,000
Tax payable	10,000	30,000	Debtors	30,000	36,000
O/S Expenses	20,000	10, 000	B/R	40,000	30,000
P&L A/C	1,25,000	1,75,000	Stock	35,000	44,000
	<b>6,05,000</b>	<b>7,30,000</b>		<b>6,05,000</b>	<b>7,30,000</b>

**SECTION-B**

**(3×20=60)**

**Answer any THREE questions**

11. What is 'BRS'? Why should it to be prepared periodically?
12. What are the advantages of cash flow statement?
13. Prepare Trading and Profit and Loss A/C for the year ended 31<sup>st</sup> March 2013 and Balance sheet as on that date:

<b>Particulars</b>	<b>Dr. Rs.</b>	<b>Cr. Rs.</b>
Capital	-	60,000
Drawings	1,08,000	-
Buildings	90,000	-
Furniture	45,000	-
Motor Van	1,50,000	-
Loan @15% interest	-	90,000
Interest paid on above	6,750	-
Sales	-	6,00,000
Purchases	45,000	-
Opening Stock	1,25,000	-
Wages	12,000	-
Commission received	-	27,000
Debtors	1,20,000	-
Bank balance	1,60,000	-
Sundry Creditors	-	60,000
Insurance	10,250	-
	<b>13,77,000</b>	<b>13,77,000</b>

**Adjustments:**

- i) The value of closing stock on 31-3-2013 was Rs. 75,000
- ii) Outstanding wages Rs.5000.
- iii) Depreciate Furniture 10% and Motor Van 10% Buildings 15%.

14. Prepare a statement of cost and profit from the following data:  
 Opening stock of raw materials Rs.1,20,000 purchase of raw materials Rs. 4,80,000. Materials returned to suppliers Rs.24000, closing stock of raw materials Rs.96,000, Direct wages Rs.2,40,000, Direct expenses Rs.90,000 factory O.H 20% on wages, office O.H 25% on works cost, selling and distribution O.H 10% on works cost and profit 15% on cost.
15. The sales and profit during two years were as follows:

Year	Sales	Profit
2012	15,00,000	20,000
2013	17,00,000	25,000

You are required to calculate:

- i) The P/V ratio
- ii) The BEP
- iii) The sales required to earn a profit of Rs.40,000
- iv) The profit made when sales are Rs.2,50,000
- v) The margin of safety at profit of Rs. 50,000

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