

H Roll No. ....

**TBC-506**

**B. C. A. (FIFTH SEMESTER)**  
**END SEMESTER EXAMINATION, 2021-22**  
**FINANCIAL ACCOUNTING**

**Time : Three Hours**

**Maximum Marks : 100**

- Note :** (i) All questions are compulsory,  
(ii) Answer any *two* sub-questions among  
(a), (b) & (c) in each main question.  
(iii) Total marks in each main questions are  
**twenty.**  
(iv) Each question carries 10 marks.
1. (a) What is accounting ? State the features and  
objectives of accounting. (CO1)

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(2)

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- (b) Explain the advantages and disadvantages of accounting. (CO1)
- (c) Define accounting principles. Discuss all the conventions of accounting. (CO1)
2. (a) What is double entry system ? Explain its principles and advantages. (CO2)
- (b) Prepare a Trial Balance as on 31st March, 2015, from the following Ledger Balances of Mr. X : (CO2)

	₹
Fixed Assets	2,46,000
Capital A/c	2,50,000
Debtors	20,000
Creditors	22,000
Purchases	35,000
Sales	53,000
Return outwards	500
Return inwards	1,000
Bills Payable	4,000

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Bills Receivable	8,000
Bank Overdraft	6,000
Opening Stock	7,500
Wages	6,000
Salaries	9,000
Rent	3,000

- (c) Journalise the following transactions :

(CO2)

2015, April	₹
1 - Kamal started business with cash	1,00,000
2 Bought goods for cash	30,500
3 Opened Bank Account with cash	50,000
4 Sold goods for cash	40,000
7 Bought goods from Surya on credit	30,000
10 Sold goods to Rakesh on credit	25,000
15 Purchased Plant and Machinery and payment in made by cheque	16,600

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(4)		TBC-506
19	Paid to Surya in cash	10,000
21	Received loan from Anil and deposited the same into bank	8,000
23	Goods returned to Surya	1,000
26	Withdrew from bank for personal use	5,000
27	Paid to Surya by cheque	8,000
29	Received cash from Rakesh	10,000
30	Purchased stationary for cash	200
30	Paid wages and salaries	10,000

3. (a) From the following balances for the year ending 31st December, 2015 and additional information, prepare Trading and Profit and Loss Account and Balance Sheet as on that date : (CO3)

	(₹)
Capital	80,000
Purchases	82,000

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Sales		1,10,000
Purchase Returns		1,000
Building		45,000
Opening Stock		15,000
Sundry Debtors		20,100
Sundry Creditors		28,000
Furniture		7,000
Carriage inwards		200
Wages		1,800
Rent		5,100
Commission (Cr.)		1,500
Insurance		600
Salaries		12,500
Bad Debts		200
Provision for Bad Debts		500
Cash in hand		5,000
Cash at bank		25,000
Sales Tax Paid		5,000
Bills Payable		3,500

P. T. O.

**Additional Information :**

- (i) Closing stock was valued at ₹ 20,000.
- (ii) Provide depreciation on building @ 5% and on furniture @ 10%.
- (iii) Outstanding salaries ₹ 1,000.
- (b) What do you understand by Ratio Analysis ? Describe its limitations. (CO3)
- (c) Explain the different types of costs. (CO3)
- 4. (a) With the following data for a 60% activity, prepare a budget for production at 80% and 100% capacity : (CO4)

Production at 60%

activity	600 units
Material	₹ 100 per unit
Labour	₹ 40 per unit
Expenses	₹ 10 per unit
Factory expenses	₹ 40,000 (40% fixed)
Administrative expenses	₹ 30,000 (60% fixed)

- (b) What do you understand by budgeting ? Discuss the objectives of budgetary control. (CO4)
- (c) Explain the terms Break-Even Analysis and Margin of Safety. (CO4)
- 5. (a) Discuss the advantages and disadvantages of computerized accounting system. (CO5)
- (b) Define computerized accounting system. Distinguish between a manual and computerized accounting system. (CO5)
- (c) The following data are being taken from the records of ABC Ltd. as on 30th June, 2016 : (CO5)

	(₹)
Cash	50,000
B/P	6,000
Sales	1,06,000
Purchases	68,000

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Purchase Returns	1,500
Debtors	24,000
Stock	16,000
Prepaid Expenses	4,000
Creditors	24,000

On the basis of the above data, calculate :

(i) Current Ratio

(ii) Liquid Ratio

(iii) Inventory Turnover Ratio

(iv) Debtor Turnover Ratio