

Roll No. ...6201100044

Total No. of Questions : 6]  
(2042)

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**BCA (CBCS) RUSA IVth Semester  
Examination**

**3749**

**ACCOUNTING**

Paper : BCA-0402

**Time : 3 Hours]**

**[Maximum Marks : 70**

**Note :-** Attempt questions as directed.

**Part-A**

**(Compulsory Question)**

1. Select correct answers of the following :

(i) The elementary stage of accounting is :

- (a) Preparing Financial Statements
- (b) Book-Keeping
- (c) Both of these
- (d) None of these

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Turn Over

(ii)  $\text{Income} = \text{Revenue} - \dots\dots\dots$

- (a) Profit
- (b) Expenses
- (c) Capital
- (d) None of these

(iii) When every business event affects two items and is recorded in two different accounts, it is :

- (a) Dual Aspect
- (b) Matching Concept
- (c) Both of these
- (d) None of these

(iv) Rent paid to landlord is debited to :

- (a) Landlord
- (b) Rent Account
- (c) Trade Account
- (d) None of these

(v) Drawing account shall have a :

- (a) Credit balance
- (b) Debit balance
- (c) Both of these
- (d) None of these

(vi) Cost accounting deals with :

- (a) Actual figures
- (b) Estimated figures
- (c) Both of these
- (d) None of these

(vii) Prime cost is :

- (a) Material Cost
- (b) Labour Cost
- (c) Both of these
- (d) None of these

(viii) Cost of Production + Selling Expenses = .....

(a) Prime Cost

(b) Works Cost

(c) Total Cost

(d) None of these

(ix) BEP is a point where :

(a) Profit and loss in every year highly fluctuate

(b) There is no profit and no loss

(c) Both of these

(d) None of these

(x) Stock in the beginning results in :

(a) Source of funds

(b) Application of funds

(c) No flow of funds

(d) None of these

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1×10=10

2. Give short answers of the following :

(i) What do you understand by accounting conventions ?

(ii) How Profit and Loss Account is prepared ?

(iii) What is Double Entry System ?

(iv) Define Opportunity Costs.

(v) State Liquidity Ratios.

4×5=20

**Part-B**

10

3. What is Accounting ? Explain the principles of accounting.

*Or*

What are the uses of trial balance ? How errors can be rectified ? Explain.

**Part-C**

10

4. Following is the Trial Balance of X Ltd. on 31-3-2017. Prepare Trading and Profit and Loss Account and Balance Sheet on this date :

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Debit Balance	₹	Credit Balance	₹
Stock (1-4-2016)	2,500	Capital	10,000
Purchases	7,500	Sales	17,500
Land and Buildings	10,000	Sundry Creditors	3,750
Bills Receivables	1,000	Commission	250
Goodwill	500	Bills Payable	1,500
Wages	1,500	Loan	3,000
Machinery	4,000		
Carriage	500		
Carriage on Sales	500		
Power	750		
Salaries	1,000		
Discount	150		
Drawings	500		
Insurance Premium	100		
Cash at Bank	2,500		
Cash in Hand	500		
Investments	2,500		
	<b>36,000</b>		<b>36,000</b>

Adjustments :

- (i) Closing stock ₹ 1,000.

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- (ii) Provide depreciation @ 10% on Machinery and @ 5% on Land and Buildings.
- (iii) Salaries unpaid amount to ₹ 250.
- (iv) Insurance Premium is paid in advance to the extent at ₹ 50.
- (v) Provide outstanding interest on loan @ 12% p.a. for 1 year.
- (vi) Allow interest on capital @ 6% p.a.

Or

With the help of illustration in chart state the procedure of preparing Balance Sheet with illustration.

**Part-D**

10

5. What is Cost Accounting ? State the cost concept and classification.

Or

What is Marginal Costing ? With regard to the following state their meanings and the techniques for their computation :

- (i) Contribution

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(ii) P/V Ratio

(iii) Margin of Safety

10

**Part-E**

6. Define Liquidity and Solvency Ratios. State the procedure for computing of the following ratios with their significance :

(i) Debt Equity Ratio

(ii) Funded Debt to Total Capitalization Ratio

(iii) Equity Ratio

(iv) Net Worth Ratio

Or

Discuss in detail the procedure of making Funds Flow Statement.

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