

Total No. of printed pages = 4

MCA 182104

Roll No. of candidate

--	--	--	--	--	--	--	--	--	--

23/3/22

2021

M.C.A. 1st Semester End-Term Examination
ACCOUNTING AND FINANCIAL MANAGEMENT

Full Marks – 70

Time – Three hours

The figures in the margin indicate full marks for the questions.

Question No. 1 is compulsory and answer any *four* from the rest.

1. Fill in the blanks :

(10 × 1 = 10)

- (a) According to _____ concept the business records the transactions in two-fold aspects. (Business Entity/Dual Aspect).
- (b) _____ requires the recording of narration. (Ledger/ Journal).
- (c) Furniture is a _____ account. (Personal/Real).
- (d) Profit and Loss A/c is a _____ statement. (position/ income).
- (e) If the balance of Profit & Loss Account is falling in the credit side it means _____ (profit/loss)
- (f) _____ transactions are not entered in the Cash Book. (cash/credit)
- (g) According to Nominal A/c, Debit means _____. (What comes in/All losses and expenses).
- (h) It is compulsory to have a column of _____ in the Ledger. (LF/JF).
- (i) Depreciation means decrease in the value of _____ assets. (Fixed/Current).
- (j) _____ does not record the transactions in a chronological order. (Journal/Ledger).

[Turn over

2. (a) What is Accounting? Discuss the objectives of Accounting. (1+4 = 5)
(b) Prepare a Triple column in the books of M/s Suresh Entp. for the month of January, 2021. (10)

2021

- Jan 01 – Balance of cash in hand Rs. 54,000 and at bank Rs, 37,000.
Jan 03 – A cheque received from Sagar of Rs 4,200.
Jan 08 – Cheque of Sagar is deposited into the bank.
Jan 11 – Withdrawn from bank of Rs 1,600 for the personal use by the owner.
Jan 14 – Cheque received from Mr. Kaushik of Rs 3,300 and it is immediately deposited into the bank on the same day.
Jan 17 – Purchased a Furniture by cheque of Rs 2,900.
Jan 20 – Purchased goods of Rs 3,600 and payment made Rs 1,700 in cash and the remaining through cheque.
Jan 22 – Received Rs 2,250 from Mr. Saurav in full settlement of his account of Rs 2,400 in cash.
Jan 24 – Sold goods of Rs 4,200 in cash at a discount of 10%.
Jan 27 – Cash withdrawn by the owner for office use of Rs 3,200 from the bank.
Jan 29 – A customer Miss. Raveena directly deposited into our bank account of Rs 14,500.
Jan 30 – Sold goods to Mr. Hazarika of Rs 2,200 on credit and Rs 1,300 by cheque.
Jan 31 – Paid Commission of Rs 2,780 by cheque and carriage of Rs 1,340 in cash.

3. (a) Pass journal entries in the books of Mr. Khatoniar for the month of January, 2021. (9)

2021

- Jan 01 – Mr. Kailash started business with a cash of Rs 42,000, Rs 26,000 as bank Balance.
Jan 03 – Purchased goods of Rs 7,000 in cash.
Jan 06 – Cash deposited into the bank of Rs 4,000.
Jan 09 – Sold goods to Mr Karim of Rs 4,500 on credit and Rs 1,900 in cash.
Jan 12 – Purchased a Machinery in cash of Rs 5,500 at a discount of 10%.
Jan 17 – Cash received from Mr. Vishnu of Rs 4,230.

Jan 21 – Wages and Rent paid of Rs 3,280 and Rs 12,500 respectively.

Jan 26 – Cash withdrawn by the owner from the business of Rs 1,870 for personal use.

Jan 31 – Paid commission of Rs 1,270 by cheque.

(b) Define the term Account. What are the classifications of an account under Traditional and Modern Approach? Discuss the Cardinal Rules for debit and credit under Traditional approach. (1+2+3= 6)

4. (a) Define an Accounting Ratio? Discuss the various limitations of Ratios Analysis. (5)

(b) Mr. Prakash is the owner, Prakash Entp. Ltd. purchased a Machine On 01-01-2016, of Rs 65,000 in cash having installation charges of Rs 15,000 on the same date. The rate of depreciation 10% p.a. Estimated life of the machine is 5 years.

Calculate the amount of depreciation to be charged each year till the end of 5 years under SLM and WDVM. (5+5= 10)

5. Following is the Trial Balance of Ramesh Ltd. As on 31.3.2021, you are required to prepare

(a) A Trading and Profit and Loss Account for the year ended on 31.3.2021 (5+5 = 10)

(b) A Balance Sheet on 31.3.2021. (5)

Trial Balance as of 31.03.2021

Particulars	Rs.	Particulars	Rs.
Purchases	20,000	Capital	95,000
Furniture	45,000	Sundry Receipts	3,200
Opening Stock	20,000	Discount Received	1,700
Machinery	25,000	Bank Overdraft	4,600
Wages	5,000	Interest on investment	1,800
Carriage on Purchases	1,000	Dividend Received	2,300
Fuel	4,500	Sales	5,10,000
Salaries	23,000	Sundry Creditors	24,000
Advertisement	8,000	Rent Received	5,400
Drawings	3,000	Commission Received	4,000
Postage	2,000	Return Outward	22,000
Rent and Insurances	2,500	Bills Payable	51,000
Establishment Expenses	2,000	Bank loan	75,000
Return inward	8,000		
Investment	23,000		

Discount Allowed	2,000		
Bad Debt	1,000		
Cash in Hand	12,000		
Sundry Debtors	20,000		
Printing and Stationary	2,400		
Cash at bank	14,000		
Goodwill	70,000		
Land and Building	1,70,000		
Plant	96,600		
Total	8,00,000	Total	8,00,000

Adjustments-

- Closing Stock on 31-03-2021 is Rs 15,000.
- Depreciate Furniture by 10% p.a. and Machinery by 20% p.a.
- Advertisement Outstanding Rs 1,500.

6. (a) What do you mean by Depreciation? Discuss the causes of depreciation. (1+5 = 6)
- (b) The following data calculate – P/V Ratio, Break Even Sales with the help of P/V Ratio and the sales required to earn a profit of Rs 1,80,000 and 80,000. (9)

Fixed Expenses –	Rs. 36,000
Variable Cost per unit :	
Direct Material –	Rs. 12
Direct Labour –	Rs. 16
Direct Overhead –	50% of Direct Labour
Selling Price Per unit –	Rs. 48

7. Write short note on the following (any *three*) : (3 × 5 = 15)
- (a) Profit Volume Ratio
 - (b) Break Even Point
 - (c) Advantages of Accounting
 - (d) Types of Accounting Ratios
 - (e) SLM vs WDVM