

BCA 1st Semester (Honours) Examination, 2019

Subject: Computer Application

Paper: BCA-104 (Principles of Accounting)

Time: 2 Hrs.

Full Marks: 40

Question 1. Answer *any two questions*:

[2 x 5= 10]

- I. Write a short note on 'Conservatism Principle'.
- II. Distinguish between 'Statement of Affairs' and 'Balance Sheet'.
- III. Write a short note on 'Break-even point'.
- IV. Describe the essential pre-requisites of 'Budgetary Control System'.

Question 2. Answer *any three* questions:

[3 x 10 = 30]

- I) From the following balance of accounts prepare a Trial Balance as on 31st December 2019:

	Rs.
Opening Stock	41000
Purchase	110000
Drawings	18000
Sales Return	6000
Bad debt	600
Sales	180000
Sundry debtors	14000
Fixed assets	35000
Wages	5400
Salaries	9000
Travelling expenses	950
Rent, rates and taxes	2400
Purchase return	1500
Interest paid	1200
Discount allowed	800
Insurance charges	600
Creditors	62500
Cash	8200
General expenses	1200

Advertisements	900
Capital	8750
Investment	3500
Bank overdraft	5000
Commission received	1000

On December 31st, 2019, closing stock was valued at Rs. 16000.

- II) On January, 2019 Mr. A acquired a business as a going concern from Mr. B for the sum of Rs.28000. He took over stock valued at Rs.2400, furniture valued at Rs.2540, buildings valued Rs.12000 and trade debtor Rs 2560. They undertook to pay trade creditors amounting to Rs. 2500.

In addition to sum paid for the business, Mr. A paid Rs. 2000 into a business bank account.

At the end of the year, in addition to the balances arising from the above, the following balances were extracted from Mr. A's books:

	Rs.
Sales	86980
Purchases	55230
Carriage Inward	1250
Wages and Salaries	8700
Advertising	4680
Rates and Insurance	1950
Electricity	870
Sundry office expenses	420
Debtors	6580
Creditors	2160
Cash in hand and balance at bank	560
Drawings	10400
Discount allowed to customers	560

Prepare Mr. A's trading and profit and loss account for the year ended 31st December, 2019 and a balance sheet as at that date.

Bring the following matters into account:

- Stock at 31st December was valued at Rs. 4560
- Building is to be depreciated by 5% and furniture by 20% of book value
- Wages and salaries Rs.450 were outstanding
- Rates Rs.300 were prepaid
- Provision for doubtful debt is to be made @5% on sundry debtors.

- III) Explain briefly the different types of errors that may exist in spite of agreement of Trial Balance.
- IV) Explain the advantages and limitations of perpetual inventory system.
- V) Discuss briefly about allocation and apportionment of overhead and differentiate between them.

VI) SR Ltd. has furnished you the following information for the month of August, 2020.

Particulars	Budget	Actual
No of working days per month	20	22
Man hours per day	8000	8400
Output per man-hour in units	1.00	1.20
Standard fixed overhead rate per hour	Rs. 2.00	-
Actual fixed overhead per month		Rs. 3,25,000.00

Calculate fixed overhead variances.