

Registration No.

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MCA
MCC 105

First Semester Regular Examination – 2014
FINANCIAL ACCOUNTING

BRANCH : MCA bputonline.com

QUESTION CODE : H 470

Full Marks – 70

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Answer Question No. 1 which is compulsory and any five from the rest.
The figures in the right-hand margin indicate marks.

1. Answer briefly the following questions : 2 × 10
- Why is it necessary to maintain accounts by any organization ?
 - What are the three basis of accounting system ?
 - Every business organization has to maintain some subsidiary books of accounts. What are they ?
 - Conservatism is the basis principle of maintain accounts. Explain.
 - Accounting equation follows from a basic concept. What is that ? Explain the relevance of accounting equation.
 - Explain the constituents of impersonal accounts.
 - What are error of omission and commission ? Give examples.
 - Distinguish between capital expenditure and revenue expenditures with examples.
 - What is marshalling of balance sheet ?
 - What are authorized share capital subscribed and paid up capital of a company ?

2. Pass the journal entries in the books of Bapi for the month of January, 1997. 10
- Started business with Rs.20,000/- in the bank and Rs.40,000/- each.
 - Bought shop fittings Rs.40,000/- and a van Rs.60,000/- both paid by cheque.
 - Paid rent by cheque Rs.5,800/-.

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P.T.O.

- Bought goods for resale on credit from Zakir & Co. Rs.50,000/-
 - Cash sale Rs.5,000/-
 - Paid wages of assistant in cash Rs.1,000/-
 - Paid insurance by cheque Rs.500/-
 - Goods return to Zakir & Co. Rs.6,000/-
 - Paid Zakir & Co. Rs.30,000/- by cheque.
 - Bought stationary paid in cash Rs.500/-
 - The owner has withdrawn Rs.2,000 for his personal use.
 - Rent paid Rs.3,000/-.
 - Outstanding salary to be paid to Mr. P. Parida Rs.4,000/-.
3. The following balances appear in various accounts on 31.03.2005. You are asked to prepare a trial balance. 10

	Rs.
Sales ✓	1,30,620
Return inward	1,500
Return outward	380
Carriage inward ✓	230
Carriage outward	120
Discount received	470
Discount allowed	540
Bills payable	1,140
Cash in hand	1,200
Bank over draft	28,800
Capital ✓	50,000
Business premises	35,000
Furniture	13,500
Plant & machinery	46,000
Purchases	78,900
Wages ✓	17,860
Insurance premium	1,370
Rent received ✓	530
Miscellaneous expenses	1,480
Creditors ✓	22,760
Debtors	34,000
Drawings	3,000

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Contd.

4. The following are the balance in the Ledger of Mr. Ansuman for the year ending 31.03.2002.

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Discount	25,000
Carriage outward	12,400
Carriage inward	10,200
Rent, taxes & rates	13,300
Printing & Stationery	2,600
Purchase of raw-materials	3,59,800
Sales (Taxes included, 20,000)	5,80,000
Opening stock of raw-material	1,24,400
Opening stock of finished goods	6,38,000
Factory wages	59,700
Cash subsidy on purchases	10,000
Advertisement	12,000
Miscellaneous Expenses	3,300
Interest paid	10,792
Fuel & Coal	11,200
Factory power	25,000
Insurance (Fire)	1,760
Staff Salary	13,800
Electricity	2,500
Bad debts	6,080
Depreciation on Plant & Machinery	11,690
Depreciation on Furniture & Fixture	2,860

Prepare final A/c for the year ended 31.03.2002. The closing stock of raw materials is Rs. 46,900/- and closing stock of finished goods is Rs. 1,52,300/- as on 31.03.2002.

5. Niranjana Company Ltd. Issues 1,000 equity shares of Rs. 100 each payable on application Rs. 25, on allotment Rs. 20, on first call Rs. 30, on final call Rs. 25. All these shares were subscribed. The first call and final call on 160 equity shares were not received. Enter the transactions in the books of the company. 10
6. What is meant by accounting information? Explain the need of accounting information by the stakeholders of business. 10
7. Discuss the merits and demerits of equity shares and preference shares. 10
8. Write short notes on any two : 5×2
- Cash book
 - Golden rules of making journal entries
 - Adjustment entries for bad debts, depreciation and prepaid expenditures
 - Capital Receipts and Revenue receipts.