



LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

B.C.A. DEGREE EXAMINATION – COMPUTER APPLICATIONS

FIRST SEMESTER – NOVEMBER 2017

BC 1101 - BUSINESS ACCOUNTING

Date: 07-11-2017
Time: 01:00-04:00

Dept. No.

Max. : 100 Marks

PART – A

Answer **ALL** the questions:

(10 x 2 = 20)

1. What is Invoice?
2. What are 'Real Accounts'? Give examples.
3. Define Journal.
4. Calculate the total assets of the business, if the capital of a business is Rs.6,00,000 and other liabilities are Rs.4,00,000.
5. What is 'Purchase Return'?
6. What is 'Net profit'?
7. Prepare a Trading Account from the following information of a trader.
 - a. Total purchases made during the year 2016 Rs.4,00,000.
 - b. Total sales made during the year 2016 Rs.5,00,000
8. What is 'Operating Profit Ratio'?
9. Define Depreciation.
10. A company purchased machinery for Rs. 1,00,000 and installation charges were Rs.10,000. Its estimated life is 5 years and it's scrap value Rs. 5,000. Calculate its rate of depreciation.

PART – B

Answer any **FOUR** questions:

(4 X 10 = 40)

11. Describe the advantages and limitations of Accounting.
12. Carol had the following transactions. Use accounting equation to show their effect on his assets, liabilities and capital.
 - a) Carol started business with Rs. 2,00,000
 - b) Goods purchased for cash Rs. 26,000
 - c) Goods purchased on credit Rs. 24,000
 - d) Goods sold(Costing rs.20,000) for Rs.24,000
 - e) Furniture purchased on credit Rs.4,000
 - f) Cash paid to a creditor Rs.10,000
 - g) Rent outstanding Rs.2,000

13. The following balances are extracted from the books of Mr.Senthurai. Prepare Trial Balance as on 30.06.2016.

Particulars	Rs.	Particulars	Rs.
Capital	4,70,200	Machinery	1,58,800
Cash in hand	6,000	Sundry Debtors	48,000
Building	3,20,000	Repairs	5,400
Stock	33,000	Insurance premium	3,300
Sundry creditors	26,000	Sales	2,90,000
Commission paid	750	Telephone charges	6,450
Rent & Taxes	6,300	Furniture	11,000
Purchases	1,65,000	Discount earned	1,100
Salaries	70,600	Loan from Mohammed	51,000
Discount allowed	650	Reserve fund	5,900
Drawings	5,000	Bills receivable	8,600
Bad debts	1,350	Bills payable	6,000

14. What are merits and demerits of written down value method?

15. Enter the following in Proper Subsidiary Books.

- 1/March/2016 Bought goods from Samar 2,000
- 2/March/2016 Sold goods to Babu 1,000
- 3/March/2016 Charles sold goods to us 1,000
- 8/March/2016 Raman bought goods from us 3,000
- 10/March/2016 Goods returned by Babu 400
- 12/March/2016 We returned goods to Samar 250
- 18/March/2016 Sold goods to Madavan 5,000
- 22/March/2016 Purchased goods from Anwar 6,000
- 25/March/2016 Returned goods to Charles 500
- 30/March/2016 Sold goods to Mani 6,000

16. Enter the following transactions in a single column cash book of Mr.Muthuvel.

2017 Jan 1	Started business with cash	Rs. 1,000
3	Purchased goods for cash	Rs. 500
4	Sold goods	Rs. 1,700
5	Cash received from Siva	Rs. 200
12	Paid Balan	Rs. 150
14	Bought furniture	Rs. 200
15	Purchased goods from Kala on credit	Rs. 2,000
20	Paid electric charges	Rs. 225
24	Paid salaries	Rs. 250
28	Received commission	Rs. 75

17. What is Profitability Ratios? And explain briefly important profitability ratios.

PART – C

Answer any **TWO** questions:

(2 X 20 = 40)

18. Describe the 'Internal' and 'External' users of Accounting Information and their requirements.

19. Enter the following transactions in the Triple Column Cash Book of Mr.Raja Durai.

2016	Particulars	Rs.
May 01	Cash balance	6,000
1	Bank balance	4,000
2	Withdrew from Bank	2,000
3	Abdulla directly paid into our bank account	3,000
4	Cheque received from Daniel Rs.5,000 sent to bank.	
7	Cheque received from Ramakrishnan for sales	8,000
8	Received cash from Subramaniyam	2,800
8	Discount allowed	200
10	Ramakrishnan's cheque sent to bank for collection.	
14	Paid to Balu by cheque	13,900
14	Discount received	100
17	Withdrew cash for personal use Rs.1,500 and by cheque 12,500	
27	Rent paid	2,000

20. The following Trial Balance has been extracted from the books of Mr. Bhaski on 31.03.2017.

Trial Balance

Particulars	Debit Rs.	Credit Rs.
Machinery	40,000	
Cash at Bank	10,000	
Cash in Hand	5,000	
Wages	10,000	
Purchases	80,000	
Stock (01.04.2016)	60,000	
Sundry debtors	40,000	
Bills Receivable	29,000	
Rent	4,000	
Interest on Bank Loan	500	
Commission received		3,000
General Expenses	12,000	
Salaries	7,500	
Discount received		4,000
Capital		90,000
Sales		1,20,000
Bank Loan		40,000
Sundry Creditors		40,000
Purchase returns		5,000
Sales returns	4,000	
	3,02,000	3,02,000

Adjustments:

1. Closing Stock Rs.80,000
2. Interest on Bank loan not yet paid Rs.400
3. Commission received in advance Rs.1,000

Prepare Trading and Profit and loss Account for the year ended 31.03.2017 and Balance Sheet as on that date after giving effect to the above adjustments.

21. From the following details calculate

1. Gross Profit Ratio
2. Net Profit Ratio
3. Stock Turnover Ratio
4. Debtors Turnover Ratio

Particulars	Rs.
Sales	3,00,000
Cost of Goods Sold	2,40,000
Opening Stock	58,000
Closing Stock	62,000
Debtors	30,000
Administration Expenses	30,000

\$\$\$\$\$\$\$\$