



LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

B.C.A. DEGREE EXAMINATION – COMPUTER APPLICATIONS

THIRD SEMESTER – NOVEMBER 2016

CO 3104 - ACCOUNTS & BUSINESS APPLICATIONS

Date: 12-11-2016
Time: 09:00-12:00

Dept. No.

Max. : 100 Marks

SECTION

Answer ALL the questions:

10 x 2 = 20

1. What is a Ledger?
2. Why is a Balance Sheet prepared?
3. What is rectification of errors?
4. Define Depreciation.
5. Explain the term Sundry Debtors.
6. Choose the correct answer:

A) Balance Sheet is a

- a) Statement b) Account c) Ledger

B) Capital is a

- a) Income b) Assets c) Liability.

7. Fill in the blanks:

A) Ledger is the -----book of account.

B) Plant and machinery is an example of ----- account.

8. Fill in the missing figures:

| Assets | = | Liabilities | + | Capital |
|-----------|---|-------------|---|---------|
| a) 20,000 | = | 15,000 | + | ? |
| b) 10,000 | = | ? | + | 8,000 |

9. A company purchased Machinery for Rs.1,10,000. Its estimated life is 5 years and the Scrap value is Rs.5,000. Calculate the amount and rate of depreciation.
10. Explain the golden rules of accounting.

SECTION B

Answer any FOUR questions:

4 x 10 =40

11. Explain the following terms:

a) Personal account b) Posting c) Purchases d) Contra entry e) Ledger Folio

12. Explain the differences between Trial Balance and Balance Sheet.

13. What are the reasons for causes of disagreement between the cash book balance and the pass book balance?

14. Journalise the following transactions of Mr. Moorthi

4 Purchased goods for cash Rs.15,000

11 Sold goods to Damo Rs.22,000

13 Paid to Ram Rs.40,000

17. Received from Damo Rs.20,000

20 Bought furniture from Jagan Rs.5,000

27. Paid Rent Rs.1,200

30 Paid Salary Rs.2,500.

15. Rectify the errors:

- a) The purchases return book overcast by Rs.1, 500.
- b) Received Rs.2,000 from Shankar debited to his account.
- c) The Sales book under cast by Rs.1,500.
- d) Rs.12,000 paid by way of salary to Govind, stands debited to his personal account.
- e) Sale of old furniture for Rs.2,000 treated as sale of goods.

16. Mrs. James pass book showed a balance of Rs.25,000 on June 30, 2003. It is found that

1. No record has been made in the cash book for a dishonour of a cheque for Rs.250.
2. Cheques paid into bank Rs.3,500 were paid into bank on June 28, 2003 and the same had not been entered in the pass book.
3. Bank charges of Rs.300 have not been entered in the cash book.
4. Cheques amounting to Rs.9,000 issued to Ms.Devi has not been presented for payment still.
5. Mr. Balu who owed Rs.3,000 has directly paid the sum into the bank account.

Prepare Bank Reconciliation Statement.

17. A Company purchased Machinery for Rs.50,000 on 1st January 2002. It is depreciated at 10% per annum on Written down value method. The accounting year ends on 31st December every year. Prepare Machinery A/c for three years.

18. From the transactions given below prepare Sales Book of Ram for July 2003.

July 5. Sold on credit to S.S. Traders

10 Chairs @ Rs.250 and 10 Tables @ Rs.850 --- Less Trade Discount 10%

8 Sold to Raja for Cash

15 chairs @ Rs.250

20 Sold to Mohan & Co.

5 Almirah @ Rs.2,200 and 10 Tables @ Rs.850.

23 Sold on credit to Narayanan old computer for Rs.5,000

28 Sold to Kumaran for cash

30. Sold to Kannan

20 chairs @ Rs.500 and 15 Tables @ Rs.1,000... Less trade discount 10%.

SECTION C

Answer any TWO questions:

2 x 20 = 40

19. Enter the following transactions in three column cash book of Mr.Muthu and balance the same.

2003 August 1. Cash in Hand Rs.75,000

Cash at Bank Rs.40,000

4. Paid into bank Rs.20,000

6.Purchased machinery by cheque Rs.10,000

8. Received from Mohan Rs.2,560 and discount allowed Rs.40

10. Paid to Somu by cheque Rs.3,970 in full settlement of his account

Rs.4,000

11 Withdrew cash from Bank for personal use Rs.5,000

15. Received cheque from Balan Rs.4,900 and allowed him discount Rs.100

19. Balan's cheque deposited into Bank.

24 Anandan our customer has paid directly into our bank account Rs.10,000

27. Rent paid by cheque Rs.3, 000.

20. From the following Trial Balance of Mr. Ravi, prepare trading and profit and loss account and balance sheet as on 31st march 2002.

| Particulars | Debit | (Rs.) | Credit | (Rs.) |
|--------------|-------|--------|--------|-------|
| Capital | | | 40,000 | |
| Sales | | | 25,000 | |
| Purchases | | 15,000 | | |
| Salaries | | 2,000 | | |
| Rent | | 1,500 | | |
| Insurance | | 300 | | |
| Drawings | | 5,000 | | |
| Machinery | | 28,000 | | |
| Bank Balance | | 4,500 | | |
| Cash | | 2,000 | | |

| | | |
|------------------|---------------|---------------|
| Stock (1.4.2001) | 5,200 | |
| Debtors | 2,500 | |
| Creditors | | 1,000 |
| | 66,000 | 66,000 |

Adjustments:

1. Stock Rs.4,900
2. Salaries unpaid Rs.300
3. Rent paid in advance Rs.200
4. Insurance prepaid Rs.90.

21. The following is the Trading & Profit & Loss A/c of a firm for the year ended 31.3.04.

| Particulars | Rs. | Particulars | Rs. |
|------------------------------|-----------------|------------------|-----------------|
| To Opening Stock | 35,000 | By Sales | 4,00,000 |
| To Purchases | 2,25,000 | By Closing Stock | 50,000 |
| To Wages | 10,000 | | |
| To Gross Profit | 1,80,000 | | |
| | 4,50,000 | | 4,50,000 |
| To Administrative expenses | 10,000 | By Gross Profit | 1,80,000 |
| To Interest | 5,000 | By Dividend | 2,000 |
| To Loss on sale of machinery | 2,000 | | |
| To Selling Expenses | 10,000 | | |
| To Net profit | 1,55,000 | | |
| | 1,82,000 | | 1,82,000 |

Calculate:

- a) Gross profit ratio
- b) Net profit ratio
- c) Operating ratio
- d) Operating profit ratio and
- e) Expenses Ratio.

22. What is Cash Flow Statement? Explain its Advantages and its Disadvantages.