



LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

B.C.A. DEGREE EXAMINATION – COMPUTER APPLICATIONS

FIRST SEMESTER – APRIL 2017

BC 1101- BUSINESS ACCOUNTING

Date: 24-04-2017
Time: 01:00-04:00

Dept. No.

Max. : 100 Marks

PART – A

Answer **ALL** the questions:

(10 x 2 = 20)

1. What is Book-Keeping?
2. Classify the following items into Personal, Real and Nominal Accounts:
 1. Capital
 2. Sales
 3. Drawings
 4. Outstanding salary
3. What is 'Drawings'?
4. If the capital of a business is Rs.3,00,000 and other liabilities are Rs.2,00,000, calculate the total assets of the business.
5. What is 'Obsolescence'?
6. What is 'Residual value'?
7. Prepare a Trading Account from the following information of a trader.
 - a. Total purchases made during the year 2013 Rs.2,00,000.
 - b. Total sales made during the year 2013 Rs.2,50,000
8. What is 'Current Liabilities'?
9. What do you mean by Closing Stock?
10. What is 'Absolute Liquid Assets'?

PART – B

Answer any **FOUR** questions:

(4 X 10 = 40)

11. What are the advantages of Book-Keeping?
12. Show the Accounting Equation on the basis of the following transactions

S.No	Particulars	Rs.
1.	Siva commenced business with cash	1,00,000
2.	Purchased goods for cash	70,000
3.	Purchased goods on credit	80,000
4.	Purchased furniture for cash	3,000
5.	Paid rent	2,000
6.	Sold goods for cash costing (Rs.45,000)	60,000
7.	Paid to creditors	20,000
8.	Withdrew cash for private use	10,000
9.	Paid salaries	5,000
10.	Sold goods on credit (cost price Rs.60,000)	80,000

13. The following balances are extracted from the books of Mr.Senthil. Prepare Trial Balance as on 30.06.2014.

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.Explain briefly the need for providing Depreciation.
15.Prepare Profit and Loss Account, from the following balances of Mr. Kandan for the year ending 31.12.2013.

Particulars	Amount	Particulars	Amount
Office rent	Rs. 30,000	Salaries	Rs. 80,000
Printing expenses	Rs. 2,000	Stationeries	Rs. 3,000
Tax, Insurance	Rs. 4,000	Discount allowed	Rs. 6,000
Advertisement	Rs. 36,000	Travelling expenses	Rs. 26,000
Gross Profit	Rs.2,50,000	Discount received	Rs. 4,000

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

2014 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. Compile three column cash book of Mr. Sundar from the following transactions:

2012 Aug 1	Sundar started business with cash	Rs.2,00,000
2	Deposited into Bank	Rs.50,000
4	Cash purchases	Rs.5,000
5	Purchases by cheque	Rs.6,000
6	Goods sold to Nathan on credit	Rs. 5,000
8	Received cheque from Mano	Rs.490
8	Discount allowed to Mano	Rs.10
10	Paid carriage	Rs.1,000
12	Withdrew from Bank for office use	Rs.10,000
15	Paid to Sundari	Rs.4,960
15	Discount allowed by Sundari	Rs.40
20	Received a cheque for Rs.4950 from Nathan in full settlement of his account, which is deposited into Bank.	

20. The following Trial Balance has been extracted from the books of Mr. Bhaskar on 31.03.2013.

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 (01.04.2002)	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 31.03.2013 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

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