2016
BCA
[HONOURS]
(Introduction to Accounting and Costing)
Paper : BCA-106

Full Marks : 80 Time : 4 Hours

The figures in the right-hand margin indicate marks.

Candidates are required to give their answers in their own words as far as practicable.

Answer **Question No. 1** and any **four** from the rest.

1. a) Answer any **four** questions: 2×4=8

   i) Distinguish between 'Entry' and 'Posting'.

   ii) Define suspense account.

   iii) What is centra entry?

   iv) Define intangible assets with an example.

   v) What is error of Principle? Give an example.''

   vi) Distinguish between 'Reserve' and 'Provision'.

[Turn over]

b) Answer any **four** questions : 2×4=8

   i) Define contribution.

   ii) What is opportunity cost?

   iii) Distinguish between 'Cost allocation' and 'Cost apportionment'.

   iv) What is Material Price variance?

   v) Define standard cost.

   vi) What do you mean by 'Master Budget'?

2. a) Journalise the following questions :

   i) Mr. B.B. Lal started business with ₹10,000 in cash, machinery worth ₹15000, stock ₹5000.

   ii) Received loan of ₹18000 from Mr. G. S. Gill by cheque and opened a Bank A/c with this cheque.

   iii) Bought office furniture on credit from Raj & Co. for ₹1800.

   iv) Purchase goods worth ₹10,000 less 20% Trade Discount and 5% Cash Discount.

   b) The following data relate to the manufacture of a standard Product during the four week-period to June 30th 2012.

Raw materials consumed	₹4,000
Wages	₹6,000
Machine hours worked	₹1,000
Machine hour rate	50 paise
Office overhead	20% on works cost
Selling overhead	6 paise per unit
unit produced	20,000
Units sold	18,000 @ Re.1 per unit

You are required to prepare cost sheet showing the cost per unit and profit for the period. 8+8=16

3. a) Following are the balance of Ledger A./cs of M/s Satyabrata Mukherjee & Co., Prepare a Trial Balance as on 31st December, 2012. Cash at Bank ₹2,800, cash in hand ₹370, Plant & Machinery ₹40,000, Furniture and fittings ₹5,200, Discount A/c (Dr. balance) ₹400, Manufacturing wages A/c ₹9600; Salaries ₹10,200, Purchases (Adjusted) ₹75000, Carriage ₹4600; Office Expenses ₹2100, Postage and stationery ₹230, Stock (01.01.2012) ₹15000, Sales ₹1,01,800, Returns Inward ₹1400; Advertising Expenses ₹6500; Bad Debt ₹300; Lighting and Heating ₹500; Sundry Creditors ₹40,000; Stock (31.12.2012) ₹8500; Reserve for Bad Debt ₹1700; Sundry Debtors ₹35000; Outstanding Insurance Premium ₹1200, Outstanding Salary ₹3000; Capital ₹70,000.

b) The following figures are available from the records of Venus Enterprises as at 31st March.

	2008 (₹ lakh)	**2009 (₹ lakh)**
Sales	150	200
Profit	30	50

Calculate :

i) The P/V ratio and total fixed expenses

ii) The break-even level of sales

iii) Sales required to earn a profit of ₹90 lakhs

iv) Profit or Loss that would arise if the sales were ₹280 lakhs. 8+8=16

4. a) What is Funds Flow statement? What are the objectives of Funds Flow statement? 2+6=8

b) From the following Particulars of a garment Producer. Calculate malerial cost variances. 25 shirts were Produced out of 40 meters of cloth costing ₹3800. Standard requirement for Production of a shirt is 1.8 meters of cloth at a standard rate of ₹80 per metre. 8

5. a) On 1st January, 2010 Nabin Company Purchased a machine for ₹2,00,000 and paid ₹40,000 for installation charge. On 30th June, 2012 the machine was sold for ₹1,20,000 and Purchased another machine was ₹2,50,000 and paid ₹50,000 for installation charge. The residual value of the first machine was ₹20,000 and the estimated life was 10 years. Depreciation on the 1st machine was charged on straight line basis. In the case of the second machine depreciation is to be provided @10% Per annum on the reducing balance basis.

Show the Machinery Account for 3 years.

b) Define and Distinguish between standard Costing and Budgetary control. 8+8=16

6. a) From the following Particulars, draw up a Balance Sheet of Mr. Shyamal Sen as at 31st March, 2013 and marshal the Assets and

Liabilities according to fixity or Permanence method.

Capital A/c ₹76000; Profit and loss A/c (Cr.balance) ₹31,675; Drawings A/c ₹600; Building A/c ₹39,200; Machinery A/c ₹ 23,875; Furniture A/c ₹26,875; Stock-in-Trade A/c ₹6,000; Creditors A/c ₹33,000; Debtors A/c ₹38,000; Cash at Bank A/c ₹1125; Pre-Paid Rent A/c ₹1000; Deferred Advertisement Expenditure A/c ₹4000.

b) The Enfield India Ltd. is divided into four departments A, B and C are Production Department and D is a Service Department. The actual costs for October, 2004 are as follows :

Rent ₹1000

Repairs to Plant ₹600

Depreciation of Plant ₹450

Light ₹100

Supervision ₹1500

Fire insurance (for stock of materials) ₹500

Power ₹900

Employees' state insurance contribution (Employer's Share) ₹150.

The following information is available in respect of the four departments :

	A	B	C	D
Area (sq.m)	1500	1100	900	500
No of employees	20	15	10	5
Direct wages (₹)	6000	4000	3000	2000
Value of Plant (₹)	24000	18000	12000	6000
Value of stock (₹)	15000	9000	6000	–

Apportion the costs to the various departments by Preparing Primary overhead Distribution Summary Sheet. 8+8=16

7. Write short notes :

i) Bad and Doubtful Debts

ii) Compensating Error

iii) Functional Budget

iv) Shutdown Cost 4+4+4+4=16