

[2]

Roll No.

Total Printed Pages - 6

F-3976

B.C.A. (Part III) Examination, 2022

(Old Course)

PAPER Eighth

FINANCIAL MANAGEMENT AND ACCOUNTANCY

Time : Three Hours]

[Maximum Marks:50

[Minimum Pass Marks:20

Note : Attempt all the five questions. One question from each unit is compulsory. All questions carry equal marks.

Unit - 1

1. What is financial accounting? Explain its nature and importance.

OR

Prepare income statement from following balances of Trial Balance. Also prepare Balance Sheet for year and 31st Dec.

	Credit	Debit
Capital		20,000
Plant and machinery	25,000	
Furniture	1,300	
Stock as on Jan 1 st	24,000	
Motor vehicle	6,000	
Debtors	22,850	
Cash in hand	200	
Cash in Bank	3,250	
Wages	75,000	
Salaries	7,000	
Purchases	1,06,750	
Sales		2,40,000
Bills receivables	3,600	

P.T.O.

F- 3976

[3]

Bills payable		2,800
Creditors		26,000
Return inward	3,000	
Provision for debt which is bad		1,250
Drawings	3,500	
Return outward		2,750
Rent	3000	
Lighting	400	
Insurance	3,150	
General expenses	500	
Bad debts	1,250	
Discount	3,250	1850
	2,94,650	2,94,650

Following adjustments are to be effected:

- (i) Stock on 31st Dec was 26,000.
- (ii) Furniture to be depreciated by 5%.

[4]

- (iii) Factory lighting was due for 3 months Rs. 150.
- (iv) Write off further bad debt Rs. 350.
- (v) Provision for doubtful debt to be increased to Rs. 1500 and provision for discount on debt at 2% to be made.
- (vi) During the year machinery was purchased for Rs. 10,000 but it was debited to purchases account.

Unit - 2

2. "Cost accounting is an aid to management". Explain.

OR

Explain the following ratios:

- (1) Liquidity Ratio
- (2) Profitability Ratio
- (3) Solvency Ratio
- (4) Efficiency Ratio

Unit - 3

3. Calculate break ever point from following information.

Sales 1,00,000 unit at Rs. 105 each

[5]

Variable cost Rs. 60 per unit

Fixed cost Rs. 8,00,000

Also calculate new break even point when selling price is reduced to Rs. 95 each.

OR

Explain the relationship that exists between cost, Volume and profit.

Unit - 4

4. Differentiate between fixed and flexible budget.

OR

Define "budgetary Control". Explain the role of budgetary in financial control.

Unit - 5

5. How do you distinguish between a job order and batch?

OR

[6]

The records of the company shows the following expenses of manufacturing 300 units of product X in a process:

Materials Rs. 4,000

Labour Rs. 1,000

Overheads Rs. 800

Normal wastage in production is 15% and it is sold in the market at Rs. 20 per unit. The actual production is 250 units due to gross carelessness of worker. Prepare process account.