

PGDCAA / DCA / CCA - 02
December - Examination 2015
PGDCAA / DCA / CCA Examination
Fundamentals of Accounting
Paper - PGDCAA / DCA / CCA - 02

Time : 3 Hours]

[Max. Marks :- 100

Note : The question paper is divided into three sections A, B and C. Write answers as per the given instructions.

Section - A

2 x 10 = 20

(Very short Answer type Questions)

Note : Answer all questions. As per the nature of the question you delimit your answer in one word, one sentence or maximum up to 30 words. Each question carries 2 marks.

- 1) (i) Briefly explain intangible assets. Also give two examples
- (ii) Explain 'Accrual concept'.
- (iii) If the capital is Rs. 2,60,000 and assets are Rs. 5,00,000, what is the amount of Liabilities?
- (iv) Give two advantages of journal.
- (v) Name the types of 'Cash Book'.
- (vi) What is meant by 'Journal Proper'?

- (vii) What do you mean by 'Financial statement analysis'?
- (viii) Name the four ratios measuring profitability.
- (ix) Give two examples of each of sources and application of funds.
- (x) What is 'Cash flow statement'? Under which accounting standard, cash flow statement is prepared?

Section - B

4 x 10 = 40

(Short Answer Questions)

Note : Answer any four questions. Each answer should not exceed 200 words. Each question carries 10 marks.

- 2) Give the rules of Debit and Credit and explain them with imaginary examples.
- 3) Distinguish between 'Cash discount' and 'Trade discount'. What is the procedure to record these in accounting books?
- 4) What is a 'Two column cash book'? How is it prepared?
- 5) Write short notes on:
 - (i) Contingent liabilities
 - (ii) Fixed assets
- 6) How would you treat 'Prepaid Expenses' in final accounts?
- 7) What is 'Funds Flow Statement'? Why is it prepared?
- 8) Explain the difference between:
 - (i) Cash flow statement and funds flow statement.
 - (ii) Cash flow statement and cash budget.

- 9) The following information were obtained from the financial statement of X Ltd.

Ratio of current assets to current liabilities	1.75 : 1
Liquidity Ratio	1.25 : 1
Working capital	Rs. 60,600

You are required to calculate the value of:

- (i) Current assets
- (ii) Current liabilities
- (iii) Liquid assets
- (iv) Stock

Section - C

2 x 20 = 40

(Long Answer Questions)

Note : Answer any two questions. Each answer should not exceed 500 words. Each question carries 20 marks.

- 10) From the following information prepare the trading and profit and loss account for the year ended 31st March 2013 and the balance sheet as at that date : -

Particulars	Rs.	Particulars	Rs.
Sundry debtors	1,500	Rent, Rates and taxes	800
Stock (opening)	5,000	Salaries	2,000
Land and Building	10,000	Drawings	2,000
Cash in Hand	1,600	Purchases	10,000
Cash at Bank	4,000	Office Expenses	2,500

Particulars	Rs.	Particulars	Rs.
Wages	3,000	Plant and machinery	5,700
Bills Receivables	2,000	Capital	25,000
Interest paid	200	Interest	600
Bad debts	500	Sundry Creditors	7,000
Repairs	300	Sales	17,000
Furniture	1500	Bills payable	4,000
Depreciation	1,000		

On 31st March 2013 the stock was valued at Rs. 10,000.

- 11) Give specimen of a cash flow statement and explain the items therein.
- 12) Write short notes on:
 - (i) Stock turnover ratio
 - (ii) Operating Ratio
 - (iii) Trend analysis
 - (iv) Vertical analysis
- 13) Give the names of main subsidiary books to record credit transactions and also give the brief description of each subsidiary book.
