

B. Voc. (Retail Management)  
Fourth Semester  
GFC-204: Accounting Applications

Time allowed: 3 Hours

Max. Marks: 80

**NOTE:** Attempt five questions in all, including Question No. 1 (Section-A) which is compulsory and selecting two questions from each Section B-C.

x-x-x

**Section-A (4 X 5)**

1. What is going concern concept in accounting?
2. Explain contra entry in cash book.
3. Discuss error of commission in trial balance.
4. Explain acid-test ratio.
5. What do you mean by works cost?
6. Describe the relevance of margin of safety.

**Section-B (2 X 15)**

7. What is accounting. Write a detailed note on financial accounting, cost accounting and management accounting.
8. Prepare Bank Column Cash Book from the following information for December 2016

Date	Details	Amount (Rs.)
2016		
Dec 1	Cash in hand	10,500
	1 Bank Overdraft	9,500
	4 Paid Wages	400
	6 Cash Sales	10,000
	9 Cash deposited into Bank	5,000
	13 Purchased Goods and paid by cheque	6,000
	15 Cash deposited into Bank	4,000
	18 Paid Trade Expenses by cheque	1,200
	22 Rent paid	2,300
	25 Received Cash from Rahul	1,500
	27 Commission paid	2,000
	29 Salary paid	3,500
	31 Bought Goods by Cheque	3,000

9. Is trial balance a conclusive proof of accuracy of accounting records? Express opinion with arguments.
10. Make a detailed explanation of various reason of differences in balance of cash book and pass book.

**Section-C (2 X 15)**

11. Trial Balance of Narayana Rao & Co, on 31.12.2016 is as below. Prepare final accounts.

Account	Debit Rs.	Credit Rs.	Account	Debit Rs.	Credit Rs.
Purchases	100,000		Returns outward		3,000
Wages	6,000		Salaries	12,000	
Rent	2,400		Insurance	800	

Travelling expenses	4,800		Discount	900	
Interest	1,200		Sales		99,900
Returns inward	4,000		Sundry creditors		50,000
Bank	10,000		Capital		110,000
Cash	34,000		Drawings	15,000	
Machinery	14,000		Advertisements	2,400	
Furniture	1,000		Buildings	10,000	
Loan		45,800	Sundry debtors	80,000	
Miscellaneous expenses	200		Stock (1-1-2016)	10,000	

Stock as on 31-12-2016 was Rs. 50,000

12. What is financial statement analysis? Explain various techniques of financial statement analysis.  
 13. Prepare cost sheet from the following particular in the book of B. M. Rehman

Raw material purchased	= Rs. 1, 20,000
Paid freight charges	= Rs 10,000
Wages paid to laborers	= Rs 35,000
Directly chargeable expenses	= Rs 25,000
Factory on cost	= 20% of prime cost
General and administrative expenses	= 4% of factory cost
Selling and distribution expenses	= 5% of production cost
Profit 20% on sales	

	Opening stock	Closing stock
Raw material	15,000	20,000
Work in progress	17,500	24,000
Finished goods	20,000	27,500

14. What is break even analysis? Explain contribution, profit volume ratio and break-even point.

X-X-X