

B.E. Computer Science & Engineering (Model Curriculum) Sem-IV
SE205CS - Finance & Accounting

P. Pages : 3

Time : Three Hours



GUG/W/23/13810 (S)

Max. Marks : 80

- Notes : 1. All questions carry equal marks.
2. Assume suitable data wherever necessary.

1. a) What is cash book? Mr. M starts business with Rs. 20,000 on 1st April 2012. Of this he pays Rs. 15,000 into his bank account. His cash transactions during the week were: **8**

April 1 Purchased stationery for cash Rs. 100

April 2 Purchased goods for cash Rs. 2,500

April 2 Cash Sales Rs. 1,500

April 3 Received from J Brown Cash on account Rs. 1,000

April 4 Paid to J. R Cash Rs. 2,200

April 5 Paid for Advertisement Rs. 400

April 6 Cash Sales Rs. 1,800

April 6 Purchased old machinery Rs. 800

April 6 Purchase from sham on credit Rs. 6,000

- b) What is the Accounting Cycle? How the Accounting Cycle Works? **8**

OR

2. a) What is a Trial Balance? How a Trial Balance Works? **8**

- b) Suresh Oberoi is in the stage of preparing financial statements for the quarter ended March 2019. They have just completed the posting of general entries and recording all of their transactions. **8**

Below are balances reported at the end of the quarter.

You are required to prepare a trial balance.

Particulars	Amount
Equity Shareholders	1,00,000
Reserves	50,000
Payables	25,000
Provision for Bad Debts	2,000
Fixed Assets	75,000
Receivables	25,000
Cash and Bank	10,000
Inventory	20,000
Creditors	3,000
Investments	50,000
Total	3,60,000

3. a) From the following trial balance of John & Co. prepare the Trading and Profit and Loss Account for the year ended 31st December 2019. 8

	\$		\$
Opening Stock	20,000	Sales	56,000
Sales Returns	1,000	Creditors	20,000
Purchases	31,000	Capital	1,00,000
Carriage inwards	20,000	Purchases Return	1,000
Salaries	4,000	Loan	21,000
Investments	20,000	Interest on Investment	2,000
Commission	500		
Wages	2,000		
Customs Duty	4,000		
Building	80,000		
Insurance	1,200		
Discount	300		
Furniture	4,000		
Sundry Debtors	20,000		
Cash	8,000		
	2,00,000		2,00,000

The closing stock was valued at \$32,000.

- b) What is Net Profit? How is Net Profit Calculated? 8

OR

4. From the following trial balance of Farisali Qureshi & Bros. and additional information, Prepare Trading and Profit & Loss account and Balance sheet for the year ended June-30th 2019. 16

Particular	Dr.	Cr.
Capital		1,00,000
Furniture	20,000	
Purchases	1,50,000	
Debtors	2,00,000	
Interest earned		4,000
Salaries	30,000	
Sales		3,21,000
Purchases returns		5,000
Wages	20,000	
Rent	15,000	
Sales return	10,000	
Transportation out	7,000	
Creditors		1,20,000
Provision for bad debts		6,000
Printing and Stationery	8,000	
Insurance expense	12,000	
Opening stock	50,000	
Office expenses	12,000	
Bank overdraft		2,000
Drawing	24,000	
Total	Rs. 5,58,000	Rs. 5,58,000

Additional Information

- 1) Depreciation furniture by 10% by written down method (WDM).
- 2) A provision for doubtful debts is to be created to the extent of 5% on sundry debtors.
- 3) Salaries for the month of June, 2019 amounting to Rs. 3,000 were unpaid which must be provided for. However, salaries included Rs. 2,000 paid in advance. Office expenses outstanding Rs. 8,000.
- 4) Insurance amounting to Rs. 2,000 is prepaid.
- 5) Stock use for private purpose Rs. 6,000 and closing stock Rs. 60,000.

5. a) What are the Components of financial market? 8
- b) What is a Financial Intermediary? How a Financial Intermediary Works? 8

OR

6. a) What are Capital Markets? 8
- b) What are the role of regulators and instruments? 8
7. a) What are the objectives of Capital budgeting? 8
- b) Explain : 8
- i) Payback period ii) ARR-NPV

OR

8. a) What is Internal Rate of Return (IRR)? How to calculate IRR? 8
- b) What is the Time Value of Money (TVM)? 8
9. a) What are Profitability Ratios? Give a example of Profitability Ratios. 8
- b) Explain : 8
- i) Liquidity Ratios ii) Profitability Ratios
- iii) Activity ratios iv) Leverage ratios

OR

10. a) What are the Different Types of Financial Statement Analysis? 8
- b) Explain : 8
- i) Solvency Ratios ii) Turnover Ratios
