



**K-3517**

**First Year B. B. A. (CBCS) Examination**

**September / October – 2012**

**Financial Accounting - II**

*(With Elements of Costing)*

Time : Hours]

[Total Marks : 70

**Instructions :**

(1)

नीचे दर्शायेव निशानीवाणी विगतो उत्तरवडी पर अवश्य कपनी. Fillup strictly the details of signs on your answer book.	Seat No. :
Name of the Examination :	<input type="text"/>
First Year B. B. A. (CBCS)	<input type="text"/>
Name of the Subject :	<input type="text"/>
Financial Accounting - 2 (With Elements of Costing)	<input type="text"/>
Subject Code No. : <input type="text"/> 3 <input type="text"/> 5 <input type="text"/> 1 <input type="text"/> 7	Student's Signature
Section No. (1, 2,.....): Nil	

(2) Right side indicate the full marks of the question.

(3) Show the necessary calculation.

1 Answer as per instruction :

(a) Income tax paid by Mr. Anand accounts to Rs. 3000, 1  
the accounting treatment is

- (i) To be credited to the P&L Account
- (ii) To be ignored altogether
- (iii) To be deducted from capital
- (iv) To be debited to the Trading Account

(b) It is legally compulsory to show assets in order 1  
of liquidity for

- (i) All companies
- (ii) Insurance companies
- (iii) Banking companies

- (c) Classify the following into direct labour and indirect labour : 2  
 Director's fees, Supervisor's salary, Sweeper's salary  
 Wages paid to worker as a wages,  
 Wages paid to carpenter preparing furniture,  
 Wages of maintenance worker
- (d) Classify the following items into long term liabilities and current liabilities. 2  
 Medium term bank loan, public deposits, suppliers, bills payable, mortgage loan, bank overdraft.
- (e) Which method of costing could be employed for the following industries ? 2  
 Oil refinery, Brick works, Construction printing press, Hotels, Road Transport
- (f) Give the proper cost units of the following industries 2  
 Paper mill, Railway, Electricity Company, Chemical industry

- 2 From the following trial balance and information prepare trading account, profit and loss account of Mr. Jay Soni for the year ended 31<sup>st</sup> March, 2012 and a balance sheet as on that date : 15

<i>Debit Balance</i>	<i>Amount Rs.</i>	<i>Credit Balance</i>	<i>Amount Rs.</i>
Drawings	12,000	Capital	1,00,000
Land and Building	90,000	Sales	1,40,000
Plant and Machinery	20,000	Return outward	4,000
Furniture	5,000	Loan from Prasant	
Debtors	18,400	on 1.7.2011 @ 6% p.a.	30,000
Purchases	80,000	Provision for	
Return inward	5,000	doubtful debts	1,000
Carriage	10,000	Provision for discount	
Sundry expenses	600	on debtors	380
Printing Stationary	500	Profit of Textile Dept.	10,000
Insurance	1,000	Creditors	12,000
Bad debts	400		
Stock on goods (1.4.11)	21,300		
Salaries and wages	18,500		
Trade expenses	800		
Stock of Textile goods on 31.3.12	8,000		
Cash at bank	4,600		
Cash in hand	1,280		
	<b>2,97,380</b>		<b>2,97,380</b>

***Additional Information :***

- (a) Stock of goods on 31.3.2012 valued at Rs. 27,300.
- (b) Fire occurred on 23<sup>rd</sup> March, 2012 and Rs. 10,000 worth of general goods were destroyed. The insurance company accepted claim for Rs. 6,000 only and paid the claim money on 10<sup>th</sup> April, 2012.
- (c) Bad debts amounting to Rs. 400 are to be written off provision for bad and doubtful debts is to be made at 5% and for discount at 2% on debtors. Make a provision of 2% on creditors for discount.
- (d) Received Rs. 6,000 worth of goods on 27<sup>th</sup> March, 2012 but the invoice of purchase was not recorded in purchases book.
- (e) Jay Soni took away goods worth Rs. 2,000 for personal use but no record was made thereof.
- (f) Charge depreciation at 2% on land and building, 20% on plant and machinery, and 5% on furniture.
- (g) Insurance prepaid amounts to Rs. 200.

**3** From the following balances of Ankit Bros. as on **15**  
31.3.12, prepare their vertical balance sheet :

	Rs.		Rs.
Capital :		Capital Reserve	1,000
Daya	18,500	General Reserve	1,400
Jetha	12,500	Workmen's	
Patents	4,000	Compensation fund	2,500
Stock	13,500	Workmen's profit	
Land	10,000	sharing fund	4,500
Suppliers	13,600	Establishment expenses	2,000
Building	20,000	10% Govt. loan	12,000
Machinery	15,000	Loan from ICICI	30,000
Debtors	18,000	Bills receivable	7,000
Cash Balance	1,400	Bills payable	9,700

Furniture	5,000	10% debenture of	
Prepaid insurance	400	TISCO Ltd.	
Rent received in advance	1,400	(Redemption date 31.3.18)	6,000
O/S Salary	1,200	Loan from Rohit	
P & L A/c (Cr.)	9,000	(payable after 3 years)	7,500
N.S.C.	11,000	Bad debts reserve	1,800
Daya's current Account (Dr.)	4,500	Bank Balance	3,900
		Motor cycle	8,000
		Depreciation fund on plant	8,600
		O/s interest on debentures of TISCO Ltd.	600
		Jetha's current Account (Cr.)	6,500

**OR**

**3** From the following Balance sheet of TISCO Ltd. find out **15**

- (i) Capital employed
- (ii) Net working capital
- (iii) fictitious assets
- (iv) fixed assets
- (v) Intangible assets.

Equity share capital .....	Rs. 5,00,000
Temporary investments.....	Rs. 80,000
Discount on debentures .....	Rs. 12,500
12% debenture .....	Rs. 2,50,000
Creditors .....	Rs. 90,000
Stock .....	Rs. 20,000
Cash .....	Rs. 30,000
Underwriting Commission.....	Rs. 15,000
Calls in arrears .....	Rs. 25,000
Securities forfeiture account.....	Rs. 5,000
Plant.....	Rs. 4,00,000
Custom deposit.....	35,000
Provision for taxation (current).....	30,000

Debts of subsidiary company .....	Rs. 20,000
Share premium .....	Rs. 50,000
Provision for taxation (future) .....	Rs. 25,000
Goodwill .....	Rs. 50,000
Patents .....	Rs. 20,000
Trademarks .....	Rs. 10,000
Copyrights .....	Rs. 15,000
Debtors .....	Rs. 80,000
Bank Loan .....	Rs. 25,000
Bad debts reserve .....	Rs. 5,000
Bills receivable .....	Rs. 5,000
Workmen profit sharing fund .....	Rs. 10,000
P&L Account .....	Rs. 35,500
Workmen compensation fund .....	Rs. 20,000
Uncalled dividend .....	Rs. 15,000
Loan from HDFC .....	Rs. 2,00,000
Public deposits .....	Rs. 20,000
Gratuity .....	Rs. 25,000
Debenture redemption fund .....	Rs. 50,000
Prepaid insurance .....	Rs. 2,500
Advertisement suspense Account .....	Rs. 25,000
O/s expenses .....	Rs. 5,000
Land and building .....	Rs. 3,00,000
Interest accrued but not received .....	Rs. 4,000
Dividend equalization fund .....	Rs. 25,000
Workmen saving fund .....	Rs. 25,000
Pension fund .....	Rs. 35,000

Public deposits and Bank Loans are for the period of more than 12 months.

4 From the following information of Priyanka

15

Manufacturing Company for the year ended 31<sup>st</sup> March 2012

prepare a cost sheet showing :

- (i) Raw materials consumed
- (ii) Prime cost
- (iii) Factory cost
- (iv) Cost of production
- (v) Cost of goods sold
- (vi) Profit or Loss.

<i>Particulars</i>	<i>Rs.</i>	<i>Rs.</i>
<b><i>Stock as on 1.4.2011 :</i></b>		
Raw Material	70,000	
Work-in-progress	80,000	
Finished goods	90,000	2,40,000
Carriage inward		5,000
Raw material purchased		3,70,000
Productive wages		1,50,000
Repairs of machinery		19,000
Maintenance of delivery van		10,000
<b><i>Rent, rates and insurance :</i></b>		
- Factory	17,000	
- Office	8,000	
- Selling and warehouse	15,000	40,000
<b><i>Depreciation :</i></b>		
- Machinery	13,000	
- Office furniture	6,000	
- Delivery van	5,000	24,000
Sale of finished goods		8,00,000
Travelling expenses of Salesmen		4,000
Manager's salary (3/4 <sup>th</sup> factory; 1/4 <sup>th</sup> office)		20,000
<b><i>Other expenses :</i></b>		
- Factory	20,000	
- Office	20,000	
- Selling	10,000	
- Warehouse	6,000	56,000

<b>Stock as on 31.3.12 :</b>		
- Raw Material	45,000	
- Work in Progress	75,000	
- Finished goods	80,000	2,00,000
(work in progress is valued at prime cost)		

**OR**

- 4 Attempt the following questions :
- (i) Give the meaning of cost accounting and explain its advantages and limitations. **10**
- (ii) Explain classification of cost as per elements of cost. **5**
- 5 Answer the following questions : (any **three**) **15**
- (i) Explain the advantages of using Telly Software in Accountancy
- (ii) Give the overview of preparing final accounts using Telly package.
- (iii) What is computerized accounting ? Explain.
- (iv) Explain the functions of various function keys.
- (v) Write on similarities and differences of financial and cost accounting.
- (vi) Write on how to do company creation in Telly.