



UA-3517

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

March/April – 2012

Financial Accounting - II

(With Elements of Costing)

Time : Hours]

[Total Marks : 70

Instructions :

(1)

नीचे दर्शायेव निशानीवाणी विगतो उत्तरवडी पर अवश्य कपवी. 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 questions.

(3) Show the necessary calculation.

1 Answer as per instruction :

(a) Balance sheet is not an \_\_\_\_\_ but is a \_\_\_\_\_. 1

(b) When land and building is shown first in B/S it is said to be prepared 1

(i) in order of permanency

(ii) in order of liquidity

(iii) in order of semi-permanency

(c) Classify the following liabilities into owner's capital, long term liabilities and current liabilities. 2

Partner's capital, Reserve fund, creditors bills payable, Bank loan, provision for taxation workmen compensation fund. B.O.D.

- (d) Give the proper methods of costing of the following industries : 2  
 Textile industry, Chemical Industry, Passenger Bus, Ship-Building industries, Flour mill, Radio
- (e) If owners equity of a business is Rs. 70,000 liabilities are of Rs. 40,000. Calculate total equity of the business. 2
- (f) State which cost unit will be used in the following industries : 2  
 Brick making industry, Chemical industry, Textile industry, Hotel, Electricity Industry, Mining Industry.
- 2** The following in the trial balance of Shri Arihant as on 31<sup>st</sup> Dec. 2012. **15**

Particulars	Debit Rs.	Credit Rs.
Capital.....	--	14,00,000
Drawings.....	75,000	---
Opening stock.....	80,000	--
Purchases.....	16,20,000	---
Freight on purchases.....	15,000	---
Wages.....	1,10,000	--
Sales.....	--	25,00,000
Salaries.....	1,00,000	--
Travelling expenses.....	23,000	---
Miscellaneous expenses.....	35,000	---
Printing and Stationary.....	27,000	---
Advertisement expenses.....	25,000	---
Postage and Telegrams.....	13,000	---
Discount.....	7,600	14,500

Bad debts written off (after adjusting recovery of bad debts of Rs. 6,000 written off in 2010) .....	14,000	----
Building .....	10,00,000	----
Machinery .....	75,000	----
Furniture .....	40,000	----
Debtors.....	1,50,000	----
Provision for doubtful debts .....	--	19,000
Creditors.....	--	16,00,000
Investments (12% purchased on 1st October 2012) .....	6,00,000	----
Bank Balance .....	83,900	-----
	<b>40,93,500</b>	<b>40,93,500</b>

**Adjustments :**

- (a) Closing stock Rs. 2,25,000
- (b) Goods worth Rs. 5,000 were taken for personal use, but no entry was made in the books.
- (c) Machinery worth Rs. 35,000 purchased on 1<sup>st</sup> January 2010 was wrongly written off against profit and loss account. This asset is to be brought into account on 1<sup>st</sup> January 2012 taking depreciation at 10% per annum on straight line basis upto 31<sup>st</sup> December 2011.
- (d) Depreciate building at 2-1/2% p.a. Machinery at 10% p.a. and furniture at 10% p.a.
- (e) Provision for doubtful debts should be 6% on debtors.
- (f) The manager is entitled to a commission of 5% of net profit after charging his commission.

Prepare Trading, P&L Account for the year ending 31st December 2012 and a balance sheet as at that date.

- 3 From the following information of a firm, construct a vertical Balance Sheet as on 31.3.12. 15

Cash balance	6,600	Unpaid expenses	33,000
Bank Balance	39,300	Bank Loan	84,000
Bills Receivable	3,600	Unsecured Loan	36,000
Profit and Loss A/c.	50,076	Public deposit	63,000
Depreciation Fund	23,451	Equipments	1,50,000
I.D.B.I. Loan	1,50,000	Land	2,85,000
O/s interest on loan	7,500	Building	4,05,000
Bad debts Reserve	10,500	Machineries	2,49,000
Creditors	1,05,000	Loose tools	36,000
Provident Fund	66,000	Bank Overdraft	3,000
General Reserve	2,25,000	Furniture	66,000
Capital Reserve	1,50,000	Closing stock	1,95,600
Workmen Compensation Fund	45,000	Investments	4,35,000
Advertisement suspense account	18,000		
<b>Capital Accounts :</b>			
Atul	4,50,000		
Babul	4,50,000		
Provisions for taxation	12,573	Debtors	1,05,000

OR

- 3 From the following balances of Prasant Limited, calculate : 15
- Shareholder's fund
  - Capital employed
  - Net working capital
  - Fixed assets
  - Fictitious assets

Particulars	Amount Rs.	Particulars	Amount Rs.
Equity share capital	2,00,000	Investments	55,000
Discount on debentures	5,000	12% debentures	3,00,000
Underwriting Commission	10,000	Creditors	85,000
Calls in arrears	5,000	Stock	1,50,000
Cash balance	42,000	Securities Premium	15,000
Liability to subsidiary Co.	25,000	Provision for taxation	60,000
Machineries	3,85,000	Patent	58,000
Dividend Equalization Fund	20,000	Capital Reserve	5,000
12% preference share capital	1,00,000	Debtors	95,000
Loan of Industrial Development Bank	1,50,000	Goodwill	60,000
General Reserve	45,000	Bills Payable	40,000
Debenture Redemption fund	65,000	O/s salary	5,000
Loose Tools	10,000	Land and Building	2,50,000
Provident fund	50,000	Bills Receivable	35,000
		Furniture	50,000
		Depreciation fund	45,000

Out of the investment, investments of Rs. 5,000 are for short term.

- 4 From the following information extracted from the records 15 of a factory, prepare the cost sheet showing total profit and profit per unit.

Particulars	Amount Rs.
<b>Opening Stock :</b>	
Raw Materials .....	5,000
Work-in-progress .....	3,000
Finished goods .....	10,000

**Closing Stock :**

Raw Material .....	4,000
Work-in-progress .....	2,000
Finished goods.....	5,000
Salaries (including Sales Manager's Salary Rs. 5,000 and Factory Engineer's Salary Rs. 4,000) .....	19,000
Expenses of industrial fair .....	1,000
Electricity (including office Rs. 1,000) .....	5,500
Finished goods warehouse expenses .....	2,000
Sales promotion expenses .....	1,000
Direct wages .....	15,000
Research expenses .....	500
Debenture interest.....	3,000
Sales of raw material waste.....	1,000
Sales of factory waste.....	1,000
Purchase of raw materials .....	45,000
Bad-debt.....	500
Price list printing expenses.....	500
Sales .....	1,04,500

Units produced were 9,500 units. It is assumed that work-in-progress is valued on the basis of prime cost.

**OR**

- 4 Attempt the following questions :
- (a) "A system of cost accounting is expensive and hence unnecessary." Do you agree with this statement ? 11  
Discuss.
- (b) Write meaning of : 4  
Cost centre  
Cost unit

**5** Write on : (any **three**)

**15**

- (i) Overview of Telly Package
  - (ii) Company creation in Telly
  - (iii) Advantages of using Telly software
  - (iv) Computerized accounting - Meaning
  - (v) Uses of functional keys
  - (vi) Methods of costing.
-