

Enrollment No.....



Faculty of Engineering  
End Sem Examination May-2024  
OE00086 Financial & Cost Accounting

Programme: B.Tech.

Branch/Specialisation: All

**Duration: 3 Hrs.****Maximum Marks: 60**

Note: All questions are compulsory. Internal choices, if any, are indicated. Answers of Q.1 (MCQs) should be written in full instead of only a, b, c or d. Assume suitable data if necessary. Notations and symbols have their usual meaning.

- Q.1 i. The matching concept matches which of the following- **1**  
 (a) Asset with liabilities  
 (b) Capital with income  
 (c) Revenues with expenses  
 (d) Expenses with capital
- ii. The assets that can be easily converted into cash within a short **1**  
 period, i.e., 1 year or less are known as-  
 (a) Current assets (b) Fixed assets  
 (c) Intangible assets (d) Investments
- iii. Which of the following is the correct sequence of the accounting **1**  
 cycle?  
 (a) Journal > Trial balance > Ledger > Transaction Analysis  
 (b) Transaction Analysis > Journal > Ledger > Trial Balance  
 (c) Purchases > Journal > Ledger > Trial Balance  
 (d) None of these
- iv. Ledger is a principal book that contains- **1**  
 (a) Real accounts only  
 (b) Personal accounts only  
 (c) All accounts  
 (d) Nominal accounts only
- v. The term cash includes - **1**  
 (a) Cash and bank balances  
 (b) All the current assets  
 (c) All the current liabilities  
 (d) None of these

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- vi. Cash from operations is equal to – **1**  
 (a) Net profit plus increase in outstanding expenses  
 (b) Net Profit plus increase in debtors  
 (c) Net Profit plus increase in stock  
 (d) None of these
- vii. Basic objective of cost accounting is- **1**  
 (a) Tax compliance (b) Financial Audit  
 (c) Cost Ascertainment (d) Profit Analysis
- viii. Fixed cost is a cost: **1**  
 (a) Which changes in total in proportion to changes in output  
 (b) Which is partly fixed and partly variable in relation to output  
 (c) Which do not change in total during a given period despite changes in output  
 (d) Which remains same for each unit of output
- ix. Who can sign audit report? **1**  
 (a) Where a firm is appointed as auditors, only a partner in the firm practicing in India  
 (b) The person appointed as auditor of the company  
 (c) Manager of auditors firm  
 (d) Both (a) and (c)
- x. Who appoints the auditors of a company? **1**  
 (a) Shareholders (b) Central Government  
 (c) Registrar of companies (d) Board of directors
- Q.2 i. What do you mean by book keeping? **3**  
 ii. Explain the principle of double entry system with example. **7**
- OR iii. Explain meaning and significance of conventions in accounting. **7**
- Q.3 i. Explain briefly compensating errors. **3**  
 ii. What do you mean by ledger posting? Explain its importance in accounting. **7**
- OR iii. What do you mean by financial statements? Explain different forms of financial statements. **7**
- Q.4 i. What is a fund flow statement? **3**  
 ii. Outline the importance of cash flow statement in managing cash flows of a business organisation. **7**

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- OR iii. Distinguish between fund flow statement and cash flow statement. **7**
- Q.5 i. What do you understand by cost accounting? Explain different elements of cost. **4**  
 ii. Briefly explain the following terms with an example- **6**  
 (a) Job costing  
 (b) Process costing  
 (c) Marginal costing
- OR iii. Write a short note on ABC analysis technique of inventory management. **6**
- Q.6 Attempt any two:  
 i. What are the statutory requirements of audit? **5**  
 ii. Distinguish between statutory reports and audit reports. **5**  
 iii. Write short note on essentials of audit report. **5**

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# Marking Scheme

OE00086 (T) Financial Management and Cost Accounting

iii. As per the Explanation

5

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Q.1	i)	C	1
	ii)	A	1
	iii)	B	1
	iv)	C	1
	v)	A	1
	vi)	A	1
	vii)	C	1
	viii)	C	1
	ix)	A & B	1
	x)	D	1
Q.2	i.	As per the Explanation	3
	ii.	Meaning of principle of Double Entry system – 4 mark Example – 3 Marks	7
OR	iii.	As per the Explanation	7
Q.3	i.	As per the Explanation	3
	ii.	Meaning – 2 Marks Importance – 5 Marks	7
OR	iii.	Meaning – 2 Marks Forms of financial statements – 5 Marks	7
Q.4	i.	As per the Explanation	3
	ii.	As per the Explanation	7
OR	iii.	As per the Explanation	7
Q.5	i.	Meaning – 2 Marks Elements of Cost – 2 Marks	4
	ii.	As per the Explanation (2*3) with example	6
OR	iii.	As per the Explanation	6
Q.6		Attempt Any two	
	i.	As per the Explanation	5
	ii.	As per the Explanation	5