

Total No. of Questions: 6

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Enrollment No.....



Faculty of Engineering
End Sem (Even) Examination May-2022
CB3CO15 Financial & Cost Accounting
Programme: B.Tech. Branch/Specialisation: CSBS

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.

- Q.1 i. The father of bookkeeping is: 1
(a) Carter (b) Spicer and Pegler
(c) Lucas Pacioli (d) None of these
- ii. The language of accounting is a: 1
(a) Money (b) Transaction
(c) Business (d) None of these
- iii. The basic unit of book-keeping is: 1
(a) Journal entry (b) Totalling
(c) Balancing (d) None of these
- iv. What is followed while preparing the financial statements? 1
(a) Accounting conventions (b) Accounting principles
(c) Accounting concepts (d) All of these
- v. Fund flow statement is based on the concept of... 1
(a) Business entity (b) Accounting period
(c) Going concern (d) All of these
- vi. Funds means... 1
(a) Money
(b) Cash
(c) Machinery
(d) Any form of financial resources
- vii. Cost accounting differs from financial accounting in respect of- 1
(a) Ascertain cost (b) Recording of cost
(c) Reporting of cost (d) Control of cost

P.T.O.

[2]

- viii. Process costing is- **1**
 (a) Provides a method of measuring incomplete work in progress.
 (b) Method of valuation of closing stock.
 (c) Method of valuation of opening stock.
 (d) None of these.
- ix.is a systematic examination of the books and records of a business. **1**
 (a) Auditing (b) Vouching
 (c) Verification (d) Checking
- x. Audit report is meant for the: **1**
 (a) Shareholders (b) Creditors
 (c) Employees (d) Students
- Q.2 i. Give the definition of financial accounting. **2**
 ii. What do you mean by accounting concepts and conventions? **8**
 OR iii. Describe scope, objectives and limitations of financial accounting in detail. **8**
- Q.3 i. Give reasons why subsidiary books are prepared. **2**
 ii. Pass the necessary Journal Entries: **8**
 (a) Received an order for Rs. 100000 from Ashok for the supply of goods and received a Bank Draft for Rs. 50000 as an advance against the order which was immediately deposited into the Bank.
 (b) Ordered goods dispatched to Ashok.
 (c) Ashok returned 1/5 goods being defective.
 (d) Ashok cleared the account and received a 1% cash discount on total sales.
 (e) Loan of Rs. 50000 taken from Ram ji @ 12% per annum and paid commission Rs.500.
- OR iii. Write short note on: **8**
 (a) Rectification of errors (b) Cash book
 (c) Subsidiary books (d) Accounting standards

[3]

- Q.4 i. State why cash flow statement is not a substitute for income statement? **2**
 ii. Differentiate between cash flow statement and fund flow statement. **8**
 OR iii. Provide the complete format of the fund flow statement. **8**
- Q.5 i. What do you mean by cost reduction? **4**
 ii. What do you mean by budget & budgetary control? Explain cash budget. **6**
 OR iii. In a factory 500 units were manufactured in June 2021 from the following figures prepare cost sheet showing cost per unit- **6**
- | | |
|-----------------------|-----------|
| Raw material consumed | Rs. 50000 |
| Office Overhead | Rs. 12000 |
| Direct Wages | Rs. 40000 |
| Selling Overhead | Rs. 8000 |
| Factory Overhead | Rs. 20000 |
| Direct Expenses | Rs. 10000 |
- Q.6 Attempt any two: **5**
 i. Define Audit report and features. **5**
 ii. Explain Directors report. **5**
 iii. Describe notes to accounts giving examples. **5**

Marking Scheme
CB3CO15 Financial & Cost Accounting

Q.1	i.	The father of bookkeeping is:		1
		(c) Lucas Pacioli		
	ii.	The language of accounting is a:		1
		(c) Business		
	iii.	The basic unit of book-keeping is:		1
		(a) Journal entry		
	iv.	What is followed while preparing the financial statements?		1
		(d) All of these		
	v.	Fund flow statement is based on the concept of...		1
		(c) Going concern		
	vi.	Funds means...		1
		(d) Any form of financial resources		
	vii.	Cost accounting differs from financial accounting in respect of-		1
		(d) Control of cost		
	viii.	Process costing is-		1
		(a) Provides a method of measuring incomplete work in progress.		
	ix.is a systematic examination of the books and records of a business.		1
		(a) Auditing		
	x.	Audit report is meant for the:		1
		(a) Shareholders		
Q.2	i.	Definition of financial accounting	2 marks	2
	ii.	Accounting concepts	4 marks	8
		Conventions	4 marks	
OR	iii.	Scope of financial accounting	2 marks	8
		Objectives	2 marks	
		Limitations (1 mark * 4)	4 marks	
Q.3	i.	Reasons for subsidiary books preparation	2 marks	2
	ii.	As per Journal Entries	8 marks	8
OR	iii.	Short note on (2 mark * 4)	8 marks	8

Q.4	i.	Cash flow statement	2 marks	2
	ii.	Any four differences (2 marks * 4)	8 marks	8
OR	iii.	Complete format of the fund flow statement		8
		As per explanation	8 marks	
Q.5	i.	Cost reduction	4 marks	4
	ii.	As per explanation	6 marks	6
OR	iii.	As per Solution	6 marks	6
Q.6		Attempt any two:		
	i.	Definition of Audit report	1 mark	5
		Any four features (1 marks * 4)	4 marks	
	ii.	Directors report	2 marks	5
		Give Specimens	3 marks	
	iii.	Notes to accounts	3 marks	5
		Examples	2 marks	
