

[4]

OR iii. Describe standard costing. Explain its objectives and advantages in detail. 8

Q.6 Attempt any two:  
 i. Define Management control and its characteristics. 5  
 ii. What do you mean by Transfer pricing? Discuss its objectives. 5  
 iii. Write short note on – 5  
 (a) Responsibility centres (b) Investment centres

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Total No. of Questions: 6

Total No. of Printed Pages:4

Enrollment No.....



Faculty of Engineering  
 End Sem (Even) Examination May-2022  
 CA5HS02 Accounting & Financial Management  
 Programme: MCA Branch/Specialisation: Computer Application  
**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 basic of bookkeeping is: 1  
 (a) Journal entry (b) Totalling (c) Balancing (d) None of these
- iii. Prepaid expenses are shown in Balance Sheet: 1  
 (a) Liability side (b) Assets side  
 (c) Assets or liability side (d) None of these
- iv. Drawings is deducted from: 1  
 (a) Sales (b) Purchase (c) Capital (d) Return inward
- v. What does FIFO mean: 1  
 (a) Finished stock in and finished stock out  
 (b) Final input final output  
 (c) First in first out  
 (d) None of these
- vi. Which statement is prepared in process of fund flow analysis? 1  
 (a) Schedule of changes in working capital  
 (b) Fund flow statement  
 (c) Both (a) & (b)  
 (d) None of these
- vii. The difference between actual cost and standard cost is known as: 1  
 (a) Profit (b) Loss (c) Standard cost (d) Variance
- viii. Cost control is also known as: 1  
 (a) Cost management (b) Cost containment  
 (c) Both (a) and (b) (d) None of these

P.T.O.

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- ix. Center which is otherwise known as strategic business unit: **1**  
 (a) Cost center (b) Profit center  
 (c) Investment center (d) Responsibility center
- x. Investment center has control over: **1**  
 (a) Cost (b) Revenue (c) Profit (d) All of these
- Q.2 i. Give the definition of Financial Accounting. **2**  
 ii. Explain accounting concept and conventions. **8**
- OR iii. Pass the journal entries for the following data: **8**  
 (a) Nitin invested Rs. 5,000 cash in business.  
 (b) Purchased building for Rs. 2,50,000 in cash.  
 (c) Purchased goods on account for Rs. 50,000.  
 (d) Sold goods for cash Rs. 50,000.  
 (e) Nitin withdrew cash Rs. 12,500 for personal use.  
 (f) Paid rent Rs.2,000.  
 (g) Paid salary Rs.4,000  
 (h) Cash deposited in bank Rs. 20,000.
- Q.3 i. What is financial statement? Explain it. **2**  
 ii. Explain the following with example- **8**  
 (a) Outstanding expenses (b) Prepaid expenses  
 (c) Accrued Income (d) Depreciation
- OR iii. Following is the Trial balance of Ramchandra on 31<sup>st</sup> March 2021– **8**

Trial balance		
Particulars	Dr.	Cr.
Capital		Rs.1,50,000
Stock 1 <sup>st</sup> April 2021	Rs.30,000	
Cash at bank	Rs.10,000	
Cash in hand	Rs.5,000	
Machinery	Rs.1,00,000	
Furniture	Rs.13,000	
Purchase	Rs.2,00,000	
Wages	Rs.50,000	
Carriage inwards	Rs.33,000	
Salaries	Rs.70,000	
Discount allowed	Rs. 4,000	

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Particulars	Dr.	Cr.
Discount received		Rs. 5,000
Advertisement	Rs. 50,000	
Office exp.	Rs. 40,000	
Sales		Rs. 5,00,000
Sundry debtors	Rs. 90,000	
Sundry creditors		Rs.40,000
	<b>Rs.6,95,000</b>	<b>Rs.6,95,000</b>

Value of closing stock as on 31<sup>st</sup> March 2021 was Rs.50,000.  
 Prepare Trading & P&L Account followed by Balance Sheet for the year end 31<sup>st</sup> March 2021.

- Q.4 i. Describe fund flow statement. **2**  
 ii. From the following information: **8**  
 Total sales Rs. 3,60,000  
 Selling price per unit Rs. 100  
 Variable cost per unit Rs. 50  
 Fixed cost Rs. 1,00,000  
 Calculate- P.V ratio, breakeven point, margin of safety & contribution.
- OR iii. What is FIFO and LIFO? Explain with its characteristics. **8**
- Q.5 i. Explain two differences between budgetary control and standard costing. **2**  
 ii. Prepare cash budget for the period from Jan. to April- **8**

Expected sales	Expected purchase
Jan. 60,000	Rs. 48,000
Feb. 40,000	Rs. 80,000
Mar. 45,000	Rs. 81,000
April 40,000	Rs. 90,000

The wages to be paid to workers amount to Rs. 5,000 each month.  
 Also, the bank balance on 1<sup>st</sup> Jan. was Rs. 8,000. The management decided on the following:

- (a) If the deficit fund is within the limit of Rs. 10,000 it is possible to make arrangements with the bank.  
 (b) If the deficit fund exceeds Rs.10,000 but is within the limit of Rs. 42,000 the issue of debentures is preferred.  
 (c) If the deficit fund exceeds Rs. 42,000 the issue of shares is preferred.

P.T.O.

## Marking Scheme CA5HS02 Accounting & Financial Management

Q.1	i. The father of bookkeeping is:		<b>1</b>
	(c) Lucas Pacioli	1 Mark	
	ii. The basic of bookkeeping is:		<b>1</b>
	(a) Journal entry	1 Mark	
	iii. Prepaid expenses are shown in Balance Sheet:		<b>1</b>
	(b) Assets side	1 Mark	
	iv. Drawings is deducted from:		<b>1</b>
	(c) Capital	1 Mark	
	v. What does FIFO mean:		<b>1</b>
	(c) First in first out	1 Mark	
	vi. Which statement is prepared in process of fund flow analysis?		<b>1</b>
	(a) Schedule of changes in working capital	1 Mark	
	vii The difference between actual cost and standard cost is known as:		<b>1</b>
	(d) Variance	1 Mark	
	vii Cost control is also known as:		<b>1</b>
	(c) Both (a) and (b)	1 Mark	
	ix. Center which is otherwise known as strategic business unit:		<b>1</b>
	(b) Profit center	1 Mark	
	x. Investment center has control over:		<b>1</b>
	(d) All of these	1 Mark	
Q.2	i. Definition of Financial Accounting.	2 Marks	<b>2</b>
	ii. Concept	4 Marks	<b>8</b>
OR	Conventions.	4 Marks	
	iii. Every entry	1 Mark each (1 Mark*8)	<b>8</b>
Q.3	i. Meaning of financial statement	2 Marks	<b>2</b>
	ii. (a) Outstanding expenses	2 Marks	<b>8</b>
OR	(b) Prepaid expenses	2 Marks	
	(c) Accrued Income	2 Marks	
	(d) Depreciation	2 Marks	
	iii. Trading account	2 Marks	<b>8</b>
	P and I account	3 Marks	
	Balance sheet	3 Marks	

Q.4	i. Fund flow meaning	2 Marks	<b>2</b>
	ii. P.V ratio, breakeven point, margin of safety & contribution.	8	
OR	Every heading	2Marks each (2 Marks*4)	
	iii. FIFO	4 Marks	<b>8</b>
	LIFO	4 Marks	
Q.5	i. Differences	1 Mark each (1 Mark*2)	<b>2</b>
	ii. Step wise marking	8 Marks	<b>8</b>
OR	iii. Standard costing	2 Mark	<b>8</b>
	Objectives	3 Marks	
	Advantages	3 Marks	
Q.6	Attempt any two:		
	i. Definition	2 Marks	<b>5</b>
	Characteristics	3 Marks	
	ii. Meaning	1 Mark	<b>5</b>
	Objectives	4 Marks	
	iii. Write short note on –		<b>5</b>
	(a) Responsibility centres	2.5 Marks	
	(b) Investment centres	2.5 Marks	