

Paper : V Accounting & Financial Management

(Compulsory Questions)

1. Short answer type questions :
 - (i) Define Management Accounting.
 - (ii) What is Accounting Equation ?
 - (iii) Explain Nominal Account.
 - (iv) What is computerised accounting system ?
 - (v) What is Compensatory Error ?
 - (vi) What is ABC system of Store Control ? 3 × 6 = 18

UNIT-I

2. "Accounting is the language of Business". Comment and discuss the meaning and objectives of accounting. 18

3. Prepare a Cash Book with Cash and Bank Columns from the following transactions of October, 2008 :

	Rs.
Oct. 1 Cash Balance	18,400
Bank Balance (Overdraft)	16,000
Oct. 4 Cheque received from Khurana	32,000
Oct. 9 Khurana's cheque deposited in Bank	32,000
Oct. 12 Cheque issued to Mohan	20,000
Oct. 13 Khurana's cheque dishonoured	32,000
Oct. 19 Withdrew from Bank for Office use	8,000
Oct. 21 Purchased goods for cash	20,000
Oct. 23 Paid Telephone Bill	2,000
Oct. 24 Sold goods for Cash	14,000
Oct. 26 Withdrew from Bank for domestic use	8,000
Oct. 28 Bank charges	8,000
Oct. 29 Cheque received from Ranjana deposited in to Bank	40,000
Oct. 30 Cash deposited into Bank	4,000

UNIT-II

4. A company purchased on 1st January 2007, a machinery for Rs. 50,000. On 1st April, 2008, it purchased additional machinery costing Rs. 15,000. On 1st July 2009, the machinery purchased on 1st January 2007 was sold off for Rs. 27,000. Depreciation is provided at 10% per annum on original cost. Accounts are closed on 31st Dec. each year. Show the machinery account for 3 years. 18
5. What do you understand by the term 'Cost' ? Explain in brief the different elements of cost. 18

UNIT-III

6. What are the functions of Payroll department ? What are the precautions which should be kept in mind while making the wage payment ? 18
7. Explain the process of computerisation of Payroll. 18

UNIT-IV

8. Explain in detail the nature and functioning of computerised accounting system. 18
9. Explain the different inventory systems. How computers can be useful in managing an inventory system ? Explain. 18