

ACCOUNTING & FINANCIAL MANAGEMENT

Time : Three Hours

Maximum Marks : 100

Note : Attempt *five* questions are to be attempted. Select *one* question from each section. All questions carry equal marks.

UNIT-I

1. Explain the following accounting concepts and conventions:
 - (a) Matching concept
 - (b) Business entity concept
 - (c) Money measurement concept
 - (d) Convention of conservation
 - (e) Convention of materiality. 5×4=20
2. What is the purpose of preparing a Trial balance ? Prepare a trial balance with the help of imaginary figures. 2
3. From the following, prepare Trading and Profit and Loss A/c and Balance Sheet for the year ended on 30th September, 2012 :

Particulars	Dr. Amt. Rs.	Cr. Amt. R
Debtors 32,000		
Stock (1st October, 2011)	22,000	
Cash in hand 35		
Cash at bank 1,545		
Plant and machinery	17,500	
Creditors	10,650	
Commission	5,200	
Trade expenses	1,075	
Sales 1,40,000		
Sales return 5,500		
Salaries 2,225		
Carriage outward	2,225	
Rent 2,100		
Insurance premium	4,000	
Bills payable	7,500	
Purchases 1,20,000	1,130	
Purchase return discount	1,100	
Business premises	34,500	
Capital : Ram	53,000	
Capital : Shyam		26,5
<u>2,43,980</u>	<u>2,43,980</u>	

Adjustments:

Stock on 30th September, 2012 is Rs. 12,450, Rent unpaid Rs. 85 and Rs. 150 were outstanding for trade expenses. Write off Rs. 400 as Bad debt on debtors and provide 50% for doubtful debtors. Provide 2% discount on debtors. Depreciation on plant and machinery @10% and business premises @2%. Ram and Shyam share profits and losses in the ratio of 2/3 and 1/3 respectively.

20

UNIT-II

4. Define financial management. Discuss the goals of financial management. 20
5. Gross profit on sales is 20% and the value of gross profit Rs. 60,000. Stock turnover ratio is 6 times and opening stock is Rs. 8,000 less than the closing stock. Opening sundry creditors are Rs. 40,000 and closing sundry creditors are Rs. 50,000. Find out:
 - (a) Net purchases
 - (b) Creditors turnover ratio. 20

UNIT-III

5. Describe the basic principles of Costing. Also explain various elements of cost in detail. 20
7. From the following information regarding a standard product, calculate labour variances:
Labour rate 50 Paise per hour
Hours per unit 10 hours
Units produced 500
Hours worked 6,000
Actual labour cost 2,400 20
- Explain the importance of Marginal costing. Discuss various applications of marginal costing. 20

UNIT-III

- Discuss the designing and implementation related issues regarding computerised inventory system. 20
9. What do you understand by computerised Accounting system? Discuss its scope and advantages. 20