



Sanjay Ghodawat University, Kolhapur

2018-19

Established as State Private University under Govt. of Maharashtra. Act No XL, 2017

Year and Program:- **School of Commerce and Management** Department:- **Management**

FY BBA

Course Code: **MBC103**
(OLD)

Course Title:- **Financial &
Management Accounting (OLD)**

Semester – **Odd (I)**

Day and Date **Friday**

Back End Semester Examination

Time: **3 hrs, Max Marks: 100**

31/05/2019

2.30 to 5.30 pm.

Instructions:

- 1) All Questions are compulsory.
- 2) Use of simple calculator is allowed.
- 3) Assume figures whenever required

	Marks	COs
Q.1 a) State the following any five statements whether True or False.	10	
i. Accounting is a Language of Business		103.1
ii. Financial accounting aims at reporting the activities of the business to the managers.		103.2
iii. Debit the Receiver – Rule of Nominal Account		103.1
iv. Conservatism is the Accounting Concepts.		103.2
v. every debit equivalent to credit		103.1
vi. Profit & Loss A/c shows financial position of companies.		103.1
b) Define any five of Following Concepts	10	
i. Cost accounting		103.4
ii. Budget		103.4
iii. Break-even Point		103.4
iv. Variable cost		103.3
v. Prime cost		103.3
vi. Cash Budget		103.3
Q.2 Solve/answer any Two		
a) Describe Financial Accounting, and discuss the various users of accounting information.	10	103.1
b) Discuss the Conventions of Financial Accounting	10	103.1
c) Describe Accounting Standards and Illustrate the Objectives of Accounting Standards.	10	103.1
Q.3 Solve/answer any Two		
a) Journalize the following transactions in the books of Shankar & Co. for the month of June 2017	10	103.2
1 Started business with a capital of Rs 60000/-		
2 Paid into bank Rs. 30,000/-		

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- 4 Purchased goods from Kamal on credit Rs. 10,000/-
 6 Paid to Shriram Rs. 4,920/-
 6 Discount allowed by him Rs. 80/-
 8 Cash Sales Rs. 20000/-
 12 Sold to Hameed Rs. 5000/-
 28 Withdraw for personal use Rs. 1000
- b) From the following ledger balances of Sunshine co. ltd. Prepare Balance sheet of the company as on 31st March 2014 as per revised schedule. 10 103.2

Particulars	Amount	Particulars	Amount
Equity share capital	2600000	Advance to employee	150000
General Reserve	30000	Discount on issue of debenture	12500
12% debenture	400000	Tools and equipment	375000
Land & Building	1554970	Gratuity fund	300000
Goodwill	1000000	Debtors	138520
Bank Overdraft	245100	Cash at Bank	157160
Proposed Dividend	82000	Stores & spares	177800
Prepared insurance	25000	Profit & Loss	21490
Mutual Fund	168000	Bills Receivable	44600
Interest payable	32400	Sundry Creditors	92560

- c) Draw format of Profit & loss A/c and Balance sheet as per revised Schedule. 10 103.2

Q.4 Solve/answer any Two

- a) Describe Management accounting and discuss the Role of management accounting. 10 103.3
- b) Illustrate the element of Cost and draw the format of Cost sheet. 10 103.3
- c) Differentiate between Financial Accounting and Cost Accounting. 10 103.3

Q.5 Solve/answer the following

- a) A company production capacity is 60000 units, but they are produces 50000 units and sales in market at Rs 2 per unit. The variable cost is Rs. 60000 and fixed cost is Rs. 25000. 10 103.4
- A foreign customer offered for 10000 units at Rs. 1.40 per unit, but its packing and transportation cost Rs. 2100 will be occurred.
1. Should company accept foreign order? If yes why
 2. If the same order offered from local market, should company accept? Comment your view.

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- b) Prepare cash budget for three months ending on 30th June 2003 from the following information.

10 103.4

Months	Sales Rs.	Material Rs.	Wages Rs.	Overheads Rs.
February	14000	9600	3000	1700
March	15000	9000	3000	1900
April	16000	9200	3200	2000
May	17000	10000	3600	2200
June	18000	10400	4000	2300

Credit terms are: 10% sales are on cash, 50% of the credit sales are collected next month and the balance in the following month.

Creditors: for material- 2 months, for wages $\frac{1}{4}$ months, for overheads- $\frac{1}{2}$ months. Cash and bank balance on 1st April 2003 is expected to be Rs.6000, other relevant information is as under:

1. Machinery will be installed in February 2003 at a cost of Rs.96000 the monthly installments of Rs.2000 payable from April onwards.
2. Dividend at 5% on preference share capital of Rs.200000 will be paid on 1st June 2003.
3. Advance to be received for sale of vehicle Rs.9000 in June.
4. Dividend from investment Rs.1000 is expected to be received in June.
5. Advance income tax to be paid in June Rs.2000

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