

Register Number :

Name of the Candidate :

**5 1 9 6**

**B.B.A. DEGREE EXAMINATION, 2008**

( ENGLISH MEDIUM )

( SECOND YEAR )

( PART - III )

( PAPER - V )

**230. FINANCIAL AND COST  
ACCOUNTING**

( Including Lateral Entry )

December ]

[ Time : 3 Hours

Maximum : 100 Marks

**SECTION - A** (10 × 2 = 20)

*Answer any TEN questions.*

*All questions carry equal marks.*

1. (a) Define accounting.  
(b) What is ledger ?

**Turn over**

- (c) What do you mean by 'Provision' ?
- (d) What is balance sheet ?
- (e) What is revenue expenditure ?
- (f) What is depreciation fund ?
- (g) How do you treat the adjustment "LIC Premium Paid" in the preparation of final accounts ?
- (h) What do you mean by 'Adjustment' ?
- (i) What are the elements of cost ?
- (j) What is GRN No. ?
- (k) What is labour cost ?
- (l) What is EOQ ?

**SECTION - B** (4 × 10 = 40)

*Answer any FOUR questions.*

*All questions carry equal marks.*

2. Distinguish between receipts and payments account and income and expenditure account.

*Adjustments :*

- (i) Stock on hand at 31-12-2005 Rs. 4,900.
- (ii) Salaries outstanding Rs. 300.
- (iii) Rent paid in advance Rs. 200.
- (iv) Insurance paid in advance Rs. 90.
- (v) Depreciate machinery by 10 per cent.
- (vi) Goods taken by proprietor for his own use Rs. 100.

11. From the following ledger balances, prepare trading, profit and loss account for the year ended December - 31, 2005 and a balance sheet as at that date :

<i>Debit balances :</i>		Rs.
Purchases	-	15,000
Salaries	-	2,000
Rent	-	1,500
Insurance	-	300
Drawings	-	5,000
Machinery	-	28,000
Bank	-	4,500
Cash	-	2,000
Stock	-	5,200
Debtors	-	2,500
<i>Credit balances :</i>		
Capital	-	40,000
Sales	-	25,000
Creditors	-	1,000

3. Describe the causes of depreciation.
4. Explain the advantages of cost accounting.
5. Write a note on 'Stores Control'.
6. From the following, prepare an income and expenditure account for the year ended 31st March, 2005 :

	Rs.		Rs.
To Balance b/d (1-4-2004)		By Salaries	3,60,000
Cash at bank	45,500	„ Rent	60,000
Cash in hand	5,500	„ Printing and stationary	14,500
„ Subscription (including Rs. 2,000 for 2005 - 2006)	3,00,000	„ Postage and telegraphs	2,500
„ Interest on investment	1,50,000	„ Purchase of bicycles	9,500
„ Bank interest	1,000	„ Purchase of Govt. bonds	68,000
„ Sale proceeds of car	25,000	„ Balance c/d (31-3-2005)	
		Cash in hand	1,200
		Cash at bank	11,300
	5,27,000		5,27,000

**Turn over**

7. Using the following data, calculate the earning of a worker under

- (a) Time rate method.
- (b) Piece rate method.
- (c) Halsey plan

and (d) Rowan plan.

Time allowed - 48 hours.

Time taken - 40 hours.

Rate per hour - Rs. 15.

**SECTION - C** (2 × 20 = 40)

*Answer any TWO questions.*

*All questions carry equal marks.*

- 8. Explain the nature and objectives of accounting.
- 9. Describe the bases of apportionment of overhead.

10. From the following information, prepare stores ledger under FIFO method :

January - 1, Opening balance 500 units @ Rs. 4.

January - 5, Received from vendor 200 units @ Rs. 4.25.

January - 12, Received from vendor 150 units @ Rs. 4.10.

January - 20, Received from vendor 300 units @ Rs. 4.50.

January - 25, Received from vendor 400 units @ Rs. 4.

*Issue of materials :*

January - 4 - 200 units.

January - 10 - 400 units.

January - 15 - 100 units.

January - 19 - 100 units.

January - 26 - 200 units.

January - 30 - 250 units.

**Turn over**