Sanjay Ghodawat University, Kolhapur

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

2019-20

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

2019 BBA

Course Code:-MBC103 **Course Title:- Financial & Management Accounting** (Old) **Semester – Odd (I)**

Day and Date Thursday 05-12-2019 **Back End Semester Examination** **Time: 3 hrs, Max Marks: 100**

10.30 am to 1.30 pm.

Instructions: 1) All Questions are compulsory.
2) Use of simple calculator is allowed.

			Marks	COs
Q.1	a)	State the following any five statements whether True or False.	10	
		i. Accounting is developed as a system for reporting information to the owners.		103.1
		ii. Financial accounting aims at reporting the activities of the business to the managers.		103.2
		iii. Double entry accounting reflects the matching concept		103.1
		iv. Conservatism is the Accounting Concepts.		103.2
		v. Debit the Receiver – Rule of Nominal Account		103.1
		vi. Profit & Loss A/c shows financial position of companies.		103.1
	b)	Define any five of Following Concepts	10	
		i. Fixed cost		103.4
		ii. Budget		103.4
		iii. Break-even Point		103.4
		iv. Direct cost		103.3
		v. Prime cost		103.3
		vi. variable cost		103.3

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Q.2 Solve/answer any Two

a) Discuss the interest of business stakeholders in using of accounting information. 10 103.1

b) Explain the concepts of Financial Accounting 10 103.1

c) What do you mean by Accounting Standards? Explain the Objectives of Accounting Standards. 10 103.1

Q.3 Solve/answer any Two

a) Journalize the following transactions in the books of Priya & Company for the month of April 2018. 10 103.2

1 Priya started Business with Cash Rs.30,000 and Furniture Rs.20,000

2 Paid into bank Rs.20,000

4 Purchased goods from Mohan on credit for Rs.15,000

6 Paid to Mohan Rs. 14,920

6 Discount allowed by him Rs. 180

10 Sold goods of Rs.20000 for cash.

15 Sold to Rajesh goods worth Rs.15000

18 Withdraw for personal use Rs. 2000

20 Paid Rent Rs.2000 in cash.

28 Paid telephone bill of Rs.600 through cheque.

b) You are given the following information from the books of Girish Co. ltd., as on 31st March 2016, Prepare statement of Profit & Loss Account as per the revised schedule. 10 103.2

Girish & Co. Ltd Trial Balance as on 31st March 2016			
Particulars	**Amount**	**Particulars**	**Amount**
Depreciation on premises	8000	Sales	1240000
Material Consumed	800000	Equity share capital	800000

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Opening Stock	40000	Outstanding wages	6000
Salaries	114000		
Bad Debts	3800		
Bonus To Employee	20000		
Interest on Loan	16000		
Depreciation on machinery	18000		
Conveyance	4000		
Loss on sale of machinery	20000		
Insurance	16200		
Sales Return	40000		
Provision for tax	60000		
Machinery	600000		
P.F. Contribution	86000		
Premises	160000		
Computer	40000		
	2046000		2046000
Additional Information: Closing stock was valued at Rs.120000			

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

Q.4 Solve/answer any Two

a) What do you mean by Management accounting? Explain the Role of management accounting. 10 103.3

b) Describe the element of Cost and draw the format of Cost sheet. 10 103.3

c) Explain the difference between Financial Accounting and Cost Accounting. 10 103.3

Q.5 Solve/answer the following

a) Ajit company has production capacity of 75000 units, but at present company produces 60000 units and sales in market at Rs 2 per unit. The variable cost is Rs. 75000 and fixed cost is Rs. 25000. 10 103.4

If a foreign customer gives offer for 15000 units at Rs. 1.50 per unit, with extra packing and transportation cost Rs. 1200.

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1. Can we accept foreign order? Explain why?
2. If the same order offered from local market, should company accept? Comment your views.

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 ¼ months, for overheads- 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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