

(Following Paper ID and Roll No. to be filled in your Answer Book.

**PAPER ID : 9302**

Roll  
No.

--	--	--	--	--	--	--	--	--	--

**Int. LLB Examination 2014-2015**

**(First Semester)**

**FUNDAMENTAL ACCOUNTING AND  
MANAGEMENT ACCOUNTING**

*Time : 3 Hours]*

*[Maximum Marks : 100*

**Note :-**There are three sections in the question paper, Section A, B and C. All sections are compulsory.

**SECTION - A**

20×1=20

1. Fill in the blanks :

- (a) Accounting concepts are basic ..... or ..... that form the basis of the science of Accounting.
- (b) The ..... concept assumes that the entity is intended to continue indefinitely.
- (c) The dual concept is for every debit there is a .....
- (d) ..... is a special term indicating the recording of entries in the ledger.
- (e) Cash purchases are recorded in the .....

**[ P. T. O.**

- (f) Withdrawal of goods by the proprietor are generally recorded in the .....
- (g) The main book of accounts is .....
- (h) The ledger is a book of ..... entry.
- (i) Cash receipt and payments are recorded in ..... book.
- (j) Excess debit over credit in the trading account represents a .....
- (k) A balance sheet is a statement of what an enterprise ..... and what it ..... at a particular date.
- (l) A ..... is one number expressed in terms of another.
- (m) ..... is the excess of current assets over current liabilities.
- (n) ..... of an article is made up of variable and fixed expence.
- (o) ..... is viewed as product cost and is changed to product.
- (p) Variable costing is also called as .....

- (q) Absorption costing is also referred to as .....
- (r) The objective of ..... is to lay down a plan to implement the policy of the firm.
- (s) The standard cost is a ..... cost which is calculated in advance of production.
- (t) One of the advantages of standard costing is that it facilitates .....

**SECTION - B**

10×3=30

**Note :-** There are five question. Attempt any three.

2. Explain the different categories in which accounting transactions can be classified. Also state the rule of debit and credit.
3. Prepare accounting equation for the following transactions :
- (a) Started business with cash Rs. 4,00,000 and machine Rs. 10,000.
- (b) Purchased goods for Rs. 1,00,000 by paying Rs. 50% in cash immediatly.
- (c) Cash withdrawn from bank Rs. 70,000.
- (d) Salary payable Rs. 60,000 of which 60% is outstanding.

*[ P. T. O. ]*

- (e) Sold goods costing Rs. 70,000 for Rs. 80,000.
4. Define depreciation and what causes depreciation?  
Discuss the reason.
  5. Discuss atleast five causes of disagreement between the balance shown by the cash book and the balance shown by the pass book.
  6. Journalise the following transactions :

		Rs.
Jan. 1	Girdhari commenced business with cash	7,500
Jan. 3	Goods purchased for cash	1,000
Jan. 4	Bought of Hari	250
Jan. 8	Furniture purchased from Murari for cash	50
Jan. 9	Furniture purchased from Murari	250
Jan. 12	Cash paid to Hari in full settlement of his account	240
Jan. 15	Good purchased from Anil and he allowed 10% trade discount.	
Jan. 20	Cash paid to Anil in full satisfaction	300
Jan. 21	Prince Behari bought from us	115
Jan. 22	Cash paid by Prince Behari	15

## SECTION - C

10×5=50

**Note :-** Attempt all questions.

7. (a) Explain the tools and techniques of Management accounting.

OR

- (b) What is cash flow statement? What are the objective behind making cash flow statement? Distinguish between cash flow and fund flow statement.
8. (a) What do you understand from common size statement and what purpose does it serve in the analysis and interpretation of financial statement?

OR

- (b) Calculate Current Assets, Current Liability, Stock Turnover Ratio from the following information :

Current Ratio	2.5
Working Capital	60,000
Opening Stock	29,000

[ P. T. O. ]



Closing Stock	31,000
Sales	3,20,000
Gross profit ratio	25% of sales.

9. (a) Explain various source and application of fund in a fund flow statement.

OR

(b) From the following balances you are required to calculate cash from operation :

	31-12-1989	31-12-1990
Debtor	50,000	47,000
Bill Receivables	10,000	12,500
Creditors	20,000	25,000
Bill payables	8,000	6,000
Outstanding expenses	1,000	1,200
Prepaid expenses	800	700
Accrued expenses	600	750
Income received in advance	300	750
Profit made during the year	—	250

10. (a) What do you understand by the term standard costing? Explain the advantage of standard costing.

OR

- (b) The standard estimate of material for manufacture of 1000 unit of a commodity is 400 kg. at Rs. 2.50 per kg. When 2000 units of commodity are manufactured, it is found that 820 kgs of material are consumed at Rs. 2.6 per kg. Calculate material variances.
11. (a) What is zero based budgeting? Write the advantages of zero based budgeting.

OR

- (b) From the following forecast of income and expenditure prepare a cash budget for the three months commencing 1<sup>st</sup> April on which the cash balance was Rs. 85,000 :

Month	Sales	Purchase	Factory Exp.	Office Exp.	Sales Exp.
February	40,000	78,000	4,000	3,800	3,200
March	41,000	80,000	4,200	4,200	3,300

April	39,000	79,000	4,400	4,500	3,400
May	38,000	84,000	4,500	4,000	3,500
June	39,000	85,000	4,600	4,300	3,500

Additional Information :

1. Supplies supply goods at 2 months credit.
2. Debtors are allowed one month credit.
3. 20% of sales constitute cash sales.
4. All expences are paid in the month following.
5. A plant in purchases and the payment is expected to be made in May.

\*\*\*