

B.Com. DEGREE (C.B.C.S.S.) EXAMINATION, OCTOBER 2013**Fifth Semester****Core Course 13—COST ACCOUNTING**

(Common for Model I Model II and UGC Sponsored B.Com. Degree Programmes)

Time : Three Hours

Maximum Weight : 25

Answers may be written either in English or in Malayalam.

Section A

Answer all questions.

Each bunch of four questions carries a weight of 1.

I. Choose the correct answer from the choices given :

1 Cost unit is used for :

(a) Cost control.

(b) Cost reduction.

(c) Resources foregone.

(d) Ascertainment of cost.

2. Process costing is suitable for :

(a) Civil engineering construction. (b) Brick making.

(c) Oil refineries.

(d) Printing.

3 Economic order quantity refers to :

(a) The quality of materials to be ordered at a time.

(b) The quantity of materials to be used economically.

(c) The quantity of materials to be maintained.

(d) The quantity of materials to be recorded.

4 Labour turnover represents :

(a) The strength of the labour in a firm.

(b) The change in the labour force.

(c) The efficiency the labour force.

(d) The cost of labour incurred in a specified period.

II. Fill in the blanks :

5 The payment of idle time arises only when workers are paid on _____.

6 Variable costs vary in total but remain _____ per unit.

7 Re-order level = _____ \times maximum lead time.

8 Cost accounting is one of the sub-divisions of _____.

Turn over

III. State whether the following statements are true or false :

- 9 The item "Dividend paid" is included both in financial accounts and in cost accounts.
- 10 The stores ledger is maintained by the cost accounting department.
- 11 The main purpose of time-keeping is to ensure punctuality.
- 12 Fixed overhead cost is a committed cost.

IV. Match the following :—

- | | |
|--|-------------------------------|
| 13 Unit cost | (a) Works manager. |
| 14 Power and fuel | (b) Product cost. |
| 15 A change in the composition of labour | (c) Stores manager. |
| 16 Purchase requisition | (d) Factory cost |
| | (e) Labour turnover |
| | (f) Single operation costing. |

(4 × 1 = 4)

Section B

*Answer any five questions.
Each question carries a weight of 1.*

- 17 Mention any two advantages of centralised purchasing.
- 18 What is meant by scrap ?
- 19 What do you mean by the term "cost" ?
- 20 Define indirect labour.
- 21 Explain Rowan Plans.
- 22 Define Chargeable expenses.
- 23 Define "unit costing".
- 24 What is responsibility centre ?

(5 × 1 = 5)

Section C

*Answer any four questions.
Each question carries a weight of 2.
Answer should not exceed half a page each.*

- 25 Mention any five differences between Cost Accounting and Financial Accounting.
- 26 Describe in brief the primary apportionment of overheads.
- 27 What do you understand by differential piece rate ?
- 28 Mention any five responsibilities of the stores department.

29 Following is the information relating to a type of material :

Annual demand	2400 units
Unit price	Rs. 2.40
Ordering cost per order	Rs. 4.00
Storage cost	2 % p.a
Interest rate	10% p.a
Lead time	½ month

Calculate EOQ and total inventory cost.

30 The following information has been obtained from the costing records of Excel Ltd. for the month of April 2012.

	On 1 st April 2012	On 30 th April 2012
	Rs.	Rs.
Cost of materials	... 15,000 ...	18,000
Cost of work in progress	... 7,000 ...	6,000
Cost of finished stock	... 28,000 ...	34,000
Productive wages	...	38,000
Manufacturing overheads	...	18,000
Office expenses	...	12,000
Purchase of raw materials	...	1,20,000
Selling and distribution expenses	...	8,000
Sales	...	2,20,000

Prepare a Cost Sheet showing Total Cost and Profit for the period.

(4 × 2 = 8)

Section D

Answer any **two** questions.

Each question carries a weight of 4.

31 From the following details, write up stores Ledger Account under FIFO and LIFO methods

January	1	Opening balance 100 units at Rs. 5 each.
January	5	Received 500 units at Rs. 6.
January	7	Issued 300 units.
January	9	Issued 100 units.
January	12	Received 500 units at Rs. 5.
January	14	Received 400 units at Rs. 5.50.
January	20	Issued 350 units.
January	24	Issued 150 units.

Turn over

January 27 Received 250 units at 5.75

January 31 Issued 200 units.

The stock verifier found a shortage of 10 units on 16 January and another shortage of 15 units on 26 January.

- 32 The audited final accounts showed a profit of Rs. 61,000 whereas costing records showed a profit of Rs. 73,400. From the following additional information, you are required to reconcile the two accounts.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH

	Rs.		Rs.
To opening stock ...	10,10,000	By sales ...	14,20,000
Purchases ...	3,50,000	closing stock ...	3,60,000
Direct wages ...	1,60,000		
Factory overheads ...	90,000		
Gross profit ...	1,70,000		
	<u>17,80,000</u>		<u>17,80,000</u>
Administration expenses ...	40,600	Gross profit ...	1,70,000
Selling expenses ...	49,000	Interest received ...	2,000
Distribution expenses ...	22,400	Dividend received ...	1,000
Net profit ...	61,000		
	<u>1,73,000</u>		<u>1,73,000</u>

The cost accounts showed the following :

- (1) The stock balance of Rs. 3,70,000
 - (2) Direct wages absorbed Rs. 1,65,000
 - (3) Factory overheads absorbed Rs. 84,000
 - (4) Administration expenses charged at 3% of sales value.
 - (5) Selling expenses charged at 3% of sales value.
- 33 From the following particulars, calculate the earnings of workers X and Y for a day under (a) straight piece rate system ; (b) Taylor's differential piece rate system.

Standard production 10 units per hour.

Normal time rate Rs. 5 per hour.

Differentials to be applied :

80% of piece rate below standard

120% of piece rate at or above standard.

Hours of the day 8

Output of X 75 units.

Output of Y 100 units.

B.Com. DEGREE (C.B.C.S.S.) EXAMINATION, OCTOBER 2013**Fifth Semester****ADVERTISING AND SALES PROMOTION**

(Common for Model I B.Com. and Model II B.Com. Optional Stream Marketing)

Time : Three Hours

Maximum Weight : 25

*Answers may be written either in English or in Malayalam.***Section A***This section consists of four bunches of four questions each.**Each bunch carries a weight of 1.**Answer all questions.***I. Choose the correct answer from the choice given below :****1 One of the P's of the marketing mix is :**

- (a) Promotion. (b) Advertisement.
(c) Public. (d) Process.

2 Outdoor advertising is called :

- (a) Mural. (b) Press.
(c) Film advertising. (d) All of these.

3 Expert forecasts without disclosure of majority opinion is :

- (a) Delphi. (b) Survey.
(c) Judgement. (d) All of these.

4 Identification of marketing problems and finding solutions is :

- (a) Marketing research. (b) Business research.
(c) Research. (d) None of these.

II. Fill in the blanks :

- 5 _____ is an organised series of advertising messages over a particular period of time.
6 _____ is the source of new recruits suggested by the existing team of sales representatives.
7 _____ is the process of giving knowledge about the assigned tasks, duties and work.
8 _____ is the five step process in sales training programmes.

Turn over

III. State whether the following statements are True or False :

- 9 Sampling in marketing is based on the law of statistical regularity.
- 10 Positioning is an attempt to create and maintain product image among target audience.
- 11 AIDA formula is used for presentation and Demonstration of products.
- 12 Personal selling is a component of the promotional mix.

IV. Match the following A with B :

- | A | B |
|-------------------------------|------------------------------------|
| 13 Promotion | (a) Advertising Agency. |
| 14 Specialists in Advertising | (b) Communicating. |
| 15 AIDA. | (c) Measuring Advertising Results. |
| 16 DAGMAR | (d) Stages of communication. |
| | (e) Price. |
| | (f) Product. |

(4 × 1 = 4)

Section B

*Answer any five questions.
Each question carries 1 weight.*

- 17 Define advertising appeal.
- 18 What are the objectives of underwriting ?
- 19 Define Advertisement copy.
- 20 State the legal aspects of advertising.
- 21 What is sales promotion budget ?
- 22 Define brand equity.
- 23 How are advertising agencies selected ?
- 24 State briefly the effects of sales promotion on brand equity.

(5 × 1 = 5)

Section C

*Answer any four questions.
Each question carries 2 weights.*

- 25 State the importance of advertising.
- 26 State the role of advertising agencies in advertisement.
- 27 Explain the media of advertising.
- 28 Explain the social aspects of advertising.

- 29 Explain the steps involved in evaluating the sales force.
30 What is advertising research ?

(4 × 2 = 8)

Section D

*Answer any two questions.
Each question carries 4 weights.*

- 31 What is sale promotion ? State the different methods.
32 Explain the socio, economic and legal aspects of advertisement.
33 Define personal selling—Explain its nature and importance.

(2 × 4 = 8)

B.Com. DEGREE (C.B.C.S.S.) EXAMINATION, OCTOBER 2013**Fifth Semester****Core Course 14—SPECIAL ACCOUNTING**

(Common for Model I, Model II and UGC Sponsored B.Com)

Time : Three Hours

Maximum Weight : 25

*Answers may be written either in English or in Malayalam.***Section A***Answer all questions.**Each Bunch of four questions carries a weight of 1.***I. Choose the correct answer from the choices given below :****1. SLR indicate :**

- (a) Statutory Liquidity Reserve. (b) Statutory Liquidity Ratio.
(c) Statutory Liability Ration. (d) Statutory Liquidity Resources.

2. In Bank accounts, schedule 13 deals :

- (a) Interest earned. (b) Interest expended.
(c) Operating expenses. (d) Other income.

3. Life insurance contracts are :

- (a) Short-term contract. (b) Medium-term contract.
(c) Long-term contract. (d) None of these.

4. Gateway of Tally can be activated by pressing :

- (a) Alt + F₄. (b) Alt + D.
(c) Alt + C. (d) Ctrl + M.

II. Fill in the blanks :

5. Investment account is _____ account.
6. The excess of revenue receipts over revenue expenditure in life insurance is called _____.
7. Alt + F₅ command stands for _____.
8. Discount relating to unexpired time of bill is debited to discount account and credited to _____.

Turn over

III. State whether the following statements are True or False :

9. The assets acquired in satisfaction of claims are called non-banking assets.
10. The annual payment on insurance company guarantees to pay in consideration of lumpsum received in advance is bonus.
11. In respect of Government Securities Price quoted is ex-interest unless otherwise stated.
12. For account vouchers related to purchase transaction, the key is F8.

IV. Match the following :

- | | |
|----------------------------|-----------------------------------|
| 13. Debit note | (a) 1952. |
| 14. Sales order | (b) F ₇ . |
| 15. Endowment Policy | (c) Alt + F ₄ . |
| 16. Banking Regulation Act | (d) Alt + F ₅ . |
| | (e) Matures after a fixed period. |
| | (f) 1949. |

(4 × 1 = 4)

Section B

Answer any five questions.

Each question carries a weight of 1.

17. What is money at call and short notice ?
18. What do you mean by NPA ?
19. What is commission on re-insurance ceded ?
20. Define double insurance.
21. Define bonus share.
22. What is meant by average clause ?
23. Define E-Commerce.
24. How will you prepare columnar reports in Tally ?

(5 × 1 = 5)

Section C

Answer any four questions.

Each question carries a weight of 2.

Answer should not exceed half a page each.

25. What are cashflow and fundflow statements ? How are they created in Tally ?
26. Briefly explain the Ex-interest and cum-interest quotations.

27. What is valuation balance sheet ? Give a specimen of it.
28. Enumerate the details to be given in schedules relating to Advance and Investments.
29. Define contingent liabilities. What are contingent liabilities in banks ?
30. The Life Assurance Fund of sunshine Life Insurance Company Limited shows a balance of Rs. 76,87,500 on 31.3.2012. It was later observed that the following had not been taken into account.
- Dividend from investment Rs. 3,50,000.
 - Income tax on the above Rs. 32,000.
 - Bonus in reduction of premium Rs. 4,85,000.
 - Claims covered under re-insurance Rs. 3,25,000.
 - Claims intimated but not yet admitted by the Company Rs. 8,07,000.

Find out the balance of Life Assurance Fund.

(4 × 2 = 8)

Section D

Answer any two questions.

Each question carries a weight of 4.

31. From the following particulars, prepare Profit and Loss Account of the safety Bank for the year ended 31st March 2012.

		Rs. ('000)
Interest on Deposits	...	3200
Commission (Cr)	...	100
Interest on loans	...	2490
Sundry charges (Dr)	...	100
Rent and Rates	...	200
Payment to Employees	...	500
Discount on Bills discounted	...	1490
Interest on overdrafts	...	1600
Interest on cash credits	...	2320
Auditor's fees	...	35
Directors fees	...	16
Bad debts written off	...	300

Turn over

32. Kirpa Investments Ltd hold 1,000, 15% Debentures of Rs. 100 each in U.P. industries Ltd as on 1st April 2010, at a cost of Rs. 1,05,000. Interest is payable on 30th June and 31st December every year. On 1st May 2010, 500 Debentures were purchased cum interest at Rs. 53,500. On 1st November, 2010, 600 Debentures are sold ex-interest at Rs. 57,300. On the 30th November, 2010, 400 Debentures were purchased ex-interest at Rs. 38,400. On 31st December 2010, 400 Debentures were sold cum-interest for Rs. 55,000.

Prepare Investment account valuing holdings on 31st March 2011 at cost (applying FIFO method)

33. The godown of Goodluck Ltd caught fire on 15th August 2011. Available records give the following information :

	Rs.
Stock on 1 st April 2010	40,000
Stock on 31 st March 2011	50,000
Purchases less return during 2010 – 11	4,20,000
Wages and manufacturing expenses	40,000
Sales less return during 2010 – 11	6,00,000
Purchases from 1 st April to 15 th August 2011	2,90,000
Sales from 1 st April to 15 th August 2011	4,00,000
Wages and Manufacturing expenses :	
upto 15 th August 2011	25,000
Salvaged stock	18,000

The Company Ltd. maintain a uniform rate of Gross profit. Prepare statement to ascertain the amount of claim to be lodged.

(2 × 4 = 8)

B.Com. DEGREE (C.B.C.S.S.) EXAMINATION, OCTOBER 2013**Fifth Semester****COMPUTERISED ACCOUNTING**

1. Optional Stream Computer Applications of Model I and Model II B.Com.
2. U.G.C. Sponsored B.Com. Computer Application and
3. U.G.C. Sponsored B.Com. (O.M. and S.P.)

Time : Three Hours

Maximum Weight : 25

*Answers may be written either in English or in Malayalam.***Section A***Answer all questions.**Each bunch of four questions carries a weight of 1.***I. Choose the correct answer :**

1. Surcharge is charged on _____.
(a) Total Sales. (b) Total Purchases.
(c) Current Assets. (d) Immediately preceding entry.
2. In Inventory Accounting, Stock items functions like _____ in Financial Accounting.
(a) Account group. (b) Ledger Accounts.
(c) Voucher. (d) Stock Groups.
3. Service Tax Report can be seen from :
(a) Display → Day Book. (b) Display → Account Books.
(c) Display → Statutory Masters. (d) Display → Statutory Reports.
4. When goods are delivered to customers, it is recorded through _____.
(a) Rejections out. (b) Delivery Note.
(c) Sales Note. (d) Rejections In.

II. Fill in the blanks :

5. In Peachtree, _____ account contains summary information about the total cost of merchandise on hand and available for sale.
6. The quality of Goods or Economic Resources stored for the purpose of production or sale is known as _____.

Turn over

7. In Peachtree, _____ option can translate information from other application.
8. _____ key is used for Journal Voucher.

III. State whether the following statements are True or False ;

9. Patent account falls under Current Assets.
10. Surcharge and Additional duty functions alike.
11. In Service tax, Credit Adjustment (%) should be either 20% and 100%.
12. TDS deduction entry can be made through Payment Voucher.

IV. Match the following :

- | | | |
|---------------------------|---|-----------|
| 13. Sales Order | — | F2. |
| 14. To Change date | — | Alt + P. |
| 15. Print Voucher | — | Alt + F4. |
| 16. Create Purchase Order | — | Alt + F5. |

(4 × 1 = 4)

Section B

Answer any **five** questions.

Each question carries a weight of 1.

17. What is Minimum Order Quantity ?
18. Describe Cash basis accounting in Peachtree.
19. What are the activities included in Inventory Management ?
20. Differentiate between Sales Order Summary and Purchase Order Summary.
21. Write a note on Trial Balance.
22. What do you mean by Movement Analysis ?
23. What are the special points to be noted for calculating tax ?
24. Write any *two* limitations of Manual Accounting.

(5 × 1 = 5)

Section C

Answer any **four** questions.

Each question carries a weight of 2.

25. What is Inventory and Inventory Management ?
26. Describe Account Reconciliation in Peachtree.
27. How surcharge is calculated ? Explain with eg.

28. Explain briefly about Stock Summary.
29. Explain the procedure for creating TDS voucher types.
30. How Duties and Taxes are created in Tally ?

(4 × 2 = 8)

Section D

*Answer any two questions.
Each question carries a weight of 4.*

31. Explain the accounting vouchers in Tally.
32. Explain VAT Accounting in Tally.
33. (a) How can you create, alter and delete a Stock Item ?
(b) How can you create, alter and delete a Stock Category ?
(c) How can you create, alter and delete a Stock Group ?

(2 × 4 = 8)

UNDERGRADUATE (C.B.C.S.S.) EXAMINATION, OCTOBER 2013**Fifth Semester**

Open Course—FUNDAMENTALS OF ACCOUNTING

(Offered by Board of Studies in Commerce)

Time : Three Hours

Maximum Weight : 25

*Answers may be written either in English or in Malayalam.***Section A***Answer all questions.**Each bunch of four questions carries a weight of 1.*

I. Choose the correct answer from the choices given :

1. Land and Building account is a :

(a) Nominal account.

(b) Personal account.

(c) Real account.

(d) Capital account.

2. Real account is credited when :

(a) Something is going out.

(b) Something is coming in.

(c) A person is the receiver.

(d) A person is the giver.

3. Goods returned to Banerjee is debited to :

(a) Goods account.

(b) Banerjee account.

(c) Returned outwards account.

(d) Returned inwards account.

4. A trial balance is prepared :

(a) To prepare P and L account.

(b) For making Adjustment.

(c) To test the arithmetical accuracy.

(d) To balance the account.

II. Fill in the blanks :

5. Balance Sheet is a ———.

6. Debit and Credit balances of Nominal accounts indicate respectively expense and ———.

7. The difference between the selling price and the cost price of the goods is the ——— of the business.

8. Closing stock debited to ——— account.

Turn over

III. State whether the following statements are True or False :

9. Real account always show debit balances.
10. Bank account is a nominal account.
11. Sales tax is a business expenses.
12. Cash account should either show a debit balance or a nil balance.

IV. Match the following :

- | | |
|--------------------------|-----------------------|
| 13. Bills Receivable | (a) Subsidiary Book. |
| 14. Outstanding expenses | (b) Real account. |
| 15. Day Book | (c) Assets account. |
| 16. Bank account | (d) Liability. |
| | (e) Ledger account. |
| | (f) Personal account. |

(4 × 1 = 4)

Section B

Answer any five questions.

Each question carries a weight of 1.

17. Define a Ledger.
18. Define Trial Balance.
19. What is trade discount ?
20. What is trading account ?
21. Distinguish between Opening stock and Closing stock.
22. What is Balance Sheet ?
23. What do you mean by closing entries ?
24. Mention any two advantages of Cash Book.

(5 × 1 = 5)

Section C

Answer any four questions.

Each question carries a weight of 2.

25. Explain any two accounting concepts.
26. Write a short note on Purchase Day Book and Sales Day Book.
27. State the importance of Balance Sheet.

28. Journalise :

- (a) Goods Lost by theft Rs. 250.
- (b) Goods distributed as free samples Rs. 350.

29. Find out capital from the following information :

Debtors Rs. 15,000, Bank Balance Rs. 5,000, Bills Payable Rs. 3,000, Land and Building Rs. 18,000, Motor Van Rs. 12,000, Closing Stock Rs. 9,000, Sundry Creditors 4,000, Cash Rs. 1,500.

30. Enter the following transactions in the Sales Day Book :

- Dec. 1 12 pairs Easy chairs @ Rs. 350 per pair.
- 4 20 pairs Folding chairs @ Rs. 400 per pair.
- Both subject to trade discount of 12%.
- 15 20 Steel cupboards @ Rs. 600 each at a trade discount of 10% plus transport charges Rs. 800.

(4 × 2 = 8)

Section D

Answer any two questions.

Each question carries a weight of 4.

31. Prepare Ledger accounts from the following :

- Jan. 1 Guru Ratan started his business with cash Rs. 30,000 and Furniture Rs. 10,000.
- 2 Opened a bank a/c with Rs. 6,000.
- 3 Purchased Goods on cash Rs. 2,000 and on credit from Ali Rs. 5,000.
- 5 Sold Goods for Rs. 3,000.
- 6 Paid into bank Rs. 1,000.
- 7 Cash paid to Ali Rs. 2,500.
- 10 Cash withdrawn for Office Rs. 500.
- 15 Paid salary Rs. 300, Rent Rs. 200.
- 20 Cash sales Rs. 2,500 of which Rs. 1,000 sent to bank.
- 25 Goods purchased from Ali Rs. 3,000 subject to a trade discount of 5%.

Turn over

32. From the following ledger balances, you are required to prepare a Trial Balance and a Balance Sheet as on 31st March 2011 :

	Rs.		Rs.
Investments ...	7,500	Trademarks ...	3,200
Delivery van ...	12,690	Bank loan ...	15,000
Land and Building ...	10,800	Furniture ...	3,310
Bills payable ...	5,950	Sundry Debtors ...	6,730
Sundry creditors ...	4,680	Bills Receivable ...	5,230
Closing stock ...	9,870	Profit and Loss (Cr) ...	15,820
Cash in hand ...	1,270	Bank a/c (Dr) ...	3,750
Drawings ...	3,600	Capital ...	26,500

33. Find out Gross Profit from the following balances of Universal Traders on 31.12.2011 :

	Rs.		Rs.
Opening Stock ...	5,000	Purchases ...	36,000
Sales ...	54,000	Carriage in purchase ...	600
Carriage on sales ...	450	Wages ...	3,500
Excise duty ...	150	Factory expenses ...	3,800
Returned inwards ...	785	Rent and Rates ...	305
Returned outwards ...	460	Heating and Lighting ...	670
Plant and Machinery ...	12,000	Insurance ...	400
Sales Van ...	8,000	Trade expenses ...	555
Capital ...	40,000	Drawings ...	5,000
		Closing stock ...	9,500

(2 × 4 = 8)