



Name :
Roll No. :
Invigilator's Signature :

CS / HM / SEM-1 / BHM-104 / 2010-11

2010-11

ACCOUNTS

Time Allotted : 3 Hours

Full Marks : 70

The figures in the margin indicate full marks.

*Candidates are required to give their answers in their own words
as far as practicable.*

GROUP - A

(Multiple Choice Type Questions)

1. Choose the correct alternatives for any *ten* of the following :

10 × 1 = 10

- i) Wages outstanding account is
 - a) Personal Account b) Real Account
 - c) Nominal Account d) Suspense Account.

- ii) The Trial Balance checks
 - a) arithmetic accuracy of books
 - b) the integrity of book-keeper
 - c) the valuation of closing stock
 - d) the profit from operations.



- iii) Fixed Costs and Variable Costs are obtained in cost classification under
- a) Function basis b) Nature basis
c) Behaviour basis d) Control basis.
- iv) If the rate of profit on sales is 25%, then the rate of profit on cost will be
- a) 20% b) 33.33%
c) 120% d) 125%.
- v) Preparation of Balance sheet of a registered company is
- a) compulsory at the end of a year
b) optional during half yearly results are declared
c) unnecessary to the shareholders
d) presented in Sustainability statement.
- vi) Which of the following bases would you prefer to apportion "canteen expenses" between production departments ?
- a) Light points b) Floor area
c) No. of employees d) Rent.
- vii) Which of the following is true ?
- a) Prime cost + Overhead = Sales
b) Prime cost + Overhead = Cost of goods sold
c) Prime cost + Overhead + Profit = Cost of goods sold
d) Prime cost + Overhead + Sales = Investment.



- viii) Depending upon which principle the amount of profit is added to capital ?
- a) Double entry b) Separate entity
c) Going concern d) Materiality.
- ix) Prime cost is
- a) total of overheads
b) total of direct expenses
c) total of indirect expenses
d) total of all costs.
- x) Trading account of the Taj Group of Hotels is
- a) Real Account
b) Nominal Account
c) Personal Account
d) a subsidiary account of Tata Sons Limited.
- xi) Balance Sheet discloses
- a) profit earning capacity of the business
b) financial position of the business
c) income position of the business
d) goodwill of a business in operation.
- xii) Bank Reconciliation Statement tries to settle between which accounts ?
- a) Bank account and Cost account
b) Cash account and Debtor's account
c) Bank account in cash book and bank account held by bank.
d) Bank financial statement and the pass book.



- xiii) Which of the following is not an item of selling & distribution overhead ?
- Advertisement
 - Carriage inward
 - Carriage outward
 - Free sample distribution.

GROUP - B

(Short Answer Type Questions)

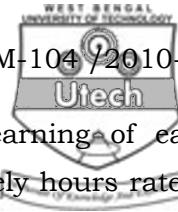
Answer any *three* of the following. $3 \times 5 = 15$

- Is it compulsory for the Hotels registered as companies to prepare the Trial Balance ? What type of errors are not disclosed by the Trial Balance ?
- Explain the difference between Cost Accounting and Financial Accounting systems of companies supplying manpower services to hotels for cleaning services.
- Distinguish between
 - Journal & Ledger
 - Trading Account and Profit & Loss Account of a hospital.
- A multispeciality hospital requires 2,000 units of raw materials per year costing Rs. 100 per unit. The cost of placing an order is Rs. 40 and carrying cost is 16% per year per unit of the average inventory.

Determine :

- the Economic Order Quantity (EOQ)
- Cycle Time

If the lead is 3 months, calculate the order point.



6. From the following data ascertain total earning of each worker separately and also calculate effectively hours rate of wages.

	Sachin	Sourav
Actual time taken (Hours)	12	18
Time allowed (Hours)	20	30
Rate of wages per hour (Rs.)	3	5
Incentive scheme	Halsey	Rowan

GROUP - C

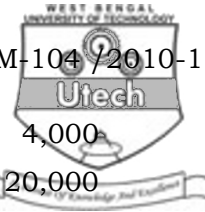
(Long Answer Type Questions)

Answer any *three* of the following. $3 \times 15 = 45$

7. The following particulars are available in respect of cost structure for the product 'MM' for the quarter ended 31.03.2010 :

Opening stock of raw materials	Rs. 15,000
Purchase of raw materials	Rs. 75,000
Freight & Insurance of materials	Rs. 6,000
Carriage Inward	Rs. 4,000
Return of materials to suppliers	Rs. 5,000
Closing stock of materials	Rs. 20,000
Normal loss of materials	Rs. 2,000
Abnormal loss	Rs. 6,000
Productive wages	Rs. 52,000

Contd.....



Wages outstanding	Rs. 4,000
Factory expenses	Rs. 20,000
Office & Administrative expenses	Rs. 32,000
Office expenses pre-paid	Rs. 2,000
Cash discount	Rs. 3,000
Selling expenses	Rs. 20,000
Distribution expenses	Rs. 5,000

The selling price is fixed by a profit of 20% on selling price.

Prepare a cost sheet.

8. On 1st July, 2009 the stocks of a component in the stores was 554 units at Rs. 35 per hundred. During six months the receipts and issues were as follows :

2003	Purchased	Issued
July	434 units @ Rs. 30 per hundred	400 units
Aug.	500 units @ Rs. 40 per hundred	610 units
Sept.	750 units @ Rs. 50 per hundred	950 units
Oct.	Surplus returned from Department, 125 units @ Rs. 40 per hundred.	
Nov.	Received from Vendor 100 units @ Rs. 45 per hundred.	
Dec.	Transfer 40 units @ Rs. 40 per hundred from one site to another site.	

When the stock was taken at 31st Dec. 2009, a discrepancy of 19 units was revealed. Prepare a Stores Ledger Account under the appropriate pricing method and also calculate value of materials as on 31st Dec. 2009 and calculate value of materials issued from the store.

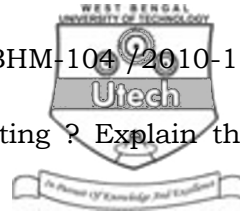


9. From the following ledger balances prepare a Trading and Profit & Loss Account for the half year ended 31st September, 2010 and a Balance Sheet as at that date :

Capital	3,500	Salaries	650
Drawings	300	Printing Charges	110
Machinery	760	Rent & Taxes	90
Purchases	10,400	Debtors	640
Carriage Inward	100	Creditors	680
Sales Return	320	Opening Stock	1,000
Purchase Return	240	Bills Receivable	270
Wages	700	Investment	1,400
Sales	13,200	Cash in Hand	140
Bills Payable	460	Cash at Bank	1,200

Adjustments required :

- (i) Closing Stock Rs. 1,700
- (ii) Depreciation on Machinery @ 10% p.a.
- (iii) Outstanding Wages Rs. 100
- (iv) Rent and Taxes prepaid Rs. 50
- (v) Goods drawn by proprietor for his personal use Rs. 75.



10. a) What do you mean by Cost Accounting ? Explain the limitations of Cost Accounting.
- b) “Cash Book is a Journalized Ledger.” Discuss it.

2 + 5 + 8

11. In a multispeciality hospital, what are the possible sources of revenue ? Write a note on pricing principles to be applied for the bypass surgery of a patient.

5 + 10

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