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Total No. of Pages : 03

Total No. of Questions : 09

MHMCT (2018 Batch) (Sem.-2)
ACCOUNTING FOR MANAGERS
Subject Code : MHM-205-18
M.Code : 76023

Time : 3 Hrs.

Max. Marks : 60

INSTRUCTIONS TO CANDIDATES :

1. SECTION-A is COMPULSORY consisting of TEN questions carrying TWO marks each.
2. SECTION-B contains FIVE questions carrying FIVE marks each and students have to attempt any FOUR questions.
3. SECTION-C contains THREE questions carrying TEN marks each and students have to attempt any TWO questions.

SECTION-A

1. Write briefly :

- i) What do you mean by accounting?
- ii) What is accounting cycle?
- iii) Explain debit and credit.
- iv) What is the going concern concept?
- v) What is compound journal entry? Give one example.
- vi) Distinguish between journal and ledger.
- vii) Distinguish between purchases book and purchases Account.
- viii) Define credit note.
- ix) What is provision for doubtful debts?
- x) What is accounting treatment of adjustment of prepaid expenses in final accounts?

SECTION-B

2. What do you mean by adjustments? What are its objectives?
3. What is balance sheet? What are its objectives?
4. Journalise the following transactions :
 - i) Sahiba started business with cash Rs. 3,00,000
 - ii) Cash withdrawn by Sahiba for personal use Rs. 40,000
 - iii) Additional capital introduced into business Rs. 50,000
 - iv) Sahiba paid tuition fee of her daughter from the business Rs. 12,000
 - v) Life insurance premium paid Rs. 4,000
5. Prepare Trading Account, Profit and loss Account and Balance Sheet for the year ended 31st March 2019 from the following balances.

Machinery	35,000	Rent	4,500
Debtors	27,000	Sundry expenses	2,000
Drawings	9,000	Carriage inwards	1,500
Purchases	95,000	Capital	1,00,000
Wages	50,000	Creditors	14,000
Bank	15,000	Sales	1,45,000
Opening Stock	20,000		

Closing Stock as on 31st march 2019 was valued at Rs. 6,000.

6. “The agreement of trial balance is a proof of accuracy of books of accounts.” Do you agree?

SECTION-C

7. What are the circumstances when closing stock is given :
 - i) Inside the trial balance ; and
 - ii) Outside the trial balance.

Describe the treatment of closing stock in financial statements under both the above circumstances.

8. The following were the balances from the books of Dharam Pal Gupta on 31-03-2019. Prepare Trading Profit and loss A/c and Balance Sheet.

Debit Balances	Rs.	Credit Balances	Rs.
Opening Stock	34,000	Creditors	80,000
Machinery	40,000	Sales	1,20,000
Furniture	23,000	Rent outstanding	2,000
Debtors	31,000	Capital	86,200
Bank Balance	36,400	Purchases Return	4,000
Cash in hand	1,400		
Purchases	85,000		
Discount allowed	2,000		
Carriage	2,600		
Insurance	1,600		
Printing and stationery	4,400		
Rent & Taxes	11,200		
Salaries	7,600		
Sales Return	2,000		
Drawings	10,000		
Notes :			

- i) Stock on 31st March 2019 Rs. 42,000
- ii) Insurance is unexpired to the extent of Rs. 400
- iii) Taxes Outstanding Rs. 2,500
- iv) Salaries prepaid at the end Rs. 2,100.

Enter the following transactions in the journal of Mohan & Bros

9. 2019

April 1

Mohan started business with cash Rs. 10,000 goods Rs. 25,000 and furniture Rs. 5,000

April 3 Purchased goods from Mr. Sohan for cash Rs. 25,000

April 5 Sold goods to Sham Rs. 10,000.

April 11 Paid for rent and wages Rs. 500 and Rs. 400

April 12 Received Commission Rs. 1,500

April 15 Sold goods to Manik of the list price of Rs. 15,000 at a trade discount of 10%

April 18 Manik returned goods of the list price of Rs. 4,000

April 20 Received from Manik Rs. 9,500 in full settlement.

NOTE : Disclosure of Identity by writing Mobile No. or Making of passing request on any page of Answer Sheet will lead to UMC against the Student