Reg. No. ☐☐☐☐☐☐☐☐☐☐

MBAH 402

First Semester M.B.A. Examination, January 2019
BUSINESS ADMINISTRATION
Accounting for Managers

Time : 3 Hours   Max. Marks : 70

SECTION – A   **(2×10 = 20)**

Note : Answer **any two** questions. **Each** question carries **10** marks.
Answer to the question should **not** exceed **five** pages each.

1. What do you mean by GAAPs ? Briefly explain the structure of GAAPs.

2. Critically examine the implications of IFRS in the present accounting scenario.

3. Briefly explain various factors affecting the dividend decisions.

SECTION – B   **(3×12 = 36)**

Note : Answer **any two** questions. **Each** question carries **12** marks.
Answer to the question should **not** exceed **six** pages each.

4. Journalise the following transactions in the books of Mr. Manav and post them to ledger.

    2010 April

    02   Mohan commenced a business with cash Rs. 10,000

    04   Took loan from bank Rs. 5,000

    07   Purchased goods from Jitendra for Rs. 7,000 and from Anudeep Rs. 5,000

    11   Sold goods to Jeevan for cash Rs. 4,000 and on credit Rs. 3,000

12   Paid Anudeep on account by cheque Rs. 5,000

18   Commission due to Sundar Rs. 115

21   Drew for office use Rs. 860

22   Purchased a motar car in exchange for goods Rs. 2,000 and cheque Rs. 3,000

30   Jeevan is declared insolvent and a dividend of 50 paise is in the rupee is received in full settlement

5. Enter the following transactions in a Cash Book with three columns, Cash, Bank and Discount for the month of March, 2012

March, 2012

1   Cash in hand Rs. 400 and Bank Overdraft Rs. 600

2   Brought additional capital in cash Rs. 20,000

3   Deposited into Bank Rs. 10,000

5   Goods sold for cash Rs. 20,000 and allowed Cash Discount of Rs. 200

7   Commission paid to agent Rs. 1,000

9   Cash Sales of Goods Rs. 2,000

10   Goods sold to Radha on Credit Rs. 30,000

14   Purchased goods from Sarika for Rs. 30,000 less 2% discount and paid the amount by cheque.

17   Transferred Rs. 10,000 from Private Bank A/c to Business Bank A/c.

19   Received cheque from Radha Rs. 29,400 and allowed her discount of Rs. 600

21   Goods insured against fire for Rs. 1,00,000 and paid Insurance Premium at 4% by cheque.

23   Purchased 5% Govt. Bonds of Rs. 2,000 at 95% and paid amount by cheque

25   Paid Rent Rs. 1,000 by cheque

27   Furniture purchased on credit from Ganesh Traders Rs. 14,000

29   Goods sold for cash Rs. 40,000 and allowed cash discount at 1%.

30   Paid salary Rs. 4,000 by cheque

6. "Anticipate no profits but provide for all possible losses". Elucidate the statement.

7. Pentacol Co. purchased machinery on 1st April, 2008 for Rs. 8,40,000 and Rs. 60,000 on installation of the machinery immediately. Life of the machine is estimated as four years and at the end of which its scrap value is expected to be Rs. 1,00,000. The company has decided to depreciate the machinery under straight Line Method. The company closes its books of accounts on 31st March every year.

   Show Machinery A/c for the four years.

8. Explain the scope and objectives of financial management.

SECTION – C
(Compulsory) (1×14 = 14)

Note : Answer to the question should **not** exceed **six** pages.

9. From the following Trial Balance of Ganesh Traders prepare Trading and Profit and Loss A/c for the year ended 31-3-2012 and the Balance Sheet as on that date :

Debit Balance	Rs.	Credit Balance	Rs.
Purchases	1,96,000	Sales	4,24,000
Wages	42,000	Capital	2,20,000
Stock on 1-4-2011	50,000	Creditors	70,000
Printing	34,000	Returns	4,600

Insurance paid (upto 30-9-2012)	4,400	Loan	36,000
Salaries	64,000	Rent received	6,400
Carriage Inward	20,000		
Stationery	28,000		
Advertising	24,000		
Building	70,000		
Machinery	1,20,000		
Debtors	60,000		
Returns	4,000		
Cash in hand	4,600		
Patents	40,000		
	7,61,000		**7,61,000**

Adjustments :

1) Closing stocks valued at Rs. 52,000.

2) Outstanding expenses are : Wages Rs. 3,600, Salaries Rs. 7,600 and Printing Bill Rs. 2,400.

3) Depreciate Machinery at 10% p.a. Patents are to be revalued on 31-3-2012 at Rs. 36,400.

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