

PG CBCS
PG Semester-I Examination, 2020
MHA
PAPER: MHA 107
(MANAGEMENT ACCOUNTING)

Full Marks: 40**Time: 2 Hours****Answer any two questions from the followings:****2X20=20**

1. Write short notes on (any four)
 - a. Working Capital
 - b. Golden Rules of Accounting
 - c. GAAP
 - d. Fixed Assets and Current Assets
 - e. EOQ

2. a. Define Trial Balance. (4+16)
 b. From the following Ledger Balance you are asked to prepare Trial Balance for month of January 2021.

| | |
|---------------------|--------|
| Opening stock | 10,000 |
| Purchase (Adjusted) | 20,000 |
| Closing stock | 5000 |
| Cash balance. | 5000 |
| Bank overdraft | 3000 |
| Capital | 30,000 |
| Sundry creditors | 12,000 |
| Sundry debtors | 8000 |
| Sales | 30,000 |
| Plant & machinery | 10,000 |
| Laws & building | 20,000 |
| Goodwill | 5000 |
| Wages | 2000 |
| Salary | 5000 |
| Depreciation | 1,000 |
| Bad Debt | 500 |
| Bill payable | 1,500 |
| Bill receivable | 1000 |

P.T.O.

(2)

3. From the following Trial Balance you are asked to prepare Trading Account, Profit and Loss Account and Balance Sheet for the year ended 31st December, 2020.

Trial Balance as at 31.12.2020

| Dr. | | Cr. | |
|-----------------------------|--------------|------------------|--------------|
| Particulars | Amount (Rs.) | Particulars | Amount (Rs.) |
| Opening stock of purchase | 10,000 | Capital | 80,000 |
| Purchase | 30,000 | Sales | 40,000 |
| Wages | 5,000 | Sundry Creditors | 15,000 |
| Salary | 10,000 | Bills Payable | 5,000 |
| Cash balance | 20,000 | Bank Loan | 16,500 |
| Bank Balance | 10,000 | | |
| Rent | 1,000 | | |
| Provision for doubtful debt | 1,000 | | |
| Bad debt | 500 | | |
| Goodwill | 5,000 | | |
| Plant & Machinery | 10,000 | | |
| Land & building | 20,000 | | |
| Sundry debtors | 10,000 | | |
| Drawing | 2,000 | | |
| Bills receivable | 2,000 | | |
| Furniture | 10,000 | | |
| Advertisement | 10,000 | | |
| | 1,56,500 | | 1,56,500 |

Adjustment entries are as bellow at the end of the year

- i) Closing stock Rs.3000
- ii) Outstanding wages Rs.500
- iii) Prepaid rent Rs.100
- iv) Provision for doubtful debts @ 5% p.a. on sundry debtors.
- v) Purchase new furniture of Rs.5000 on 30/06/20.

4. a. What is financial statement? (2+7+3+8)
- b. Discuss various uses of accounting ratios.
- c. Define current ratio with formula.
- d. From the following asset & liabilities, you are asked to prepare current ratio and liquid ratio.

P.T.O.

(3)

Current assets:

| | |
|-------------------|--------------|
| Stock in trade. | Rs. 1,50,000 |
| Sundry debtors. | Rs. 2,00,000 |
| Bill payable. | Rs. 90,000 |
| Prepaid expenses. | Rs. 10,000 |

 Rs. 4,50,000
Current liabilities:

| | |
|-----------------------|--------------|
| Bank overdraft. | Rs. 25,000 |
| Sundry creditors. | Rs. 1,75,000 |
| Bills payable. | Rs. 25,000 |
| Outstanding expanses. | Rs. 25,000 |

 Rs. 2,50,000

5. a. Distinguish between cash flow statement and fund flow statement.
- b. Distinguish between fixed budget and flexible budget. (10+10)
6. Discuss various internal and external factors of working capital requirements.
