Sanjay Ghodawat University, Kolhapur 2019-20
Established as State Private University under Govt. of Maharashtra. Act No XL, 2017

2019, MBA FY | School of Commerce and Management | SCM

MMC 503 | Accounting ForManagers | Semester – ODD(I)

Day:-04/12/2019 Wednesday | End Semester Examination | Time: 3 hrs, Max Marks: 100

10-30 am to 1-30 pm

Instructions: 1) All Questions are compulsory.
2) Assume figures wherever necessary.

		Marks	COs	Level
Q.1	Answer the Following			
a)	Discuss any two concepts of accounting with suitable example.	10	1	L2
b)	On February 03 2019, PN company started business and other transactions for the month are: 3. Started business with Rs. 300,000 4. Purchase Furniture for Cash Rs. 5,000. 9. Purchase Goods for Cash Rs. 6,000 and for Credit Rs. 3,000 from Khalid Retail Store. 12. Sold Goods to Khan Brothers Rs. 12,000 and Cash Sales Rs. 5,000. 19. Owner withdrew of worth Rs.9,000 for personal use. 23. Paid Khalid Retail Store Rs. 300. 24. Received Rs. 10,000 from Khan Brothers. 25.Paid Salaries Expense Rs. 2,000 Prepare a journal from above transactions.	10	2	L 2
	OR			
b)	From the following Trial Balance of Ram prepare Trading and Profit and Loss Account for the year ended December 31, 2019 and Balance Sheet as on that date.	10	2	L 2

Trail Balance

Particulars	Debit (Rs)	Credit (Rs)
Capital		27,000
Drawings	4,260	
Furniture	5,700	
Stock on January 1, 2020	8,760	
Purchases and Sales	62,172	7 1,436
Returns	1,260	1,746
Salaries	2,640	
Rent	720	
Carriage	1500	
Rates and Taxes	1200	
Apprentice Premium		750
Bank Overdraft.		1,200
Bad Debts	1,032	

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Sundry Debtors	19,200	
Cash in hand	288	
Sundry Creditors		6,000
Provision for Bad Debts		600
Bills Receivable	1,440	
Bills Payable		1,080
Discount		360
Total	1,10,172	1,10,172

You are required to consider the following adjustments:
1.Stock on December 31, 1986 was valued at Rs. 10,200.
2 .Provide for doubtful debts at 5% on Sundry Debtors and for Discount on Creditors at 2%.
3. Rent due was Rs. 160.
4 .Taxes of Rs. 320 were paid in advance.
5. Depreciate Furniture at 10% per annum.
6. Apprentice Premium of Rs. 120 was to be carried forward.
7 .Calculate interest on capital at 5% per annum.

Q.2 Solve the Following

a) On 31st July, 2009 a company purchased a machine for Rs 5,90,000 and spent Rs 10,000 on its installation. It decided to provide depreciation @ 15% per annum, using written down value method. On 30th November, 2012 the machine was dismantled at a cost of Rs 5,000 and then sold for Rs 1,10,000.
On 1st December, 2012 the company acquired and put into operation a new machine at a total cost of Rs 9,00,000. Depreciation was provided on the new machine on the same basis as had been used in the case of the earlier machine. The company closes its books of account every year on 31st March.
Prepare Machinery Account & Depreciation Account for year ended 31 March 2013. — 10 — 3 — L 3

b) Appraise the various provisions under Revenue Recognition (AS-9) Accounting standards. — 10 — 4 — L 4

OR

b) Appraise the disclosure of Accounting Policies(AS-1). — 10 — 4 — L 4

Q.3 Answer the Following

a) A manufacturer has shown an amount of Rs. 16190 in his books as "establishment" which includes the following expenses: — 10 — 5 — L 6
- Agents commission-- Rs. 5750
- Warehouse wages-- Rs. 1800

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- Warehouse repairs-- Rs. 510
- Lighting of office-- Rs. 70
- Office salaries-- Rs. 1130
- Director's remuneration-- Rs. 1400
- Traveling expenses-- Rs. 760
- Rent, rates and insurance of warehouse-- Rs. 310
- Rent, rates and insurance of office-- Rs. 230
- Lighting of warehouse-- Rs. 270
- Printing and stationery-- Rs. 1500
- Trade magazines-- Rs. 70
- Donations-- Rs. 150
- Bank charges-- Rs. 100
- Discount allowed-- Rs. 1970
- Bad debts-- Rs. 170

From the above information, prepare a statement showing the following (in separate totals):
• Selling expenses • Distribution expenses • Administration expenses • Expenses which you will exclude form total cost

OR

a) The accounts of Basudev Manufactures Ltd. for the year ended 31st December 2019 show the following:

	Rs.
Stock of Material on 1.1.88	6,720
Materials Purchased	1,50,000
Materials returned to suppliers	2,000
Direct Labour	50,000
Direct Expenses	20,000
Factory Expenses	15,300
Office & Administrative Expenses	8,000
Selling & Distribution Expenses	7,900
Stock of Materials on 31.12.88	7,720
Profit	10,000

10 5 L 6

Prepare
(a) Material Consumed
(b) Prime Cost
(c) Works Cost
(d) Cost of Production
(e) Total Cost and
(f) Sales

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Q.4 Answer the Following

a) The details of the company for the year 90 are as follows

Particulars	first half of 90	Second half of 90
Sales	₹ 8,10,000	₹ 10,26,000
Profit	₹ 21,600	₹ 64,800

10 6 L 5

Assess and Calculate:

1. P/V ratio
2. Fixed cost
3. Amount of profit when sales are ₹ 6,48,000
4. Amount of sales to earn a profit of ₹ 1,08,000

b) Interpret the essentials of budgeting for a business unit with suitable example. 10 6 L 4

c) A company has a machine No. 9 which can produce either product M or N. The cost data relating to machine A and B are as follows:

Particulars	Product M	Product N
Selling Price	Rs.30	Rs.40
Variable cost	Rs.10	Rs 10
Contribution	Rs 20	Rs 30

10 6 L 4

Additional Information:

a. Capacity of machine No. 9 is 3, 000 hrs.

b. In one hrs machine No. 9 can produce 3 units of M and 1 unit of N.

Determine which product should machine No. 9 produced?

OR

c) Prepare a Cost Sheet Formate with all the elements of cost. 10 6 L 3

Q.5 Answer the Following

a) Illustrate elements of cost in cost accounting. 10 5 L 3

b) Write down the objectives of Cost Accounting. 10 5 L 3

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