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Internal Assesment Test - II

Sub:	Accounting For		iai Assesinent Test 1.		Code:	18MBA13
-	3/12/2019	Duration: 90 mins	Max Marks: 50	Sem: I	Branch:	MBA

-						OI	BE
Part	A -Answer Any Two Full Questions ($20*2 = 4$	0 marks)			Marks	СО	RBT
1 (a)	Define depreciation				[03]	CO2	L1
(b)	From the following particulars, you are required to Cost of assets; Rs 13,500 Turn in value (Scrap): Rs 1,500 Estimated life: 10 years	o find out	t the rate of	depreciation.	[07]	CO2	L3
(c)	Explain the causes of depreciation.				[10]	CO2	L4
2a)	What do you mean by return inward and return or	utward?			[03]	CO3	L1
(b)	Explain balance sheet and draw its Performa?				[07]	CO3	L4
c)	On 1 st Jan 2012, X Purchased a second-hand made 2000 on it installation. On 1 st July 2014, this Prepare the machinery account of the machine X the rate of depreciation @10%.	machine	was sold f	or Rs 28,600.	[10]	CO2	L3
3 (a)	What is meant by final account?				[03]	COI	Ll
(b)	List the different methods of charging depreciatio	n, and ex	plain any tw	0.	[07]	CO1	L4
c)	Prepare triple column cash book from the following Commenced business with cash of Rs 80,000 Paid into bank Rs 5000 Bought goods for Rs 2000 and paid by cheque Purchased stationery for Rs 500 Received cash from Mr. Sahil Rs 890 and allowed Paid to Chandra by Cheque Rs 200 Drew cheque for personal use Rs 100 Paid to Santosh his dues by a cheque of Rs 340 are Part B - Compulsory (10*1=10 marks)	d him a di nd earned	scount of R	of Rs 10.	[10]	CO3	L3
4	a) The following is the trial balance of M/s. Trading, Profit and Loss account for the balance sheet as on that date	he year	ending 31/	/2017. Prepare 2/2017 and a	(10)	C03	L3
	Particulars D	Debit	Credit				
	Capital .	7.500	85,000				
	Drawings	7,500					
	Stock 1.1.2009	12,000 86,000	1.70.000				
	Purchases and Sales	2,000	1,70,000				
	Returns	500	1,000				
	Discounts	300	700 1000				
	Commission received	700	1000				1000
	Income tax paid						I SHOW THE

Office Salaries		
Office Rent	17,300	
Advertising	2,000	
Sundry Dobt	1700	
Sundry Debtor and Creditor Rent received from tenants	85,000	30,000
Manufacturing wages		3,000
Bills Receivables and Payables	8,600	
Carriage Carriage	5,000	5,000
Machinery	600	
Motor vans	40,000	
Land & Buildings	7,000	
Office expenses	10,000	
Cash @ Bank	1,500	
Cash in hand	6,000	
Total	2,300	
ente:	2,95,700	2,95,700

Adjustments:

i) Closing Stock was Rs 10,000.

(Dr Prakash B. 4.)

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Page 2 of 3

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Internal Assessment Test - II

Sub: Accounting For Managers							Code:	18MBA13	
Date	3/12/2019	Duration:	90 mins	Max Marks:	50	Sem: I	Branch:	MBA	

		OE	BE
Part A -Answer Any Two Full Questions (20* 2 = 40 marks)	Marks	CO	RBT
1 (a) Define depreciation	[03]	CO2	L1
In accounting, depreciation is the assigning or allocating of the cost of a plant asset (other than land) to expense in the accounting periods that are within the asset's useful life.			
(b) From the following particulars, you are required to find out the rate of depreciation. Cost of assets; Rs 13,500 Turn in value (Scrap): Rs 1,500 Estimated life: 10 years	[07]	CO2	L3
(c) Explain the causes of depreciation.	[10]	CO2	L4
The causes of depreciation are:			
Wear and tear. Any asset will gradually break down over a certain usage period, as parts wear out and need to be replaced			
Perishability. Some assets have an extremely short life span			
Usage rights			
Natural resource usage			
Inefficiency/obsolescence.			
2a) What do you mean by return inward and return outward? Return inwards is sales return, which means that a person who bought goods from your business is does not want them or they do not meet his/her standards he can return the good to you. Similarly return outward is purchase return. When you purchase something and are not happy with it, you return it.	[03]	CO3	L1
(b) Explain balance sheet and draw its Performa? Balance sheet (also known as the statement of financial position) is a financial statement that shows the assets, liabilities and owner's equity of a business at a particular date. The main purpose of preparing a balance sheet is to disclose the financial position of a business enterprise at a given date.	[07]	CO3	L4
c) On 1 st Jan 2012, X Purchased a second-hand machinery for Rs 58,000 and spent Rs 2000 on it installation. On 1 st July 2014, this machine was sold for Rs 28,600 Prepare the machinery account of the machine X according to WDV method taking the rate of depreciation @10%.		CO2	L3

Solution

16). calculation of rate of depreciation

R 2 Amount of Depreciation × 100

Cost & anet

Amt & Depreciation = Cost & - scrap

And - scrap

Life

13500-1500 : 12000 : 12000

10

R 2 1200 ×100 2 8.8 %.

Final accounts gives an idea about the profitability and financial position of a business to its management, owners, and other interested parties. All business transactions are first recorded in a journal The term "final accounts" includes the trading account, the profit and loss account, and the balance sheet. (b) List the different methods of charging depreciation, and explain any two. Methods of charging depreciation: Straight Line Method. Diminishing Balance Method. Diminishing Balance Method. Diminishing Balance Method. Accelerated Depreciation Method. Paid into bank Rs 5000 Bought goods for Rs 2000 and paid by cheque Purchased stationery for Rs 500 Received cash from Mr. Sahil Rs 890 and allowed him a discount of Rs 20 Paid to Chandra by Cheque Rs 200 Drew cheque for personal use Rs 100 Paid to Santosh his dues by a cheque of Rs 340 and earned a discount of Rs 10. Part B - Compulsory (10*1=10 marks)					0		
\$\text{3 (a) What is meant by final account?}\$ Final accounts gives an idea about the profitability and financial position of a business to its management, owners, and other interested parties. All business transactions are first recorded in a journal The term 'final accounts' includes the trading account, the profit and loss account, and the balance sheet. (b) List the different methods of charging depreciation, and explain any two. Methods of charging depreciation: Straight Line Method. Diminishing Balance Method. Diminishing Balance Method. Double-Declining-Balance Method. Sum-of-year's-digits Method. Accelerated Depreciation Method. Units of Activity Depreciation Method. Commenced business with cash of Rs 80,000 Paid into bank Rs 5000 Received cash from Mr. Sahil Rs 890 and allowed him a discount of Rs 20 Paid to Chandra by Cheque Rs 200 Drew cheque for personal use Rs 100 Paid to Santosh his dues by a cheque of Rs 340 and earned a discount of Rs 10. Part B - Compulsory (10*1=10 marks) 4 a) The following is the trial balance of M/s, RJ Ltd as on 3/12/2017, Prepare (10) Trading, Profit and Loss account for the year ending 3/12/2017 and a balance sheet as on that date Particulars Debit Credit Capital Drawings 7,500 Townission received 1,000 Purchases and Sales 86,000 1,70,000 Returns 2,0000 1,000 Discounts 500 700 Commission received 1,000 Income tax paid 700 Income tax paid 700 Office Salaries 1,7300 Office Rent 2,000 Advertising 10,000 Carriage 8,600 - Bills Receivables and Payables 5,000 5,000 Carriage 9,000 1,000 Machinery 40,000 - Machinery 40,000 Machinery 40,000 Office expenses 1,500 Cosh & Bank 6,000 Cosh & Bank 6,000							
(b) List the different methods of charging depreciation, and explain any two. Methods of charging depreciation: Straight Line Method. Dominishing Balance Method. Domble-Declining-Balance Method. Sum-of-year's-digits Method. Accelerated Depreciation Method. Units of Activity Depreciation Method. Commenced business with cash of Rs 80,000 Paid into bank Rs 5000 Bought goods for Rs 2000 and paid by cheque Purchased stationery for Rs 500 Received cash from Mr. Sahil Rs 890 and allowed him a discount of Rs 20 Paid to Chandra by Cheque Rs 200 Drew cheque for personal use Rs 100 Paid to Santosh his dues by a cheque of Rs 340 and earned a discount of Rs 10. Part B - Compulsory (10°1=10 marks) 4 a) The following is the trial balance of M/s. RJ Ltd as on 31/12/2017. Prepare Trading, Profit and Loss account for the year ending 31/12/2017 and a balance sheet as on that date Particulars Debit Credit Capital 85,000 Drawings 7,500 Stock 1,12009 12,000 Purchases and Sales 86,000 1,70,000 Returns 2,000 1,000 Purchases and Sales 86,000 1,70,000 Returns 2,000 1,000 Drawings 7,500 1000 Drawings 7,500 1000 Drawings 17,300 - Office Salaries 1,7,300 - Office Salaries 1,7,000 - Office Salaries 1,	Final accou business to transactions	ints gives an idea about the profitabil its management, owners, and other is are first recorded in a journal The	nterested pa ne term "fina	arties. All bual accounts"	on of a usiness	COI	LI
c) Prepare triple column cash book from the following information Commenced business with cash of Rs 80,000 Paid into bank Rs 5000 Bought goods for Rs 2000 and paid by cheque Purchased stationery for Rs 500 Received cash from Mr. Sahil Rs 890 and allowed him a discount of Rs 20 Paid to Chandra by Cheque Rs 200 Drew cheque for personal use Rs 100 Paid to Santosh his dues by a cheque of Rs 340 and earned a discount of Rs 10. Part B - Compulsory (10*1=10 marks) a) The following is the trial balance of M/s. RJ Ltd as on 31/12/2017. Prepare (10) Trading, Profit and Loss account for the year ending 31/12/2017 and a balance sheet as on that date Particulars Capital Particulars Capital Drawings 7,500 Stock 1.1.2009 12,000 Purchases and Sales 86,000 1,70,000 Returns 2,000 1,000 Discounts 500 700 Commission received 1000 Income tax paid 700 Commission received 17,300 Office Salaries 17,300 Sundry Debtor and Creditor 85,000 Carriage 600 Cash @ Bank 6,000	(b) List the diff Methods of Straight Lin Diminishin Double-De Sum-of-yea	ferent methods of charging depreciated from the ference of charging depreciation: In the Method. In the Balance Method. In the Method of the ference of t			o. [07]	CO1	L4
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Rent received from tenants			85,000	30,000			
Manufacturing wages 8,600 - Bills Receivables and Payables 5,000 5,000 Carriage 600 - Machinery 40,000 - Motor vans 7,000 - Land & Buildings 10,000 Office expenses 1,500 Cash @ Bank 6,000		Rent received from tenants		3,000			
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Motor vans 7,000 - Land & Buildings 10,000 Office expenses 1,500 Cash @ Bank 6,000				-		1	
Land & Buildings 10,000 Office expenses 1,500 Cash @ Bank 6,000							
Office expenses 1,500 Cash @ Bank 6,000							
Cash @ Bank 6,000							
Cabit				TRIBLE SE		1	1
Lasti III II III II		Cash in hand	2,300			134	

Adjustments:

i) Closing Stock was Rs 10,000.

20. 1.1.2012. Second Land Machinery: Z 58000
Installation Z 2000

₹ 60,000

1.7.2014. Sold for m 28600/_ Prepare machinery Arc. Hethod: EVDM. R:10%.

Monung notes: 1.1.2012: 60,000

Tyean Depreciation 1.1.2012 - 31.12.2012 6000

Jyean Depreciation 1.1.2012 - 31.12.2012 6000

 $\frac{11}{10/100} \times 54000$ 1.1.14 54001.1.14

10/100 × 48600 × 6/12

10/100 × 48600 × 6/12

1.1.5 Book 46170.

Value

S.P: 28600

S.P: 28600 Lon. 17570

	Course Outcomes	POI	P02	PO3	P04	POS
CO1:	Demonstrate the theoretical knowledge and its application in real time accounting	x	-	-	-	-
CO2:	Demonstrate knowledge regarding accounting principles and its applications	1a, 1b, 1c	-	-	-	-
CO3:	Capable of preparing financial statement of sole	-	2a, 2c2b, 3a	-	-	
CO4:	Independently undertake financial statement analysis and take decisions	-	3c, 4a,3b	-	-	-

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(2	1
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Toumal	Enties		
Data	Particular LF	Delit	credit
1. 1. 2012	Machinery Alc Dr TO Cashak	60,000	60,000
31.12.2012.	Depreciation A/c Dr no Hachineiy Mc	6000	6000
31.12.2012	P/L AL DY	6000	6000
31.12 2012	Depreciation He or	5400	
	to Machinery Mc.		5400
31.12, 2012	PXL ATC DY	5400	
	TO Deprecion	led or	5400
21-12-20	cash Ac Dr	28600	
1.7.20kg	to Machinery		28600
1.7.2014	Projil-A Ron Mc Dr	17570	
	10 Machinery		12570
31.12.20Kg		2430	2430
31.12 2014	PALAL Dr	2430	2420.

0/		Hachineiy	AL	u
1.1.2012	TO COULAL	60,000	31.12 2012 By Dep. ALL " By bal cho!	54000
		60,000	-	60,000
1.1.2013	70 bal b/d	<i>syoo</i> .	31.12.2013 By Dep A/L	5400 48600
	20%	54000		54000
1.1.2014	no bal bld	48600	1.7.2014 By cash A/c	28600
			1.7.2014 By P/L AC. 31.12 2014 By Dep Mc	19570 2430
		48600	_4	8600

3c Dy Roceipti Date Porticulaus	Triple column cash books L D Cash Book Date Porticular	poyment.
To capital. To cash To Sahl.	80,000 - By Bank. C - 5000 By punchane. 20 890 By Stationery By chancha By drawings. By Santhesh. By bal c/d	C - 5000 - 200 200 100
to bal b/d 4 a	20 80890 5000 7 5390 2360. Port D Trading, Projit & lon M Ended 31.12.	10 80890 5000 c for the 4x
no op. slock. to purchase. The Returns. Net no. Hanusaturing no carriege. To Gron moje (Transferred to creditsion	12000 By Lales. 86000 (Relamp. 1000 85000 Net Lales. Function 34 closing stous it 3 12004,700	12000
	178000	178000

to Discount allowed. To office rent. To Advertising. To office Exponses. To Net projet (Transferred to Balancesheet	500 17300. 2000. 1700. 1500 53500	By Gnon projet (Transferred from (By Discount received) By Comm. Roccived. By Rent received from Conants	74800 750 1000, 3680
Smithesh. 2 10-2 24 c.y. 1833	76500		76580
5808 -01	your e		
	640.	WEG 6. 11	d tod or
	Balanceshe	et as on 31.12.1.7	
Liabilities		Anet.	The last of the la
Fixed Liabilation		Current anet:	
capital : 85000		Cash @ bank.	6000
(+1 NP. 53500		Cash in hand	2300
138500	Corre	S. Deblors. Billy receivables	5000
(-1 drawlings. 7500) (8) (8)	Cl. stock	10,000
- Incometax 700	130300		40,000
Bills poyable. Sundry creditors.	5000.	Machinery Motor voys, Land & Buddi.	7000
ou cutors.	30000	, 15177(1.2)	