MBA IN INTERNATIONAL HOSPITALITY MANAGEMENT

00487

Term-End Examination

June, 2018

MHY-012 : ACCOUNTING FOR MANAGERS

Time : 3 hours   *Maximum Marks : 100*

Note : (i) *Attempt any five questions.*

(ii) *All questions carry equal marks.*

1. Describe in detail the generally accepted accounting principles.   20

2. Give journal entries with narrations for the following transactions :   20

   (a) Bought furniture from Furniture Mart ₹ 5,000.

   (b) Sold goods for cash with cash discount @ 10% ₹ 5,000.

   (c) Purchased raw material from Raju on credit with trade discount @ 5% ₹ 2,000.

   (d) Returned part of the goods to Raju ₹ 200.

   (e) Withdrawn cash for personal use ₹ 150.

3. A trial balance is merely a proof of arithmetical accuracy. Explain this statement with suitable examples.   20

4. From the following Trial Balance prepare a **20** Trading Account, Profit and Loss Account and Balance Sheet for the year ending on 31st Dec., 2015 :

Dr.		Cr.	
Purchases	55,000	Capital	15,000
Drawings	2,500	Sales	75,000
Stock	11,000	Bank	2,100
Furniture	1,300	Creditors	7,900
Land and Building	10,000	Rent	500
Sundry Debtors	9,000	Discount	200
Sales Return	1,000		
Insurance	1,000		
Sundry Expenses	2,000		
Commission	1,000		
Carriage Inwards	900		
Printing and Stationery	400		
Motor Car	5,000		
Cash	600		
	1,00,700		1,00,700

Adjustments :

(a) Closing stock ₹ 9,900.

(b) Depreciation @ 5% on furniture, 10% on motor car.

(c) Prepaid Insurance ₹ 200, Outstanding sundry expenses ₹ 250.

5. Write short notes on (**any four**) :   5x4=20

    (a) FIFO   (b) KOT

    (c) Indent   (d) Bin Card

    (e) Purchase Specification

6. Why it is important to prepare Funds Flow   20
    Statement ? Explain in detail with its limitations.

7. What is Cash Flow Statement ? What are its   20
    advantages and limitations ? Discuss.

8. What do you mean by Ratio Analysis ? Discuss   20
    in detail.

9. Describe with examples :   20

    (a) EPS

    (b) Debt Equity Ratio

    (c) Inventory Turnover Ratio

    (d) Return on Investment

10. What are the different methods of evaluating   20
     Capital Investment Proposals ?

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