

**QUESTION BANK**  
**MBA - I SEM.**  
**ACCOUNTING FOR MANAGERS (103)**

(A) Questions of 1.5 Marks

- (1) Explain the convention of Accounting.
- (2) Give the definition of Cost Accounting.
- (3) Define management Accounting.
- (4) What are the limitations of cost Accounting?

(B) Questions of 02 Marks.

- (1) What are accounting concepts? Explain.
- (2) What is the relationship between cost and management accounting?
- (3) What are the limitations of financial Accounting?

(C) Questions of 03 Marks.

- (1) Explain in brief the scope of management Accounting.
- (2) Pass the Journal entries for the following transaction in the books of Iron Merchant Hari Prashad 2004

|         |  |
|---------|--|
| Mar. 1  | commenced business with cash Rs. 10,000 and goods Rs. 5,000        |
| Marc 8  | Sold goods for Rs. 2000 at 10% trade discount and 5% each discount |
| Mar.15  | Paid to Mohan Rs. 575 in full payment of Rs. 600                   |
| Mar 20  | Purchased goods worth Rs. 1000 from Ravi at 5% trade discount.     |
| Mar. 30 | Withdrew for personal use Rs. 500 cash and goods of Rs. 100        |

Q.3 What is ledger? Describe the rules of posting in it.

Q.4 Give Journal entries in the books of cloth Merchant Ram Kumar & Sons for the following transactions: (1) Started business Rs. 50000 (2) Purchased machinery for Rs. 15000 (3) Paid carriage for bringing machinery Rs. 150 (4) Sold goods to kuldeep Rs. 9000 (5) Kuldeep settled his account Rs. 8830 (6) Cheque received from Ramesh and deposited it into Bank Rs. 5000 (7) Sold goods for cash Rs. 3000 (8) Withdrew from Bank for office use Rs. 2000 (9) Paid salary by cheque Rs. 300 (10) Received interest in cash Rs. 50

Q.5 From the following balance prepare trial balance for the year ending 31 March 2004.

Capital 50000, Building 60000, Loan 30000, Creditors 40000, Wages 10000, Salaries 15000, Machinery 50000, Bank Overdraft 20000, Rent 5000, Purchases 10000, Sales 30000, Drawings 20000.

Q.6 From the following balance prepare trial balance for the year ending 31 March 2004.

Cost of goods sold 150000, Closing stock 40000, Debtors 60000, Creditors 30000, Fixed Assets 50000, Opening Stock 60000, Expenses 20000, Sales 200000, Capital 90000.

Q.7 Ascertain opening Journal entry with the following information

(1) Cash in hand 50000, (2) Building 60000 (3) Furniture 40000 (4) Creditors 30000, (5) Debtors 50000 (6) Closing Stock 70000 (7) Bank Loan 35000 (8) Bills Payable 15000

Q.8 What is trail balance? Explain the errors which are not disclosed by trial balance.

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