

Term End Examination – December, 2016
Program Title: Diploma in Management
Course Title: Accounting for Managers
Course Code: DIM-5
(Session 2015-16)

Time-3 Hours
Full Marks-100

Answer any four questions from Group-‘A’, any two questions from Group- ‘B’ and any three questions from Group-‘C’.

Group ‘A’

(Answer any four questions each within 100 words)

Q.No.1

Marks: 5 X 4= 20

- (a) What do you mean by Accounting? Distinguish between Book-keeping and Accounting. (2+3)
- (b) What do you mean by personal accounts? State the rule of double entry system applied on personal accounts. (3+2)
- (c) What do you mean by journal? Why is it called the book of original entry? (3+2)
- (d) Elaborate any two accounting conventions. (5)
- (e) Explain in brief the need of providing depreciation. (5)
- (f) Define a ledger. Why is it known as the principal book of accounts? (3+2)
- (g) Distinguish between Profit & Loss Account and Balance sheet. (5)

Group ‘B’

(Answer any two questions each within 250 words)

Q.No.2

Marks: 10 X 2= 20

- (a) What is depreciation? State briefly the different causes of depreciation. (3+7)
- (b) What do you mean by trial balance? Discuss the errors which are disclosed by the trial balance. (3+7)
- (c) What is Balance sheet? Why is it prepared? Give a specimen of Balance Sheet. (2+3+5)
- (d) Journalize the following transactions in the books of Gery: (10)

2007 Jan.	Particulars	(in Rs.)
1 “	Started business with cash	4,500
1 "	Paid into bank	2,500
2 “	Goods purchased for cash	1,500
3 “	Purchase of furniture and payment by cheque	500
5 “	Sold goods for cash	600
8 “	Sold goods to Arvind	400
10 “	Sold goods to Ram Swaroop for cash	250
12 “	Cash received from Arvind and discount allowed to him	396 4
18 “	Withdrew from bank for private use	100
23 “	Withdrew from bank for use in the business	500
30 "	Paid telephone rent for one year	40

(e) Narrate the objectives and functions of Accounting. (5 + 5)

Group 'C'

(Answer any three questions each within 500 words)

Marks: 20 X 3 = 60

Q.No.3

(a) What do you mean by accounting concept? Explain the different accounting concepts and their implications. (4 + 16)

(b) Elaborate the straight line method of depreciation and diminishing balance method of depreciation and explain their merits and demerits. (10 + 10)

(c) Discuss in detail the possible user of accounting information. (20)

(d) Explain any two: (10 + 10 = 20)

(i) Subsidiary books

(ii) Difference between Journal and Ledger

(iii) Grouping and Marshalling of Assets and Liabilities

(e) The following balances are extracted from the books of Ramesh & Co. on 31st March, 2016. You are required to make the necessary closing entries and to prepare the Trading and Profit and Loss Account and a Balance Sheet as on that date:

(20)

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
Stock on April 1	500	Commission	200
B/R	2,250	Returns Outward	250
Purchases	19,500	Trade Expenses	100
Wages	1,400	Office fixtures	500
Insurance	550	Cash in hand	250
Sundry Debtors	15,000	Cash at Bank	2,375
Carriage Inward	400	Rent and Taxes	550
Commission (Dr.)	400	Carriage outward	725
Interest on capital	350	Sales	25,000
Stationery	225	Bills payable	1,500
Returns Inward	650	Creditors	9,825
		Capital	8,950

The closing stock was valued at Rs.12,500