

JAYPEE UNIVERSITY OF INFORMATION TECHNOLOGY, WAKNAGHAT
TEST 1 EXAMINATION – 2016
B.Tech VIII Semester

Course Code: 14B1WHS834
Course Name: Accounting for Managers
Course Credits: 3

Max. Marks: 15
Max. Time: 1 Hour

Note: All questions are compulsory. Carrying of mobile phone during examinations will be treated as case of unfair means.

Q1. Answer the following in two or three lines only.

(4*1=4 marks)

- a) In what circumstances, has an account a debit balance?
- b) What is the implication of business entity concept?
- c) What do you mean by "Double compound entry"?
- d) Explain the significance of balancing an account.

Q2. a) Differentiate between cash and accrual basis of accounting.
b) Explain convention of conservatism.

(2+1 = 3 marks)

Q3. Record the following transactions in Journal:

(1+1+0.5+0.5 = 3 marks)

- 1) Bought goods of the list price of Rs. 25,000 from Mohan less 20% trade discount and 2% cash discount and paid 40% by cheque.
- 2) Sold goods to Rakesh of the list price of Rs. 50,000 less 20% trade discount and 2% cash discount and he paid 50% by cheque.
- 3) Goods worth Rs. 500 were used by the proprietor for domestic purposes.
- 4) Rs. 200 due from Hari are bad debts.

Q4. Transactions of Ramesh for April, 2015 are given below. Journalise them, post them into ledger and prepare Trial Balance.

(5 marks)

2015		Rs.
April 1	Ramesh started business with cash	10,000
April 3	Bought goods for cash	500
April 8	Sold goods to Krishna	150
April 12	Bought goods from Shyam	225
April 14	Received from Krishna	150
April 16	Paid cash to Shyam in full settlement of his account	215
April 20	Cash sales for the month	800
April 25	Paid rent	50
April 29	Paid salary to Ram	100