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## **MTM-304/MTTM-304**

### **Financial Accounting**

Master of Tourism & Travel Management

(MTM-12/MTTM-16/17)

3<sup>rd</sup> Semester Examination June 2022

Time : 2 Hours

Max. Marks : 40

Note : This Paper is of forty (40) marks divided into two (02) Section A and B. Attempt the questions contained in these sections according to the detailed instructions given there in.

#### Section-A

(Long Answer-type questions)

Note: Section 'A' contains Five (05) Long-answer type questions of ten (10) marks each. Learners are required to answer any two (02) questions only.

(2 x 10 = 20)

Q.1. Define Accounting. Explain the nature and scope of Accounting. Explain the functions of accountant in modern times ?

P.T.O.

Q.2 From the following Trial Balance of M/s Aamir Khan Sons Ltd., Prepare Trading and Profit and Loss Account for the year ended 31 march 2019 and Balance Sheet as on the date :

	Dr.(Rs.)	Cr.(Rs.)
Purchase & Sales	2,75,000	5,20,000
Return inward	15,000	
Return outward		9,000
Carriage	12,400	
Wages & Salaries	58,600	
Trade expenses	2200	
Rent		13,000
Insurance	2000	
Audit fees	1200	
Debtors and Creditors	1,10,000	62,100
B/R and B/P	3300	2200
Printing & Advertising	5500	
Commission		1000
Opening Stock	36,000	
Cash in hand	12,800	
Cash at bank	26,800	
Bank loan		20,000
Interest on loan	1500	
Capital		2,50,000
Drawing	15,000	
Fixed Assests	3,00,000	
	877300	877300

P.T.O.

Adjustments :

- (i) Stock at the end Rs.60,000
- (ii) Rent received in advance Rs.1000
- (iii) Allow 8% interest on capital

Q.3 Explain the meaning and importance of Capital Budgeting. Discuss Internal Rate of Return(IRR) and Net Present Value (NPV) method of capital budgeting ?

Q.4 Distinguish between book keeping and Accounting ?

Q.5 What do you mean by Journal and Ledger ? Also differentiate between both terms ?

### Section-B

(Short Answer-type questions)

Note: Section 'B' contains Eight (08) Short-answer type questions of five (05) marks each. Learners are required to answer any four (04) questions.

(4 x 5 = 20)

P.T.O.

Q.1 Journalise the following transactions :

2009		
Nov 1	Raj Started Buisness with cash	10,000
Nov 5	Goods purchased for cash	3,000
Nov 7	Good purchased for Sunil	2,000
Nov 9	Good sold for cash	1,000
Nov 10	Goods sold to Bipin	1500
Nov 15	Cash received from Samir	1000
Nov 20	Furniture purchased for cash	3000
Nov 25	Paid for wages	500
Nov 28	Received interest in cash	400
Nov 29	Drawn from bank	2,000

Q.2 Explain the basic accounting concepts?

Q.3 What is Financial Planning ? Explain various steps involved in it ?

Q.4 What is Fund Flow Analysis ? Explain its objective and managerial uses ?

Q.5 What is Working Capital ? Explain the factors affecting the working capital requirement of a business ?

P.T.O.

Q.6 Pass necessary journal entries to rectify the following errors :

- (i) Sale of an old machine for Rs.4500 was posted to sales account.
- (ii) Salary paid to the accountant Sushil Gupta of Rs.6500 was debited to his personal Account.
- (iii) Goods purchased for Rs.900 entered in the purchases book as Rs.9000.
- (iv) Goods for Rs.5500 were purchased from Modern Traders on credit, but no entry has yet been passed.
- (v) Purchase book is undercast by Rs.1500.

Q.7 What are the limitations of accounting ?

Q.8 What are the advantages and disadvantages of double entry system ?

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