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I Semester B.B.A.(AM) Degree Examination, August - 2021
BUSINESS ADMINISTRATION (AVIATION MANAGEMENT)

Accounting and Management Decisions

(CBCS Scheme Fresh)

Paper : 1.4

Time : 3 Hours

Maximum Marks : 70

Instructions to Candidates :

Answer Should be written in English

SECTION - A

Answer any **Five** questions. Each question carries **Two** marks.

(5×2=10)

1. a) What is Book Keeping?
- b) Bring any two features of Accounting.
- c) Give any two difference between Trail Balance and Balance Sheet.
- d) Give the meaning of Cash price and Hire purchase price.
- e) What do you mean by Royalty?
- f) What do you mean by Asset accrual Method?
- g) What do you mean Activity based costing?

SECTION - B

Answer any **Three** questions. Each question carries **Six** marks.

(3×6=18)

2. List any six Indian Accounting standards.
3. Enter the following transactions of M/S Mukerjee & Bros in Cash Book (single column)

April 2017 1 st	Balance of cash in hand	Rs. 50,000
April 2017 3 rd	Purchased goods for cash	Rs. 22,000
April 2017 7 th	Purchased goods	Rs. 15,000
April 2017 10 th	Purchased goods from Gopi	Rs. 30,000
April 2017 13 th	Purchased goods from Gopi for cash	Rs. 10,000
April 2017 15 th	Sold goods	Rs. 20,000
April 2017 18 th	Sold goods to Vishwakarma	Rs. 45,000
April 2017 20 th	Sold goods to Raghunandan for cash	Rs. 18,000
April 2017 25 th	Received commission	Rs. 5,000
April 2017 30 th	Paid Rent	Rs. 10,000



[P.T.O.]



4. Mr. X purchased a Motor car on HPP, total price of car payable is Rs. 80,000 as down payment and there after installment of Rs. 52,000, Rs. 48,000 and Rs. 44,000 payable at end of first, second, and 3rd year respectively. Interest charged at 10% p.a. Calculate cash price.
5. Prepare Analytical table from the following details.
- a) Minimum Rent Rs. 40,000 p.a
 - b) Royalty payable Rs. 5 per ton
 - c) Short workings can be recovered during the first 4 years of lease only.
- | | |
|-------------------|--------------------|
| 2016 : 4,000 tons | 2017 : 6,000 tons |
| 2018 : 8,000 tons | 2019 : 9,000 tons. |

SECTION - C

Answer any **Three** questions. Each question carries **14** marks.

(3×14=42)

6. Enter the following transactions in three column Cash Book.

May 1 st 2019	Balance of cash in hand	4,000
May 1 st 2019	Balance of cash at bank	10,000
May 3 rd 2019	Received cash from Asha	2,000
	and allowed her discount	100
May 4 th 2019	Sold goods for cash	3,500
May 5 th 2019	Cash paid into Bank	3,200
May 7 th 2019	Cash paid into Nisha	1,400
	and discount received	50
May 10 th 2019	Cash with drawn for office use	3,100
May 15 th 2019	Bought Machinery and amount paid by cheque	5,600
May 18 th 2019	Received from Viraj a cheque	1,650
	and discount allowed by him	50
May 21 st 2019	Viraj cheque paid into bank	1,650
May 24 th 2019	Issue to Sesha a cheque for	1,900
	and discount received	100
May 30 th 2019	Paid salary	1,850





7. Raju purchased a Machinery costing Rs. 2,40,000 on 1/4/2017 from Bangalore Machine Ltd, under Hire purchase system. The terms being:

Rs. 6,000 down and balance in 3 annual installments together with interest at 20% p.a. on the outstanding cash price. Depreciation is to be charged at 15% p.a. Under Diminishing Balance Method.

Prepare necessary ledger accounts in the books of Raju till 31/3/2020. Under Asset Accrual Method.

8. X Co. Ltd. took a lease from a landlord for a period for 20 years from 1-1-2020 on a Royalty of Rs. 2 per ton of coal raised with a minimum rent of Rs. 20,000 and power to recoup short working during the first 4 years of the lease. The annual output was as follows:

Year	Tons
2016	5,000
2017	8,000
2018	10,000
2019	15,000
2020	20,000

Prepare minimum rent a/c, Royalty a/c, short workings a/c and land lord a/c

9. Explain briefly limiting factors of pricing Decisions.

