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| **Jan/feb 2022**  **DMBA104– FINANCIAL AND MANAGEMENT ACCOUNTING** |

1. Rewathi is a sole proprietor having a provisions store. Following are the transactions during the month of January 2018. Journalize them.

Jan. 1 Commenced business with cash 80,000

Jan. 2 Deposited cash with bank 40,000

Jan. 3 Purchased goods by paying cash 5,000

Jan. 4 Purchased goods from Lipton & Co. on credit 10,000

Jan. 5 Sold goods to Joy and received cash 11,000

Jan. 6 Paid salaries by cash 5,000

Jan. 7 Paid Lipton & Co. by cheque for the purchases made on 4th Jan.

Jan. 8 Bought furniture by cash 4,000 9 Paid electricity charges by cash 1,000

Jan. 10 Bank paid insurance premium as per standing instructions 300

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|  | **2. Describe how costs are classified on the basis of function.**  **Ans.** We have classified costs into the following functions. The classification is not rigid, like the rule of law. Majorly, our classification is influenced by the value chain of a business. There could be a different and better way to classify costs. Most importantly, we should study the organization’s business model for such a classification. Then, we should design an appropriate classification for that organization—a |
| |  |  | | --- | --- | |  | **3. Why should a manager know accounting? Give your opinion with suitable examples**  **Ans:** Managerial accounting helps managers make operational decisions–intended to help increase the company's operational efficiency–which also helps in making long-term investment decisions.  A management accounting department is one of the company’s essential units, but most entrepreneurs don’t realize it due to its “under the radar” style of work. Management accountants are insiders who create internal analyses to guide the overall business strategy.  By definition, their job is to prepare internal financial reports, records, and accounts to aid managers’  Its Half solved only  Buy Complete from our online store  <https://smuassignment.in/online-store/>    MUJ Fully solved assignment available for**session Jan/Feb 2022,**  Lowest price guarantee with quality.  Charges**INR 200 only per assignment.**For more information you can get via mail or Whats app also  Mail id is [aapkieducation@gmail.com](mailto:aapkieducation@gmail.com)    Our website www.smuassignment.in  After mail, we will reply you instant or maximum  1 hour.  Otherwise you can also contact on our  whatsapp no 8791490301. | | |  |

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|  | **4. Why are the following parties interested in accounting information?**  **(a) Investors**  **(b) Government**  **Ans:** Investors are interested because they want to know that are they going to get any profit or not and government do so because they want know about there development of country another thing can be that investor are doing for there own self and government for welfare of   |  |  | | --- | --- | | **5. Based on following transactions, prepare a cash book with cash and discount columns:**  **2017 `**   |  | | --- | | **Jan 1 Cash in hand 11,500**  **Jan 5 Paid to Ramanathan by depositing in cash deposit machine 300**  **Discount allowed by him 10**  **Jan 8 Purchased goods for cash 400**  **Jan 10 Cash received from Rajagopal 980**  **Discount allowed 20**  **Jan 15 Sold goods for cash 400**  **Jan 21 Paid cash to Shanthi 295**  **Discount received 5**  **Jan 25 Paid wages by cash 50**  **Jan 31 Paid to Sanjeev ` 390 in full settlement of his account 400** | | |

**6. From the following balances taken from the books of Rajeev, a trader on automobiles, prepare trial balance as on 31st March 2017:**

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| **Particulars** | **Rs.** | **Particulars** | **Rs.** |
| **Cash in hand** | **5,500** | **Direct Expenses** | **5,000** |
| **Discount Received** | **300** | **Carriage Outwards** | **3,500** |
| **Creditors** | **15,000** | **Capital** | **45,000** |
| **Buildings** | **50,000** | **Purchases** | **49,700** |
| **Opening Stock** | **6,000** | **Sales** | **59,400** |