



GL BAJAJ

Institute of Management & Research

Approved by A.I.C.T.E., Ministry of HRD, Govt. of India

Roll No.....

Plot No. 2, Knowledge Park-III, Greater Noida (U.P.) –201306

**POST GRADUATE DIPLOMA IN MANAGEMENT (2020-22)
END TERM EXAMINATION (TERM -I)**

Subject Name:AFM

Time: **02.30 hrs**

Sub. Code: PG-03

Max Marks: **60**

Note:

All questions are compulsory. Section A carries 10 marks: 5 questions of 2 marks each, Section B carries 30 marks having 3 questions (with internal choice question in each) of 10 marks each and Section C carries 20 marks one Case Study having 2 questions of 10 marks each.

SECTION - A

Attempt all questions. All questions are compulsory. (PG-03 CO-1) **2×5 = 10 Marks**

- Q. 1 (A): Differentiate between Prepaid expenses & Outstanding expenses
Q. 1 (B): How Recording is done in Journal? Kindly explain with example.
Q. 1 (C): How accounting Information is useful for Stakeholders of Company.
Q. 1 (D): Differentiate between Business entity concept and Accounting period concept.
Q. 1 (E): Differentiate between Debtor and Creditor.

SECTION - B

10 x 3 = 30 Marks

All questions are compulsory (Each question has an internal choice. Attempt any one (either A or B) from the internal choice)

- Q. 2: A. Discuss Accounting Standard 3(AS3) with reference to cash Flow statement. (PG-03 CO2)

OR

- B. Which depreciation method is suggested by Accounting standard 6(AS6). (PG-03 CO2)

- Q. 3: A. Journalise the following transactions and Narration in the books of Rao & Brothers. (PG-03 CO3)

1. Commenced business with a capital of Rs 10,000
2. Purchased furniture for Rs 1500
3. Purchased goods from Mr Anil for Rs 3000
4. Sold goods for Rs 2500
5. Paid salary to Rs 400

OR

- B. Calculate the cash from operating activities from the following information: (PG-03 CO3)

Particulars	March 2011	March 2012
Profit and loss account	60,000	65,000
Debtors	85000	48000
Bills Receivables	40,000	81,000
General Reserve	1,72,000	2,07,000
Wages outstanding	26000	8000
Salaries prepaid	8000	10,000
Goodwill	70,000	60,000

Q. 4: A: Ashok Ltd furnished the following information regarding its Current assets and Current Liabilities. (PG-03 CO3)

Current assets	Rs
Cash	5000
Sundry Debtors	35000
Bills receivables	10,000
Marketable Securities	20,000
Prepaid expenses	8000
Stock	62000
Current Liabilities	Rs
Sundry Creditors	40,000
Bills payable	25,000
Outstanding expenses	5000

Calculate the following:

1. Current ratio
2. Quick ratio/Acid test ratio
3. As an accountant pass your opinion on the result of these ratios.

OR

B. (i). "Only material things need to be recorded in Books which has some relevance" Discuss this statement in the light of Convention of materiality. (PG-03CO1)

(ii). Using the below information prepare store ledger using FIFO method of Inventory Valuation: (PG-03CO3)

Purchases			Issues	
Date	Quantity (units)	Rate	Date	Quantity (Units)
4.12	900	5	5.12	600
10.12	400	5.5	12.12	400
11.12	300	5.5	29.12	600
19.12	200	6.0		
28.12	800	4.75		

SECTION - C

Read the case and answer the questions

10×02 = 20 Marks

Q. 5: Following are the extracts from the books of GOODWILL ENTERPRISES LTD for the year ending 31st March 2020. (PG-03 CO4)

	DR		CR
PURCHASES	60500	CAPITAL	70000
STOCK	6800	RETURNS OUTWARDS	2200
RETURNS INWARD	1200	SALES	95000
DUTY ON IMPORTED GOODS	4700	COMMISSION	1000
CARRIAGE ON SALES	2000	BILLS PAYABLE	12000
OFFICE SALARIES	2400	CREDITORS	25000
WAGES	11000		
DRAWINGS	4000		
RENT	2500		
TEL CHARGES	5000		
DISCOUNT	600		
BANK BALANCE	17000		
DEBTORS	25000		
MACHINERY	50000		
DEPRECIATION ON MACHINERY	2500		
PATENTS	10000		
	205200		205200

STOCK ON March 31, 2020 WAS RS 10,500.

Q. 5 (A): Prepare the Trading and P& L account

Q. 5 (B): Prepare the Balance sheet

Mapping of Questions with Course Learning Outcome

Question Number	COs	Marks Allocated
Q. 1: A, B,C,D,E and Q 4 B(i)	CO1	15marks
Q. 2: A and B	CO2	10 marks
Q. 3: A,B, Q 4 B(ii)	CO3	15marks
Q. 8 A and B	CO4	20 marks