MB-103

Sl.No. : **Total No. of Pages : 4**

I Semester M.B.A. Degree Examination, May/June - 2023
(Non - CBCS : SLM Scheme)
MANAGEMENT
Accounting for Managers

Time : 3 Hours **Max. Marks : 80**

SECTION - A

Q1) Answer any Five Sub - questions. Each sub-question carries 3 marks. **[5×3=15]**

a) Write a note on Book-Keeping.

b) What is Accounting?

c) Mention the steps of accounting cycle.

d) What are the advantages of Horizontal analysis in the financial statement?

e) What is process costing?

f) Mr. Mandeep started business with cash ₹ 9,00,000 and machinery ₹ 7,00,000 (Pass Journal entry).

g) What is the meaning of Trend analysis?

SECTION - B

Answer any Four questions. Each question carries Five marks. **[4×5=20]**

Q2) Explain the methods of preparation of trial balance.

Q3) Distinguish between Trading and profit and loss Account.

Q4) Explain the assumptions of break even analysis.

Q5) The balance sheet of Mukund Ltd. Shows the following figures.

a) Net sales - ₹ 30,000

b) Cost of Sales - ₹ 20,000

c) Net profit - ₹ 3,000

d) Current Assets - ₹6,000

e) Stock - ₹ 1,000

f) Current liabilities - ₹ 2,000

g) Paid up share capital - ₹ 5,000

h) Debentures - ₹ 2,500

Calculate :

i) Gross profit ratio.

ii) Net profit ratio.

iii) Current ratio.

iv) Debt - equity ratio.

v) Acid test ratio.

Q6) From the following profit & loss Account calculate fund from operations profit and loss Account.

Dr. Cr.

		₹			₹
To	Depreciation	1,000	By	Gross profit	9,000
''	Discount	100	''	Profit on sales of a plant	3,500
''	Loss on sales of machine	400			
''	Good will written off	2,300			
''	Preliminary expenses written off	500			
''	Sundry expanses	2,500			
''	Net profit	5,700			
		12,500			12,500

Q7) Explain the different methods used for the analysis and interpretation of financial statements?

SECTION - C

Answer any three questions. Each question carries Ten marks. **[3×10=30]**

Q8) Discuss the various accounting concepts and conventions.

Q9) What is forensic accounting? Explain the importance of forensic accounting.

Q10) Explain in detail the different types of budget.

Q11) A company manufacturing a varied range of products are as follows.

Year ended	Total sales (₹)	Total cost (₹)
31-3-2020	3,20,000	2,90,000
31-3-2021	3,40,000	3,10,000

Calculate:

a) PV ratio to reflect the rate of growth for profit and sales.

b) Fixed cost.

c) Fixed cost% to sales.

d) BEP.

e) Margin of safety for the year 2020 & 2021.

Q12) Explain the cost sheet with imaginary figures.

SECTION - D

Q13) Case (Compulsory) **[15]**

Prepare the final accounts from the trial balance as on 31-3-2021.

Trial balance

Debit balances	₹	Credit balances	₹
Salaries	15,000	Capital	80,000
Wages	34,000	Sundry Creditors	54,000
Manufacturing Expenses	10,000	Bank Overdraft	12,950
Carriage inward	1,000	Purchase returns	1,000
Carriage out ward	2,000	Sales	2,40,000
Plant & machinery	20,000	Provision for bad debts	2,000
Furniture	9,000		
Land	25,000		
Goodwill	30,000		
Insurance	4,000		
Fuel and power	1,000		
S. Debtors	78,000		
Factory lighting	1,000		
Opening stock	34,000		
Sales return	3,000		
Purchases	97,000		
Discount	1,000		
Bad debts	1,400		
Interest	500		
Cash	150		
Bank	7,500		
General Expenses	8,000		
Motor Car	5,000		
Selling expenses	2,400		
	3,89,950		3,89,950

Adjustments:

a) Stock on 31st March 2021 was ₹ 29,000.

b) Depreciation is to be charged an plant and machinery at 10% land 5% and motor car ₹ 1,000.

c) Write off ₹ 600 as bad debts.

d) Provide 5% provision for doubtful debts.

e) Provide 2% discount on debtors and 1% on creditors.

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