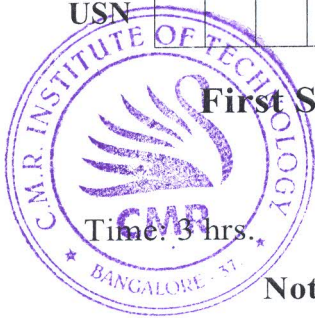


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First Semester MBA Degree Examination, Dec.2023/Jan.2024 Accounting for Managers

Max. Marks:100

**Note: 1. Answer any FOUR full questions from Q.No.1 to Q.No.7.
2. Question No. 8 is compulsory.**

- 1 a. What is Sustainability Reporting? (03 Marks)
 b. Enumerate differences between trial balance and balance sheet. (07 Marks)
 c. Discuss various concepts of Accounting. (10 Marks)

- 2 a. What is CVP analysis? (03 Marks)
 b. Discuss methods of Human Resource Accounting. (07 Marks)
 c. Journalize the following transaction in the books of Mr. Ashok:
 (i) Ashok started his business with following :
 • Cash in hand 1500
 • Cash at bank 13500
 • Goods in hand 3000
 • Furnitute 2000
 • Building 10000
 • Bank o/d 5000
 (ii) Gave charity Rs.100.
 (iii) Loan taken from bank Rs.5,000
 (iv) Purchased a motor car in exchange of goods worth Rs.2000 and cheque Rs.3000.
 (v) Paid proprietors Life Insurance premium Rs.1000/-
 (vi) Bought goods from Laxman on A/C Rs.5000.
 (vii) Furniture costing Rs.500 was destroyed by fire and recovered Rs.100/-.
(10 Marks)

- 3 a. What are turnover ratio's?. (03 Marks)
 b. Briefly explain the ways of window dressing. (07 Marks)
 c. From the following statement prepare comparative statement :

Liabilities	2019 (Rs.)	2020 (Rs.)	Assets	2019 (Rs.)	2020 (Rs.)
Share capital	600000	1200000	Buildings	600000	1200000
Preference share	500000	900000	Machinery	400000	800000
Reserve fund	400000	500000	Investment	400000	500000
P & L a/c	200000	300000	A/C Receivable	100000	400000
Loans	200000	500000	Cash	50000	150000
Creditors	100000	300000	Stock	450000	650000
	20,00,000	37,00,000		20,00,000	37,00,000

(10 Marks)

- 4 a. State any three purposes of management accounting. (03 Marks)
 b. Write a brief note on Forensic Accounting. (07 Marks)

Important Note : 1. On completing your answers, compulsorily draw diagonal cross lines on the remaining blank pages.
2. Any revealing of identification, appeal to evaluator and /or equations written eg, 42+8 = 50, will be treated as malpractice.

- c. The following figures for profit and sales are obtained from the accounts of Rangarajan.

Year	Sales	Profit
2020	20000	2000
2021	30000	4000

Determine the P/V ratio and BEP.

(10 Marks)

- 5 a. State any three Accounting Standard. (03 Marks)
 b. What are the advantages of computerized accounting system? (07 Marks)
 c. From the following data, prepare a flexible budget for production of 40000 units and 75000 units distinctly showing variable cost and fixed cost and fixed cost as well as total cost. Budgeted output is 1,00,000 units and budgeted cost per unit is as follows :

Direct Material	95
Direct Labour	50
Production o/h (variable)	40
Production o/h (fixed)	5
Administration o/h (fixed)	5
Selling o/h (10% fixed)	10
Distribution o/h(20% fixed)	15

(10 Marks)

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- 6 a. State any three conventions of Accounting. (03 Marks)
 b. From the following particulars, compute
 (i) Materials Cost Variance (MCV).
 (ii) Materials Price Variance (MPV).
 (iii) Materials Usage Variance (MUV).

Quantity of Materials Purchased	3000 units
Value of Materials Purchased	Rs.9000
Standard Quantity of Materials Required per kg of output	30 units
Standard rate of Materials	Rs.2.50 per unit
Opening stock of materials	-
Closing stock of materials	500 units
Output during the period	80 kgs

(07 Marks)

- c. With the help of the following ratios regarding under films, draw the balance sheet of the company for the year 2007 :

Current ratio	2.5
Liquidity Ratio	1.5
Net working capital	Rs.3,00,000
Stock T/O	6 times
Gross profit ratio	20%
Fixed Asset T/O (on COS)	2 times
Debt collection period	2 months
Fixed assets to shareholders net worth	0.80
Reserve and Surplus to capital	0.50

(10 Marks)

7 a. What is the relevance of variance analysis? (03 Marks)

b. Draw up a trial balance using the following information:

Opening stock	3,600
Wages	2,000
Sales	24,000
Bank loan	1,000
Purchase	15,000
Repairs	4,000
Carriage	400

(07 Marks)

c. From the following details relating to A/C's of Grow More Ltd. Prepare cash flow statement.

Liabilities	31-03-2020	31-03-2021
Share capital	800000	1000000
Reserve	150000	200000
P & L a/c	60000	100000
Debenture	-	200000
Provision for taxation	70000	100000
Proposed dividend	100000	200000
Sundry Creditors	820000	700000
	20,00,000	25,00,000

Assets	31-03-2020	31-03-2021
Plant and Machinery	500000	700000
Land and Building	400000	600000
Investments	-	100000
Sundry Debtors	700000	500000
Stock	200000	400000
Cash on Hand/bank	200000	200000
	20,00,000	25,00,000

- (i) Depreciation @ 25% was charged on the opening value of plant and machinery.
(ii) During the year one old machine costing 50000 (WDV 20,000) was sold for Rs.35,000.
(iii) Rs.50,000 was paid towards income tax during the year.
(iv) Building under construction was not subject to any depreciation.

Prepare Cash flow statement.

(10 Marks)

8 CASE STUDY: (compulsory)

The following is the balances taken from the books of George Anderson at the end of 31/12/2020.

	Dr (Rs.)	Cr. (Rs.)
Sales		40,000
Purchases	18,500	
Wages and Salaries	5,100	
Repairs and Maintenance	1,300	
Heating and Lighting	900	
General Expenses	1,200	
Insurance	800	
Cash at Bank	2,200	
Cash in hand	1,300	
Trade receivable	4,100	
Trade payable		3,400
Premises	30,000	
Fixtures and Fittings	10,000	
Motor vehicle	8,000	
Capital at 1 Jan 2020		52,000
Drawings	12,000	
	95,400	95,400

The following information is available.

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Inventory on 31/12/2020 was value at 4,500/-. Prepare an income statement and Balance sheet in vertical format. (20 Marks)

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