



**MB 103(N)**

**First Semester Master of Business Administration (MBA)  
Examination, September 2016  
Course – 03 : ACCOUNTING FOR MANAGERS (New)**

Time : 3 Hours

Max. Marks : 80

**SECTION – A**

1. Answer **any five** sub-questions. **Each** sub-question carries **3** marks. **(5×3=15)**
- a) Define Accounting.
  - b) State the contents of annual report.
  - c) What do you mean by trend analysis ?
  - d) State the procedure to prepare schedule of changes in working capital.
  - e) What is marginal costing ?
  - f) What is meant by cash flow statement ?
  - g) What is process costing ?

**SECTION – B**

Answer **any four** questions. **Each** question carries **five** marks. **(4×5=20)**

- 2. Write the assumptions of Break even analysis.
- 3. State the provisions of Companies Act of 1956, in relation to accounting disclosure.
- 4. Briefly explain the areas covered by forensic accounting.
- 5. Find out :
  - a) Debtors turnover and
  - b) Average collection period from the following information for one year ended 31 March, 2014 :
    - a) Annual credit sales ₹ 10,00,000
    - b) Debtors in the beginning ₹ 1,60,000
    - c) Debtors at the end of ₹ 2,00,000
    - d) Debt to be taken for the year 360 days.

**P.T.O.**



6. From the following information find the work cost/factory cost :

	₹
Direct material	2,40,000
Direct Labour	66,000
Direct expenses	15,000
Factory overheads	36,000
Work-in-progress : Opening Stock	39,000
Closing stock	21,000.

7. Explain the importance of cash flow statement.

### SECTION – C

Answer **any three** of the following questions. **Each** question carries **10** marks.

**(3×10=30)**

8. What is responsibility accounting ? Explain its objectives.
9. Explain the cost sheet with illustration.
10. Explain the different types of budget.
11. The following figures related to a company manufacturing a varied range of products :

Year ended	Total Sales (₹)	Total Cost (₹)
31-12-2013	32,20,000	29,80,000
31-12-2014	34,50,000	31,40,000

**Calculate :**

- a) PV ratio to reflect the rate of growth for profit and sales.
- b) Fixed cost
- c) Fixed cost % to sales
- d) Break even point and
- e) Margin of safety for the year 2013 and year 2014.



12. From the following information, prepare a summarise Balance Sheet as on 31<sup>st</sup> March, 2015 :

Stock velocity – 5

Fixed assets turnover – 5

Capital turnover ratio – 2

Gross profit – 40%

Debt collection period – 1.5 months

Creditors payment period – 60 days

The gross profit was ₹ 1,00,000

Closing stock was ₹ 5,000 in excess of opening stock. All working should form part of your answer. Assume 360 days in a year.

SECTION – D

13. Case (**Compulsory**) : (1×15=15)

Prepare the final accounts from the following trial balance as on 31-3-2012 :

<b>Debit Balance :</b>	<b>₹</b>
Calls in Arrears	2,500
Premises	3,75,000
Machinery	75,000
Furniture	25,000
Purchases	3,40,000
Wages	62,500
Salaries	30,000
Interim Dividend (including Corporate dividend tax)	10,000
Goodwill	1,00,000
Debtor	30,000
Bills Receivable	6,500
Bad debts	1,000
Debenture Interest (Upto 30-9-2011 After 25% tax)	7,500
Stock on 01-04-2011	20,500
	<b>10,85,500</b>



<b>Credit Balance :</b>	<b>₹</b>
Share Capital	2,50,000
Sales	5,00,000
Reserve Fund	75,000
Profit and Loss A/c	17,500
Creditors	37,500
10% Debentures	2,00,000
Bills Payable	5,000
Reserves for doubtful debts (1-4-2011)	500
	<b>10,85,500</b>

**Adjustments :**

- 1) The Stock on 31-03-12 was valued at ₹ 40,000.
  - 2) Depreciate machinery and furniture by 10%.
  - 3) Maintain R.D.D. at 5% on debtors.
  - 4) The directors proposed a final dividend at 15%.
  - 5) The debenture interest is unpaid for 6 months.
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