

5Q

APJ ABDUL KALAM TECHNOLOGICAL UNIVERSITY
FIRST TRIMESTER MBA DEGREE SUPPLEMENTARY EXAMINATION DECEMBER
2016

MBA 15 ACCOUNTING FOR MANAGERS

Max. Marks: 60

Duration: 3 Hours

Part A

Answer all questions. Each question carries 2 marks

1. What is profit or loss known for the period after the date of acquisition, but prior to incorporation?
2. Explain ongoing concept and matching principle in accounting
3. What Is GAAP?
4. Differentiate Management Accounting and Financial Accounting
5. State the rules for Personal, Real and Nominal Account

(5x2 marks = 10 marks)

Part B

Answer any 3 questions. Each question carries 10 marks

6. What are the various statutory books maintained by a company? Explain.
7. From the following Balance Sheets of X Ltd as on 31 December 2014 and 2015, you are required to prepare:
 - a. Schedule of Changes in the Working Capital
 - b. Fund Flow Statement

Liabilities	2014 (Rs)	2015 (Rs)	Assets	2014 (Rs)	2015 (Rs)
Share capital	1,00,000	1,00,000	Goodwill	2,000	2,000
General Reserve	14,000	18,000	Building	40,000	36,000
Profit & Loss A/c	6,000	3,000	Plant	37,000	36,000
Sundry Creditors	8,000	5,400	Investments in subsidiary	10,000	11,000
Bills Payable	1,200	800	Stock	30,000	23,400
Provision for taxation	16,000	18,000	Bills receivables	2,000	3,200
Provision for doubtful debts	400	600	Debtors	18,000	19,000
			Cash / bank	6,600	15,200
Total	1,45,600	1,45,800	Total	1,45,600	1,45,800

The following additional information has also been given:

- i. Depreciation charged on plant was Rs. 4000 and on building Rs. 4000
 - ii. Provision for taxation of Rs. 19000 was made during the year 2015
 - iii. Interim dividend of Rs. 8000 was paid during the year 2015
8. The sales turnover and profit during two years were as follows:

Year	Sales	Profit
2013	1,50,000	20,000
2014	1,70,000	25,000

You are required to calculate:

- a. PV ratio
 - b. Break-even point
 - c. Profit when sales are 2,50,000
 - d. Margin of safety at a profit of Rs. 50,000
 - e. Variable cost for the two periods
9. Explain the purpose and utility of Cash Flow Statement. Draw a specimen format of Cash Flow Statement AS-3 (Revised)
10. From the following data, calculate Overheads Variances:

	Rs	Rs
Budgeted overheads:		
Fixed	6000	
Variable	4000	10,000
Budgeted output (units)		10,000
Budgeted hours		5000
Actual overheads:		
Fixed	5000	
Variable	5000	10,000
Actual output (units)		8000
Actual hours worked		5000

(3x10 marks = 30 marks)

Part C

Compulsory question, the question carries 20 marks

11. With the following ratios and further information given below, prepare a trading account, profit and loss account and a Balance Sheet of M/s. N S Limited.
- i. Gross Profit Ratio: 25%
 - ii. Net profit/sales: 20%
 - iii. Stock turnover ratio: 10
 - iv. Net profit / capital: 1/5
 - v. Capital to total other liabilities: 1/2
 - vi. Fixed Assets / Capital: 5/4
 - vii. Fixed Assets / Total Current Assets: 5/7
 - viii. Fixed Assets: 10,00,000
 - ix. Closing stock: 1,00,000

(20 marks)