

Reg. No. _____ Name: _____

APJ ABDUL KALAM TECHNOLOGICAL UNIVERSITY
FIRST TRIMESTER MBA DEGREE EXAMINATION NOV 2018

MBA 15 ACCOUNTING FOR MANAGERS

Max. Marks: 60

Duration: 3 Hours

Part A

Answer all questions. Each question carries 2 marks

1. Explain double entry system.
2. What is Profit and Loss Appropriation Account?
3. Discuss trend analysis.
4. What is flow of funds?
5. What is Fixed cost?

(5x2 marks = 10 marks)

Part B

Answer any 3 questions. Each question carries 10 marks

6. Explain the different concepts of Accounting?
7. The Balance sheet of the South Flower as on 31/3/2003 and 2004 are given below.

LIABILITIES	2003	2004	ASSETS	2003	2004
Share Capital	1,00,000	1,60,000	Fixed Assets	1,52,000	2,00,000
Retained Earnings	70,250	85,300	Inventory	93,400	89,200
Accumulated—	60,000	40,000	Debtors	30,800	21,100
Depreciation			Cash At Bank	28,100	20,000
12% Debentures	50,000	-	Prepaid	3,950	3,000
Sundry Creditors	28,000	48,000	Expenses		
	3,08,250	3,33,300		3,08,250	3,33,300

ADDITIONAL INFORMATION

- a) Net Profit, Rs. 27,050
- b) Depreciation Charged, Rs. 10,000
- c) Cash Dividend Declared During 2003-2004, Rs. 12,000.
- d) An Addition To The Building Was Made During The Year At A Cost Of Rs. 78,000 And Fully Depreciated Equipment Costing Rs.30,000 Was Discarded And No Salvage Being

Realised. **Prepare a cash flow statement.**

8. From the following information prepare a **schedule of changes in working capital.**

Liabilities	1999	2000	Assets	1999	2000
Share Capital	2,00,000	2,50,000	Land And Building	2,00,000	1,90,000
General Reserve	50,000	60,000	Plant And	1,50,000	1,69,000
Profit And Loss A/C	30,500	30,600	Machinery	1,00,000	74,000
Bank Loan	70,000	-	Stock	80,000	64,000
Sundry Creditors	1,50,000	1,35,000	Sundry Debtors	500	600
Provision For	30,000	35,000	Cash	-	8,000
Taxation			Bank	-	5,000
			Goodwill		
	5,30,500	5,10,600		5,30,500	5,10,600

9. What is depreciation? What are the causes of depreciation? Explain any two methods of depreciation?

10. From the following information, you are required to calculate

a) Contribution b) Break-even point c) Margin of safety d) profit e) Volume of sales to earn profit of Rs. 6000.

Total Fixed costs – Rs 4,500, Total Variable costs- 7500, Total sales-15000, Units sold-5000.

(3x10 marks = 30 marks)

Part C

Compulsory question, the question carries 20 marks

11. Following is the balance sheet of World Web Ltd as on 31/3/2006

Liabilities	RS.	Assets	RS.
Creditors	6000	Cash	5,000
Bills Payable	10,000	Investment	15,000
Outstanding	1,000	Sundry Debtors	20,000
Expenses	13,000	Closing Stock	30,000
Provision For Tax	70,000	Machinery	50,000
6% Debentures	10,000	Land And	80,000
7% Preference Shares	50,000	Building	
Equity Share Capital	40,000		
Reserve And Surplus			
	200000		200000

CGS- 2,58,000, Net sales – 3,00,000, Net profit after interest and tax -10,000

Calculate:

- | | |
|---------------------------------------|----------------------------------|
| a) Current ratio, | b) Acid test ratio, |
| c) Debt-Equity ratio, | d) Proprietary ratio, |
| e) Operating ratio | f) Net profit ratio, |
| g) Average debt collection period and | h) Return on share holders fund. |

(20 marks)
