

Reg No.: _____

Name: _____

APJ ABDUL KALAM TECHNOLOGICAL UNIVERSITY
FIRST TRIMESTER MBA DEGREE EXAMINATION(R&S), NOVEMBER 2019

Course Code: 15

Course Name: ACCOUNTING FOR MANAGERS

Max. Marks: 60

Duration: 3 Hours

PART A

Answer all questions. Each question carries 2 marks.

Marks

Write Short Notes on:

- | | | |
|---|--|-----|
| 1 | Matching Concept of Accounting Principle | (2) |
| 2 | Profit and Loss Appropriation Account | (2) |
| 3 | Market Capitalisation Ratio | (2) |
| 4 | Gross working capital | (2) |
| 5 | Angle of incidence on BEP | (2) |

PART B

Answer any three questions. Each question carries 10 marks.

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|---|---|-------|
| 6 | Discuss the term Management Accounting. Explain its functions. | (2+8) |
| 7 | On 1 st January 2007, Zigma Ltd. bought machinery worth Rs. 56,000 and paid Rs. 4,000 on carriage and erection. On 1 st January 2008, addition is made to the machinery for Rs. 30,000. | (10) |

On 1st July 2009, a second hand machinery is bought for Rs. 17,000 and immediately spent Rs. 3,000 on repairs. On 1st July 2010, the machinery bought on 1st July 2009 is sold for Rs. 16,500. Depreciation is provided at 10% per annum. Accounts are closed on 31st December each year. Prepare machinery account up to 31st December 2010, under Diminishing Balance Method.

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|---|--|-------|
| 8 | The following information is obtained from J & S Ltd. during the year ending 2018. | (6+4) |
| | Total sales Rs. 10,000,00 | |
| | Cash sales Rs. 4,50,000 | |
| | Sales return Rs. 75,000 | |
| | Bills receivable as on 31/12/2018 is Rs. 32,000 | |
| | Debtors as on 31/12/2018 is Rs. 72,000 | |

Creditors as on 31/12/2018 is Rs. 23,000

Bills payable as on 31/12/2018 Rs. 12,000

You are required to calculate:

- a) Debtors turnover ratio
- b) Debt Collection period in days (Consider 365 days in a year)

- 9 A factory produces a standard product. The following information is given to you. You are required to prepare a cost sheet for the month of January 2019. (10)

Particulars	Amount
Raw material consumed	Rs. 2,91,000
Direct wages	Rs. 1,29,000
Other direct expenses	Rs. 81,000
Factory overheads	80% of direct wages
Office overheads	10% of work cost
Selling and Distribution expenses	Rs. 20 per unit sold
Units produced and sold during the month	10,000

Find the selling prices per unit when the profit earned is at 20% on selling price.

- 10 What is fund flow statement? Explain its managerial uses. (2+8)

PART C

Compulsory Question. The question carries 20 marks.

- 11 X Ltd. produces a single product. Following cost details are given about its product. (3+3+4+5+5)
- Selling price per unit Rs. 40; Marginal cost per unit Rs. 24 &
Fixed cost per annum Rs. 16,000
- Calculate: (a) P/V ratio, (b) Break even sales, (c) Sales to earn a profit of Rs. 2,000, (d) Profit at sales of Rs. 60,000, & (e) New break even sales, if selling price is reduced by 10%.
