

Reg No.: _____

Name: _____

APJ ABDUL KALAM TECHNOLOGICAL UNIVERSITY

MBA T1 (Supplementary) Examination, December 2020

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 | Cost Accounting | (2) |
| 2 | Goodwill | (2) |
| 3 | Common size Financial Statements | (2) |
| 4 | Net working Capital | (2) |
| 5 | Key Factor analysis | (2) |

PART B*Answer any three questions. Each question carries 10 marks.*

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|---|--|------|
| 6 | Explain the term Depreciation. State the causes for Depreciation. | (10) |
| 7 | What do you mean by Accounting Concepts? Explain any four accounting concepts. | (10) |
| 8 | From the following particulars, find the (i) Material Cost Variance (ii) Material Usage Variance and (iii) Material Price variance
Quantity of material purchased 3,000 units
Value of material purchased Rs. 9,000
Standard quantity of material required per tonne of finished product 25 units
Standard rate of material Rs. 2 per unit
Opening stock of material- Nil
Closing stock of material 500 units
Finished products during the period 80 tonnes | (10) |
| 9 | X Ltd. made a profit of Rs. 30,000 for the year ended 31st March 2018. The company charged a depreciation of Rs. 20,000 on assets and transfer to general reserve of Rs. 30,000. The goodwill written off was Rs. 7,000 and gain on sale of machinery was Rs. 3,000. The other information available are: Debtors showed an increase of Rs. 6,000, Creditors an increase of Rs. 10,000, Pre-paid expense an increase of Rs. 200, Bills Receivable a decrease | (10) |

of Rs. 3,000, Bill Payable a decrease of Rs. 4,000 and outstanding expense a decrease of Rs. 2,000. Ascertain the net cash flow from the operating activities.

- 10 The turnover and profits of the two years were as follows : (10)

Particulars	Sales	Profit/Loss
I year	8000 units	15000 loss
II Year	10000 units	15000 Profit

The selling price per unit is Rs. 120

Calculate:

- 1) P/V Ratio
- 2) Fixed Cost
- 3) Sales at Break-even Point
- 4) The number of units to be sold to earn a profit of Rs. 45,000
- 5) Profit when sales are 30,000 units.

PART C

Compulsory Question. The question carries 20 marks.

- 11 Prepare a statement of changes in working capital and fund flow statement from the following: (20)

Balance Sheet as on 31st March

<i>Liabilities</i>	2016	2017	<i>Assets</i>	2016	2017
Share Capital	200000	210000	Fixed Assets	350000	475000
Retained earnings	160000	300000	Inventory	100000	95000
Debentures	60000	0	Bills receivable	43000	50000
Premium on shares	0	5000	Prepaid expenses	4000	5000
Accumulated Depreciation	80000	100000	Cash	15800	10200
Bills payable	37800	40200	Commission on shares	25000	20000
	537800	655200		537800	655200

1. Depreciation for the year was Rs. 20,000
2. Income tax paid was Rs. 40,000
3. Interim dividend paid during the year was Rs. 20,000
