

Reg No.: _____

Name: _____

APJ ABDUL KALAM TECHNOLOGICAL UNIVERSITY

First Semester MBA Degree (FT and PT) Regular and Supplementary Examination December 2023

Course Code: 20MBA111**Course Name: ACCOUNTING FOR MANAGERS**

Max. Marks: 60

Duration: 3 Hours

Part A*Answer all questions. Each question carries 2 marks*

1. Diminishing Balance Method of Depreciation
2. Marginal cost
3. Difference between Capital Expenditure and Revenue Expenditure
4. Common size Balance sheet
5. Net working capital

(5 x 2 = 10 Marks)

Part B*Answer any 3 questions. Each question carries 10 marks*

6. From the following trial balance of Mr. Mohan, prepare Trading and Profit and Loss account for the year ended 31/03/2018 and balance sheet as on that date after making necessary adjustments.

Trial balance of Mohan as on 31/03/2018				
	Particulars	L/F	Debit Rs	Credit Rs
1	Purchases		150000	
2	Opening stock		30000	
3	Wages		20000	
4	Carriage inwards		5000	
5	Salary		17000	
6	Insurance		1000	
7	General charges		2700	
8	Machinery		40000	
9	Debtors		15000	
10	Cash at bank		5000	
11	Cash in hand		5000	
12	Drawings		5000	
13	Capital			70000
14	Sales			200000
15	Creditors			20700
16	Rent			2000
17	Interest			2000
18	Discount			1000

Adjustments

- a. Closing stock Rs. 37000
- b. Salary outstanding Rs. 2500/-
- c. Rent received in advance Rs 200/
- d. Interest outstanding Rs. 200/
- e. Insurance Rs. 300 is prepaid
- f. Provide 15% depreciation on machinery
- g. Wages outstanding Rs 2000/

7. From the following balances extracted from ABC Ltd as on 31st December 2016 and 2017, you are required to prepare Schedule of change in Working capital.

Liabilities	As on 31 st December		Assets	As on 31 st December	
	2016	2017		2016	2017
Share Capital	1,00,000	1,10,000	Building	40,000	38,000
General Reserve	14,000	18,000	Plant & Machinery	37000	36000
P&L A/C	16,000	13,000	Investment (L T)	10000	21000
Creditors	8,000	5,400	Stock	30000	23400
Bills Payable	1,200	800	Bills Receivable	2000	3000
Provision for Tax	16,000	18,000	Debtors	18000	19000
(Non-Current Liability)			Cash at Bank	6600	15200
Provision for Doubtful Debts	400	600	Preliminary Expenses	12000	10000
	1,55,600	1,65,800		155600	165800

Additional Information:-

- a. Depreciation charged on Plant as Rs. 4000
 - b. Provision for taxation Rs. 19000 was made during the year 2007.
 - c. Interim dividend of Rs. 8000 was paid during the year.
8. From the following final accounts of ABC Ltd for the year ended 31st March 2009, you are required to calculate the following.
- (a) Acid Test Ratio (b) Stock Turnover ratio (c) operating ratio (d) Debt collection period (e) Net profit to capital employed ratio.

Liabilities	Amount	Assets	Amount
Share capital	5,00,000	Land and Buildings	5,00,000
General reserves	4,00,000	Plant & Machinery	2,00,000
Profit & Loss a/c	1,50,000	Stock	1,50,000
Sundry Creditors	2,00,000	Debtors	2,50,000
		Cash and bank balance	1,50,000
	12,50,000		12,50,000

Profit & Loss account for the year ended 31 st March 2009			
Particulars	Amount	Particulars	Amount
Opening stock	2,50,000	Sales	18,00,000
Purchases	10,50,000	Closing stock	1,50,000
Gross profit c/d	650000		
	<u>1950000</u>		<u>19,50,000</u>
Administration Expenses	2,10,000	Gross profit b/d	6,50,000
Selling and distribution expenses	1,20,000		
Net profit c/d	<u>370000</u>	Other income (Misc)	<u>50000</u>
	700000		700000

9. What you mean by Accounting. Also Explain the accounting Principles?

10. The standard Mix to produce one Unit of product is as follows.

Material A	70 Units	15 Per Unit	1050
Material B	80 Units	20 Per Unit	1600
Material C	100 Units	25 Per Unit	2500
	250 Units		5150

During the month of July, 10 units were actually produced and Consumption was as follows:

Material A	640 Units	17.50 Per Unit	11,200
Material B	950 Units	18 Per Unit	17,100
Material C	870 Units	27.50 Per Unit	23,925
	2460 Units		52,225

Calculate (a)Material Cost variances. (b) Material Price Variance (c) Material Usage Variance (d) Material Mix Variance (3 x 10 = 30 Marks)

Part C

Compulsory question carrying 20 marks

11(a) During a particular period 1000 units are produced and sold at Rs. 120.

Variable cost per unit Rs. 60

Fixed cost Rs. 20000 for the period.

Calculate:-

a. P/V Ratio

b. Profit at a sale of Rs. 1500 units

c. No of Units to be sold to earn a profit of Rs.140000-

d. What will be the new PV Ratio if selling price is reduced by Rs. 20?

e. Calculate the no of units to be sold to earn a profit of Rs. 80000 at the

Reduced selling price?

(1 x 10 = 10 Marks)

11 (b) What you mean by Depreciation. Explain the different Depreciation Methods?

(1 x 10 =10 Marks)
