

MBA I Semester Regular Examinations, February 2015**ACCOUNTING FOR MANAGERS**
(Master of Business Administration)**Time: 3 Hours****Max. Marks: 60****Note: Answer All Sections of Questions****All Questions from Section- A are to be answered at one place.****SECTION-A****6 × 2 = 12M**

1. Accounting Cycle
2. Matching Concept
3. IFRS
4. FIFO Method of Inventory Valuation
5. Prime Cost
6. Funds from Operations

SECTION-B**3 × 12 = 36M**

1. a) Discuss briefly the basic accounting concepts and conventions.

OR

- b) What do you mean by Trail Balance? Explain the errors which are disclosed by the Trail Balance.
2. a) The following Trail Balance is extracted from the books of Rao and Co. Prepare Trading A/c, Profit & Loss A/C and Balance Sheet for the year ending 31st March 2014.

S.No	Particulars	Dr	Cr
1	Opening Stock	500	
2	B/R	2250	
3	Purchases	19500	
4	Wages	1400	
5	Insurance	550	

6	Debtors	15000	
7	Carriage Inwards	400	
8	Commission	400	200
9	Interest on Capital	350	
10	Stationery	225	
11	Return Inwards	650	
12	Return outwards		250
13	Trade Expenses	100	
14	Office Furniture	500	
15	Cash in Hand	250	
16	Cash at Bank	2375	
17	Carriage Outwards	725	
18	Sales		25000
19	B/P		1500
20	Creditors		9825
21	Capital		8950
22	Rent & Taxes	550	
		45725	45725

Adjustments :

- i) Closing Stock is Valued at Rs. 12500.
- ii) Depreciate Office furniture by 10%
- iii) Create provision for doubtful debts at 5%.

OR

- b) Define goodwill and explain the factors to be considered for valuing the goodwill.

3. a) Describe any six accounting ratios and briefly explain their significance.

OR

- b) What do you understand by a cost sheet? Discuss the advantages of preparation of a cost sheet. Also give specimen of a cost sheet.

SECTION-C

1×12=12M

From the following balance sheets of XYZ Co. Ltd., you are required to prepare funds flow statement including a schedule of changes in working capital for the year ended 31st December 2014.

LIABILITIES	2013	2014	ASSETS	2013	2014
Equity Share Capital	2,40,000	3,60,000	Land & Buildings	1,66,200	3,39,600
Share Premium	24,000	36,000	Machinery	1,06,800	1,53,900
General Reserve	18,000	27,000	Furniture	7,200	4,500
P&LA/C	58,500	62,400	Stock	66,300	78,000
8% Debentures	-	78,000	Debtors	1,09,500	1,17,300
Provision for Taxation	29,400	32,700	Bank	14,400	12,000
Creditors	1,00,500	1,09,200			
	4,70,400	7,05,300		4,70,400	7,05,300

Additional Information :

- i) Depreciation on Machinery :Rs.38,400.
- ii) Depreciation on Furniture :Rs.3,000.

