

H.T.No.

--	--	--	--	--	--	--	--	--	--

Code No: BA1903**GEC-R14****MBA I Semester Supplementary Examinations, May 2017****ACCOUNTING FOR MANAGERS****(Master of Business Administration)****Time : 3 Hrs.****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. Mention the Principles of Accounting.
2. What do you mean by Double Entry System?
3. What is Trial Balance?
4. Define Good Will?
5. Write about Acid Test Ratio.
6. Define Cash Flow Statement?

SECTION-B**3 × 12 = 36M**

1. a) Define Accounting? Explain need, functions and attributes of Accounting.

(OR)

- b) Explain Accounting Concepts and Conventions?
2. a) From the following Balances, prepare final accounts of Rajeev on 31st Dec. 2014 after considering the adjustments given below:

Particulars	Amount	Particulars	Amount
Capital	35,000	Taxes & Insurance	2,000
Drawings	6,000	General Expenses	4,000
Furniture	2,600	Salaries	12,000
Bank Lon	4,200	Commission (Dr.)	1,600
Creditors	13,800	Carriage	2,000
Buildings	24,000	Discount (Dr.)	2,000
Stock on (1-1-2014)	20,000	Discount (Cr.)	2,000
Debtors	15,000	Bad Debts	800
Rent received	1,000	Sales Returns	2,000
Purchases	1,12,000	Sales	1,50,000

Adjustments:

- i) Stock on hand on 31-12-2014 Rs. 20,000.
- ii) Write off depreciation:
 - Buildings Rs. 1,000
 - Furniture Rs. 600
- iii) Make Reserve of 5% on Debtors for Bad Debts.
- iv) Carry forward Rs. 200 for unexpired insurance.

(OR)

- b) What are the methods of valuation of Inventory used?
- 3. a) Explain the role of ratio analysis in the interpretation of financial statements. Examine the limitations of ratio analysis.

(OR)

- b) Define funds flow statement. What are the different Sources and Application of funds in a fund flow statement?

SECTION-C

1 × 12 = 12M

CASE STUDY (Compulsory)

A Company is issuing 1, 00,000 shares of Rs.10 each on following term:

On Application : Rs.2

On Allotment : Rs.5 (Including Premium of Rs.2)

On I Call : Rs. 2

On II Call : Rs. 3

The Company received applications for 1,10,000 shares and rejected applications for 10,000 shares. An applicant 'A' who was allotted 1000 shares failed to pay allotment amount. An applicant 'B' who was allotted 500 shares failed to pay I call amount. An applicant 'C' who was allotted 300 shares paid I call and II call amount with allotment. Pass necessary Journal entries in to the Bank A/c.
