

MODEL QUESTION PAPER

MBA03

I Semester M.B.A.Examination, August 2011 ACCOUNTING FOR MANAGERS

Time: 3 Hours

Max. Marks: 75

GROUP A : Answer any three questions.

- Q.1 What are the objectives of financial Accounting?
Q.2 Who are the end users of the Financial Statements? Explain at least 7 parties interested in financial statements.
Q.3 Explain the various Concepts and Conventions of Accounting. Explain at least 5 Concepts and 2 conventions.
Q.4 Prepare a Trading, Profit and loss A/c and balance sheet for the M/s XYZ Ltd from the following Trial balance as on 31.3.2010

Particulars	Debit(Rs)	Credit(Rs)
Capital		10,000
Opening Stock	10,000	
Purchases	20,000	
Machinery	50,000	
Outstanding salary		20,000
Rent	50,000	
Dividend received		10,000
Cash	50,000	
Sales		50,000
Total	1,80,000	1,80,000

- Closing stock as on 31.3.2010 was Rs 1,00,000
Q.5 Journalise the following transactions in the book of M/S ABC & Co

Date	PARTICULARS
1.4.2010	M/s ABC started business with Rs 50,000, by bringing it in cash.
2.4.2010	Purchased goods worth Rs 10000 from M/s Arvind Ltd.
3.4.2010	Paid salaries to his employees amounting to Rs 2000 by Cheque.
4.4.2010	Received Dividend of Rs 1000 in Cash.
5.4.2010	Withdraw Rs 1000 from Cash by M/s ABC for his personal use.
6.4.2010	Paid Income tax of Rs 10000 on his personal income to income tax department.

7.4.2010 Purchased a new machinery of Rs 100000 and paid 1000 on its installation, both in cash.

GROUP B : Answer any three questions.

- Q.6 What is the importance of Break even Point.
- Q.7 A) If Sales is 100000 and PV Ratio is 40% .Find the Contribution from this Data
B) What is Cash flow statement and Fund Flow statement?
- Q.8 What are the advantages & Limitations of having the budgetary control in a company?
- Q.9 Define Budget and explain the meaning of Budgetary control. What are the various advantages of Budgetary control?
- Q.10 What do you understand by Break Even Point What are the various advantages of Budgetary control?

GROUP C : All Questions are Compulsory.

Q.11 Fill in the blanks

- (i) Working capital is equal to Current Assets minus _____.
- (ii) Inflow of cash is known as _____ cash.
- (iii) Quick assets is equal to _____ minus stock.
- (iv) A person who owes something to business is known as _____.
- (v) As per the rule of nominal Account Debit the _____.

Q.12 Multiple choice question.

- (i) Gross profit ratio is _____.
(a) Sales / Gp
(b) Gp Sales
(c) NP/Sales
(d) None of theses.
- (ii) Proprietary ratio formula is _____.
(a) Shareholders funds / Total Tangible assets
(b) Total Tangible assets / Shareholders funds
(c) Shareholders Funds / Fixed Assets
(d) None of the Above
- (iii) Current Ratio is equal to _____.
(a) Current assets / Current Liabilities
(b) Current assets / Fixed Assets
(c) Current liabilities / Fixed Assets
(d) None of the above
- (iv) Balance sheet shows the balance of _____.
(a) One day
(b) One year
(c) Two year
(d) None of the above
- (v) Increase in Debtors results in _____.
(a) Increase in working capital
(b) Decrease in working capital

- (c) No effect on working capital
- (d) None of the above

Q.13 True or false

- (i) Sales of Machinery results in inflow of cash.
- (ii) Contribution is equal to Sales minus Variable cost.
- (iii) Bills receivable are included in debtors while calculating debtors turnover ratio.
- (iv) General reserves are shown on the liability side of balance sheet.
- (v) Redemption of debenture results in inflow of cash.
