

Roll No.

11445

MBA 2 Year (Ist Semester) (Old)

Examination – December, 2012

ACCOUNTING FOR MANAGERS

Paper : 2105

Time : Three Hours]

[M.M. : 70

Before answering the questions, candidates should ensure that they have been supplied the correct and complete question paper. No complaint in this regard, will be entertained after examination.

*Note : Attempt **four** questions in all selecting **one** question from each Unit. All questions carry equal marks.*

UNIT – I

1. What do you mean by posting ? How is posting made from the Journal in the ledger ? Explain with suitable examples.
2. Distinguish between Trading Account and Profit and Loss Account. Give a specimen of Trading and Profit and Loss Account with imaginary figures.

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UNIT – II

3. What do you mean by the terms 'Analysis' and 'Interpretation' ? What are the objectives of analysis of financial statements ?
4. What is the purpose of preparing a Cash Flow Statement ? How is it prepared ? Explain and illustrate.

UNIT – III

5. "Cost accounting is a system of foresight and not a post-mortem examination, it turns losses into profits, speeds up activities and eliminates wastes". Discuss.
6. Describe the various methods of inventory valuation. When do you advocate the inventory valuation at the inflated rate method ?

UNIT – IV

7. Define flexible budget. How is it drawn up and what difficulties would you expect to face in its compilation ?
8. "The basic Variances are price and usage variance". Discuss the statement in relation to material and labour.

SECTION – B

9. From the following information, prepare a Balance Sheet as on 31-3-2012.

(i)	Current Ratio	2.5
(ii)	Quick Ratio	1.5
(iii)	Net Working Capital	Rs. 3,00,000
(iv)	Cost of Sales/Closing Stock	8 times
(v)	Gross Profit Ratio	25%
(vi)	Average Debt Collection Period	1.5 months
(vii)	Fixed Assets/Shareholder's Net worth	0.75
(viii)	Reserve & Surplus/Share Capital	0.50