

5. What is cash flow statement ? Discuss the various sources and uses of cash flows from operating activities.

**UNIT – III**

6. What is corporate financial reporting ? Explain the importance of disclosure of corporate financial reports.
7. What do you understand by the terms budget and budgetary control ? What are the advantages of budgetary control.
8. Write short note on
- (a) Contribution
  - (b) Margin of safety
  - (c) Angle of incidence
9. What is balanced score card ? Discuss its basic components and uses in business organization.

Roll No. ....

**12603**

**MBA 2 Yr . 1st Semester (CBCS) 2019-20  
New Scheme Examination – December, 2019**

**ACCOUNTING FOR MANAGERS**

Paper : 19IMG21C3

*Time : Three Hours ] [ Maximum Marks : 80*

*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 : Section-A is compulsory. Attempt any four questions from Section-B by selecting one question from each Unit. Each question carries equal marks.*

**SECTION – A**

1. (a) What do you mean by accounting cycle ?
- (b) Is bank account is real account or personal account ? Explain why ?
- (c) Define turnover ratios in brief.
- (d) What is Depreciation ?
- (e) What do you understand by GAAP ?
- (f) Define budgetary control in brief.
- (g) What is break-even point ?
- (h) What is balance score card ?

**SECTION – B**  
**UNIT – I**

- What do you mean by accounting ? Discuss briefly the basic accounting concepts and fundamental consumptions.
- From the following Trial Balance of V. Ltd. prepare Trading and Profit & Loss Account and Balance Sheet as on 31st December, 2018 :

Dr. Balance	Amount (in Rs.)	Cr. Balance	Amount (in Rs.)
Purchases	1,80,000	Sales	3,54,000
Return Inwards	4,500	Return Outwards	6,200
Carriage on Purchases	2,800	Creditors	28,000
Carriage on Sales	1,500	Interest on Investments	3,600
Stock on 1st January, 2018	32,200	Provision for bad debts	2,900
Cash	3,000	Commission received	7,500
Building	1,50,000	Sales Tax Collected	6,000
Machinery	72,000		
Fuel and Power	8,500	A's Capital	1,40,000
Debtors	81,500	B's Capital	90,000
Investments	36,000		
Rent	4,000		
General Exp. (including insurance premium of Rs. 2,000 paid for one year ending 30th June, 2019)	15,000		
Wages and Salaries	21,000		
Sales Tax Paid	4,400		
A's Drawing	10,000		
B's Drawing	12,000		
<b>Total</b>	<b>6,38,200</b>	<b>Total</b>	<b>6,38,200</b>

**Required :**

- Write off Rs. 1,500 as bad debts and create a provision for doubtful debts @ 5% on debtors.
- Provide 2% for discount on debtors and creditors.
- Depreciate building by 5% and machinery by 10%.
- Rent is payable at the rate of Rs. 400 per month.
- One third of the commission received is in respect of work to be done next year.
- Interest on drawings is to be provided as follows :  
Interest on A's Drawings Rs. 500 and Interest on B's Drawings Rs. 600.
- Closing stock was valued at Rs. 56,700.

**UNIT – II**

- The balance sheet of A Ltd as on 31st December, 2018 was as follows :

Particular	Rs.	Particular	Rs.
Equity Share Capital	40,000	Plant and Machinery	24,000
Capital Reserve	8,000	Land and Buildings	40,000
8% Loan on Mortgage	32,000	Furniture and Fixtures	16,000
Creditors	16,000	Stock	12,000
Bank Overdraft	4,000	Debtors	12,000
Taxation :		Investments (Short Term)	4,000
Current	4,000	Cash in Hand	12,000
Future	4,000		
Profit and Loss A/c	12,000		
	1,20,000		1,20,000

From the above compute (a) current ratio (b) quick ratio (c) debt equity ratio (d) proprietary ratio.