

D 12151

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Name.....

Reg. No.....

**FIRST SEMESTER M.B.A. DEGREE (REGULAR/SUPPLEMENTARY)  
EXAMINATION, DECEMBER 2016**

(CUCSS)

**BUS IC 09—ACCOUNTING FOR MANAGERS**

(2013 Admissions)

Time : Three Hours

Maximum : 36 Weightage

**Part A**

*Answer all the questions.*

*Each question carries 1 weightage.*

1. Accounting is the ——— of business.
2. All debits must have equal and opposite ———.
3. Name any three branches of accounting ———.
4. A debt which cannot be recovered from debtors is known as ———.
5. Management accounting provides invaluable service to management in ———.
6. Statement of balances of accounts is known as ———.

(6 × 1 = 6 weightage)

**Part B**

*Answer any six questions.*

*Each question carries 3 weightage.*

7. Differentiate between Trial Balance and Balance Sheet.
8. What is Double entry book-keeping ?
9. What are the advantages of ratio analysis ?
10. Explain the advantages of funds flow statements.
11. "Accounting is science, art and practice"—Discuss.
12. Explain salient features of Cash flow analysis.

**Turn over**

13. Journalize the following transactions :

	Rs.
2015 April 5 Mr. Shibu Kumar started business with	... 5,00,000
10 Purchased goods for cash	... 2,50,000
15 Sold goods on credit to Mr. Alex	... 50,000
18 Purchased goods from Mr. Mukund	... 30,000
19 Received cash from Mr. Alex	... 30,000
20 Paid to Mr. Mukund	... 30,000
25 Purchased furniture	... 40,000
28 Deposited into bank	... 20,000
29 Purchased stationeries	... 5,000
30 Paid Rent	... 10,000

14. From the following balances you are required to calculate cash from operations :

	31 <sup>st</sup> March	
	2014	2015
	Rs.	Rs.
Debtors	... 50,000	47,000
Bills Receivable	... 10,000	12,500
Creditors	... 20,000	25,000
Bills Payable	... 8,000	6,000
Outstanding Expenses	... 1,000	1,200
Prepaid Expenses	... 800	700
Accured Income	... 600	750
Income Received in Advance	... 300	250
Profit made during the year	... —	1,30,000

(6 × 3 = 18 weightage)



## Part C

Answer any two questions.  
Each question carries 6 weightage.

15. From the following information you are required to calculate Fund Flow Statement :

	31.12.2014	31.12.2015	Assets	31.12.2014	31.12.2015
	Rs.	Rs.		Rs.	Rs.
Share Capital ...	10,000	15,000	Fixed Assets ...	10,000	20,000
Profit and Loss A/c ...	4,000	6,000	Current Assets ...	13,000	14,500
Provision for Tax ...	2,000	3,000			
Proposed Dividends ...	1,000	1,500			
Sundry Creditors ...	4,000	6,000			
Outstanding Expenses ...	2,000	3,000			
	<u>23,000</u>	<u>34,500</u>		<u>23,000</u>	<u>34,500</u>

Adjustments :

- Tax paid during 2015 Rs. 2,500.
- Dividends Paid during 2015 Rs. 1,000.

16. Prepare Trading and Profit and Loss Account and Balance Sheet from the following Trial Balance and other adjustments as on 31<sup>st</sup> March, 2015 :

	Debit	Credit
	(Rs.)	(Rs.)
Drawing and Capital ...	750	15,000
Stock on 1-1-2008 ...	6,920	
Bills Receivable and Bills Payable ...	1,000	1,180
Returns ...	300	320
Purchases and Sales ...	4,500	8,300
Wages ...	70	—
Discount ...	—	30
Salaries ...	200	—
Canara Bank Shares ...	3,000	—
Insurance ...	120	—

Turn over

		Debit (Rs.)	Credit (Rs.)
Buildings	...	3,000	—
Furniture	...	700	—
Debtors and Creditors	...	6,000	1,300
Cash in hand	...	470	—
Overdraft at Bank	...	—	900
Total		<u>27,030</u>	<u>27,030</u>

*Adjustments :*

- (i) Closing stock Rs.7,060.
- (ii) Allow interest on Capital at 6%.
- (iii) Insurance Prepaid Rs. 60.
- (iv) Depreciate Building and furniture @ 10% p.a.
- (v) Wages due Rs. 40.
- (vi) Provide 10% for Reserve for Bad Debts and 5% on Debtors and Creditors.

17. Explain the basic principles of accounting.

(2 × 6 = 12 weightage)