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**N – 5168**

**M. B. A. (Full Time) (First Semester)**  
**EXAMINATION, Nov./Dec., 2013**

Paper – 103

**ACCOUNTING FOR MANAGERS**

*Time : Three Hours*

*Maximum Marks : 70*

*Minimum Pass Marks : 28*

**Note-** Attempt *all* questions. Question no. 1 is compulsory.

1. Attempt any *five* questions. (Not more than 50 words each)–

- (i) What is meant by Budgetary Control ? 2
- (ii) What do you mean by Fund flow Statement ? 2
- (iii) What is flexible budget ? 2
- (iv) What is Ledger ? 2
- (v) What do you understand by Management Accounting ? 2

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- (vi) What do you understand by Responsibility Accounting? 2
- ✓ (vii) What is profit planning? 2
- (viii) What do you mean by Break even Analysis? 2
- ✓ (ix) What is Balance Sheet? 2
- (x) What do you mean by the word Variance? 2

### Unit - I

2. What are the functions of management accounting? Discuss its needs and importance in modern age. 15

Or

Prepare correct Trial Balance from the following Trial Balance in which there are mistakes—

### Trial Balance

	Dr. Rs.	Cr. Rs.
Building	60,000	
Machinery	17,000	
Returns outward	2,600	
Bad debts	2,800	
Cash	400	
Discounts Received	3,000	
Bank overdraft	10,000	
Creditors	50,000	
Purchases	1,00,000	
Capital		73,600
Fixtures		5,600

Sales	1,04,000
Debtors	60,000
Interest received	2,600
	<u>2,45,800</u>
	<u>2,45,800</u>

*Unit - II*

3. Write notes on : 15
- Ratio analysis
  - Profit and Loss account
  - Final Accounts.

*Or*

From the data given in the following Balance Sheet, Calculate :

- Cash Ratio
- Absolute Liquid Ratio
- Liquid Ratio
- Current Ratio

Also comment on the liquidity of the concern :

**Balance Sheet**

Liabilities	Rs.	Assets	Rs.
Share Capital	15,000	Fixed Assets	18,000
6% debentures	6,000	Investment in	2,500
Creditors	3,000	Govt. Securities	
Bills Payable	2,600	Bills Receivable	3,000
Outstanding		Debtors	4,000
Expenses	1,400	Stock	2,000
Bank overdraft	2,000	Cash in Hand	500
	<u>30,000</u>		<u>30,000</u>



**Unit - III**

4. What is fund flow statement? Explain briefly the steps to be followed in preparing a fund flow statement. 15

Or

What is Cash flow statement? Explain the significance and limitations of Cash flow statement.

**Unit - IV**

5. What is the concept of cost? Discuss the elements and classification of Cost. 15

Or

The expenses for the production of 5000 units in a factory are given as follows :

Particulars	Per unit Rs.
Material	50
Labour	20
Variable Overheads	15
Fixed overheads (Rs. 50,000)	10
Administrative expenses (5% Variable)	10
Selling expenses (20% fixed)	06
Distribution expenses (10% fixed)	05
Total cost of sales per unit	<u>116</u>

You are required to prepare a budget for the production of 7,000 units.

Material  
labour  
direct material  
overhead