

Register No.: Name.:

SAINTGITS COLLEGE OF ENGINEERING (AUTONOMOUS)

(AFFILIATED TO APJ ABDUL KALAM TECHNOLOGICAL UNIVERSITY, THIRUVANANTHAPURAM)

**FIRST SEMESTER MBA DEGREE EXAMINATION (Regular), DECEMBER 2022
(2021 Scheme)****Course Code :** 21MBA111**Course Name:** Accounting for Managers**Max. Marks :** 60**Duration: 3 Hours****PART A****(Answer all questions. Each question carries 2 marks)**

1. Recall IFRS
2. Explain the concept of gross working capital and net working capital.
3. What are fictitious assets?
4. Explain Inter firm and intra firm analysis?
5. What is margin of safety?

PART B**(Answer any 3 questions. Each question carries 10 marks)**

6. List down the financial accounting process with suitable examples.
7. Analyse the cash flow position of the following balance sheets using a cash flow statement

Balance Sheet of K & K ltd as on 31st March 2018 and 2019

Liabilities	2018 (Amount in Rs)	2019 (Amount in Rs)	Assets	2018 (Amount in Rs)	2019 (Amount in Rs)
Share capital	40,000	45,000	Fixed assets at cost	45,000	50,000
Profit & loss	13,000	25,000	Inventory	20,000	30,000
Loan	20,000	10,000	Debtors	30,000	35,000
Creditors	15,000	21,000	Cash	5,000	6,000
Proposed dividend	2,000	5,000			
Provision for depreciation	10,000	15,000			
	1,00,000	1,21,000		1,00,000	1,21,000

Additional Information

Tax paid Rs 3,000

8. A. Ganesh Ltd., was registered on 01-07-2017 to acquire the running business of Suneel & Co., with effect from 1-1-2017. The following are the details of gross profit and various expenses of the company on 31-12-2017.

Particulars	Amount in Rs
Gross Profit	2,25,000
Office expenses	54,000
Preliminary expenses	10,000
Stationery & Postage	5,000
Selling Expenses	60,000
Director's fees	20,000

Determine the profit earned by the company in the pre and post incorporation periods using a statement of profit prior to incorporation. The total sales for the year took place in the ratio of 1:2 before and after incorporation respectively. (6 marks)

B. List down the various methods of depreciation. (4 marks)

9. Explain standard costing? Illustrate the different types of variance analysis.
10. Following are the Profit & Loss for the year ended on 31st March 2018 and Balance sheet as on that date

Profit and Loss Account for the year ended 31 st March 2018			
Particulars	Amount in Rs	Particulars	Amount in Rs
Opening stock	70,000	Sales	15,00,000
Purchases	8,00,000	Closing stock	80,000
Carriage inward	1,20,000		
Wages	2,90,000		
Gross Profit	3,00,000		
	15,80,000		15,80,000
Establishment charges	25,000	Gross profit	3,00,000
Salaries	70,000		
Rents and Rates	15,000		
General expenses	15,000		
Depreciation	25,000		
Selling expenses	30,000		
Interest on debentures	10,000		
Provision for taxation	10,000		
Net profit	1,00,000		
	3,00,000		3,00,000

Estimate from the above information

- Gross profit ratio
- Net Profit ratio
- Operating profit ratio
- Stock turnover ratio

PART C

(Compulsory question, the question carries 20 marks)

11. Construct a trading and profit and loss account and balance sheet from the following information of TP Ltd for the year ended 31st March 2020

Particulars	Debit (Amount in Rs)	Credit (Amount in Rs)
Opening stock	50,000	
Purchases	3,50,000	
Sales		4,21,000
Sales returns	5,000	
Capital		3,00,000
Commission received		34,000
Creditors		1,00,000
Bank overdraft		28,000
Cash in hand	62,000	
Furniture	1,38,000	
Debtors	1,40,000	
Plants	60,000	
Carriage on purchases	12,000	
Wages	8,000	
Rent	5,000	
Bad debts	7,000	
Drawings	24,000	
Stationery	6,000	
Travelling expenses	2,000	
Insurance	7,000	
Discount	5,000	
Office expenses	2,000	
	8,83,000	8,83,000

Adjustments

1. Closing stock 25,000
2. Insurance prepaid Rs 500
3. Outstanding wages Rs 1,000
4. Further bad debt of Rs 3,000
5. Depreciation on plant at 10%
