

Register No.: Name.:

SAINTGITS COLLEGE OF ENGINEERING (AUTONOMOUS)

(AFFILIATED TO APJ ABDUL KALAM TECHNOLOGICAL UNIVERSITY, THIRUVANANTHAPURAM)

FIRST SEMESTER MBA DEGREE EXAMINATION (S), FEBRUARY 2023 (2021 Scheme)

Course Code : 21MBA111

Course Name: Accounting for Managers

Max. Marks : 60

Duration: 3 Hours

Scientific Calculators are allowed for the examinations
Programmable calculator or other computing devices will not be permitted

PART A

(Answer all questions. Each question carries 2 marks)

1. What is nominal account?
2. What is EPS?
3. Explain significance of Ratio analysis?
4. What is net working capital?
5. Write a note on PV Ratio?

PART B

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

6. A. ABC Ltd., was registered on 31-07-2018 to acquire the running business of Suneel & Co., with effect from 1-1-2018. The following are the details of gross profit and various expenses of the company on 31-12-2018.

Particulars	Amount in Rs
Sales	5,25,000
Office expenses	53,000
Preliminary expenses	11,000
Wages	2,000
Commission to sales man	12,000
Rent paid	8,000
Taxes paid	3,000
Bad debt recovered	4,000
Audit charges	5,000
Stationery & Postage	5,500
Selling Expenses	66,000
Director's fees	22,000

Determine the profit earned by the company in the pre and post incorporation periods using a statement of profit prior to incorporation. The pre-incorporation sales was Rs.3,50,000.

(10 marks)

7. From the following particulars calculate Current Ratio, Quick Ratio, Debt-equity ratio, and Working capital turnover ratio.

Liabilities	Amount (Rs)	Assets	Amount (Rs)
Equity Share Capital	₹ 2,45,000	Land & Buildings	₹ 2,00,000
Profit & Loss Account	₹ 95,000	Plant and Machinery	₹ 5,00,000
General Reserve	₹ 55,000	Stock	₹ 3,00,000
10% Debentures	₹ 6,10,000	Debtors	₹ 1,50,000
Creditors	₹ 1,50,000	Investments	₹ 15,000
Bills Payable	₹ 80,000	Cash	₹ 70,000
	₹ 12,35,000		₹ 12,35,000

8. Explain accounting concepts and conventions?

9.

Liabilities	2020 (Rs.)	2021 (Rs.)	Assets	2020 (Rs.)	2021 (Rs.)
Share Capital	100000	120000	Furniture	10000	-----
Debentures	60000	50000	Land & Buildings	70000	88000
Creditors	5000	4000	Machinery	52000	50000
Bills Payable	5000	6000	Cash	8000	15000
Profit & Loss Account	10000	20000	Debtors	20000	20000
Provision for tax	10000	13000	Stock	30000	40000
	190000	213000		190000	213000

Additional information:

- Depreciation on Machinery is 2000
- Tax paid during the year is Rs. 5000
- Furniture was sold for Rs. 10000

Using the above information you are directed to prepare Fund flow statement

10. Explain assumptions and managerial uses of break-even analysis.

PART C

(Compulsory question, the question carries 20 marks)

11. The Trial Balance of Suraj Enterprises for the period 31st March 2022 is given as follows. You are directed to prepare final account for the sole trader.

<i>Particulars</i>	<i>Dr.</i>	<i>Cr.</i>
Capital		150000
Creditors		20000
Sales		79000
Provision for doubtful debts		1000
Opening Stock	25000	
Purchases	40000	
Wages	5000	
Bad Debts	4000	
Salaries	1000	
Insurance Charges	3000	
Telephone Charges	1000	
Legal Charges	1000	
Cash	20000	
Debtors	24000	
Bank	16000	
Furniture	60000	
Patents	50000	
	250000	250000

Additional Information:

- Closing Stock valued at Rs. 35000.
- Write off further Rs. 4000 as bad debt and provision for bad debt to be made equal to 10% of debtors.
- Salaries outstanding Rs. 200
- Insurance unexpired Rs. 1000
