

Unit-III

6. What is cost accounting ? What are the different types of costs ?
7. Write a note on activity based costing.

Unit-IV

8. (a) What is a master budget ? How is it prepared ?
- (b) Differentiate between fixed and flexible budget.
9. Define P/V ratio and explain the relationship between P/V ratio and break even analysis.

56005

**MBA 2 Year 1st Semester (Old)
Batch 2011-12 (Re-appear)
Examination-December, 2016**

ACCOUNTING FOR MANAGERS

Paper : MBA-105

Time : 3 hours

Max. 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 the examination.

Note: Section A contains eight short answer questions carrying two marks each and is **compulsory**. Section B contains 8 questions (2 from each unit). Attempt four questions selecting atleast **one** question from each unit.

Section-A

1. (a) Define 'Dual aspect concept'.
- (b) What are prepaid expenses ?
- (c) Explain, 'liquidity ratio'.
- (d) What is 'zero based budgeting' ?
- (e) Define 'Margin of Safety'.
- (f) Why is trial balance prepared ?
- (g) Explain 'funds from operations'.
- (h) What is job costing ?

Section-B

Unit-I

2. What do you mean by 'depreciation' ?
Discuss various methods of depreciation
with examples.

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3. From the following Trial Balance and additional information, you are required to prepare final accounts.

Trial Balance as on 31st December, 2015

Particulars	Debit Amount (Rs.)	Credit Amount (Rs.)
Capital		1,00,000
Sundry Debtors	25,000	
Drawings	10,000	
Machinery	50,000	
Wages	1,000	
Purchases	20,000	
Opening Stock	1,000	

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(3)

[Turn Over

Sales		30,000
Bank Balance	1,000	
Carriage inwards	500	
Salaries	2,500	
Rent and Taxes	500	
Sundry Creditors		20,000
Bad Debts	500	
Buildings	30,000	
Cash in Hand	8,000	
	1,50,000	1,50,000

Additional Information :

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- (i) Closing Stock Rs. 1,500
- (ii) O/s Rent and Taxes Rs. 500
- (iii) Charge depreciation on building @ 5% and on machinery @ 10%
- (iv) Wages prepaid Rs. 500
- (v) Futures Bad Debts to the extent of Rs. 200.

Create a provision for Bad Debts to the extent of 5% on debtors.

Unit-II

4. Define 'Accounting Ratios' and explain the relevance of accounting ratios.
5. ABC company presents the following information and you are required to prepare funds flow statement.

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[Turn Over

Liabilities	2014 (Rs.)	2015 (Rs.)	Assets	2014 (Rs.)	2015 (Rs.)
Share Capital	1,50,000	2,00,000	Goodwill	15,000	12,000
General Reserve	15,000	20,000	Building	1,00,000	1,42,000
Profit and Loss A/c	15,000	12,000	Plant	35,000	40,000
Sundry Debtors	10,000	12,000	Non Trading Invest.	10,000	12,000
Provision for Taxation	15,000	20,000	Stock	15,000	12,000

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Provision for Doubtful Debts	500	1,000	B/R	5,000	7,000
			Debtors	20,000	25,000
			Cash	5,000	15,000
	2,05,000	2,65,000		2,05,000	2,65,000

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Additional Information :

- (a) Depreciation charged on plant was Rs. 10,000 and on building Rs. 7,000.
- (b) Provision for taxation of Rs. 15,000 was made during the year 2015.
- (c) Interim dividend of Rs. 10,000 was paid during the year 2015.

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