

**P-697**

Total Pages : 4

Roll No. ....

## **MS-102**

### **Accounting for Managers**

Master of Business Administration (MBA)

1st Semester Examination, 2023 (June)

**Time : 2 Hours]**

**[Max. Marks : 70**

**Note :** This paper is of Seventy (70) marks divided into two (02) Sections A and B. Attempt the questions contained in these sections according to the detailed instructions given therein. Candidates should limit their answer to the questions on the given answer sheet. No additional (B) answer sheet will be issued.

### **SECTION–A**

#### **(Long Answer Type Questions)**

**Note :** Section 'A' contains Five (05) long answer type questions of Nineteen (19) marks each. Learners are required to answer any Two (02) questions only.

(2×19=38)

1. Explain basic accounting concepts and principles with suitable illustrations.
2. Explain the meaning and significance of cost accounting. What is the difference between cost and financial accounting?
3. What is Fund flow statement? How is a fund flow statement prepared? Explain with suitable examples.
4. With the help of the following ratios and further information given below, prepare the Balance Sheet of the company for the year 2021 :

Current Ratio 2.5

Liquidity Ratio 1.5

Net working capital Rs. 3,00,000

Stock turnover Ratio (cost of sales/closing stock) 6 times

Gross profit Ratio 20%

Fixed assets turnover Ratio (on cost of sales) 2 times

Debt collection period 2 months

Fixed assets to shareholders net worth 0.80

Reserves and surplus to capital 0.50

5. From the following trial balance for the year ending 31st March, 2021 and additional information given , prepare trading and profit and loss A/C and balance sheet as at 31st March, 2021 :

Trial Balance

Particulars	Dr. Rs.	Cr. Rs.
Opening stock	62,500	–
Capital	–	4,64,000
Debtors and Creditors	75,000	43,750
Purchases and sales	5,00,000	8,75,000
Carriage	10,000	–
Wages and Salaries	31,250	–
Commission	–	16,750
Machinery	1,38,750,	–
Furniture	25,000	–
Bad Debts recovered	–	8,000
B/R and B/P	37,500	33,750
Land and Buildings	5,00,000	–
Taxes and Insurance	21,250	–
10% Bank loan	–	50,000
Interest on Bank loan	3,000	–
Bank	24,500	–
Drawings	62,500	–
Total	14,91,250	14,91,250

Additional Information :

- (i) Value of the closing stock, as on 31st March,2021 is Rs. 50,000.

- (ii) Wages and salaries outstanding are Rs. 12,500 and insurance prepaid is Rs. 5,000.
- (iii) Depreciate Machinery and furniture @ 10% and 15% per annum respectively. Machinery included a machine which was purchased for Rs.38,500 on 30th September 2020.
- (iv) Goods costing Rs. 10,000 were taken by the proprietor for his personal use, but no entry has been made in the books of accounts.

**SECTION-B**  
**(Short Answer Type Questions)**

**Note :** Section 'B' contains Eight (08) short answer type questions of Eight (08) marks each. Learners are required to answer any Four (04) questions only. (4×8=32)

1. Trial Balance.
2. Double entry system.
3. Standard costing.
4. Budgetary control.
5. Cash flow statement.
6. Cost-volume-Profit Analysis.
7. Management Accounting.
8. Elements of cost.