

M.B.A. DEGREE EXAMINATION, JANUARY 2010
First Semester
BA 9206— ACCOUNTING FOR MANAGEMENT
(Regulations 2009)

Time: Three hours

Maximum: 100 marks

Answer ALL Questions

PART A — (10 × 2 = 20 Marks)

1. What are the objectives of Accounting?
2. Define Management Accounting.
3. What is a Balance Sheet?
4. What is Trading Account?
5. Who are the users of Financial Statements?
6. Define Ratio Analysis.
7. What is Cost Accounting?
8. Define Contract Costing.
9. What is Internal Reporting?
10. What is Two-Column Cash Book?

PART B — (5 × 16 = 80 Marks)

11. (a) Enumerate the basic features of Accounting Principles.

Or

(b) Describe the advantages of Human Resources Accounting.

12. (a) From the following balances taken out at the close of a year ended

31st December 2007, prepare a Profit and Loss Account.

Amount (Rs.) Amount (Rs.)

Gross profit 1,02,000 Discount (dr.) 1,000

Carriage outwards 5,000 Apprentice premium 3,000

Salaries 11,000 Printing and Stationary 500

Rent 2,200 Rates and taxes 700

Insurance premium 1,800 Traveling expenses 400

Bad debts 4,200 Depreciation 12,000

Sundry trade expenses 600 Repairs and maintenance 5,600

Or

(b) From the following trial balance of Evergreen and Company, prepare trading and Profit and Loss Account and Balance Sheet.

Particulars Debit (Rs.) Credit(Rs.)

Cash in hand 2,400

Purchases 2,40,000

Stock on 1st January 2005 70,000

Debtors 1,00,000

Plant and machinery 1,20,000

Furniture 30,000

Bills receivable 40,000

Rend and taxes 20,000

Wages 32,000

Salaries 37,600

Capital 2,00,000

Bills payable 44,000

Creditors 48,000

Sales 4,00,000

6,92,000 6,92,000

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Additional Information :

(i) Closing Inventory as on 31st December 2005 Rs. 50,000

(ii) Outstanding wages Rs. 5,000

(iii) Depreciation on Plant and Machinery at 10 percent and Furniture at 5 percent.

13. (a) Explain the essential features of Financial Statements.

Or

(b) From the following particulars extracted from the financial statement of

ABC and Co. compute

(i) Current ratio

(ii) Liquid ratio.

(iii) Inventory turnover ratio

(iv) Debtors turnover ratio.

Rs. Rs.

Opening stock 47,000 Sundry debtors 42,000

Closing stock 53,000 Cash 10,000

Sales less returns 2,52,000 Bank 8,000

Provision for bad debts 2,000 Bills receivable 15,000

Sundry creditors 32,000 Provision for taxation 15,000

Loose tools 4,000 Bills payable 29,000

Purchases 1,80,000 Marketable securities 8,000

14. (a) Describe various methods of Cost Accounting.

Or

(b) Explain the advantages and limitation of Job Order Costing.

15. (a) Explain the significance of Computerized Account System.

Or

(b) Explain the advantages of Prepackaged Accounting Software.