

Seat No.	
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**M.B.A. (Part - I) (Semester - I) Examination, May - 2014**  
**ACCOUNTING FOR MANAGERS (Paper - II) (CBCS) (New)**  
**Management Accounting**  
**Sub. Code : 57105**

Day and Date : Tuesday, 13 - 05 - 2014

Total Marks : 80

Time : 2.30 p.m. to 5.30 p.m.

- Instructions :**
- 1) Question No. 1 and 5 are compulsory.
  - 2) Attempt any two questions from Question No. 2 to 4.
  - 3) Figures to the right indicate full marks.

**Q1)** From the following trial balance extracted from the books of Viras, prepare trading Profit and Loss A/c for the year ended 31<sup>st</sup> March 2013 and a Balance-Sheet as on that date :

Particulars	Dr. ₹	Cr. ₹
Drawings	1,700	
Plant and Machinery	12,000	
Horse and carts	2,600	
Debtors	3,600	
Purchase	2,000	
Capital		20,000
Creditors		2,600
Sales		4,200
Bills payable		2,350
Wages	800	
Cash at Bank	2,600	
Salaries	800	
Repairs	190	
Opening Stock	1,600	
Rent	450	
Manufacturing expenses	150	
Bad debts	500	
Carriage Inward	160	
	<u>29,150</u>	<u>29,150</u>

**P.T.O**

The following adjustments are to be made :

- a) Closing Stock ₹ 1,600.
- b) Depreciate Plant and Machinery 10% and horse and carts 15%.
- c) Allow interest on capital @ 5% p.a.
- d) ₹ 150 is due for wages.
- e) Paid rent ₹ 50 in advance. [20]

OR

- a) Pass necessary journal entries for the following adjustments. [10]
  - i) Outstanding salary ₹ 1,200.
  - ii) Prepaid Insurance ₹ 800.
  - iii) Rent paid in advance ₹ 1,000.
  - iv) Depreciate machinery for ₹ 3,000.
  - v) Interest on investment receivable ₹ 1,200.
- b) State the various Accounting conventions. [10]

- Q2)** a) Explain the users of Accounting. [10]  
 b) Explain the features of Tally Package. [10]

- Q3)** a) Explain in brief the Accounting Process. [10]  
 b) State the difference between Financial Accounting and Cost Accounting. [10]

- Q4)** a) Calculate the amount of Profit before and after the reduction of selling price on the basis of following information.

Before reduction in selling price :

Margin of safety	₹ 1,00,000
P/v ratio	40%

After reduction in selling price :

Margin of safety	₹ 75,000
P/v ratio	25%
Fixed cost amounted to	₹ 40,000

Also prepare cost-sheet before and after reduction in selling price.

[10]

- b) The following is the summary of the receipts and issues of material during January 2013,

January

- 1 Opening stock 500 units @ ₹ 20 per unit.
- 3 Received from supplier 200 units @ ₹ 22 per unit.
- 6 Issued 300 units.
- 7 Issued 250 units
- 14 Received from supplier 200 units @ ₹ 21 per unit.
- 18 Received from supplier 160 units @ ₹ 23 per unit.
- 23 Issued 300 units.

Prepare Store ledger under FIFO method.

**[10]**

**Q5) Write short notes (Any Four) :**

**[20]**

- a) Elements of cost.
- b) Subsidiary books.
- c) Concept of Management Accounting.
- d) Cost unit and Cost centre.
- e) Straight line method of depreciation.
- f) Role of Computerised Accounting.

