

B.B.A. DEGREE EXAMINATION NOVEMBER 2022
BUSINESS ADMINISTRATION
FIRST SEMESTER

COURSE : MAJOR – CORE
PAPER : ACCOUNTING FOR MANAGERS
TIME : 3 HOURS **MAX. MARKS: 100**

SECTION – A

ANSWER ALL QUESTIONS: **(10 x 2 = 20)**

1. What are accounting standards?
2. Write a note on maximum remuneration payable to managerial personnel.
3. Who are the beneficiaries of Final Accounts?
4. Differentiate between Funds flow statement and Cash flow statement.
5. Mention any two types of Budgets.
6. Find Current Ratio. Current asset 200000, Current liability 50000.

7. Calculate Cash from operation
 - Net profit for the year – Rs 25,65,000
 - Depreciation on fixed assets – Rs 2,75,000
 - Amortization – Rs 1,35,000
 - Gain from the sale of a property – Rs 4,55,000
 - Interest income – Rs 75,000

8. Sales Rs.15000 Fixed Cost Rs.4500 Variable Cost Rs.7500. Find PVR.

9. Sales Rs.10000 Fixed Cost Rs.4500 Variable Cost 25% of sales find profit.

10. Prepare a cash Budget for the period of April 2016. Sales 90,000, Wages 25,000, Purchases 80,000.

SECTION – B

ANSWER ANY FIVE QUESTIONS: **(5 x 8 = 40)**

11. Explain the objectives of Accounting Standards.
12. Explain the applications of Ratio Analysis

13. From the balance sheets, prepare a cash flow statement.

Liabilities	2001 Rs	2002 Rs.	Assets	2001 Rs.	2002 Rs.
Share Capital	2,00,000	2,50,000	cash	30,000	47,000
Sundry creditors	70,000	45,000	Debtors	1,20,000	1,15,000
P & L A/c	10,000	23,000	Stock	80,000	90,000
			land	50,000	66,000
	2,80,000	3,18,000		2,80,000	3,18,000

14. From the following data, you are required to calculate the trend percentages taking 2017 as base year.

Particulars	2017	2018	2019	2020
Cash	100	120	80	140
Debtors	200	250	325	400
Stock – in – trade	300	400	350	500
Other current assets	50	75	125	150
Land	400	500	500	500
Building	800	1,000	1,200	1,500
Plant	1,000	1,000	1,200	1,500
Total	2,850	3,345	3,780	4,690

15. Calculate stock turnover Ratio

Particulars	Rs	Particulars	Rs
Opening stock	40,000	Sales	2,00,000
Purchases	1,00,000	Closing stock	20,000
Freight	10,000		
Gross profit	70,000		
	2,20,000		2,20,000

16. Find the P/V Ratio, Break – Even Point and Margin of Safety

Particulars	Rs.
Sales	1,00,000
Variable cost	60,000
Fixed cost	30,000

17. From the following particulars prepare production cost budget for the month of Dec.2000

Particulars	Opening stock (1.1.2000)	Closing stock (31.12.2000)
Finished goods	1200 units	1600 units
Raw material A	5,000kg	4,800 kg
Raw material B	2,000kg	3,100 kg

- Budget sales for the month – 7000 units.
- Raw materials required to produce one unit: A -- 4kg at Rs. 8 per kg; B – 2 kg at Rs. 25 per kg

SECTION – C

ANSWER ANY TWO QUESTIONS:

(2 x 20 = 40)

18. The following Trial Balance of Nallis Ltd., as at 30th Dec 2019 is given to you:

Debits	Rs.	Credits	Rs.
Stock (1.1.2019)	80,000	8,000 Equity Shares of Rs. 100 each, Rs. 75 paid	6,00,000
Bank	17,600	6% Debentures	2,00,000
Patents	60,000	Sundry Creditors	1,00,000
Calls in Arrears	20,000	General Reserve	80,000
Returns Inward	30,000	Sales	10,00,000
Purchases	7,72,000	Returns outward	20,000
Wages	1,08,000	P & L a/c (Cr.)	12,000
Insurance Prepaid	400		
Bills Receivable	30,000		
Sundry Debtors	80,000		
Discount on Issue of Debentures	10,000		
Plant & Machinery	4,00,000		
Land & Buildings	3,00,000		
Insurance	4,000		
General Expenses	40,000		
Establishment Expenses	60,000		
	20,12,000		20,12,000

Additional Information:

- The value of stock on 31 December 2019 was Rs. 74,000
- Outstanding wages Rs. 10,000
- A provision of 5% is to be created on sundry debtors for doubtful debts
- Depreciate Patent at 10%, Plant and Machinery at 7 ½% and on Land & Buildings at 4%

You are required to prepare statement of profit and loss for the year ended 31.12.2019 and balance sheet as on that date.

19. Prepare common size Balance sheet. The financial position of M/s. Tall and short on 1st January, 1999 and December 31, 1999

LIABILITIES	1.1.99 Rs	31.12.99 Rs	ASSETS	1.1.99 Rs	31.12.99 Rs
Capital	1,48,000	1,49,000	Cash	4,000	3600
Current Liabilities	36,000	41,000	Debtors	35,000	38,400
Mrs. Tall's Loan	---	20,000	Stock	25,000	22,000
Loan from bank	30,000	25,000	Land	20,000	30,000
			Building	50,000	55,000
			Machinery	80,000	86,000
	2,14,000	2,35,000		2,14,000	2,35,000

20. Pepsi Company produces a single article. Following cost data is given about its product:-
 Selling price per unit Rs.40 Marginal cost per unit Rs.24 Fixed cost per annum Rs. 16000 Calculate: (a)P/V ratio (b) break even sales (c) sales to earn a profit of Rs. 2,000 (d) Profit at sales of Rs. 60,000 (e) New break even sales, if price is reduced by 10%.

21. Month	Sales (Rs.)	Purchases (Rs.)	Wages (Rs.)
February	180000	124000	12000
March	192000	144000	14000
April	108000	243000	11000
May	174000	246000	10000
June	126000	26800	15000

50% of the credit sales are realized in the following month sales and remaining 50% sales for in The second following month. Creditors are paid in the following month of Purchase. Cash at Bank as on 1st April Rs. 25000. Prepare cash budget for the month of April, May and June.
