

TM241920S

Q 21.11

Reg. No :

Name :

P.G.D.M (C.S.S) EXAMINATION, NOVEMBER 2024
2024 ADMISSIONS REGULAR
SEMESTER I - CORE COURSE BUSINESS ANALYTICS
BA1C03TM20 - Accounting for Managers

Time : 3 Hours

Maximum Weight : 30

Part A

I. Answer any Eight questions. Each question carries 1 weight

(8x1=8)

1. Give the accounting treatment for outstanding salary.
2. Discuss Dual aspect concept.
3. Explain the classifications of accounts.
4. Distinguish Common sized statement and Comparative statement.
5. List out any two merits of cash flow statement.
6. Suppose a concern has liquid assets of Rs.200000 and current liabilities of Rs.150000, how will you calculate acid test ratio?
7. Provide the formula to calculate Contribution and explain the same.
8. Explain Break even point with the formula.
9. Calculate P/V ratio, if selling price is Rs.10 per unit, Variable cost per unit is Rs.6.
10. Mention any two demerits of Computerised accounting system.

Part B

II. Answer any Six questions. Each question carries 2 weight

(6x2=12)

11. Discuss the Golden rule of accounting by classifying accounts using suitable examples.
12. Is Profit and loss account and Balance sheet the same? Justify your answer.
13. Calculate:

1. Debtors turnover ratio,
2. Average collection period from the following information:

Annual credit sales= 500000, Debtors in the beginning= 80000, Debtors at the end=100000.

14. If Inventory Turnover Ratio is 5 times and average stock at cost is Rs.75000, find out cost of goods sold.
15. Based on the knowledge on Ratio analysis compute the following ratios from the given information.

1. Gross Profit Ratio
2. Net Profit Ratio
3. Current Ratio
4. Debt- Equity Ratio

Net Sales Rs 30,000, Cost of Sales Rs 20,000, Net Profit Rs 3,000, Current Assets Rs. 6,000, Stock Rs 1,000, Current Liabilities Rs 2,000, Paid up share capital Rs 5,000, Debentures Rs 2,500.

16. Write a short note on budgetary control system.
17. Discuss ZBB by mentioning its merits and demerits.
18. Discuss any one of the accounting software.

Part C

III. Answer any Two questions. Each question carries 5 weight

(2x5=10)

19. From the trial balance of Mr.Ravi, prepare a trading and P/L a/c for the year ending 31/3/10 and Balance sheet.

Particulars	Amount	Particulars	Amount
Opening stock	45000	Capital	90000
Machinery	85000	Creditors	43000
Furniture	7500	Discount received	3500
Premises	75000	Bank OD	20000
Purchases	150000	Purchase return	1500
Salaries	14000	Sales	337070
Debtors	55000		
Wages	30000		
Carriage inwards	2000		
Carriage outwards	2100		
Factory expenses	25000		
Bad debt	750		
Interest	625		
Rent	750		
Insurance premium	1500		
Cash at bank	845		
	495070		495070

Adjustments:

- Closing stock 57000
- Outstanding interest on overdraft 1000
- Insurance premium prepaid 500.

20. The following are the Balance sheet of X Ltd and Y Ltd for the year ending 31st Dec 2011.

Liability	X Ltd	Y Ltd	Asset	X Ltd	Y Ltd
Equity share capital	250000	170000			
Preference share capital	120000	80000	Land & building	350000	275000
Reserves & Surplus	50000	70000	Plant & machinery	270000	300000
Loans	350000	279000	Investment	72000	12000
Bills payable	25000	14000	Book debts	47500	25000
Sundry creditors	18000	8000	Prepaid expenses	35400	-
Outstanding expenses	8590	4500	Cash and bank	48690	21000
Dividend declared	2000	7500			
	823590	633000		823590	633000

Prepare common size Balance sheet and interpret the result.

21. From the estimates of income and expenditure, prepare cash budget for the months from April to June.

Month	Sales	Purchases	Wages	Office exp	Selling exp
Feb	120000	80000	8000	5000	3600
Mar	124000	76000	8400	5600	4000

Apr	130000	78000	8800	5400	4400
May	122000	72000	9000	5600	4200
June	120000	76000	9000	5200	3800

- Plant worth Rs.20000 purchase in June 25% payable immediately and the remaining in two equal instalments in the subsequent months.
- Advance payment of tax payable in Jan and April Rs.6000
- Period of credit allowed: By suppliers 2 months and to customers 1 month.
- Dividend payable Rs.10000 in the month of June
- Delay in payable of wages and office expenses 1 month and selling expenses $\frac{1}{2}$ month.
- Expected cash balance on 1st April is 40000.

22. Fixed expenses- Rs.150000, Variable cost per unit Rs.10, Selling price per unit Rs.15. With this information calculate:

1. Contribution
2. P/V ratio
3. Break even point in units and rupees
4. What will be the selling price per unit if the break even point is brought down to 25000 units
5. How many units are to be sold to earn a net income of 20% of sales.