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**SIDDHARTH INSTITUTE OF ENGINEERING & TECHNOLOGY:: PUTTUR  
(AUTONOMOUS)****MBA I Year I Semester Supplementary Examinations November-2020****ACCOUNTING FOR MANAGERS**Time: **3 hours**Max. Marks: **60****SECTION – A**(Answer all Five Units **5 x 10 = 50** Marks)**UNIT-I****1** What is accounting? Explain its objectives and principles. **10M****OR****2** What is dual concept of accounting? Explain the accounting equation. **5M**  
Classify the types of accounts and write accounting rules. **5M****UNIT-II****3** Prepare journal entries and post them into ledger: **10M**

- 01.01.2002 Krishna started business with cash Rs.5000  
 01.01.2002 Bought furniture for Cash Rs.2000  
 01.01.2002 Purchased Machinery for Rs.3000  
 01.01.2002 Purchased goods for cash Rs.5000  
 03.01.2002 Goods purchased from Sundaram & Co for Rs.1000  
 04.01.2002 Sold goods to Rama Rao for Rs.5000

**OR****4** A machine was purchased on April 1, 2007 for Rs. 50,000. The cost of installation and other expenses are Rs. 3,000. Its scrap value at the end of its useful life will be Rs. 5,000. Show machine account for three years, by following Written Down Value method charging 20% depreciation assuming financial year is followed. **10M****UNIT-III****5** a Distinguish between cash flow statement and funds flow statement. **5M**  
b Define working capital? What are sources of working capital? **5M****OR****6** From the following sheets for the year 2010 and 2011 find out funds from operations. **10M**

Particulars	2010 (Rs)	2011 (Rs)
General reserve	10000	12500
Good will	5000	2500
Provision for depreciation on plant	5000	6000
Preliminary expenses	3000	2000
Profit and loss appropriation account	15000	20000

**UNIT-IV**

- 7 a Explain the advantages and disadvantages of marginal costing. **5M**  
 b Explain the uses of break-even analysis in profit planning. **5M**

**OR**

- 8 Calculate P/V Ratio from the following information: **10M**  
 i. Selling Price Rs.10 per unit, Variable cost per unit Rs.6  
 ii. The profits and sales of two periods as under:

Year	Sales	Profits
2006	1,50,000	20,000
2007	1,70,000	25,000

**UNIT-V**

- 9 What are the elements of cost? Explain them with suitable examples. **10M**

**OR**

- 10 Explain the benefits of cost accounting and limitations of it. **10M**

**SECTION – B**

(Compulsory Question)

- 11 **1 x 10 = 10 Marks**

The following figures relate to the trading activities of Ramya Traders for the year ended 30<sup>th</sup> June 2006.

Particulars	Rs	Particulars	Rs
Sales	10,40,000	<u>Administrative Expenses:</u>	
Purchases	6,44,500	Salaries	54,000
Opening Stock	1,52,500	Rent	5,400
Closing Stock	1,97,000	Printing	5,000
Sales Returns	40,000	Depreciation	18,600
<u>Selling &amp; Distribution Expenses:</u>		Other Expenses	33,000
Salaries	30,600	Provision for Tax	80,000
Advertising	9,400	<u>Non-Operating Expenses:</u>	
Conveyance	4,000	Dividend on Shares	18,000
		Profit on Sale of Shares	6,000
		Loss on Sale of Assets	8,000

You are required to calculate:

- Gross Profit Ratio.
- Operating Ratio.
- Stock Turnover Ratio

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