

MBA DEGREE EXAMINATIONS: MAY/JUNE 2013

First Semester

MASTER OF BUSINESS ADMINISTRATION

MBA560: Financial Cost And Management Accounting

Time: Three Hours**Maximum Marks: 100****Case Study:-****PART A (1 x 20 = 20 Marks)**

1. From the following summarized Balance sheet of ABC Ltd., Prepare Fund flow and cash flow statement.

Balance sheet of ABC Ltd.

Liabilities	2007	2008	Assets	2007	2008
Share capital	200000	300000	Plant	200000	236000
General Reserve	50000	60000	Investments	100000	190000
8% Debentures	100000	100000	Stock	50000	40000
Creditors	40000	50000	Debtors	30000	40000
Bills Payable	10000	12000	Cash	15000	18000
P & L A/C	10000	16000	Prepaid Exp.	15000	14000
	410000	538000		410000	538000

Answer all the Questions:-**PART B (10 x 2 = 20 Marks)**

2. Differentiate financial and management accounting
3. What is meant by accounting convention
4. Differentiate Trial balance and Balance sheet
5. What is meant by Cost centre?
6. Differentiate normal loss and abnormal loss.
7. Define Ratio.
8. What is meant by window dressing
9. Define Zero based budgets.
10. What is meant Key factor?
11. Define contribution.

PART C (4 x 15 = 60 Marks)

12. a) Explain with suitable the accounting concepts and conventions in detail.

(OR)

13. a) Draw a stores ledger card recording the following transactions under Weighted average method.
- | | |
|--------|---------------------------------------|
| 2012 1 | Opening stock 2,000 units @Rs.10 each |
| 5 | Received 1,000 units at Rs.11 each |
| 6 | Issued 500 units |
| 10 | Received 5,000 units @ Rs.12 each |
| 12 | Received 500 units @ 13 per unit. |
| 14 | Issued 600 units. |
| 18 | Issued 100 units |
| 19 | Received 1000 units @ 14 per unit |
| 20 | Issued 150 units. |
| 25 | Received 500 units @Rs.14 each. |
| 28 | Issued 300 units. |

(OR)

- b) Explain the different methods of costing with suitable examples.

14. a) Differentiate Financial, cost and Management Accounting

(OR)

- b) The following information is given.

Current ratio; 2.5	fixed assets turnover ratio: 2 times
Liquidity ratio 1.5	Average debt collection period: 2 months
Net working capital Rs 3, 00,000	Stock turnover ratio; 6 times
Fixed assets: Shareholders Net worth 1:1	Gross profit ratio 20%
Reserves; share capital 0.5:1	

Draw up a Balance sheet from the above information

The Budgeted expenses for the production of 10000 units in a factory are as follows.

	Per unit
	Rs.
Materials	70
Labor	25
Variable overheads	20
Fixed overheads (1,00,000)	10
Direct Variable overheads	5
Selling Expenses (15% fixed)	13
Distribution overheads (20% fixed)	7
Administration overheads (Rs50,000)	5

	155

Prepare flexible Budget for the production of 8000 and 12000 units

(OR)

- b) The following are the figures of Sales and Profits for two periods in respect of a concern.

	Sales Rs	Profit Rs.
2010	2, 00,000	30,000
2011	2, 40,000	46,000

Find out 1.P/V ratio 2.BEP 3.Fixed Cost 4.Profit at an estimated sale of Rs.1 25,000
5. Sales required earning a profit of Rs.20, 000. 6. Margin of Safety for period 2011
