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**SIDDHARTH INSTITUTE OF ENGINEERING & TECHNOLOGY:: PUTTUR
(AUTONOMOUS)****MBA I Year I Semester Supplementary Examinations November-2021****ACCOUNTING FOR MANAGERS**

Time: 3 hours

Max. Marks: 60

SECTION – A

(Answer all Five Units 5 x 10 = 50 Marks)

UNIT-I

- 1 Explain the Accounting concepts and conventions in detail. L1 10M
- OR**
- 2 a Classify the types of accounts and write accounting rules. L3 5M
b Explain the different users of Accounting information. L3 5M

UNIT-II

- 3 What is trail balance? State the errors which cannot be disclosed by it. L1 10M
- OR**
- 4 On 1st January, 2002 machinery was purchased by Mr.Ramu for Rs 80,000. On 1st July, 2002 he made addition for an amount of Rs 20,000. Again on 1st April, 2005 further additions were made at a cost of Rs 10,000. Mr.Ramu closes books every year on 31st December. What would be the closing balance of machinery account on 31stDecember, 2005 if he provides depreciation on diminishing balance method at 8 % p.a? Show machinery account for three years. L3 10M

UNIT-III

- 5 "A cash flow statement is required to explain the changes in cash account balances Between balance sheet dates"- Discuss. L2 10M
- OR**
- 6 Explain the steps in the preparation of funds flow statement and also Discuss in brief about uses of funds flow statement. L2 10M

UNIT-IV

- 7 Discuss the applications of the marginal costing technique. L2 10M
- OR**
- 8 From the following information calculate: L3 10M
(i) P/V Ratio.
(ii) Breakeven point.
(iii) Margin of safety.
(iv) If selling price is reduced to Rs.90, how much is the margin of Safety will be reduced?

Total sales Rs.3, 60,000
Selling price per unit Rs.100
Variable cost per unit Rs.50
Fixed cost Rs.1, 00,000.

UNIT-V

- 9 Describe the relationship between cost accounting and financial accounting. L2 10M
- OR**
- 10 How do you classify the costs? State various methods. L2 10M

SECTION – B
(Compulsory Question)

11

1 x 10 = 10 Marks

Prepare the cost sheet to show the total cost of production for the month of July, 2018.

- Stock of raw materials on 1-7-2018 - Rs.3000
- Raw materials purchased Rs.28000
- Stock of raw materials on 31-7-2002 - Rs.4500
- Manufacturing wages -Rs.7000
- Depreciation on plant- Rs.1500
- Loss on sale on plant -Rs.300
- Office rent- Rs.3000
- General expenses- Rs.500
- Discount allowed- Rs.300
- Advertisement expenses to be fully charged- Rs. 600
- Income tax paid -Rs.2000

The number of units produced during July, 2018 was Rs.3000 The stock of finished goods was 200 and 400 units on 1-7-2018 and 31-7-2018 respectively.

The total cost of units on hand on 1-7-2002 was Rs.2800. All these have been sold during the month.

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