

C.U.SHAH UNIVERSITY

Summer Examination-2017

Subject Name: Managerial Accounting

Subject Code: 5MS01MAA1

Branch: MBA

Semester: 1

Date: 28/03/2017

Time: 10:30 To 01:30

Marks: 70

Instructions:

- (1) Use of Programmable calculator and any other electronic instrument is prohibited.
 - (2) Instructions written on main answer book are strictly to be obeyed.
 - (3) Draw neat diagrams and figures (if necessary) at right places.
 - (4) Assume suitable data if needed.
-

SECTION – I

- Q-1 Attempt the Following questions (07)**
- a Give two examples of real account **1**
 - b State the rule of personal account **1**
 - c Name any three subsidiary books **1**
 - d What is the name of accounting standard 9? **1**
 - e Name any three users of accounting information **1**
 - f What is meant by money measurement concept? **1**
 - g Name any two accounting policies **1**
- Q-2 Attempt all questions (14)**
- a Explain in brief accounting standard 2 **7**
 - b Explain any three accounting concepts **7**
- OR**
- Q-2 Attempt all questions (14)**
- a State advantages & limitations of accounting **7**
 - b Explain with imaginary figures various methods of depreciation **7**
- Q-3 Attempt all questions (14)**
- a Pass necessary journal entries in the books of Mr. X **7**
 - 1.Purchase goods Rs. 6000 @ 10% TD
 - 2.Purchase goods from Mr. Y Rs. 9000
 - 3.Purchase goods from Mr. Z for cash Rs.5000
 - 4.Purchase furniture Rs.7000
 - 5.Received goods on credit from Mr. B Rs.4000 @ 5% T.D & 3% C.D
 - 6.Mr. C sold us goods Rs. 3000 we paid half the amount



- b** Prepare Trading account and P & L account from below information 7

Particulars	Amount
Total Sales	600000
Return outward	30000
Cash purchase	150000
Cash sale	150000
Credit purchase	190000
Opening stock	60000
Salary & wages	40000
Discount allowed	15000
Fright inward	20000
Bad debt	13000
Closing stock	50000
Return inward	15000
Carriage outward	12000

OR

- Q-3 a** A machine was purchased for Rs. 110000 and installation charges are Rs. 15000 estimated scrap value of the machine at the end of useful life of 10 years is 5000 calculate depreciation by straight line method 7
- b** State the reasons for disagreement in trial balance 7

SECTION – II

- Q-4 Attempt the Following questions** (07)
- a** Name any two current liabilities 1
- b** What is meant by comparative statement? 1
- c.** Name any two contingent liabilities 1
- d** What is meant by authorized capital? 1
- e.** What is the full name of IFRS? 1
- f.** Name any two provisions 1
- g** State the formula of debt equity ratio 1

- Q-5 Attempt all questions** (14)
- a** Explain common size statement method with imaginary figures 7
- b** State vertical format of company balance sheet(Annexure not required) 7

OR

- Q-5 a** Explain classification of ratios on the basis of balance sheet 7
- b** Write a detailed note on window dressing 7
- Q-6 Attempt all questions** (14)
- a** Calculate current ratio & liquid ratio from the below information 7



Particulars	2016(Amount)	Particulars	2016 (Amount)
Creditors	100000	Prepaid salary	20000
Debtors	210000	Bills receivable	80000
Cash on hand	90000	Provision for taxation	40000
Bank OD	20000	Bank balance	80000
Stock	400000	Proposed dividend	70000
Bills payable	70000	Custom deposit	50000
Outstanding rent	20000	Advance income tax	130000

7

b Prepare statement showing change in working capital

Particulars	2015(Amt.)	2016(Amt.)	Particulars	2015(Amt.)	2016(Amt.)
Creditors	110000	90000	Prepaid expense	26000	14000
Debtors	140000	150000	Bills receivable	40000	35000
Cash on hand	80000	100000	Provision for taxation	71000	88000
Bank OD	30000	55000	Bank balance	42000	48000
Inventory	210000	175000	Proposed Preference dividend	35000	12000
Outstanding salary	30000	18000	Provident fund	65000	70000

OR

Q-6

Attempt all Questions

- a** Calculate GP ratio, NP ratio from below information
Sales Rs.500000, Cost of goods sold Rs.250000, Expenses Rs. 50000 and income tax rate 50% 7
- b** Prepare profit & loss appropriation account from below information.
Net profit Rs 300000, transfer to general reserve Rs. 75000, opening balance and closing balance Rs 80000 and Rs. 285000 respectively, proposed dividend Rs 20000 7

