

Enrollment No: _____

Exam Seat No: _____

C.U.SHAH UNIVERSITY

Summer Examination-2018

Subject Name: **Managerial Accounting**

Subject Code: **5MS01MAA1**

Branch: **MBA**

Semester: **1**

Date: **27/03/2018**

Time: **2:30 To 5:30**

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 nominal account **1**
 - b. State the rule of real account **1**
 - c. Name three columns of cash book **1**
 - d. What is the name of accounting standard 2? **1**
 - e. Name any three disadvantages of accounting **1**
 - f. What is meant by business entity concept? **1**
 - g. Name any two assets **1**
- Q-2 Attempt all questions (14)**
- a. Explain in brief accounting standard 1 **7**
 - b. Name any seven accounting concepts **7**
- OR**
- Q-2 Attempt all questions (14)**
- a. State various users of accounting information **7**
 - b. Explain with imaginary figures FIFO & LIFO method of stock valuation **7**
- Q-3 Attempt all questions (14)**
- a. Prepare purchase book of Mr. X **7**
 1. Purchase goods Rs. 9000 @ 10% TD
 2. Purchase goods from Mr. Y Rs. 7000
 3. Purchase goods from Mr. Z for cash Rs.4000
 4. Purchase furniture Rs.6000
 5. Received goods on credit from Mr. B Rs.3000 @ 5% T.D & 3% C.D
 6. Mr. C sold us goods Rs. 4000 we paid half the amount
 7. Received goods on sale or return basis of Rs. 6000 from Mr.D
 - b. Prepare Trading account from below information **7**



Particulars	Amount
Total Sales	500000
Return outward	20000
Cash purchase	250000
Cash sale	100000
Credit purchase	120000
Opening stock	70000
Wages	60000
Discount allowed	10000
Fright inward	10000
Closing stock	90000
Return inward	15000
Carriage outward	12000

OR

- Q-3 a** A machine was purchased for Rs. 190000 and installation charges are Rs. 10000 estimated scrap value of the machine at the end of useful life of 10 years & 50000 hours is 20000 calculate depreciation by straight line method & machine hour method. 7
- b** Explain different errors not affecting trial balance 7

SECTION – II

- Q-4 Attempt the Following questions** (07)
- a** State the meaning of contingent liabilities 1
- b** What is meant by common size statement? 1
- c** Name any two types of current liabilities 1
- d** What is meant by issued capital? 1
- e** What is the full name of GAAP? 1
- f** Name any two intangible assets 1
- g** State the formula of propriety ratio 1

- Q-5 Attempt all questions** (14)
- a** Explain trend analysis with imaginary figures 7
- b** State vertical format of company balance sheet(with any 2 Annexure) 7

OR

- Q-5 a** Explain classification of ratios on the basis of profit & loss account 7
- b** Write a detailed note on international financial reporting standard 7

- Q-6 Attempt all questions** (14)
- a** Prepare schedule of current assets, loans & advances and current liabilities & provisions from the below information 7

Particulars	2017(Amount)	Particulars	2017(Amount)
Creditors	110000	Prepaid rent	30000
Debtors	200000	Bills receivable	60000
Cash on hand	80000	Provision for taxation	20000
Bank OD	10000	Bank balance	60000



Stock	300000	Proposed dividend	40000
Bills payable	50000	Custom deposit	10000
Outstanding salary	10000	Advance income tax	30000

b Prepare statement showing change in working capital

7

Particulars	2017(Amt.)	2016(Amt.)	Particulars	2017(Amt.)	2016(Amt.)
Creditors	120000	90000	Prepaid Salary	20000	14000
Debtors	110000	150000	Bills receivable	40000	45000
Cash on hand	120000	100000	Provision for taxation	75000	88000
Bills Payable	50000	42000	Advance income tax	50000	62000
Bank OD	60000	55000	Bank balance	62000	48000
Inventory	150000	175000	Proposed dividend	35000	42000
Outstanding Rent	30000	48000	Provident fund	55000	70000

OR

Q-6 Attempt all Questions

a Calculate GP ratio, NP ratio, operating ratio & expense ratio from below information

7

Sales Rs.600000, Cost of goods sold Rs.350000, Expenses Rs. 60000 and income tax rate 40%

b Prepare profit & loss appropriation account from below information.

7

Net profit Rs 400000, transfer to general reserve 20% of net profit, opening balance and closing balance Rs 190000 and Rs.(?) respectively, proposed equity dividend Rs 50000 & proposed preference dividend 40000

