$\qquad$

## C.U. SHAH UNIVERSITY

# Summer Examination-2019 

## Semester: 1 <br> Instructions:

Subject Name: Managerial Accounting Subject Code: 5MS01MAA1

Date: 19/03/2019

Branch: MBA

Time: 02:30 To 05:30
Marks: 70
(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 <br> Q-1 Attempt the Following questions

a Give any two example of real account 1
b Name three columns of cash book1
c. Give specimen of columnar petty cash book $\mathbf{1}$
d When credit note is given? $\quad \mathbf{1}$
e. Name accounting standard 9 1
f. State any two limitations of accounting $\quad 1$
g. Name users of accounting information 1

Q-2 Attempt all questions
a Explain different branches of accounting 7
b Name accounting concepts explain any two in detail 7
OR
Q-2 Attempt all questions
a Explain accounting standard one in detail
b State the reasons for disagreement in trial balance $\quad 7$
Q-3 Attempt all questions
a Explain different types of subsidiary books with imaginary figures
b Mr. X starts business with Rs. 60,000. He opens account in Axis bank depositing Rs.20, 000. He purchases goods from Mr. B of Rs. 25,000 @ $10 \%$ cash discount and pays $50 \%$ to him in cash. He sold goods to Mr. C of Rs. 18,000 on credit. He appoints Mr. D at a monthly salary of Rs. 9,000.Pass necessary journal entries

## OR

Q-3 a Mr. A purchases a machine of Rs. 4, 00,000 having useful life of 50,000 hours \& 5 years. Realizable value of the machine after useful life is estimated at Rs.40, 000.During the fourth year machine works for 12000

hours calculate depreciation by SLM, SYD \& machine hours method for the fourth year.
b Mr. Y purchases \& Issues material as under calculate value of stock by
Periodic method (By LIFO) method.

| Date | Purchase <br> (Units) | Rate per unit | Issue(Units) |
| :--- | :---: | :---: | :---: |
| $1 / 1 / 18$ | 2,000 | 10 |  |
| $2 / 1 / 18$ | 500 | 11 |  |
| $3 / 1 / 18$ |  |  | 1600 |
| $4 / 1 / 18$ | 800 | 12 |  |
| $5 / 1 / 18$ | 1200 | 9 |  |
| $6 / 1 / 18$ |  |  | 800 |

## SECTION - II

## Q-4 Attempt the Following questions

a Give any two examples of contingent liability
b Name two items that can be shown on debit side of profit \& loss appropriation account
c. Name any two intangible assets
d State any three methods of financial statement analysis
e. Name any three items that can be shown as an application of fund
f. What is the full name of GAAP?

1
g. State the meaning of window dressing

From below balance sheet prepare fund flow statement

| Liabilities | 2017 | 2018 | Assets | 2017 | 2018 |
| :--- | :--- | :--- | :--- | :--- | :--- |
| Share capital | 56000 | 63000 | Land | 10000 | 10000 |
| Debentures | 23000 | 16000 | Building | 16000 | 33000 |
| P \& L <br> Account | 11000 | 17000 | Machinery | 25000 | 22000 |
| Bank OD | 9000 | 7000 | Investment | 11000 | 10000 |
| Creditors | 23000 | 26000 | Closing Stock | 20000 | 16000 |
| Bills Payable | 16000 | 12000 | Debtors | 28000 | 26000 |
| Provision for <br> tax | 6000 | 7000 | Bills <br> Receivable | 22000 | 25000 |
| Proposed <br> Dividend | 1000 | 4000 | Cash \& Bank | 7000 | 4000 |
| Outstanding <br> expenses | 2000 | 3000 | Pre-paid <br> Expenses | 8000 | 9000 |
| Total | 147000 | 155000 | Total | 147000 | 155000 |

1.Depreciation on machinery is 3000
2.Investment of 1000 sold for 1800

## OR

Q-5 a State merits and demerits of ratio analysis
b Explain common size statement with imaginary figures

## Q-6

Provide specimen of vertical balance sheet with all annexure in detail with imaginary figures

## Q-6 Attempt all Questions

a State any five composite ratios formula
b Find gross profit ratio, net profit ratio, operating ratio \& stock turnover 7
ratio from below information

| Particulars | Amount |
| :--- | :--- |
| Sales | 2400000 |
| Purchase | 1200000 |
| Purchase related expense | 100000 |
| Opening stock | 200000 |
| Closing stock | 300000 |
| All expenses including financial <br> expenses | 300000 |
| Rate of income tax | $40 \%$ |

