

MBA 03

M.B.A. DEGREE EXAMINATION, JUNE 2007.

First Semester

Paper III — ACCOUNTING FOR MANAGERS

**(Common for HRM/Marketing/Finance/International
Business)**

Time : Three hours

Maximum: 100 marks

SECTION A — (5 × 6 = 30 marks)

Answer any FIVE out of the following.

1. What are the functions of Accounting?
2. Explain the usage of Tally package.
3. What are the causes of depreciation?
4. What are Financial statements?
5. What are the assumptions of BEP analysis?

6. Pass necessary Journal entries for the following :

- 2005, Jan. 1 X Started business with cash
Rs. 1,00,000
- 4 Cash paid into Bank Rs. 50,000
- 8 Goods purchased for Rs. 20,000 with
5% Trade discount
- 10 Sold goods to Mani Rs.10,000
- 14 Purchased a motor cycle for his son
Rs.15,000 by cheque.
- 18 Paid Rent Rs. 1,000

7. A plant has the original value of Rs. 10,000. The management depreciates the plant at 10% p.a. on diminishing Balance method. How will the plant be shown in the Balance Sheet at the end of the fourth year?

8. The following data are available from the records of a company.

Sales Rs. 60,000

Variable cost Rs. 30,000

Fixed cost Rs. 15,000

Calculate p/v ratio, BEP, and margins of safety.

Calculate

(a) BEB, P/V ratio, and margins of safe by for each company.

(b) State which company is likely to earn more profit in the condition of

(i) Heavy Demand and

(ii) Low demand for the product.