



HDV-16100080102 Seat No. _____

**M. B. A. (Banking & Finance) (Sem. I)
(CBCS) Examination**

November / December – 2017

Accounting for Managers

Time : Hours]

[Total Marks : 70

Instruction : All the questions carry equal marks

- 1 Cash forms a small part of the assets of most organizations. Why then is control over cash regarded as highly important ? **14**

OR

- 1 Who are the Major Users of Financial Statement ? **14**
And also explain the Importance of Accounts to them.
- 2 What do you mean by Internal Control Systems? What are the features of Good control system? **14**

OR

- 2 From the following transactions prepare a cash book with Cash, Bank and discount Columns in the books of Johnson and Co. **14**

November, 2017

- 1 Started business with an investment of Rs 20,000
2 Deposited in bank Rs. 16,000
5 Acquired a Building by issuing a cheque of Rs. 12,000
10 Paid the bill for furniture by cheque Rs. 1,000
15 Purchased Rs 1,000 of goods by cheque
18 Sold goods for Rs. 1,400
20 Withdrew from bank for personal use Rs. 1,000
23 Paid Rs. 400 by cheque as a premium for insuring the building against the fire.

- 28 Paid to Mahesh Rs. 1, 150 in full satisfaction by cheque.
We owed to Ramesh Rs 1,200
- 30 Received from Suraj a cheque for Rs 1,370, in full satisfaction of the debt of Rs. 1,400

- 3 What is meant by Financial Statement Analysis. Explain its uses and benefits. Distinguish Horizontal and Vertical Analysis of Financial Statements 14

OR

- 3 Define the term 'Asset'. Explain different types of assets with suitable example 14
- 4 What is meant by Cash flow statement. Discuss the usefulness of Cash flow statement with suitable examples. 14

OR

- 4 Following is the Balance Sheet of Good Luck Ltd. as 31-3-2017 : 14

Capital & liabilities	31-3-2017	Assets	31-3-2017
Eq. share capital	1,00,000	Goodwill	1,25,000
General reserve	20,000	Fixed Assets	1,50,000
8% loan	80,000	Stock	30,000
Creditors	1,12,500	Debtors	35,000
Bank over draft	12,500	Investments	
Taxation :		(Short Term)	10,000
Current year 10,000		Cash on Hand	25,000
Next Year 10,000	20,000		
P & L A/c (After Charging interest on loan and taxation) 60,000			
Less :			
General reserve A/c 20,000			
Dividend A/c 10,000	30,000		
	3,75,000		3,75,000

Additional information :

Details	1-4-2016	31-3-2017
Stock	50,000	—
Total Sales	—	6,00,000
Sales on credit	—	4,50,000
Gross profit	—	2,00,000

Calculate following Ratios :

- (1) Gross Profit Ratio
- (2) Current Ratio
- (3) Liquid Ratio
- (4) Return on Capital employed
- (5) Stock turnover Ratio
- (6) Debtors' Ratio. (On the basis of 360 days of year)

5 Write Short notes on : (Any **Two**)

14

- (a) Rules of Debit and Credit
- (b) Debentures
- (c) Equity Vs Preference Share
- (d) Journal and Ledger.