Seat No.: __________ Enrolment No.____________

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA Semester –I Examination Dec’11- Jan’12

Subject code: 810001 **Date: 26/12/2011**
Subject Name: Accounting for Managers (AFM)
Time: 10.30 am – 01.30 pm **Total Marks: 70**
Instructions:

1. **Attempt all questions.**
2. **Make suitable assumptions wherever necessary.**
3. **Figures to the right indicate full marks.**

Q.1 **(a)** What is Accounting Equation? Describe all the possible changes in it, which keeps the equation true, with hypothetical transactions. **07**

(b) Explain following accounting concepts with clear examples **07**

i. Going Concern Concept

ii. Money Measurement Concept

Q.2 **(a)** Prepare a statement of changes in working capital and the funds flow statement from the following information: **07**

M/s Yashraj & Sons

Balance Sheet (All figures in Rs.)

Particulars	2008	2009
Assets:		
Fixed Assets	8,00,000	11,00,000
Less: Accumulated Depreciation	1,60,000	2,70,000
	6,40,000	8,30,000
Investments	1,60,000	6,70,000
Closing Stock	4,00,000	4,50,000
Sundry Debtors	2,10,000	1,80,000
Cash in Hand	10,000	2,000
Cash at Bank	20,000	8,000
	14,40,000	21,40,000
Liabilities:		
Equity Share Capital	9,80,000	17,15,000
General Reserve	1,00,000	1,50,000
Sundry Creditors	3,00,000	2,00,000
Provision for Taxes	10,000	15,000
Proposed Dividend	50,000	60,000
	14,40,000	21,40,000

(b) A second hand machine was purchased on 1st July 2006 by Sharad Ltd for Rs. 20000 and installation and other repairing expenses amounted to Rs. 3000. On 1st January 2007 Sharad Ltd purchased new machine worth Rs. 12000. On 30th June 2008 the machine purchased on 1st January 2007 was sold for Rs.8000. On July 1st 2008 new machine was purchased on installment. Details of Installments are as under: **07**

1st July 2008: Rs. 5000
30th June 2009: Rs. 6000
30th June 2010: Rs. 5500

Payment in 2009 and 2010 include interest Rs.1000 and Rs.500 respectively. The company writes off depreciation @ 10% p.a. on original cost. The accounts are closed every year on 31st March. Prepare necessary accounts till 31-3-2009.

OR

(b) What is Impairment of Assets? Explain with reference to Accounting Standard-28 **07**

Q.3 **(a)** Explain in detail the utility of Corporate Cash Flow Statement **07**
(b) Explain Clause 49 of Listing Agreement in Detail **07**

OR

Q.3 **(a)** What is Auditors Report? Write a detailed note on Content of Auditors' Report **07**
(b) What are the provisions of Company's Act regarding accounts of a company **07**

Q.4 **(a)** From the following summarized balance sheets of two companies you are required to prepare Common size balance sheets in vertical form: **07**

Balance Sheet
As at 31st March 2010

(Figures in '000 Rs.)

Liabilities	A Ltd.	X Ltd.	Assets	A Ltd.	X Ltd.
Eq. Share Capital	120	350	Fixed Assets	245	410
10% Preference Capital	100	50	Current Assets	290.5	332.8
Reserve	140	56	Preliminary Exp.	10	6
15% Debentures	50	50			
Current Liabilities	135.5	242.8			
	545.5	748.8		545.5	748.8

(b) Explain Ratio Analysis as a tool of Financial Statement Analysis and also explain different types of ratios **07**

OR

Q.4 **(a)** What is Du Pont Analysis? Explain in detail with hypothetical example **07**

(b) Explain the meaning and utility of Horizontal and Vertical Analysis of Financial Statement **07**

Q.5 **(a)** What is IFRS, describe in detail latest developments of IFRS. **07**
(b) What is the utility of Environment Accounting? **07**

OR

Q.5 **(a)** Explain Responsibility Accounting in Detail **07**
(b) Explain Human Resource Accounting in Detail **07**

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