



UTTARAKHAND OPEN UNIVERSITY, HALDWANI (NAINITAL)
MBA/DIMIst Semester Assignment

Programme Name-MBA-First Semester/Diploma in Management-First Semester

Programme Code-MBA-10/DIM-10

Course Name-Accounting and Finance For Managers

Course Code:CP1001

Maximum Marks-40

Last Date of Submission: 15 Jan, 2012

Session: 2011-12 (Summer)

Section-A

Section 'A' contains 08 short answer type questions of 5 marks each. Learners are required to answers 4 questions only. Answers of short answer-type questions must be restricted to 250 words approximately.

Discuss the following-

1. Role of Accountant in the present scenario.
2. Liquidity Vs. Profitability.
3. Financial Engineering.
4. Objectives of preparing Trial Balance
5. Utility of C-V-P Analysis.
6. Factors affecting Capital Investment Decisions.
7. Distinguish between Trading Account and Manufacturing Account.
8. Accounting Concepts.

Section-B

Section 'B' contains 04 long answer-type questions of 10 marks each. Learners are required to answers 02 questions only.

1. The following is the Trial Balance of Raman Traders as on 31st March, 2009 and it is desired to prepare final accounts showing the results of the transactions of the year.

Particulars	Dr. Amount(₹)	Cr. Amount(₹)
Capital Account/Drawings	1,400	10,000
Cash in hand	1,500	-
Bank Overdraft@ 5%	-	2,000
Purchases and Sales	12,000	15,000
Returns	1,000	2,000
Establishment Charges	2,500	-
Taxes and Insurance	500	-
Provision for Doubtful Debts	-	1,000
Bad Debts	500	-
Sundry Debtors and Creditors	5,000	1,850

Commission	-	500
Investments	4,000	-
Stock on 1 April,2010	3,000	-
Furniture	600	-
Bills Receivables and Bills payable	3,000	2,500
Collected Sales Tax	-	150
	35,000	35,000

Further, you are required to take into consideration the following information:

- a) Salary ` 100 and Taxes ` 400 are outstanding but insurance ` 50 prepaid.
- b) Commission amounting to ` 100 has been received in advance for work to be done next year.
- c) Interest accrued on investments ` 210.
- d) Provision for Doubtful debts is to be maintained at 20 %.
- e) Depreciation on furniture is to be charged at 10- %.
- f) Stock on 31st March, 2011 was valued at ` 4,500
- g) A fire occurred on 25 March, 2011 in the godown and stock of the value of ` 1000 was destroyed. It was fully insured and the insurance company admitted the claim in full.

2. List out the main ratios used for judging efficiency in profitability, liquidity, long term solvency and cost. Select a company of your choice and collect the financial statements of that company for past 3 years. Calculate the ratios which are relevant to the working capital management of that company.

3. Describe the information provided by each of these financial statements: income statement, balance sheet, statement of cash flows. Identify ten business questions that can be answered by using financial accounting information. Also, prepare a balance sheet for a hypothetical company.

4. Define the scope of financial management. What role should the financial manager play in a modern enterprise? Also explain the basic financial decisions and how they involve risk-return trade off.