

D 115952

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Name.....

Reg. No.....

**FIRST SEMESTER M.B.A. DEGREE (2024 SCHEME) EXAMINATION  
JANUARY 2025**

(CUCSS)

M.B.A.

BUS IC 08—ACCOUNTING FOR MANAGERS

Time : Three Hours

Maximum : 60 Marks

**Part A***Answer all the following questions.**Each question carries 2 marks.*

1. What is Profit and Loss account ? Draw the format with imaginary figures.
2. What is the working capital ? Mention its two types in accounting.
3. Differentiate between Comparative balance sheet and common size balance sheet with examples.
4. What do you mean by quick ratio ? Explain with examples.
5. What do you mean by cash flow statement ? Draw its format.

(5 × 2 = 10 marks)

**Part B***Answer any four of the following questions.**Each question carries 4 marks.*

6. Define Accounting. Explain accounting process in detail with neat diagram.
7. What is Ratio ? Explain the different types of ratios used in Accounting.
8. Expand IFRS. List out different types of Indian Accounting Standards.
9. From the following find :
  - (a) Sales ;
  - (b) Closing Stock ;
  - (c) Debtors ; and
  - (d) Creditors.

**Turn over**

GP Ratio is 16 %, Stock Velocity is 9 months, debtors Velocity is 6 months, Creditors Velocity is 8 months, Gross Profit is Rs. 1,00,000, Closing stock is equal to opening stock.

10. Prepare a trial balance from the following information :

SL NO	Particulars	Amount Rs.
1	Capital	80,000
2	Drawings	4000
3	Land and Buildings	40,000
4	Stock (1 <sup>st</sup> Jan 2021)	26,000
5	Machinery	11,000
6	Furniture	12,000
7	Rent	8,000
8	Creditors	10,000
9	Debtors	20,000
10	Purchase	14,000
11	Sales	30,000
12	Discount	2,000
13	Carriage inward	4,000
14	Cash in hand	6,000
15	Cash at Bank	12,000
16	Salary	7,000
17	Wages	8,000
18	Bills receivable	10,000
19	Office expenses	4,000
20	Loan from Bank	68,000

11. From the following information calculate cash flow from operation :

SL NO	Particulars	2020 Amount Rs.	2021 Amount Rs.
1	Debtors	20,000	40,000
2	Creditors	20,000	10,000
3	Bills Receivable	14,000	20,000
4	Bills Payable	25,000	15,000
5	Outstanding Expenses	1,000	500
6	Prepaid Expenses	5,000	2,000
7	Accrued Income	2,000	4,000
8	Income Received in advance	4,000	8,000
9	Profit made during the year	45,000	65,000
10	Depreciation	3,000	2,000

(4 × 4 = 16 marks)

### Part C

Answer any **three** of the following questions.

Each question carries 8 marks.

12. What is Accounting Principles ? Explain Accounting Concepts and Conventions with suitable Examples.
13. What is Cash flow from financing activities ? How would you compute Cash flow from financing activities ?
14. From the following information prepare a summarized balance sheet as on 31-03 2022 :
  - a) Current ratio — 4
  - b) Liquid ratio — 2
  - c) Proprietary ratio — 3
  - d) Bank overdraft — Rs. 30,000
  - e) Reserves and Surplus — Rs. 1,00,000
  - f) Working Capital — Rs. 2,00,000

**Turn over**

15. From the following information prepare cash flow statements :

Liabilities	2021	2022	Assets	2021	2022
	Amount	Amount		Amount	Amount
	Rs.	Rs.		Rs.	Rs.
Capital	1,50,000	2,00,000	Cash in Hand	10,000	20,000
Reserves and Surplus	50,000	1,00,000	Cash at Bank	20,000	30,000
Debentures	50,000	60,000	Debtors	80,000	50,000
Creditors	30,000	40,000	Investment	20,000	80,000
Bills payable	10,000	30,000	Furniture	30,000	30,000
Bank overdraft	10,000	20,000	Land and Building	60,000	90,000
			Plant and Machinery	50,000	80,000
			Closing stock	30,000	70,000
<b>TOTAL</b>	<b>3,00,000</b>	<b>4,50,000</b>	<b>TOTAL</b>	<b>3,00,000</b>	<b>4,50,000</b>

16. Prepare a statement of changes in Working Capital from the following Balance sheet :

Liabilities	2022	2023	Assets	2022	2023
	Amount	Amount		Amount	Amount
	Rs.	Rs.		Rs.	Rs.
Equity share capital	5,00,000	7,00,000	Fixed assets	5,00,000	7,00,000
Preference share capital	4,00,000	4,00,000	Investment	3,00,000	4,00,000
Debenture	2,00,000	1,00,000	Debtors	80,000	2,00,000
Bills payable	70,000	1,00,000	Work in progress	2,50,000	1,00,000
Creditors	30,000	80,000	Bills receivable	50,000	80,000
Dividend payable	80,000	20,000	Cash at bank	50,000	1,00,000
Outstanding expenses	20,000	2,00,000	Stock	2,50,000	2,00,000
Long term Bank loan	2,00,000	2,00,000	Prepaid expenses	20,000	20,000
<b>TOTAL</b>	<b>15,00,000</b>	<b>18,00,000</b>	<b>TOTAL</b>	<b>15,00,000</b>	<b>18,00,000</b>

(3 × 8 = 24 marks)

**Part D**

*Answer the following question which carries 10 marks.*

17. From the following information, prepare Trading, Profit and Loss account, and Balance sheet :

SL NO	Particulars	Debit Amount Rs.	Credit Amount Rs.
1	Capital		40,000
2	Drawings	3,000	
3	Plant and Machinery	15,000	
4	Opening stock	10,000	
5	Purchases	40,000	
6	Sales		80,000
7	Returns	5,000	4,000
8	Debtors and creditors	12,000	8,000
9	Carriage inward	1,000	
10	Carriage outward	1,000	
11	Wages	2,000	
12	Salary	3,000	
13	Factory rent	2,000	
14	Office rent	4,000	
15	Insurance	3,000	
16	Discount	2,000	1,000
17	Furniture	7,000	
18	Bad debts	1,500	
19	Commission	1,500	
20	Buildings	13,000	
21	Bills payable		3,500

**Turn over**

SL NO	Particulars	Debit Amount Rs.	Credit Amount Rs.
22	Bills receivable	5,900	
23	Cash in hand	2,000	
24	Cash at bank	600	
25	Goodwill	2,000	

Adjustments :

- a) Closing stock Rs. 40,000.
- b) Prepaid insurance Rs. 1,000.
- c) Additional bad debts Rs. 500.
- d) Provide reserve for bad debts at 5 % on debtors.
- e) Outstanding wages Rs. 500 and outstanding salaries Rs. 300.
- f) Provide 12 % depreciation on furniture and 15 % on Plant and Machinery.

(1 × 10 = 10 marks)