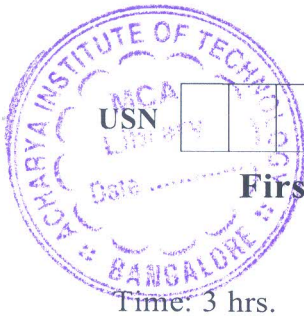


CBCS SCHEME



USN

--	--	--	--	--	--	--	--	--	--

22MBA13

First Semester MBA Degree Examination, Jan./Feb. 2023 Accounting for Managers

Time: 3 hrs.

Max. Marks: 100

- Note: 1. Answer any Four questions from Q.No. 1 to Q.No. 7.
2. Question No. 8 is compulsory
3. M : Marks , L: Bloom's level , C: Course outcomes.*

			M	L	C																			
Q.1	a.	Define Accounting.	3	L1	CO1																			
	b.	Differentiate between Trade discount and Cash discount.	7	L2	CO1																			
	c.	Journalize the following transactions in the books of Mr. X. <table border="1" style="width: 100%; margin-top: 5px;"> <tr> <td style="width: 20%;">01/06/2017</td> <td>Mr. X started business with cash Rs 45,000/-</td> </tr> <tr> <td>01/06/2017</td> <td>Paid into Bank Rs 25,000/-</td> </tr> <tr> <td>02/06/2017</td> <td>Goods purchased for cash Rs 15,000/-</td> </tr> <tr> <td>03/06/2017</td> <td>Purchase furniture and payment made by cheque Rs 5000/-</td> </tr> <tr> <td>08/06/2017</td> <td>Sold goods for Arvind Rs 4000/-</td> </tr> <tr> <td>10/06/2017</td> <td>Goods purchased from Amith Rs 7000/-</td> </tr> <tr> <td>12/06/2017</td> <td>Goods returned to Amith Rs 1000/-</td> </tr> <tr> <td>15/06/2017</td> <td>Goods returned to Arvind Rs 200/-</td> </tr> <tr> <td>18/06/2017</td> <td>Cash received from Arvind Rs 3760/- and discount allowed to him Rs 40.</td> </tr> <tr> <td>28/06/2017</td> <td>Cash paid to Amith in full settlement of his account for Rs 5940/-</td> </tr> </table>	01/06/2017	Mr. X started business with cash Rs 45,000/-	01/06/2017	Paid into Bank Rs 25,000/-	02/06/2017	Goods purchased for cash Rs 15,000/-	03/06/2017	Purchase furniture and payment made by cheque Rs 5000/-	08/06/2017	Sold goods for Arvind Rs 4000/-	10/06/2017	Goods purchased from Amith Rs 7000/-	12/06/2017	Goods returned to Amith Rs 1000/-	15/06/2017	Goods returned to Arvind Rs 200/-	18/06/2017	Cash received from Arvind Rs 3760/- and discount allowed to him Rs 40.	28/06/2017	Cash paid to Amith in full settlement of his account for Rs 5940/-	10	L4
01/06/2017	Mr. X started business with cash Rs 45,000/-																							
01/06/2017	Paid into Bank Rs 25,000/-																							
02/06/2017	Goods purchased for cash Rs 15,000/-																							
03/06/2017	Purchase furniture and payment made by cheque Rs 5000/-																							
08/06/2017	Sold goods for Arvind Rs 4000/-																							
10/06/2017	Goods purchased from Amith Rs 7000/-																							
12/06/2017	Goods returned to Amith Rs 1000/-																							
15/06/2017	Goods returned to Arvind Rs 200/-																							
18/06/2017	Cash received from Arvind Rs 3760/- and discount allowed to him Rs 40.																							
28/06/2017	Cash paid to Amith in full settlement of his account for Rs 5940/-																							
Q.2	a.	What is Forensic Accounting?	3	L1	CO1																			
	b.	Explain the advantages and disadvantages of Ratio Analysis.	7	L2	CO2																			
	c.	Prepare a three column cash book for the following transaction of Mr. X. <table border="1" style="width: 100%; margin-top: 5px;"> <tr> <td style="width: 15%;">April 1</td> <td>Balance of each Rs 7500 and in Bank Rs 13,000/-</td> </tr> <tr> <td>3</td> <td>Bought goods for cash Rs 1500/-</td> </tr> <tr> <td>9</td> <td>Received from Rajan a cheque of Rs 1350 and allowed him discount of Rs 50/-.</td> </tr> <tr> <td>11</td> <td>Above cheque is sent to Bank for collection.</td> </tr> <tr> <td>15</td> <td>Paid to Arjun and Company Rs 2250/- by cheque and he allowed a discount of Rs 70/-</td> </tr> <tr> <td>20</td> <td>Paid into Bank.</td> </tr> <tr> <td>28</td> <td>Bought office furniture and paid by cheque Rs 2,200/-</td> </tr> <tr> <td>29</td> <td>Withdraw cash for payment of LIC policy premium Rs 700/-</td> </tr> <tr> <td>30</td> <td>Received from Cash Sales Rs 1750/-</td> </tr> </table>	April 1	Balance of each Rs 7500 and in Bank Rs 13,000/-	3	Bought goods for cash Rs 1500/-	9	Received from Rajan a cheque of Rs 1350 and allowed him discount of Rs 50/-.	11	Above cheque is sent to Bank for collection.	15	Paid to Arjun and Company Rs 2250/- by cheque and he allowed a discount of Rs 70/-	20	Paid into Bank.	28	Bought office furniture and paid by cheque Rs 2,200/-	29	Withdraw cash for payment of LIC policy premium Rs 700/-	30	Received from Cash Sales Rs 1750/-	10	L5	CO2	
April 1	Balance of each Rs 7500 and in Bank Rs 13,000/-																							
3	Bought goods for cash Rs 1500/-																							
9	Received from Rajan a cheque of Rs 1350 and allowed him discount of Rs 50/-.																							
11	Above cheque is sent to Bank for collection.																							
15	Paid to Arjun and Company Rs 2250/- by cheque and he allowed a discount of Rs 70/-																							
20	Paid into Bank.																							
28	Bought office furniture and paid by cheque Rs 2,200/-																							
29	Withdraw cash for payment of LIC policy premium Rs 700/-																							
30	Received from Cash Sales Rs 1750/-																							
Q.3	a.	What is the Accounting Equation Concept?	3	L1	CO1																			
	b.	Explain the several methods of Valuation for HRA.	7	L2	CO2																			

	c.	Prepare Cash flow statement from the following Balance sheet :	10	L6	CO3																																																												
		<table border="1"> <thead> <tr> <th>Liabilities</th> <th>2020</th> <th>2021</th> <th>Assets</th> <th>2020</th> <th>2021</th> </tr> </thead> <tbody> <tr> <td>E.S. Capital</td> <td>3,00,000</td> <td>4,00,000</td> <td>Goodwill</td> <td>1,15,000</td> <td>90,000</td> </tr> <tr> <td>P.S Capital</td> <td>1,50,000</td> <td>1,00,000</td> <td>Building</td> <td>2,00,000</td> <td>1,70,000</td> </tr> <tr> <td>Reserves</td> <td>40,000</td> <td>70,000</td> <td>Machinery</td> <td>80,000</td> <td>2,00,000</td> </tr> <tr> <td>P/L A/c</td> <td>30,000</td> <td>48,000</td> <td>Stock</td> <td>77,000</td> <td>1,09,000</td> </tr> <tr> <td>Creditors</td> <td>55,000</td> <td>83,000</td> <td>Debtors</td> <td>1,60,000</td> <td>2,00,000</td> </tr> <tr> <td>B.P</td> <td>20,000</td> <td>16,000</td> <td>B.R</td> <td>20,000</td> <td>30,000</td> </tr> <tr> <td>Provision for tax</td> <td>40,000</td> <td>50,000</td> <td>Cash in hand</td> <td>25,000</td> <td>18,000</td> </tr> <tr> <td>Proposed dividend</td> <td>42,000</td> <td>50,000</td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td>6,77,000</td> <td>8,17,000</td> <td></td> <td>6,77,000</td> <td>8,17,000</td> </tr> </tbody> </table>	Liabilities	2020	2021	Assets	2020	2021	E.S. Capital	3,00,000	4,00,000	Goodwill	1,15,000	90,000	P.S Capital	1,50,000	1,00,000	Building	2,00,000	1,70,000	Reserves	40,000	70,000	Machinery	80,000	2,00,000	P/L A/c	30,000	48,000	Stock	77,000	1,09,000	Creditors	55,000	83,000	Debtors	1,60,000	2,00,000	B.P	20,000	16,000	B.R	20,000	30,000	Provision for tax	40,000	50,000	Cash in hand	25,000	18,000	Proposed dividend	42,000	50,000					6,77,000	8,17,000		6,77,000	8,17,000			
		Liabilities	2020	2021	Assets	2020	2021																																																										
		E.S. Capital	3,00,000	4,00,000	Goodwill	1,15,000	90,000																																																										
		P.S Capital	1,50,000	1,00,000	Building	2,00,000	1,70,000																																																										
		Reserves	40,000	70,000	Machinery	80,000	2,00,000																																																										
		P/L A/c	30,000	48,000	Stock	77,000	1,09,000																																																										
		Creditors	55,000	83,000	Debtors	1,60,000	2,00,000																																																										
		B.P	20,000	16,000	B.R	20,000	30,000																																																										
		Provision for tax	40,000	50,000	Cash in hand	25,000	18,000																																																										
Proposed dividend	42,000	50,000																																																															
	6,77,000	8,17,000		6,77,000	8,17,000																																																												
Additional Information :																																																																	
1. Interim dividend Rs 20,000/-																																																																	
2. Depreciation on Building Rs 20,000/- and on Machinery Rs 10,000/-																																																																	
3. Income tax paid Rs 35,000/-																																																																	
Q.4	a.	What are the causes of Depreciation?	3	L1	CO1																																																												
	b.	From the following particulars , prepare a Bank Reconciliation statement as on 31 st Dec. 2010. i) Balance as per cash book Rs 5800. ii) Cheque issued but not presented for payment Rs 2000/- iii) Cheque sent for collection by not collected upto 31 st December 2010 Rs 1500. iv) The Bank has wrongly debited the account of the firm by Rs 200. Which was rectified by them after 31 st Dec. Balance as per pass book is Rs 6,100.	7	L6	CO3																																																												
	c.	Y Ltd., purchased a second hand machine on 1/1/2017 for Rs 3,70,000/- and immediately spent Rs 20,000/- on its repair and Rs 10,000/- for installation. On 1/07/2018 it purchased another machinery for Rs 1,00,000/- On 1/7/2019, it sold the first machine for Rs 2,50,000/- and bought another for Rs 3,00,000/-. Depreciation was provided on the machinery at 10% on original cost (SLM) method annually on 31 st December of each year. With effect from 1 st Jan. 2020, the Company changed the method of charging depreciation and adopted WDV method and rate of depreciation is 15% p.a. Prepare Machinery account for 4 years and depreciation account for the same.	10	L6	CO2																																																												
Q.5	a.	What are the elements of cash flow statement?	3	L2	CO1																																																												
	b.	What are the methods of Windowdressing?	7	L3	CO1																																																												
	c.	From the following statements, calculate i) Gross Profit Ratio ii) Net Profit Ratio iii) Operating Ratio iv) Current Ratio v) Acid Test Ratio vi) Stock Turnover Ratio vii) Debtors Turnover Ratio.	10	L5	CO3																																																												

		Trading and Profit & Loss A/c						
		Particulars	Rs	Particulars	Rs			
		To, Opening stock	25,000	By, Sales	1,80,000			
		To, Purchases	1,05,000	By, Closing stock	15,000			
		To, G.P c/d	65,000					
			1,95,000		1,95,000			
		To, Administrative Expenses	23,000	By, G.P. b/d	65,000			
		To, S & D Expenses	10,000	By, Profit on sale of fixed asset	5,000			
		To, Financial Expenses	2,000					
		To, Net Profit	35,000					
			70,000		70,000			
		Balance Sheet						
		Liabilities	Rs	Assets	Rs			
		Share Capital	50,000	Land & Building	50,000			
		General Reserve	40,000	Plant & Machinery	20,000			
		Profit & Loss A/c	15,000	Stock	15,000			
		Creditors	12,000	Debtors	20,000			
		B.P	8,000	B.R	5,000			
				Cash @ Bank	15,000			
			1,25,000		1,25,000			
Q.6	a.	Distinguish between Tax evasion and Tax planning.				3	L3	CO1
	b.	From the following Balance sheet, prepare Comparative Balance sheet of Sun Ltd.				7	L5	CO3
			31/3/2019	31/3/2018				
		D) Equities and Liabilities :						
		1. (a) Share capital	3,50,000	3,00,000				
		2. Non – current Liabilities :						
		Long Term Borrowings	1,00,000	2,00,000				
		3. Current Liabilities : Bills Payable.	1,50,000	1,00,000				
			6,00,000	6,00,000				
		II) Assets :						
		1. Non – Current Assets : Fixed Assets (tangibles).		4,00,000	3,00,000			
		2. Current Assets : Bills Receivable		2,00,000	3,00,000			
			6,00,000	6,00,000				
	c.	Explain the end uses of Accounting Information.				10	L2	CO1

Q.7	a.	Explain the importance of Bank reconciliation statement.	3	L3	CO1																																																																
	b.	The following is the Trial Balance as on 31 st Dec. 2017, prepare by an incompetent accountant. You are required to rewrite in its correct form.	7	L5	CO2																																																																
		<table border="1"> <thead> <tr> <th>Srl. No.</th> <th>Particulars</th> <th>Debit</th> <th>Credit</th> </tr> </thead> <tbody> <tr><td>01</td><td>Capital A/c</td><td>24,000</td><td>-</td></tr> <tr><td>02</td><td>Opening Stock</td><td>8,500</td><td>-</td></tr> <tr><td>03</td><td>Furniture A/c</td><td>2,600</td><td>-</td></tr> <tr><td>04</td><td>Purchase A/c</td><td>-</td><td>8,950</td></tr> <tr><td>05</td><td>Cash @ Bank A/c</td><td>7,300</td><td>-</td></tr> <tr><td>06</td><td>Carriage</td><td>300</td><td>-</td></tr> <tr><td>07</td><td>Sales</td><td>-</td><td>22,500</td></tr> <tr><td>08</td><td>Office rent</td><td>-</td><td>2,270</td></tr> <tr><td>09</td><td>Building</td><td>12,000</td><td>-</td></tr> <tr><td>10</td><td>Return Inward</td><td>1,900</td><td>-</td></tr> <tr><td>11</td><td>Return Outward</td><td>350</td><td>-</td></tr> <tr><td>12</td><td>Trade Expenses</td><td>1,000</td><td>-</td></tr> <tr><td>13</td><td>Discount received</td><td>970</td><td>-</td></tr> <tr><td>14</td><td>Salary</td><td>3,000</td><td>-</td></tr> <tr><td></td><td></td><td>61,920</td><td>33,720</td></tr> </tbody> </table>	Srl. No.	Particulars	Debit	Credit	01	Capital A/c	24,000	-	02	Opening Stock	8,500	-	03	Furniture A/c	2,600	-	04	Purchase A/c	-	8,950	05	Cash @ Bank A/c	7,300	-	06	Carriage	300	-	07	Sales	-	22,500	08	Office rent	-	2,270	09	Building	12,000	-	10	Return Inward	1,900	-	11	Return Outward	350	-	12	Trade Expenses	1,000	-	13	Discount received	970	-	14	Salary	3,000	-			61,920	33,720			
Srl. No.	Particulars	Debit	Credit																																																																		
01	Capital A/c	24,000	-																																																																		
02	Opening Stock	8,500	-																																																																		
03	Furniture A/c	2,600	-																																																																		
04	Purchase A/c	-	8,950																																																																		
05	Cash @ Bank A/c	7,300	-																																																																		
06	Carriage	300	-																																																																		
07	Sales	-	22,500																																																																		
08	Office rent	-	2,270																																																																		
09	Building	12,000	-																																																																		
10	Return Inward	1,900	-																																																																		
11	Return Outward	350	-																																																																		
12	Trade Expenses	1,000	-																																																																		
13	Discount received	970	-																																																																		
14	Salary	3,000	-																																																																		
		61,920	33,720																																																																		
	c.	What are the concepts of Accounting? Explain.	10	L2	CO1																																																																

Q.8	CASE STUDY :		20	L6	CO3																																							
	From the following information prepare Final Account in vertical form for XYZ, Limited for the year 2022.																																											
	<table border="1"> <thead> <tr> <th>Particulars</th> <th>Rs</th> </tr> </thead> <tbody> <tr><td>S. Capital</td><td>50,000</td></tr> <tr><td>Trade Debtors</td><td>6,000</td></tr> <tr><td>Calls in arrears</td><td>2,000</td></tr> <tr><td>Sales</td><td>25,420</td></tr> <tr><td>Land & Building</td><td>6,000</td></tr> <tr><td>Reserves for bad debts</td><td>300 (Cr)</td></tr> <tr><td>Stock (1st Jan)</td><td>8,000</td></tr> <tr><td>Trade Creditors</td><td>6,364</td></tr> <tr><td>Plant & Machinery</td><td>18,500</td></tr> <tr><td>Wages</td><td>1,283</td></tr> <tr><td>Investment</td><td>2,000</td></tr> <tr><td>Profit & Loss A/c (1st Jan) b/d</td><td>1,640</td></tr> <tr><td>Interest on Investment</td><td>75</td></tr> <tr><td>Cash at Bank</td><td>7,275</td></tr> <tr><td>Salaries</td><td>1,430</td></tr> <tr><td>Directors Salary</td><td>1,000</td></tr> <tr><td>Bad debts</td><td>225</td></tr> <tr><td>Gas & Water</td><td>501</td></tr> <tr><td>Rates & Insurance</td><td>150</td></tr> </tbody> </table>	Particulars	Rs	S. Capital	50,000	Trade Debtors	6,000	Calls in arrears	2,000	Sales	25,420	Land & Building	6,000	Reserves for bad debts	300 (Cr)	Stock (1 st Jan)	8,000	Trade Creditors	6,364	Plant & Machinery	18,500	Wages	1,283	Investment	2,000	Profit & Loss A/c (1 st Jan) b/d	1,640	Interest on Investment	75	Cash at Bank	7,275	Salaries	1,430	Directors Salary	1,000	Bad debts	225	Gas & Water	501	Rates & Insurance	150			
Particulars	Rs																																											
S. Capital	50,000																																											
Trade Debtors	6,000																																											
Calls in arrears	2,000																																											
Sales	25,420																																											
Land & Building	6,000																																											
Reserves for bad debts	300 (Cr)																																											
Stock (1 st Jan)	8,000																																											
Trade Creditors	6,364																																											
Plant & Machinery	18,500																																											
Wages	1,283																																											
Investment	2,000																																											
Profit & Loss A/c (1 st Jan) b/d	1,640																																											
Interest on Investment	75																																											
Cash at Bank	7,275																																											
Salaries	1,430																																											
Directors Salary	1,000																																											
Bad debts	225																																											
Gas & Water	501																																											
Rates & Insurance	150																																											