



First Semester MBA Degree Examination, June/July 2026
Accounting for Managers

Max. Marks: 100

- Note: 1. Answer any **FOUR** full 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.	What is Window Dressing?	3	L1	CO1																																																						
	b.	The following is the balance sheet of Global exports as 31/3/2022 and 2023. Prepare comparative statement and analyze it. Balance sheet as on 31st March. <table border="1"> <thead> <tr> <th>Liabilities</th><th>2022</th><th>2023</th><th>Assets</th><th>2022</th><th>2023</th></tr> </thead> <tbody> <tr> <td>Share capital</td><td>12,00,000</td><td>10,00,000</td><td><u>Fixed Assets</u></td><td></td><td></td></tr> <tr> <td>Reserves and Surplus</td><td>20,000</td><td>25,000</td><td>Building</td><td>3,00,000</td><td>2,55,000</td></tr> <tr> <td>Secured Loans</td><td>2,00,000</td><td>2,50,000</td><td>Machinery</td><td>4,90,000</td><td>3,25,000</td></tr> <tr> <td>Current Liabilities</td><td>45,000</td><td>30,000</td><td><u>Current Assets</u></td><td></td><td></td></tr> <tr> <td></td><td></td><td></td><td>Stock</td><td>3,00,000</td><td>3,75,000</td></tr> <tr> <td></td><td></td><td></td><td>Debtors</td><td>2,50,000</td><td>3,00,000</td></tr> <tr> <td></td><td></td><td></td><td>Cash</td><td>2,50,000</td><td>2,00,000</td></tr> <tr> <td></td><td>15,90,000</td><td>14,55,000</td><td></td><td>15,90,000</td><td>14,55,000</td></tr> </tbody> </table>	Liabilities	2022	2023	Assets	2022	2023	Share capital	12,00,000	10,00,000	<u>Fixed Assets</u>			Reserves and Surplus	20,000	25,000	Building	3,00,000	2,55,000	Secured Loans	2,00,000	2,50,000	Machinery	4,90,000	3,25,000	Current Liabilities	45,000	30,000	<u>Current Assets</u>						Stock	3,00,000	3,75,000				Debtors	2,50,000	3,00,000				Cash	2,50,000	2,00,000		15,90,000	14,55,000		15,90,000	14,55,000	7	L3	CO4
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	c.	Determine accounting equation for the following : Raj commenced business with capital Rs. 1,00,000 Bought goods on credit from Radesh Rs. 80,000 Bought furniture for cash 40,000 Sold goods for cash 10,000 Paid Radesh on A/c 40,000 Paid shop rent Rs. 10,000 Paid salary Rs. 5000 Sold goods on credit to Vivek Rs. 5000	10	L3	CO3																																																						
Q.2	a.	Distinguish between trade discount and cash discount.	3	L2	CO1																																																						
	b.	Discuss the various methods of Human Resource Accounting.	7	L2	CO1																																																						
	c.	Explain the Accounting concepts in detail.	10	L3	CO1																																																						

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Q.3	a.	Briefly, explain various heads of income.	3	L3	CO1																																										
	b.	Explain the users of accounting information.	7	L3	CO2																																										
	c.	From the following information prepare three column cash book. <table border="1"><tr><td>1/1/2023</td><td>Commenced business with cash Rs. 30,000</td></tr><tr><td>5/1/2023</td><td>Paid into bank Rs. 5000</td></tr><tr><td>10/1/2023</td><td>Bought goods for Rs. 2000 by cheque</td></tr><tr><td>15/1/2023</td><td>Purchased stationary for Rs. 500</td></tr><tr><td>20/1/2023</td><td>Received cash from Mr. Sahil Rs. 980 and allowed him a discount of Rs. 20</td></tr><tr><td>25/1/2023</td><td>Paid Chandra by cheque Rs. 200</td></tr><tr><td>26/1/2023</td><td>Draw cheque for office use Rs. 100</td></tr><tr><td>30/1/2023</td><td>Paid Santosh his due by cheque Rs. 340 and received a discount Rs. 10</td></tr></table>	1/1/2023	Commenced business with cash Rs. 30,000	5/1/2023	Paid into bank Rs. 5000	10/1/2023	Bought goods for Rs. 2000 by cheque	15/1/2023	Purchased stationary for Rs. 500	20/1/2023	Received cash from Mr. Sahil Rs. 980 and allowed him a discount of Rs. 20	25/1/2023	Paid Chandra by cheque Rs. 200	26/1/2023	Draw cheque for office use Rs. 100	30/1/2023	Paid Santosh his due by cheque Rs. 340 and received a discount Rs. 10	10	L6	CO3																										
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Q.4	a.	Define Forensic Accounting?	3	L1	CO1																																										
	b.	State the Rule of recording Receipts and payment in cash book and pass book.	7	L2	CO1																																										
	c.	From the following information compose cash flow statement for the year 2023 as per As – 3 Balance Sheets <table border="1"><tr><td>Liabilities</td><td>2023</td><td>2022</td><td>Assets</td><td>2023</td><td>2022</td></tr><tr><td>Share capital</td><td>50,00,000</td><td>40,00,000</td><td>Fixed Assets</td><td>31,00,000</td><td>30,00,000</td></tr><tr><td>Reserve Fund</td><td>15,00,000</td><td>5,00,000</td><td>Investment</td><td>1,50,000</td><td>-</td></tr><tr><td>Secured Loan</td><td>35,00,000</td><td>40,00,000</td><td>stock</td><td>75,00,000</td><td>78,75,000</td></tr><tr><td>Current Liabilities</td><td>50,00,000</td><td>60,00,000</td><td>debtors</td><td>40,00,000</td><td>35,00,000</td></tr><tr><td></td><td></td><td></td><td>Cash and Bank Balance</td><td>2,50,000</td><td>1,25,000</td></tr><tr><td></td><td>150,00,000</td><td>145,00,000</td><td></td><td>150,00,000</td><td>145,00,000</td></tr></table> Additional information : i) The net profit after adjustment in respect of provision for dividend and tax was Rs. 10,00,000 ii) There was addition to fixed assets during the year amounting to Rs. 4,00,000 and depreciation for the year was Rs. 3,00,000.	Liabilities	2023	2022	Assets	2023	2022	Share capital	50,00,000	40,00,000	Fixed Assets	31,00,000	30,00,000	Reserve Fund	15,00,000	5,00,000	Investment	1,50,000	-	Secured Loan	35,00,000	40,00,000	stock	75,00,000	78,75,000	Current Liabilities	50,00,000	60,00,000	debtors	40,00,000	35,00,000				Cash and Bank Balance	2,50,000	1,25,000		150,00,000	145,00,000		150,00,000	145,00,000	10	L3	CO6
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Q.5	a.	Distinguish between Tax Planning and Tax Evasion.	3	L1 CO2
	b.	On 1/1/2020 firm purchased second hand machinery for Rs. 40,000 and spend Rs. 10,000 on reconditioning and installing it. On 1/7/2020 firm purchased new machinery worth Rs. 20,000. On 30/6/2021 Machinery purchased on 1/7/2020 was sold for Rs. 16,000 and 1/7/2021 fresh plant was installed at the cost of Rs. 30,000. Firm write off 10%. Depreciation p.a. on the basis of WDV method for 2 years. Design Machinery Account.	7	L2 CO6
	c.	Journalise and solve, the following transactions in the books of Ramesh Nov. 1st, 2022 Commenced business with cash Rs. 50,000 and stock 60,000 Nov. 2nd Purchased goods from Mr. Sun for cash Rs. 20,000 Nov. 4th Sold goods to Mr. A on credit for Rs. 20,000 Nov. 8th Received Rs. 19,500 from Mr. A in full settlement of his account Nov. 10th Paid Salaries, Wages, Electricity bill of Rs. 500, Rs, 1,500 and Rs, 2,000 respectively. Nov. 12th Paid life insurance premium of Rs. 2,000 Nov. 15th Charge depreciation on furniture at 10% (furniture cost Rs. 20,000) Nov 18th Received interest of Rs. 500 Nov 20th Goods distributed as free sample Rs. 500 Nov 22nd Rs. 500 due from Mahesh written as bad debt.	10	L2 CO6
Q.6	a.	State the Branches of accounting system.	3	L1 CO1
	b.	Briefly explain the need of IFRS.	7	L1 CO2
	c.	On 30 th June 2022, the cash book of Suresh, showed a bank balance of Rs. 3,425. A comparison of the book with the pass book showed : i) Out of cheque issued for Rs. 1,200 a cheque for Rs. 200 had been cashed, the others presented ii) A bill receivable for Rs. 700 set for collection had been realized. But it was not entered in the cash book iii) Out of cheques for Rs. 1800 paid in, there was credit in the pass book for Rs. 1,100 only iv) A debit for Rs. 225 relating to some other account was found in the pass book.	10	L2 CO6

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Q.7 a. What is Sustainability Reporting? **3 L1 CO1**

b. From the following Trial Balance (containing some errors), solve a correct Trial Balance. **7 L2 CO6**

Heads of Accounts	Debit (Rs.)	Credit (Rs.)
Purchases	60,000	
Reserve fund	20,000	
Sales		1,00,000
Purchase return	1,000	
Sales return	2,000	
Opening stock	30,000	
Closing stock		40,000
Expenses		20,000
Outstanding expenses	2,000	
Bank	5,000	
Assets	50,000	
Debtors	80,000	
Creditors		30,000
Capital		94,000
Suspense Account		10,000

c. From the below information complete the following balance sheet **10 L3 CO4**

- i) Short term debt to total debt = 0.40
 ii) Total debt to owner's equity = 0.60
 iii) Fixed assets to owner's equality = 0.60
 iv) Total assets turnover = 2 times
 v) Inventory turnover = 8 times

Balance - Sheet

Liabilities	Amt.	Assets	Amt.
Owner's equity	1,0000000	Fixed assets	?
Long term debt	?	Inventory	?
Short term debt	?	Cash	?
	?		?

Q.8

Case Study :

20 L3 CO6

From the following Trial Balance construct Final accounts of Ruthvi InfoTech Pvt. Ltd. For the year ended 31/3/2023.

SL No.	Name of Accounts	Debit	Credit
1	Gross Profit		76,000
2	Discount	6,400	-
3	Salary	14,700	
4	P & L Appropriation A/c	-	20,760
5	Rent and Rates	8,450	-
6	Insurance	3,600	-
7	Furniture	30,000	-
8	Equipment	70,000	-
9	Share Capital	-	2,00,000
10	Cash at bank	28,000	-
11	Bills Receivable	14,000	-
12	Investment	10,000	-
13	Stock	20,000	-
14	Transfer frees	-	1,590
15	Land and building	2,00,000	-
16	Loan	-	30,000
17	Debentures	-	60,000
18	General reserve	-	8,000
19	Audit fees	850	-
20	Creditors		13650
21	Debtors	4,000	
		4,10,000	4,10,000

Adjustments :

- Depreciate furniture by 10%
- Directors proposed dividend is 15% on share capital
- Transfer to General Reserve 20,000
- Insurance is prepaid Rs. 600
- Outstanding salary Rs. 1300 and outstanding rent Rs. 150
- Provide for debenture interest 10%

You are required to prepare final accounts.
